labeling violent content in audio and visual media products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BURNS:

S. 1229. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a foreign pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. BOXER:

S. 1230. A bill to amend the Internal Revenue Code of 1986 to encourage the production and use of clean-fuel vehicles, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE:

S. 1224. A bill to amend the Elementary and Secondary Education Act of 1965 to encourage students, including young women, to pursue demanding careers and higher education degrees in mathematics, science, engineering and technology; to the Committee on Health, Education, Labor, and Pensions.

• Ms. SNOWE. Mr. President, I rise today to introduce legislation that will ensure our nation's students, and young women in particular, are encouraged to pursue degrees and careers in math, science, engineering, and technology.

Mr. President, if our children are to be prepared for the globally competitive economy of the next century, they must not only have access to the technologies that will dominate the workforce and job market that they will enter—but they should also be encouraged to pursue degrees in the fields that underlie these technologies.

We simply cannot ignore that six out of ten new jobs require technological skills—skills that are seriously lacking in our workforce today. The impact of this technological illiteracy is devastating for our nation's businesses, with an estimated loss in productivity of $30 billion every year, and the inability of companies across the nation to fill an estimated 190,000 technology jobs in mid- to large-sized companies. In fact, these very job vacancies led to Congress passing legislation last year that increased the number of H1–B visas that could be issued to foreign workers to enter the United States.

Furthermore, according to a 1994 report by the American School Counselors Association, 65 percent of all jobs will require technical skills in the year 2000, with 20 percent being professional and only 15 percent relying on unskilled labor. In addition, between 1996 and 2006, all occupations expect a 14 percent increase in jobs, but Information Technology occupations should jump by 75 percent. As this data implies, today's students must gain a different knowledge base than past generations of students if they are to be prepared for, and competitive in, the global job market of the 21st Century.

Mr. President, even as we should seek to increase student access and exposure to advanced technologies in our nation's schools and classrooms through the E-rate and other programs, we should also seek to increase the interest of our students in the fields that are the backbone of these technologies: namely, math, science, engineering, and other technology-related fields. Clearly, if technology will be the cornerstone of the job market of the future, then it is vital that our nation's students—who will be tomorrow's workers—be the architects that build that cornerstone.

Accordingly, the legislation I am offering today is designed to ensure that our nation's students are encouraged to pursue degrees in these demanding fields. In particular, my legislation will ensure that young girls—who are currently less likely to enter these fields than their male counterparts—be encouraged to enter these fields of study.

Mr. President, as was highlighted in the American Association of University Women report, ''Gender Gaps: Where Schools Still Fail Our Children,'' when compared to boys, girls might be at a significant disadvantage as technology is increasingly incorporated into the classroom. Not only do girls tend to come into the classroom with less exposure to computers and other technology, but they also tend to believe that they are less adept at using technology than boys.

In light of these findings, it should come as no surprise that girls are dramatically underrepresented in advanced computer science courses after graduation from high school. Furthermore, it should come as no surprise that girls tend to gravitate toward the fields of social sciences, health services, and education, while boys disproportionately gravitate toward the fields of engineering and business.

In fact, data gathered in 1997 on the intended majors of college-bound students found that a larger proportion of female than male SAT test-takers intended to major in visual and performing arts, biological sciences, education, foreign or classical languages, health and allied services, language and lierature, and the social sciences. In contrast, a larger portion of boys than girls intended to major in agriculture and natural resources, business and commerce, engineering, mathematics, and physical sciences.

While all of these fields are invaluable—and students should always be encouraged to choose the fields of study and careers that interest them most—I believe it is critical that we ensure students do not balk at entering a particular field of study or career simply because it has typically been associated with ''males'' or ''females.'' Instead, all students should be aware of the multitude of opportunities that are available to them, and encouraged to enter those fields that they find of interest.

Mr. President, young women should not shy away from technical careers simply because they are more often associated with men—and they should not avoid higher education courses that would give them the knowledge and skills they need for these jobs simply because they are more typically taken by young men. Accordingly, my legislation will ensure that fields relying on skills in math, science, engineering, and technology will be promoted to all students—and especially girls—to ensure that the numerous opportunities and demands of the job market in the 21st Century are met.

Specifically, the ''High Technology for Girls Act'' will expand the possible uses of monies provided under the Elementary and Secondary Education Act (ESEA) of 1965 to ensure young women are encouraged to pursue demanding careers and higher education degrees in mathematics, science, engineering, and technology. As a result, monies provided for Professional Development Activities, the National Teacher Training Project, and the Technology for Education programs can be used by schools to ensure these fields of study and careers are presented in a favorable manner to all students.

Of critical importance, schools will be able to use these monies for the development of mentoring programs, model programs, or other appropriate programs in partnership with local businesses or institutions of higher education. As a result, programs will be created that meld the best ideas from educators and the private sector, thereby improving the manner in which these fields are presented and taught—and ultimately putting a positive ''face'' on fields that may otherwise be shunned by young women.

Mr. President, as Congress moves forward in its effort to reauthorize the ESEA, I believe the provisions contained in this legislation would be a positive and much-needed step toward preparing our students for the jobs of the 21st Century. We cannot afford to let any of our nation's students overlook the fields of study that will be the cornerstone of the global job market of the future, and my legislation will help ensure that does not happen.

Accordingly, I urge that my colleagues support the ''High Technology for Girls Act,'' and look forward to working for its adoption during the consideration of the Elementary and Secondary Education Act.•

By Ms. COLLINS (for herself, Mr. GREGG, Mr. CONRAD, Mr. BURNS, Mr. KERREY, Mr. HAGEL, and Mr. HUTCHINSON):

S. 1225. A bill to provide for a rural education initiative, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

RURAL EDUCATION INITIATIVE ACT

Ms. COLLINS. Mr. President, I rise today to introduce the Rural Education Initiative Act. I am very pleased to be joined by my colleagues Senators GREGG, CONRAD, KERREY, BURNS, HUTCHINSON, and HAGEL as original cosponsors of this commonsense, bipartisan proposal to help rural schools make better use of Federal education dollars. I also want to acknowledge the valuable assistance provided by the American Association of School Administrators in the drafting of this legislation.

The Elementary and Secondary Education Act authorizes formula and competitive grants that allow many of our local school districts to improve the education of their students. These Federal grants support efforts to promote such laudable goals as the professional development of teachers, the incorporation of technology into the classroom, gifted and talented programs and class-size reduction. Schools receive several categorical grants supporting these programs, each with its own authorized activities and regulations and each with its own redtape and paperwork. Unfortunately, as valuable as these programs may be for thousands of predominantly urban and suburban school districts, they simply do not work well in rural areas.

The Rural Education Initiative Act will make these Federal grant programs more flexible in order to help school districts in rural communities with fewer than 600 students. Six hundred may not sound like many students to some of my colleagues from more populous or urban States, but they may be surprised to learn that more than 35 percent of all school districts in the United States have 600 or fewer students. In my State of Maine, 56 percent, or 158 of its 284 school districts, have fewer than 600 students. The two education initiatives contained in our legislation will overcome some of the most challenging obstacles that these districts face in participating in Federal education programs.

The first rural education initiative deals with four formula grants. Formula-driven grants from some education programs simply do not reach small rural schools in amounts that are sufficient to improve curriculum and teaching in the same way that they do for larger suburban or urban schools.

This is because the grants are based on school district enrollment. Unfortunately, these individual grants confront smaller schools with a dilemma; namely, they simply may not receive enough funding from any single grant to carry out meaningful activity. Our legislation will allow a district to combine the funds from four categorical programs.

Under the Rural Education Initiative Act, rural districts will be permitted to combine the funds from these programs and use the money to support reform efforts of their own choice to improve the achievement of their students and the quality of the instruction. Instead of receiving grants from four independent programs, each insufficient to accomplish the program's objectives, these rural districts will have the flexibility to combine the grants and the dollars to support locally chosen educational goals.

I want to emphasize that the rural initiative I have just described does not change the level of funding a district receives under these formula grant programs. It simply gives these rural districts the flexibility they need to use the funds far more effectively.

The second rural initiative in our legislation involves several competitive grant programs that present small rural schools with a different problem. Because many rural school districts simply do not have the resources required to hire grant writers and to manage a grant, they are essentially shut out of those programs where grants are competitively awarded.

The Rural Education Initiative Act will give small, rural districts a formula grant in lieu of eligibility for the competitive programs of the ESEA. A district will be able to combine this new formula grant with the funds from the regular formula grants and use the combined moneys for any purpose that will improve student achievement or teaching quality.

Districts might use these funds, for example, to hire a new reading or math teacher, to fund important professional development, to offer a program for gifted and talented students, to purchase high technology, or to upgrade a science lab, or to pay for any other activity that meets the district's priorities and needs.

Let me give you a specific example of what these two initiatives will mean for one Maine school district, School Administrative District 33. This district serves two northern Maine communities, Frenchville and St. Agatha. Each of these communities has about 200 school-age children. SAD 33 receives four separate formula grants ranging from about $1,900 from the Safe and Drug Free Schools Program to $9,500 under the Class Size Reduction Act.

You can see the problem right there. The amounts of the grants under these programs are so small that they really are not useful in accomplishing the goals of the program. The total received by this small school district for all four of the programs is just under $16,000. But each grant must be applied for separately, used for different—and federally mandated—purposes, and accounted for independently.

Under our legislation, this school district will be freed from the multiple applications and reports, and it will have $16,000 to use for locally identified education priorities. In addition, since SAD 33 does not have the resources needed to apply for the current competitively awarded grant programs, our legislation will allow this school district to receive a supplemental formula grant of $34,000. The bottom line is, under my legislation this district will have about $50,000 and the flexibility to use these Federal funds to address its most pressing educational needs.

But with this flexibility and additional funding comes responsibility. In return for the advantages and flexibility that our legislation provides, participating districts will be held accountable for demonstrating improved student performance. Each participating school district will be required to administer the same test of its choice annually during the 5-year period of this program. Based on the results of this test, a district will have to show that student achievement has improved in order to continue its participation beyond the 5-year period.

Since Maine and many other States already administer annual education assessments, districts will not incur any significant administrative burden in accounting and complying with this accountability provision. More important, the schools will be held responsible for what is really important, and that is improved student achievement, rather than for time-consuming paperwork in the form of applications and reports.

As one rural Maine superintendent told me: ''Give me the resources I need plus the flexibility to use them, and I am happy to be held accountable for improved student performance. It will happen.''

The Federal Government has an important role to play in improving education in our schools. But it has a supporting role, whereas States and communities have the lead role. We must improve our education system, we must enhance student achievement, without requiring every school in this Nation to adopt a plan designed in Washington and without imposing burdensome and costly regulations in return for Federal assistance.

The two initiatives contained in our bill will accomplish those goals. They will allow rural schools to use their own strategies for improvement without the encumbrance of onerous regulations and unnecessary paperwork. It is my hope that we will be able to enact this important and bipartisan legislation this year.

I thank my colleagues for their attention.

Mr. GREGG. Mr. President, today, I join my esteemed colleagues Senator COLLINS and CONRAD in introducing the Rural Education Initiative Act (REA).

This Act represents a bipartisan approach to address the unique needs of 35% of school districts in the United States, specifically small, rural school districts. It does not authorize any new money. Rather, REA amends the Rural Education Demonstration Grants under Part J, of Title X, of the Elementary and Secondary Education Act (ESEA) and retains the current ESEA authorization of up to $125 million for rural education programs.

Rural school districts are at a distinct disadvantage when it comes to both receiving and using federal education funds. They either don't receive enough federal funds to run the program for which the funds are allocated or don't receive federal funds for programs for which they have to fill out applications. Small rural school districts rarely apply for federal competitive grants because they lack the resources and expertise required to fill out complicated and time intensive applications for federal education grants, which means that rural school districts lose out on millions of federal education dollars each year.

The Rural Education Initiative Act addresses both the problem of rural school districts' inability to generate enough money under federal formula grants to run a program and the problem of rural school districts' inability to compete for federal discretionary grants.

With regard to federal education formula grants, REA permits rural school districts to merge funds from the President's 100,000 New Teachers program and several Elementary and Secondary Education Act programs, specifically Eisenhower Professional Development, Safe and Drug Free Schools, Innovative Education Program Strategies. Under REA, school districts can pool funds from these federal education programs and use the money for a variety of activities that the district believes will contribute to improved student achievement.

With regard to federal discretionary grants for which rural grants have to compete, the bill stipulates that small rural school districts who decline to apply for federal discretionary grants are eligible to receive money under a rural education formula grant. As a result, school districts would no longer have to go through the application process to receive federal funds. School districts that had to forgo applying for discretionary grants simply because they did not have the resources to do so, would no longer be penalized. As with their other federal grant money, a school district would have broad flexibility on how to use funds provided under this new grant to improve student achievement and the quality of instruction.

A local school district can combine their other formula grant money with this new direct grant to create a large flexible grant at the school district level to: hire a new teacher, purchase a computer, provide professional development, offer advanced placement or vocational education courses or just about any other activity that would contribute to increased student achievement and higher quality of instruction.

In addition to the aforementioned changes, REA has a strong accountability piece. The bill stipulates that rural school districts may only continue to receive the rural education initiative grant and have enormous flexibility over other federal education dollars if in fact they can show a marked improvement in student achievement.

In conclusion, this bill not only builds momentum for driving more federal dollars directly down to rural school districts but marks an important sea change in federal education policy in that it cedes unprecedented authority to school districts to use federal funds as they see fit, not as the federal government prescribes and it links increased flexibility and increased federal funds directly to student achievement.

Mr. CONRAD. Mr. President, I am very pleased to join my distinguished colleagues from Maine, New Hampshire, and Nebraska in introducing the Rural Education Initiative Act. Over the past five years, Congress and the Administration have significantly increased education funding for States and local school districts. They have also undertaken a number of new initiatives in response to educational concerns including Class Size Reduction and the 21st Century Community Learning Centers Program.

Unfortunately, rural schools are not benefiting from these new initiatives or from funding increases to the same degree as many urban and suburban schools. In fact, on the basis of discussions with educators in North Dakota, Federal education laws are discouraging many rural schools from making the best use of funds that are currently allocated by formula from the Department of Education.

The formulas developed to allocate education funding, formulas which take into consideration a number of factors including student enrollment, in many cases do not result in sufficient funding to permit the smaller school to most effectively use the funds for local educational priorities.

Many small, rural schools, for example, don't have the enrollment numbers or special categories of students that result in sufficient revenue under the education formulas to hire a new teacher under the Class Size Reduction initiative, or to participate in a more specialized education program like the 21st Century Community Learning Centers Program.

Additionally, these schools are not able to compete as effectively as larger districts for funding under some Department of Education competitive grant programs. Limited resources do not permit smaller districts to hire specialists to prepare and submit grant applications. In some cases, the only option for a smaller school district is to form a consortium with other rural districts to qualify for sufficient funding.

No more clearly are the concerns of rural school educators expressed than in a letter that I received from ElRoy Burkle, Superintendent for the Starkweather Public School District, in Starkweather, North Dakota, a school district with 131 students. In his letter, ElRoy expressed the difficulty that smaller, rural schools are having in accessing Federal education funds.

ElRoy remarked, ''. . . school districts have lost their ability to access funds directly, and as a result of forming these consortiums in order to access these monies, it is my opinion, we have lost our individual ability to utilize these monies in an effective manner that would be conducive to promoting the educational needs of our individual schools.''

Mr. President, the Rural Education Initiative Act responds to the unique needs of rural school districts by enabling these districts to more fully participate in Department of Education formula and competitive grant programs.

Under Section 4 of the proposed legislation, school districts with less than 600 students would be eligible to pool resources from four DOE formula programs, and use the funding for quality of instruction or student achievement priorities determined by the local school district.

These programs include the DOE's Class-Size Reduction, Eisenhower Professional Development, Title VI (Innovative Education Strategies), and Safe and Drug Free Schools, Title I GOALS 2000, Individuals With Disabilities Education, and Impact Aid are not included in this legislation.

Additionally, to qualify for funding under the Rural Education Initiative Act, a school district would elect not to apply for competitive grant funding from seven programs including Gifted and Talented Children Grants; State and Local Programs for Technology Resources; 21st Century Community Learning Centers; Grants under the Fund for the Improvement of Education; Bilingual Education Professional Development Grants; Bilingual Education Capacity and Demonstration Grants; and Bilingual Education Research, Evaluation, and Dissemination Grants.

In opting out of these competitive grant programs, the rural school district would be entitled to a formula grant, based on student enrollment, to use for education reform efforts to improve class instruction and student

achievements. The grant amount would be reduced by the level of funding received by the School district under the formula grant programs outlined in Section 4.

To remain in the Rural Education Initiative, school districts, after five years, would be required to assess the academic achievement of students using a statewide test, or in the case where there is no statewide test, a test selected by the local education agency.

Additionally, the Rural Education Initiative Act will not abolish or reduce funding for any DOE education program including the eleven grant programs discussed in this initiative.

Mr. President, It's very important that we consider the Rural Education Initiative Act as part of the re-authorization of the Elementary and Secondary Education Act during the 106th Congress. No issue is more important for rural America than the future of our schools. In North Dakota 86 percent of school districts, 198 schools, have less than 600 students.

Additionally, many of these school districts are facing declining enrollments. According to the Report Card for North Dakota's Future (1998) prepared by the North Dakota Department of Public Instruction, over the past two decades school districts in the State have declined from 364 to 214, almost 40 percent.

This decline in student population is not unique to North Dakota. Many other states have a significant percentage of rural school districts, and many are also experiencing a decline in rural student population. While the quality of education, including smaller classes, in many of these smaller communities remains excellent, the more limited resources of smaller, rural schools, coupled with the declining student enrollments, pose extraordinarily challenges for rural schools across America.

These factors along with current Federal education formulas have limited the ability of smaller districts to take full advantage of federal education grants. In some instances, they have limited educational opportunities for students such as distance learning, or advanced academic and vocational courses. Rural schools are unique and have educational needs that are not being met.

Mr. President, I want to commend the American Association of School Administrators (AASA) for the key role they have played in the development of this rural schools initiative. AASA has a remarkable record of achievement on behalf of the education community, parents, and students. For several years, they have been examining the difficulties that rural schools were experiencing in applying and qualifying for Federal education funding. The proposal developed by AASA would have a significant impact on almost 200 school districts in North Dakota.

I also want to commend the Organizations Concerned About Rural Education for their efforts on behalf of this initiative, and the exemplary work on behalf of other educational issues for rural America.

Again, I congratulate Senator COLLINS for taking the lead on this important education initiative, and I strongly urge the Committee on Health, Education, Labor, and Pensions to carefully consider this legislation and the educational needs of rural schools during the reauthorization of the Elementary and Secondary Education Act.

Mr. President, I ask unanimous consent that the letter from Mr. Burkle, a summary of the bill, and a description of the rural schools formula under the Rural Education Initiative Act, prepared by the American Association of School Administrators be printed in the RECORD.

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

RURAL EDUCATION INITIATIVE ACT

QUALIFYING DISTRICTS

A district eligible to elect to receive its funding through this initiative must have 599 students or fewer and have a Beale Code rating of 6, 7, 8, or 9. The Beale Codes are used by the U.S. Department of Agriculture to determine how relatively rural or urban a county is. Beale Codes range from 0 to 9, with 0 being most urban and 9 being most rural. A county-by-county listing may be found at: http://www.econ.ag.gov/epubs/other/typolog/index.html.

FLEXIBLE USE OF FORMULA GRANTS

If a district qualifies and elects to participate in this initiative, it will have flexibility with regard to Titles II (Eisenhower professional development), IV (Safe and Drug-Free Schools), and VI (Innovative Education Program Strategies) of the Elementary and Secondary Education Act and the Class Size Reduction Act. Districts would be able to combine the funds from these programs and use the money to support reform efforts intended to improve the achievement of students and the quality of instruction provided.

ALTERNATIVE TO COMPETITIVE GRANT PROGRAMS

If an eligible district elects not to compete the discretionary grants programs listed below, it will receive a formula grant based on student enrollment (see following table), less the amount they received from the formula grant programs included in the flexible use of formula grants program (Titles II, IV and Vi of ESEA and the Class Size Reduction Act). This alternative formula grant may be combined with the funds from the flexible formula grant program and used for the same purposes.

State and Local Programs for School Technology Resources (Subpart 2 of part A of title III of ESEA);

Bilingual Education Capacity and Demonstration Grants (Subpart 1 of part A of title VII of ESEA);

Bilingual Education Research, Evaluation, and Dissemination Grants (Subpart 2 of part A of title VII of ESEA);

Bilingual Education Professional Development Grants (Subpart 3, Section 7142 of part A of title VII of ESEA);

Fund for the Improvement of Education (Part A of Title X of ESEA);

Gifted and Talented Grants (Part B of Title X of ESEA);

21st Century Community Learning Centers (Part I of title X of ESEA)

Number of K–12 Students in District:	*Amount of grant*
1 to 49	[1] $20,000
50 to 149	[1] 30,000
150 to 299	[1] 40,000
300 to 449	[1] 50,000
450 to 599	[1] 60,000

[1] Reduced by the amount the district receives from the listed formula grants.

ACCOUNTABILITY

School districts participating in this initiative would have to meet high accountability standards. They would have to show significant statistical improvement in assessment test scores based on state and/or local assessments. Schools failing to show demonstrable progress will not be eligible for continued participation in the initiative.

STARKWEATHER PUBLIC SCHOOL DISTRICT NO. 44,
Starkweather, ND, April 15, 1999.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR CONRAD: The purpose of this letter is to voice several concerns that are facing rural districts in North Dakota and ask for your assistance as the reauthorization process for various educational legislation is currently being addressed by congress. I currently serve as a shared superintendent for both the Starkweather and Munich Public School Districts. At this particular time these two districts are two independent districts, with the Starkweather District serving 131 students and Munich serving 154 students. Each district covers in excess of 200 square miles.

The first issue that I have deals with the recently approved Class-Size Reduction Program. I support the primary legislative intent of this legislation, however, this office disagrees with the way in which the funds can be accessed. Please allow me to explain.

This office received information at a recent regional meeting that the allocation for the Starkweather District is $5,003, and $6,020 for Munich. It was also shared that in order to access these funds our individual district allocations must be equal to or greater than the cost of hiring a first-year teacher at our schools. This equates to approximately $23,000. If a school allocation is less than that, the school district can create or join a consortium to access these dollars, so long as the aggregate amount equals or exceeds that cost of a first-year teacher. Therefore, as you can see, the two school districts that I serve would be forced to enter into another consortium in order to obtain these allocated funds through this program.

Currently, both the Munich and Starkweather School Districts are members of various consortiums in order to access our federal allocated monies. These consortiums include Title II, Lake Area Carl-Perkins, and Goals 2000. This is in addition to having consortiums for special education and school improvement. My point is that each of my respective school districts have lost their individual ability to access funds directly, and as a direct result of forming these consortiums in order to access our entitled monies, it is of my opinion, we have lost our individual ability to utilize these monies in an effective manner that would be conducive to promoting the educational needs of our individual schools. Let me cite an example of how this loss of effectiveness has occurred for my districts.

3. Legislation for rural school districts. Something needs to be done for us. Rural districts with low student enrollments and high square miles have to form consortiums to access federal funds. If legislation were created as cited above, my two districts could better utilize allocated funds and still be in-line with federal education goals.

In closing, I understand that it is difficult to write legislation to meet everyone's needs. However, I do believe that we need to address our educational needs as our children deserve the same opportunity as those in larger districts. Our issues may be different, but we all hold the common thread of providing the best education for each child.

Thank you for your time and consideration regarding the issues shared. Your office has my permission to share this letter with any individual who may need to review the concerns voiced. Your office may feel free to contact me at the address and telephone provided, or e-mail messages to me at elburkle@sendit.nodak.edu (work) or my home e-mail stburkle@stellarnet.com.

Respectfully,

ELROY BURKLE,
Superintendent.

Mr. KERREY. Mr. President, I rise in support of the Rural Education Initiative introduced by Senator COLLINS today, and I am pleased to be a cosponsor of this important piece of legislation.

The Rural Education Initiative takes a significant step toward ensuring that all young people have a shot at the American Dream. It addresses an important problem that many rural schools face: Often they receive small amounts of funding for a variety of programs, but they don't have the budget and personnel to develop and sustain multiple programs. Yet they still have students who need our help to raise their achievement levels and become productive, successful citizens.

The Rural Education Initiative asks us to make a $125 million investment in rural schools. And it allows small rural districts to pool funds from a handful of federal programs and target funding in those areas where they see the greatest need and where the funding will have the greatest impact.

But this legislation also ensures that districts remain accountable—in exchange for increased flexibility, they must demonstrate improved performance.

Over 70 percent of Nebraska's school districts are small, rural districts, as defined by this legislation. Currently Nebraska receives approximately $92 million in federal funds for elementary and secondary education. The Rural Education Initiative would increase that contribution by more than $10 million.

Mr. President, recently I contacted Jim Havelka, superintendent of both Dodge and Howells Public Schools in Nebraska. Dodge has 175 students K–12, and Howells has 225 students K–12. I said, ''Jim, what do you need to do a better job of educating your kids?''

Jim said, ''You know, it's awfully hard to start a new initiative on $900. But if I could pool funds from a few programs, I could hire an experienced instructional technology teacher to help us make even better use of computer hardware and software that is so crucial in improving learning opportunities for our students. And I could share that instructor with 2 or 3 other schools. Keep Title I, special education, and other major programs intact, but give me a little flexibility with a few other programs, and I'll give you results.''

Mr. President, I intend to do what I can to help Jim and his students produce results. I believe that in addition to this initiative, we should increase our investment in Title I and in education technology, both of which are especially important to rural schools. I look forward to working with Senator COLLINS and the other cosponsors of this legislation to accomplish these goals as we move this legislation through Congress.

By Mr. MACK:

S. 1226. A bill to amend the Internal Revenue Code of 1986 to provide that interest on indebtedness used to finance the furnishing or sale of rate-regulated electric energy or natural gas in the United States shall be allocated solely to sources within the United States; to the Committee on Finance.

ALLOCATION TO SOURCES WITHIN THE UNITED STATES OF INTEREST EXPENSE ON INDEBTEDNESS FINANCING RATE-REGULATED ELECTRIC ENERGY OR NATURAL GAS INFRASTRUCTURE INVESTMENTS

Mr. MACK. Mr. President, today I am introducing legislation to remedy a problem in the way the U.S. taxes the foreign operations of U.S. electric and gas utilities. With the 1992 passage of the National Energy Policy Act, Congress gave a green light to U.S. utilities wishing to do business abroad, lifting a long-standing prohibition. U.S. utilities were allowed to compete for the foreign business opportunities created by the privatization of national utilities and the need for the construction of facilities to meet increased energy demands abroad.

Since 1992, U.S. utility companies have made significant investments in utility operations in the United Kingdom, Australia, Eastern Europe, the Far East and South America. These investments in foreign utilities have created domestic jobs in the fields of design, architecture, engineering, construction, and heavy equipment manufacturing. They also allow U.S. utilities an opportunity to diversify and grow.

Unfortunately, the Internal Revenue Code penalizes these investments by subjecting them to double-taxation. U.S. companies with foreign operations receive tax credits for a portion of the taxes they pay to foreign countries, to reduce the double-taxation that would otherwise result from the U.S. policy of taxing worldwide income. The size of these foreign tax credits are affected by a number of factors, as U.S. tax laws recalculate the amount of foreign income that is recognized for tax credit purposes.

Section 864 of the tax code allocates deductible interest expenses between the U.S. and foreign operations based on the relative book values of assets located in the U.S. and abroad. By ignoring business realities and the peculiar circumstances of U.S. utilities, this allocation rule overtaxes them. Because U.S. utilities were until recently prevented from operating abroad, their foreign plants and equipment have been recently-acquired and consequently have not been much depreciated, in contrast to their domestic assets which are in most cases fully-depreciated. Thus, a disproportionate amount of interest expenses are allocated to foreign income, reducing the foreign income base that is recognized for U.S. tax purposes thus the size of the corresponding foreign tax credits.

The allocation rules increase the double-taxation of foreign income by reducing foreign tax credits, thereby increasing domestic taxation. The unfairness of this result is magnified by the fact that the interest expenses—which are the reason the foreign tax credit shrinks—are usually associated with domestically-regulated debt, which is tied to domestic production and is not as fungible as the tax code assumes.

The result of this economically-irrational taxation scheme is a very high effective tax rate on certain foreign investment and a loss of U.S. foreign tax credits. Rather than face this double-tax penalty, some U.S. utilities have actually chosen not to invest overseas and others have pulled back from their initial investments.

One solution to this problem is found in the legislation that I am introducing today. This remedy is to exempt from the interest allocation rules of Section 864 the debt associated with a U.S. utility's furnishing and sale of electricity or natural gas in the United States. This proposed rule is similar to the rule governing ''non-recourse'' debt, which is not subjected to foreign allocation. In both cases, lenders look to specific cash flows for repayment and specific assets as collateral. These loans are thus distinguishable from the typical risks of general credit lending transactions.

The specific cash flow aspect of non-recourse financing is a critical element of the non-recourse debt exception, and logic requires that the same tax treatment should be given to analogous utility debt. Thus, my bill would exempt from allocation to foreign source income the interest on debt incurred in the trade or business of furnishing or selling electricity or natural gas in the United States. The current situation is

a very real problem that must be remedied, and I urge my colleagues to support the solution I am proposing.

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. 1226

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

SECTION 1. ALLOCATION TO SOURCES WITHIN THE UNITED STATES OF INTEREST EXPENSE ON INDEBTEDNESS FINANCING RATE-REGULATED ELECTRIC ENERGY OR NATURAL GAS INFRASTRUCTURE INVESTMENTS.

(a) IN GENERAL.—Subsection (e) of section 864 of the Internal Revenue Code of 1986 (relating to rules for allocating interest, etc.) is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

''(6) TREATMENT OF CERTAIN INTEREST EXPENSE RELATING TO QUALIFIED INFRASTRUCTURE INDEBTEDNESS.—

''(A) IN GENERAL.—Interest on any qualified infrastructure indebtedness shall be allocated and apportioned solely to sources within the United States, and such indebtedness shall not be taken into account in allocating and apportioning other interest expense.

''(B) QUALIFIED INFRASTRUCTURE INDEBTEDNESS.—For purposes of this paragraph, the term 'qualified infrastructure indebtedness' means any indebtedness incurred—

''(i) to carry on the trade or business of the furnishing or sale of electric energy or natural gas in the United States, or

''(ii) to acquire, construct, or otherwise finance property used predominantly in such trade or business.

''(C) RATE REGULATION.—

''(i) IN GENERAL.—If only a portion of the furnishing or sale referred to in subparagraph (B)(i) in a trade or business is rate regulated, the term 'qualified infrastructure indebtedness' shall not include nonqualified indebtedness.

''(ii) NONQUALIFIED INDEBTEDNESS.—For purposes of clause (i), the term 'nonqualified indebtedness' means so much of the indebtedness which would (but for clause (i)) be qualified infrastructure indebtedness as exceeds the amount which bears the same ratio to the aggregate indebtedness of the taxpayer as the value of the assets used in the furnishing or sale referred to in subparagraph (B)(i) which is rate-regulated bears to the value of the total assets of the taxpayer.

''(iii) RATE-REGULATED DEFINED.—For purposes of this subparagraph, furnishing or sale is rate-regulated if the rates for the furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by an agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of the District of Columbia or of any State or political subdivision thereof.

''(iv) ASSET VALUES.—For purposes of clause (ii), assets shall be treated as having a value equal to their adjusted bases (within the meaning of section 1016) unless the taxpayer elects to use fair market value for all assets. Such an election, once made, shall be irrevocable.

''(v) TIME FOR MAKING DETERMINATION.—The determination of whether indebtedness is qualified infrastructure indebtedness or nonqualified indebtedness shall be made at the time the indebtedness is incurred.

''(vi) SEPARATE APPLICATION TO ELECTRIC ENERGY AND NATURAL GAS.—This subparagraph shall be applied separately to electric energy and natural gas.''

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to indebtedness incurred in taxable years beginning after the date of enactment of this Act.

(2) OUTSTANDING DEBT.—In the case of indebtedness outstanding as of the date of enactment of this Act, the determination of whether such indebtedness constitutes qualified infrastructure indebtedness shall be made by applying the rules of subparagraphs (B) and (C) of section 864(e)(6) of the Internal Revenue Code of 1986, as added by this section, on the date such indebtedness was incurred.

By Mr. CHAFEE (for himself, Mr. MCCAIN, Mr. GRAHAM, Mr. MACK, Mr. MOYNIHAN, and Mr. JEFFORDS):

S. 1227. A bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women and children to be eligible for medical assistance under the medical program, and for other purposes; to the Committee on Finance.

IMMIGRANT CHILDREN'S HEALTH IMPROVEMENT ACT OF 1999

Mr. CHAFEE. Mr. President, I am pleased to introduce the Immigrant Children's Health Improvement Act of 1999. I also want to thank Senators MCCAIN, GRAHAM, MACK, MOYNIHAN, and JEFFORDS for their support and cosponsorship of this important legislation.

In 1996, legal immigrants in this country lost critical public benefits because of changes made under welfare reform. While I supported the underlying goals of welfare reform—self sufficiency and individual responsibility—I continue to believe that the cuts made to immigrants' benefits as part of the 1996 reforms were unwarranted. While some of those cuts were reversed in 1997 and again in 1998, we still have a long way to improve the lives of the millions of immigrants who are legally in this country. The Immigrant Children's Health Improvement Act is one small but important step toward this goal.

While cash benefits such as Supplemental Security Income (SSI) and food stamps are critical to the well-being of low-income immigrants, access to health care is their largest concern. Immigrants who were legally in the country before the enactment of the welfare reform legislation are still eligible for Medicaid. However, those immigrants—including children and pregnant women—who arrived after August 22, 1996, the enactment date of the welfare bill, are barred for five years from receiving health benefits under Medicaid or the State Children's Health Insurance Program (SCHIP). While these individuals may still get emergency medical care, they are ineligible for the basic medical services that may reduce the need for such emergency care. This makes no sense.

The legislation we are introducing today would fix this problem by giving states the option to lift the five-year bar for pregnant women and children, allowing this narrow group of legal immigrants to receive health care services under either SCHIP or Medicaid. I want to emphasize that this legislation does not require states to cover these immigrant children—it merely allows the state to do so if it chooses. This approach is consistent with Congress' shift toward more state flexibility and will provide needed relief to states, such as Rhode Island, with high immigrant populations.

I hope that my colleagues will join me in support of this important measure. I ask unanimous consent that the legislation be printed in the RECORD.

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

S. 1227

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 ''Immigrant Children's Health Improvement Act of 1999''.

SEC. 2. OPTIONAL ELIGIBILITY OF CERTAIN ALIEN PREGNANT WOMEN AND CHILDREN FOR MEDICAID.

(a) IN GENERAL.—Subtitle A of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1611–1614) is amended by adding at the end the following:

''SEC. 405. OPTIONAL ELIGIBILITY OF CERTAIN ALIENS FOR MEDICAID.

''(a) OPTIONAL MEDICAID ELIGIBILITY FOR CERTAIN ALIENS.—A State may elect to waive (through an amendment to its State plan under title XIX of the Social Security Act) the application of sections 401(a), 402(b), 403, and 421 with respect to eligibility for medical assistance under the program defined in section 402(b)(3)(C) (relating to the medicaid program) of aliens who are lawfully residing in the United States (including battered aliens described in section 431(c)), within any or all (or any combination) of the following categories of individuals:

''(1) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

''(2) CHILDREN.—Children (as defined under such plan), including optional targeted low-income children described in section 1905(u)(2)(B).''.

(b) APPLICABILITY OF AFFIDAVITS OF SUPPORT.—Section 213A(a) of the Immigration and Nationality Act (8 U.S.C. 1183a(a)) is amended by adding at the end the following:

''(4) INAPPLICABILITY TO BENEFITS PROVIDED UNDER A STATE WAIVER.—For purposes of this section, the term 'means-tested public benefits' does not include benefits provided pursuant to a State election and waiver described in section 405 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 401(a) of the Personal Responsibility and Work Opportunity Reconciliation

Act of 1996 (8 U.S.C. 1611(a)) is amended by inserting ''and section 405'' after ''subsection (b)''.

(2) Section 402(b)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(1)) is amended by inserting '', section 405,'' after ''403''.

(3) Section 403(a) of such Act (8 U.S.C. 1613(a)) is amended by inserting ''section 405 and'' after ''provided in''.

(4) Section 421(a) of such Act (8 U.S.C. 1631(a)) is amended by inserting ''except as provided in section 405,'' after ''Notwithstanding any other provision of law,''.

(5) Section 1903(v)(1) of the Social Security Act (42 U.S.C. 1396b(v)(1)) is amended by inserting ''and except as permitted under a waiver described in section 405(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,'' after ''paragraph (2),''.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999.

SEC. 3. OPTIONAL ELIGIBILITY OF IMMIGRANT CHILDREN FOR SCHIP.

(a) IN GENERAL.—Section 405 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as added by section 2(a), is amended—

(1) in the heading, by inserting ''**and SCHIP**'' before the period; and

(2) by adding at the end the following new subsection:

''(b) OPTIONAL SCHIP ELIGIBILITY FOR CERTAIN ALIENS.—

''(1) IN GENERAL.—Subject to paragraph (2), a State may also elect to waive the application of sections 401(a), 402(b), 403, and 421 with respect to eligibility of children for child health assistance under the State child health plan of the State under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), but only with respect to children who are lawfully residing in the United States (including children who are battered aliens described in section 431(c)).

''(2) REQUIREMENT FOR ELECTION.—A waiver under this subsection may only be in effect for a period in which the State has in effect an election under subsection (a) with respect to the category of individuals described in subsection (a)(2) (relating to children).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to child health assistance for coverage provided for periods beginning on or after October 1, 1999.

● Mr. GRAHAM. Mr. President, I rise today, along with Senators CHAFEE, MACK, MCCAIN, and MOYNIHAN, to introduce the Immigrant Children Health Improvement Act of 1999. I believe that these efforts are necessary in order to guarantee a healthy generation of children.

This legislation is simple. It provides states the option to provide health care coverage to legal immigrant children through Medicaid and the State Children's Health Insurance Program (SCHIP)—in essence eliminating the arbitrary designation of August 22, 1996 as the cutoff date for benefits eligibility to children. The welfare reform legislation passed in 1996 prohibits states from covering these immigrant children during their first five years in the United States. This prohibition has serious consequences.

Children without health insurance do not get important care for preventable diseases. Many uninsured children are hospitalized for acute asthma attacks that could have been prevented, or suffer from permanent hearing loss from untreated ear infections. Without adequate health care, common illnesses can turn into life-long crippling disease, whereas appropriate treatment and care can help children with diseases like diabetes live relatively normal lives. A lack of adequate medical care will also hinder the social and educational development of children, as children who are sick and left untreated are less ready to learn.

In addition to allowing extended coverage of legal immigrant children, this initiative aims to provide Medicaid to legal immigrant pregnant women who are also barred from receiving services as a result of the 1996 welfare reform law.

This legislation attempts to diminish the arbitrary cutoff date used in the 1996 welfare law to determine the eligibility of legal immigrants to benefits they desperately need. Our nation was built by people who came to our shores seeking opportunity and a better life, and America has greatly benefitted from the talent, resourcefulness, determination, and work ethic of many generations of legal immigrants. Time and time again, they have restored our faith in the American Dream. We should not discriminate between these important members of our community based on nothing more than an arbitrary date.

As our nation enters what promises to be a dynamic century, the United States needs a prudent, fair immigration policy to ensure that avenues of refuge and opportunity remain open for those seeking freedom, justice, and a better life.●

Mr. MCCAIN. Mr. President, I am proud to join my colleague Senator CHAFEE in introducing the Immigrant Children's Health Improvement Act of 1999. This legislation would help provide access to health care through the Medicaid system for pregnant women and children who are legal immigrants.

In 1996, Congress passed and President Clinton signed into law the Personal Responsibility and Work Opportunity Reconciliation Act making critical reforms to our nation's welfare system. This greatly needed piece of legislation is dramatically improving our nation's welfare system by requiring able-bodied welfare recipients to work and encouraging individuals to become self-sufficient.

As my colleagues know, the welfare reform law limits most means-tested benefits for legal residents who are not citizens. The specific provision affecting these benefits is based on the principle that those who immigrate to this nation pledge to be self-sufficient, and should comply with that agreement. However, I have been concerned that this provision is having a negative impact on a vulnerable segment of our population, children and pregnant women.

My concern is not new. While Congress was considering this legislation, I raised concerns regarding several provisions which could have negative impact on certain vulnerable populations including children, pregnant women, the elderly and disabled. I believe our nation has a responsibility to provide assistance, when necessary, to our most vulnerable citizens, regardless of whether they were born here or in another country. I am pleased that Congress has addressed many of these concerns and implemented a number of changes to the 1996 welfare reform law. However, my concern for the pregnant women and children who are legal immigrants but were not protected by the changes implemented since 1996 still remains.

The consequences of lack of insurance are problematic for everyone, but they are particularly serious for children. Uninsured and low income children are less likely to receive vital primary and preventative care services. This is quite discouraging since it is repeatedly demonstrated that regular health care visits facilitate the continuity of care which plays a critical role in the development of a healthy child. For example, one analysis found that children living in families with incomes below the poverty line were more likely to go without a physician visit than those with Medicaid coverage or those with other insurance. The result is many uninsured, low-income children not seeking health care services until they are seriously sick. These dismal consequences of lack of access to quality health care also have disastrous impacts on pregnant women and their unborn children.

Studies have further demonstrated that many of these children are more likely to be hospitalized or receive their care in emergency rooms, which means higher health care costs for conditions that could have been treated with appropriate outpatient services or prevented through regular checkups. Receiving the appropriate prenatal care is essential for the health delivery and development for the unborn child which can help stave off future, more costly health care needs.

Under our bill, states would be given the option to allow legal immigrant children and pregnant women to have access to medical services under the Medicaid program. Again, let me reiterate—this is completely optional for the states and is not mandatory This bill would provide our states with the flexibility to address the health care needs of some of our most vulnerable—our children and pregnant women.

I urge our colleagues to support this important legislation.

Mr. MOYNIHAN. Mr. President, today, I am proud to cosponsor the Immigrant Children's Health Improvement Act of 1999, introduced by my good friend and colleague Senator CHAFEE. We are joined by our colleagues Senators MCCAIN, JEFFORDS, and MACK, and by Senator GRAHAM, who has long been a leader on this issue.

This bill includes three provisions which are part of the Fairness for Legal Immigrants Act of 1999 (S. 792), which I introduced, along with Senator GRAHAM, on April 14th of this year. They would restore health coverage to legal immigrants—mostly children—whose eligibility for benefits is denied to them by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. It is a crucial step we should take. I will continue to work to move forward the broader Fairness for Legal Immigrants Act as well because it contains important provisions to prevent hunger and help the elderly and disabled.

The Immigrant Children's Health Improvement Act would: Permit states to provide Medicaid coverage to all eligible legal immigrant children; permit states to provide Medicaid coverage to all eligible legal immigrant pregnant women; and permit states to provide coverage under the Children's Health Insurance Program (CHIP) to all eligible legal immigrant children.

Note that these provisions are optional. There are no mandates in this bill. It would merely allow states to take common sense steps to aid legal immigrant children.

The problem is that under current law, states are not allowed to extend such health care coverage—which is so important for the development of healthy children—to families who have come to the U.S. after August 22, 1996, until the families have been here for five years. Five years is a very long time in the life of a child. Such a bar makes little sense for them, and is nonsensical for pregnant women. It is common knowledge that access to health care is essential for early childhood development. We should, at a minimum, permit states to extend coverage to all poor legal immigrant children, no matter when they have arrived here. Let me emphasize that under the 1996 law, states cannot use federal funds for this—and we are restoring this option to them. This builds upon our recent achievements in promoting health care for children—legal immigrant children should not be neglected in these efforts.

The provisions of that 1996 law concerning legal immigrants were based on the false premise that immigrants are a financial burden to American taxpayers. On the contrary. A recent comprehensive study by the National Academy of Sciences concluded that immigration actually benefits the U.S. economy. In fact, the study found that the average legal immigrant contributes $1,800 more in taxes than he or she receives in government benefits.

Many Americans may not realize this, but legal immigrants pay income and payroll taxes. And without continued legal immigration, the long-term financial condition of Social Security and Medicare would be worsened. According to the most recent Social Security trustees report, a decline in net immigration of 150,000 per year will reduce payroll tax revenues and require a 0.1% payroll tax increase to replace.

It is in our interest to see that these immigrant families have healthy children. And it is not merely wise, it is just. These immigrants have come here under the rules we have established and they have abided by those rules.

The 1996 law did grevious harm to the safety net for immigrants. Some states have begun their own efforts—without federal funding—to assist immigrants to make up the difference. Yet a new Urban Institute study concluded that ''[d]espite the federal benefit restorations and the many states that have chosen to assist immigrants, the social safety net for immigrants remains weaker than before welfare reform and noncitizens generally have less access to assistance than citizens.'' The Urban study also notes that ''[b]y barring many immigrants from federal assistance, the federal government shifted costs to states, many of which already bore a fiscal burden for providing assistance to immigrants.'' We in Washington should do our fair share.

Mr. President, simple decency requires us to continue to provide a measure of a safety net to legal immigrant families. I urge the enactment of this legislation to ensure that we do so.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, Mr. LOTT, and Mr. CONRAD):

S. 1228. A bill to provide for the development, use, and enforcement of a system for labeling violent content in audio and visual media products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEDIA VIOLENCE LABELING ACT OF 1999

• Mr. MCCAIN. Mr. President, I join my colleagues today in introducing the 21st Century Media Responsibility Act. This bill would establish a uniform product labeling system for violent content by requiring the manufacturers of motion pictures, video programs, interactive video games, and music recording products, provide plain-English labels on product packages and advertising so that parents can make informed purchasing decisions.

The most basic and profound responsibility that our culture—any culture—has, is raising its children. We are failing that responsibility, and the extent of our failure is being measured in the deaths, and injuries of our kids in the schoolyard and on the streets of our neighborhoods and communities.

Primary responsibility lies with families. As a country, we are not parenting our children. This is our job, our paramount responsibility, and most unfortunately, we are failing. We must get our priorities straight, and that means putting our kids first.

However, parents need help, because our homes and our families—our children's minds, are being flooded by a tide of violence. this dehumanizing violence pervades our society: our movies depict graphic violence; our children are taught to kill and maim by interactive video games; much of the music that inundates our children's lives delivers messages of hate and violence. Our culture is dominated by media, and our children, more so than any generation before them, is vulnerable to the images of violence that, unfortunately, are dominant themes in so much of what they see, and hear.

It is beyond debate that exposure to media violence is harmful to children. Study after scientific study, beginning with the Surgeon General's report in the early 1970's, has established this. Certainly, there is a hard consensus in our society that something must be done. What this bill makes clear is that the manufacturers and producers of these consumer products should have a legal responsibility to provide plain-english so that parents can make truly informed decisions about what their children consume.

This is not a rating system. It is a labeling system. it is not censorship. We are not talking about limiting free speech. Rather, we are talking about providing content labels on highly sophisticated, highly targeted, and highly promoted consumer products. This is common sense.•

• Mr. LIEBERMAN. Mr. President, I rise today to join my distinguished colleague and friend, the chairman of the Commerce Committee, Senator MCCAIN, and my colleague from North Dakota, Senator CONRAD, in introducing legislation that we believe will move us another step forward in ameliorating the culture of violence surrounding our children, and in helping parents protect their kids from harm.

This is a problem that has been much on our minds in the wake of the school massacre in Littleton and the other tragic shootings that preceded it, a series of events which has continued to reverberate through the national consciousness, which has in particular heightened our awareness as a nation to the violent images and messages bombarding our children, and which has in turn spurred a renewed debate about the entertainment media's contributing role in the epidemic of youth violence we are experiencing across the nation, not just in suburban schools but on the streets and in homes in every community.

We made an initial attempt to respond to this problem through the juvenile justice bill that the Senate recently passed, and I believe it was a good start. Senator MCCAIN and I joined Senators BROWNBACK and HATCH in cosponsoring a bipartisan amendment that would, among other things, authorize an investigation of the entertainment industry's marketing practices to determine the extent to which they are targeting the sale of ultraviolent, adult-rated products directly to kids.

This amendment, which was approved unanimously, would also facilitate the development of stronger codes of conduct for the various entertainment media and thereby encourage them to accept greater responsibility for the products they distribute.

The bill we are introducing today, the 21st Century Media Responsibility Act, would build on that initial response and significantly improve our efforts in the future to limit children's success to inappropriate and potentially harmful products.

Specifically, it calls for the creation of a uniform labeling system for violent entertainment media products, to provide parents with clear, easy-to-understand warnings about the amount and degree of violence contained in the movies, music, television shows, and video games that are being mass-marketed today. Beyond that, it would require the businesses where these products are sold or distributed—the movie theaters, record and software stores, and rental outlets—to strictly enforce these new ratings, and thus prohibit children from buying or renting material that is meant for adults and may pose a risk to kids.

This proposal is premised in many respects on our concerted efforts to keep cigarettes out of the hands of minors, and with good reason. As with tobacco, decades of research have shown definitively that media violence can be seriously harmful to children, that heavy, sustained exposure to violent images, particularly those that glamorize murder and mayhem and that fail to show any consequences, tends to desensitize young viewers and increase the potential they will become violent themselves. As with tobacco, and its mascot Joe Camel, we are beginning to see substantial evidence indicating that the entertainment industry is not satisfied with mass marketing mass murder, but that it is actually targeting products to children that the producers themselves admit are not appropriate for minors.

And as with tobacco, we are seeking to change the behavior of a multi-billion dollar industry that too often seems locked in deep denial, that has shown little inclination to acknowledge there is a problem with its products, let alone work with us to find reasonable solutions to reduce the threat of media violence to children.

Of course, there are differences between the tobacco and entertainment industries and the products they make. Cigarettes are filled with physical substances that have been proven to cause cancer in longtime smokers. Violent entertainment products have a less visible and physical effect on longtime viewers and listeners, and, more significantly, they are forms of speech that enjoy protection under the First Amendment.

It is because of our devotion to the First Amendment that Senator MCCAIN and I, along with many other concerned critics, have been reluctant to call for government restrictions on the content of movies, music, television and video games. All along, we have urged entertainment industry leaders to police themselves, to draw lines and set higher standards, to balance their right to free expression with their responsibilities to the larger community to which they belong. We repeated these pleas with a new sense of urgency in the days following the shooting at Columbine High School, asking the most influential media voices to attend the White House summit meeting the President convened and to engage in open dialogue about what all of us can do to reduce the likelihood of another Littleton.

And there has been a smattering of encouraging responses emanating from the entertainment media. For example, the Interactive Digital Software Association, which represents the video game manufacturers, has acknowledged that the grotesque and perverse violence used in some advertisements crosses the line, and it is reexamining its marketing code to respond to some of the concerns we have raised. Disney for its part announced that it would no longer house violent coin-operated video games in its amusement parks. The National Association of Theater Owners pledged to tighten the enforcement of its policies restricting the access of children to R-rated movies. And several prominent screenwriters, speaking at a recent forum sponsored by the Writers Guild of America, raised concerns about the level of violence in today's movies and called on the industry to rethink its fascination with murder and mayhem.

But overall the silence from the men and women who make the decisions that shape our culture has been deafening, their denials extremely disappointing. Not one CEO from the major entertainment conglomerates—Sony, Disney, Seagram, Time Warner, Viacom, and Fox—accepted the President's invitation to attend the White House summit meeting. And since then, not one has made a statement accepting some responsibility for the culture of violence surrounding our children, or indicating their willingness to address their part of the lethal mix that is turning kids into killers. What we have heard, from Seagram's Edgar Bronfman and Time Warner's Gerald Levin and Viacom's Sumner Redstone, are more shrill denials and diversions, along with attacks on those of us in Congress who are concerned about what they are doing to our country and our kids.

This is the responsibility vacuum in which we are operating, and this is the vacuum we are trying to fill with the legislation we are introducing today. Ideally, our bill would be unnecessary. Ideally, the various segments of the entertainment industry would agree to adopt and implement a set of commonsense, uniform standards that would provide for clear and concise labeling of media products, that would prohibit the marketing and sales of adult-rated products to children, and that would hold producers or retail outlets that violate the code accountable for their irresponsibility. But there is no sign that is going to happen any time soon, which is why we feel compelled to go forward with this proposal today.

We are not advocating censorship, or placing restrictions on the kind of entertainment products that can be made and sold commercially. What we are doing through this bill is treating violent media like tobacco and other products that pose risks to children, requiring producers to provide explicit warnings to parents about potentially harmful content, and requiring retailers to take reasonable steps to limit the availability of adult-rated products with high doses of violence to audiences for which they are designed. That is why we have chosen to amend the Federal Cigarette Labeling and Advertising Act, to accentuate the fact that we are not regulating artistic expression but the marketing and distribution of commercial products, and that we are not criminalizing speech, but demanding truth in labeling and enforcement.

If a video game company is telling parents a game is not appropriate for children under 17, then parents should have a realistic expectation that this game will not be marketed or sold to that audience. Unfortunately, that is often not the case these days, and we would correct that by authorizing the Federal Trade Commission to investigate and punish retailers and rental outlets and movie theaters that in effect deceive parents about the products they are selling or renting to their kids. Specifically, it would authorize the FTC to levy fines of up to $10,000 per violation of the act's provisions prohibiting the sale or rental of adult-rated products to children.

This bill does not just respond to concerns of today, but anticipates the media landscape of tomorrow. According to most experts, as technologies converge over the next few years, more and more of our entertainment is going to be delivered through a single wire

into the home over the Internet. In this radically different universe, it only makes sense to modernize the ratings concept to fit the new contours of the Information Age, and develop a standard labeling system for the video, audio, and interactive games we will consume through a common portal. Our legislation will move us in that direction and prod the entertainment industry to help parents meet the new challenges of this new era, and hopefully usher in a new ethic of media responsibility, a goal that is reflected in the bill's title.

In closing, Mr. President, I want to make clear that I do not consider this legislation to be ''the'' answer to the threat of media violence or the solution to repairing our culture. It won't singlehandedly stop media standards from falling, or substitute for industry self-restraint. No one bill or combination of laws could replace the exercise of corporate citizenship, particularly given our respect for the First Amendment. We must continue to push the entertainment industry to embrace its responsibilities. But this bill is a common-sense, forward looking response that will in fact help reduce the harmful influences reaching our children and thereby reduce the risk of youth violence. That makes it more than worthwhile, and I ask my colleagues to join us in supporting it.●

By Mr. BURNS:

S. 1229. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a foreign pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. BURNS. Mr. President, I rise today as a proud sponsor of this pesticide harmonization legislation. As many of you are aware, there are a number of trade imbalances facing the agricultural industry.

In my home State of Montana and many other western and mid-western states, trade imbalances occur primarily between Canada and the United States. However, disparities occur between the United States and many foreign countries.

One of those trade imbalances is pesticide harmonization, which is a serious issue for American farmers. There are numerous disparities between chemicals and pesticides that are allowed in foreign countries and those that are allowed here in the United States.

In many cases a chemical will have the identical chemical structure in both countries but be named and priced differently. Why should an American producer be expected to pay twice the amount for an identical chemical available in a foreign country for less?

In order for free trade to truly occur, this issue must be addressed. Farmers have dealt with several years of depressed prices with no immediate end in sight. To compound the economic crunch American farmers are feeling, American agricultural producers must pay nearly twice the amount that foreign producers pay in their country for nearly the same chemical.

This leads to a huge disparity between the break-even price on crop production between foreign and American farmers, and gives foreign producers an unfair advantage. It is unfair for American producers to pay twice the amount for pesticides and chemicals as many of our trading partners.

Furthermore, it is against the law for American producers to purchase an identical chemical in a foreign country and bring it across the border. The Environmental Protection Agency (EPA) must be held accountable to American producers and assure that producers have the same advantages in this country in regards to pesticides and chemicals that foreign producers enjoy.

My bill assures that the Environmental Protection Agency (EPA) will be held accountable to domestic agricultural producers. Primarily, it mandates that the EPA give mutual recognition to the same chemical structures, on both existing and new products, in the United States and competing foreign countries.

It does this by several provisions. First, it permits any agricultural individual or group, within a state, to put forth a request through the State Ag Commissioner (Head of the Department of Agriculture) to the EPA to register chemicals with substantially similar make-up to those registered in a foreign country.

Within 60 days of receiving that request the EPA would be held responsible to either accept or deny that request. They must then give the same recognition to American producers for chemical structures that are substantially similar to cheaper products available in competing foreign countries.

Additionally, my bill will ensure that the Administrator of the EPA will take into account both NAFTA and the Canada/U.S. Trade Agreement, in making these determinations.

These provisions will level the pricing structure by making sure that chemicals with the same (or substantially similar) structures are priced fairly in the United States.

I look forward to working with my colleagues on this important issue to American farmers and ranchers.

Thank you, Mr. President.

By Mrs. BOXER:

S. 1230. A bill to amend the Internal Revenue Code of 1986 to encourage the production and use of clean-fuel vehicles, and for other purposes; to the Committee on Finance.

THE ELECTRIC VEHICLE CONSUMER INCENTIVE TAX ACT OF 1999

Mrs. BOXER. Mr. President, today I am introducing the ''Electric Vehicle Consumer Incentive Tax Act of 1999'' to provide new incentives and extend previous ones to spark the zero emission vehicle market. This legislation is similar to previous bills that I have introduced in the 104th and 105th Congresses.

I am pleased to see that already the market for electric vehicles is emerging. All major domestic automakers and most of foreign automakers have zero emission vehicles in the market. However, we still need to provide tax incentives to help lower the cost of the new technology vehicles. Despite the what appears to be a new understanding from our automakers that they must begin to produce environmentally friendly vehicles, the costs of these new generation of vehicles are still steep for most Americans.

The need to decrease automobile pollution is still critical. Since 1970, total U.S. population increased 31 percent and vehicle miles traveled—that's our best measure of vehicle use—increased 127 percent. During that time, emissions for most of the key pollutants have decreased from the introduction of new technologies. But we are still failing to meet air quality standards in many areas. In fact, the emissions of one key pollutant—nitrogen oxides—actually increased 11 percent from 1970 to 1997. Nitrogen oxides, produced largely from automobile fuel combustion, is the building block for smog. About 107 million Americans were residing in counties that did not meet the air quality standards for at least one of the National Ambient Air Quality Standards pollutants in 1997.

These emissions still produce profound and troubling impacts on the health of Americans, particularly the young.

That is why I believe Congress should help and encourage Americans to purchase or lease zero emission vehicles. Electric vehicles, which produce no pollution from their engines, will not become the preferred automobile for all Americans, but for many it can become the preferred commuter vehicle or city car. Electric vehicles can also help state and local governments, and private fleet operators, meet new and future air quality requirements.

Mr. President, I am pleased to say that previous provisions of my clean fuel vehicle legislation have become law. The lowering of the excise tax on liquified natural gas will help spur the market for that fuel for heavy duty vehicles. The repeal of the luxury tax on electric vehicles also helps remove or lessen market barriers. But more needs to be done. That is why I have introduced the ''Electric Vehicle Consumer Incentive Tax Act of 1999.'' U.S. Representative MAC COLLINS of Georgia has introduced the companion bill in the House, H.R. 1108.

The bill provides four major incentives. First, it removes the governmental use restrictions for electric vehicles. At present, the Internal Revenue Code prohibits any tax credit taken for property (in this case electric vehicles) used by the United States or any state or local government. Removing this bar will encourage the leasing of electric vehicles for state and local use. By removing restriction on governmental use of electric vehicles, owners of electric vehicle fleets could ''pass on'' any cost savings from tax credits to the government.

Second, the bill makes large electric trucks, vans, and buses eligible for the same tax deduction available now for other clean-fuel vehicles under the Energy Policy Act of 1992. Large electric trucks, vans and buses currently are limited to the maximum tax credit of $4,000 under the Code. Other clean-fuel vehicles, however, may receive a $50,000 tax deduction. This section of the bill would remove the unfair distinction between large electric and other large clean-fuel vehicles. Each would qualify for the tax deduction incentive which would serve to promote the greatest use of clean-fuel vehicles. The bill would end the tax credit for large electric vehicles and provide a tax deduction instead.

Third, the bill provides a flat $4,000 tax credit on the purchase of an electric vehicle. Under current law, electric vehicles are eligible under the Code for a 10 percent tax credit for the cost of qualified electric vehicles, up to a maximum of $4,000. The bill would modify that section to provide for a flat $4,000 tax credit (rather than 10 percent of the purchase price up to $4,000) in order to maximize the tax incentive.

Fourth, the bill extends the sunset period for the tax credit. Current law phases out the electric vehicle tax credit beginning in the year 2002. The Energy Policy Act of 1992 anticipated that electric vehicles would be available commercially in 1992. The first electric vehicles were not available to the public until 1997. All major automakers now have electric vehicles on the market. However, that market is still very small. Therefore, the bill extends the phase out for four years with the credit sunsetting December 31, 2008, instead of December 31, 2004. The phase out provisions are conformed by amending the Code to provide that the credit will be phased out, at a 25 percent annual cumulative rate, for each of the three years preceding termination.

I believe these provisions can provide important market incentives for Americans to purchase automobiles that do not contribute to urban smog or other pollution and at a modest cost in reduced Federal taxes. I ask that my colleagues join me in supporting this legislation and making way for a clean fuel future in the 21st Century.

I ask unanimous consent that the full 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. 1230

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Electric Vehicle Consumer Incentive Tax Act of 1999''.

(b) REFERENCE TO 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. GOVERNMENTAL USE RESTRICTION MODIFIED FOR ELECTRIC VEHICLES.

(a) IN GENERAL.—Paragraph (3) of section 30(d) (relating to special rules) is amended by inserting ''(without regard to paragraph (4)(A)(i) thereof)'' after ''section 50(b)''.

(b) CONFORMING AMENDMENT.—Paragraph (5) of section 179A(e) (relating to other definitions and special rules) is amended by inserting ''(without regard to paragraph (4)(A)(i) thereof in the case of a qualified electric vehicle described in subclause (I) or (II) of subsection (b)(1)(A)(iii) of this section)'' after ''section 50(b)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of enactment of this Act.

SEC. 3. LARGE ELECTRIC TRUCKS, VANS, AND BUSES ELIGIBLE FOR DEDUCTION FOR CLEAN-FUEL VEHICLES.

(a) IN GENERAL.—Paragraph (3) of section 179A(c) (defining qualified clean-fuel vehicle property) is amended by inserting '', other than any vehicle described in subclause (I) or (II) of subsection (b)(1)(A)(iii)'' after ''section 30(c))''.

(b) DENIAL OF CREDIT.—Subsection (c) of section 30 (relating to credit for qualified electric vehicles)is amended by adding at the end the following new paragraph:

''(3) DENIAL OF CREDIT FOR VEHICLES FOR WHICH DEDUCTION ALLOWABLE.—The term 'qualified electric vehicle' shall not include any vehicle described in subclause (I) or (II) of section 179A(b)(1)(A)(iii).''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of enactment of this Act.

SEC. 4. ELECTRIC VEHICLE CREDIT AMOUNT AND APPLICATION AGAINST ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (a) of section 30 (relating to credit for qualified electric vehicles) is amended by striking ''10 percent of''.

(b) APPLICATION AGAINST ALTERNATIVE MINIMUM TAX.—Section 30(b) (relating to limitations) is amended by striking paragraph (3).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 5. EXTENSION OF CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30(e) (relating to the termination of the credit) is amended by striking ''December 31, 2004'' and inserting ''December 31, 2008''.

(b) CONFORMING AMENDMENT.—Section 30(b)(2) (relating to the phaseout of the credit) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2005'' and by striking ''2002'', ''2003'', and ''2004'' and inserting ''2006'', ''2007'', and ''2008'', respectively.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on the date of the enactment of this Act.

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. SESSIONS, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 13, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 115

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 115, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 222

At the request of Mr. LAUTENBERG, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from Maryland (Mr. SARBANES), and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 222, a bill to amend title 23, United States Code, to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 256

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 256, a bill to amend title XVIII of the Social Security Act to promote the use of universal product numbers on claims forms submitted for reimbursement under the medicare program.

S. 331

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 331, a bill to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

At the request of Mr. CRAIG, his name was added as a cosponsor of S. 331, supra.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor 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.