HOUSE OF REPRESENTATIVES—*Thursday, March 15, 2001*

The House met at 10 a.m. and was called to order by the Speaker pro tempore (Mr. FOSSELLA).

DESIGNATION OF THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore laid before the House the following communication from the Speaker:

WASHINGTON, DC,
March 15, 2001.

I hereby appoint the Honorable VITO FOSSELLA to act as Speaker pro tempore on this day.

J. DENNIS HASTERT,
Speaker of the House of Representatives.

PRAYER

The Reverend Dr. Richard P. Camp, Jr., Executive Director of A Christian Ministry in the National Parks and formerly Chaplain, United States Military Academy, offered the following prayer:

Let us give thanks to the Lord, for He is good, for His mercy endures forever.

We pause a moment, Heavenly Father, before the business of this day, to acknowledge You. Your love surrounds us, Your mercy upholds us, Your goodness blesses us.

Graciously give to the Members and all who serve in this House the wisdom and courage to lead us in the way of righteousness and peace. May the ripple effect of their decisions bring hope to all people for generations to come.

In Your strong name we pray. Amen.

PLEDGE OF ALLEGIANCE

The SPEAKER pro tempore. Will the gentleman from New York (Mr. MCNULTY) come forward and lead the House in the Pledge of Allegiance.

Mr. MCNULTY led the Pledge of Allegiance as follows:

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

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minutes at the end of legislative business today.

SMALL BUSINESS PAPERWORK RELIEF ACT

Mr. HASTINGS of Washington. Mr. Speaker, by direction of the Committee on Rules, I call up House Resolution 89 and ask for its immediate consideration.

The Clerk read the resolution, as follows:

H. RES. 89

Resolved, That at any time after the adoption of this resolution the Speaker may, pursuant to clause 2(b) of rule XVIII, declare the House resolved into the Committee of the Whole House on the state of the Union for consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses. The first reading of the bill shall be dispensed with. General debate shall be confined to the bill and shall not exceed one hour equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform. After general debate the bill shall be considered for amendment under the five-minute rule. It shall be in order to consider as an original bill for the purpose of amendment under the five-minute rule the amendment in the nature of a substitute printed in the Congressional Record and numbered 1 pursuant to clause 8 of rule XVIII. Each section of that amendment in the nature of a substitute shall be considered as read. During consideration of the bill for amendment, the Chairman of the Committee of the Whole may accord priority in recognition on the basis of whether the Member offering an amendment has caused it to be printed in the portion of the Congressional Record designated for that purpose in clause 8 of rule XVIII. Amendments so printed shall be considered as read. At the conclusion of consideration of the bill for amendment the Committee shall rise and report the bill to the House with such amendments as may have been adopted. Any Member may demand a separate vote in the House on any amendment adopted in the Committee of the Whole to the bill or to the amendment in the nature of a substitute made in order as original text. The previous question shall be considered as ordered on the bill and amendments thereto to final passage without intervening motion except one motion to recommit with or without instructions.

The SPEAKER pro tempore. The gentleman from Washington (Mr. HASTINGS) is recognized for 1 hour.

Mr. HASTINGS of Washington. Mr. Speaker, for purposes of debate only, I yield the customary 30 minutes to the gentlewoman from New York (Ms. SLAUGHTER), pending which I yield myself such time as I may consume. During consideration of this resolution, all time yielded is for purposes of debate only.

Mr. Speaker, House Resolution 89 is an open rule providing for the consideration of H.R. 327, the Small Business Paperwork Relief Act.

The rule provides for 1 hour of general debate, equally divided and controlled by the chairman and ranking minority member of the Committee on Government Reform.

The rule provides that it shall be in order to consider as an original bill for the purpose of amendment an amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1. The rule further provides that the amendment in the nature of a substitute shall be open for amendment by section.

Finally, the rule allows the chairman of the Committee of the Whole to accord priority in recognition to Members who have preprinted their amendments in the CONGRESSIONAL RECORD, and provides for one motion to recommit, with or without instructions.

Mr. Speaker, the purpose of H.R. 327 is to facilitate compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses.

This bill is similar to legislation passed by the House in the 106th Congress but on which the Senate failed to act. However, this year's bill omits language contained in the earlier version which limited the imposition of civil penalties on small businesses for certain first-time violations.

In addition, H.R. 327 requires the director of the Office of Management and Budget to publish annually in the Federal Register a list of requirements applicable to small businesses with respect to the collection of information by Federal agencies, so that small businesses can easily inform themselves about these requirements.

The bill also requires that all such information be made available on the Internet.

H.R. 327 would require every Federal agency to establish a single point of contact between the agency and small businesses.

Finally, the bill requires each Federal agency to make additional efforts to reduce the paperwork burdens on small businesses with fewer than 25 employees.

Mr. Speaker, as a longtime small business owner myself, I can assure my colleagues that this is a bill whose time has come. It is hard enough for most small businesses to comply with the paperwork requirements that they know about, but it is the requirements that we do not know about that can really come back to haunt us.

Large firms have in-house accounting, legal, and reporting compliance personnel that are beyond the means of small businesses. I know firsthand the costs and difficulty of wading through time-consuming, duplicative, and sometimes unnecessary paperwork.

Small business men and women should not have to sacrifice productivity in order to complete endless forms when paperwork requirements can easily be streamlined.

For years small businesses have created the largest share of new jobs in our economy. We should act today to reduce their paperwork burden so that they can continue to do so.

Mr. Speaker, because H.R. 327 was not reported by a committee, no official cost estimate is available. However, the Committee on Government Reform did receive a preliminary estimate from the Congressional Budget Office which stated that the bill, and I quote, ''would result in minimal costs for Federal agencies each year because the bill would not affect direct spending or governmental receipts. Pay-as-you-go procedures would not apply.''

Accordingly, I urge my colleagues to support both the rule and the underlying legislation, H.R. 327.

Mr. Speaker, I reserve the balance of my time.

Ms. SLAUGHTER. Mr. Speaker, I yield myself such time as I may consume.

Mr. Speaker, I rise in support of this open rule and the underlying bill. It is noncontroversial. Concerns that were raised during consideration of the measure regarding civil penalties during the last Congress have been addressed.

The business community has often voiced concern about the burden of government regulations and the resulting paperwork. In response to this concern, Congress has passed paperwork reduction legislation such as the Paperwork Reduction Act, PRA, and the Small Business Reporting Enforcement Fairness Act.

Moreover, the last administration streamlined regulations by reinventing government and implementing many of the recommendations made by the White House Conference on Small Businesses.

The measure before us today, H.R. 327, continues this effort to reduce unnecessary paperwork for small businesses.

There are a number of provisions in H.R. 327 to address streamlining paperwork that bear mentioning. They require agencies to publish annually paperwork requirements on small businesses, to establish a small business liaison, to make efforts to reduce further the paperwork burden on small businesses with fewer than 25 employees, and to establish a task force to study the feasibility of streamlining paperwork requirements.

Again, I know of no opposition to this measure.

Mr. Speaker, I reserve the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Speaker, I rise today to speak in support of the rule for this good government bill to streamline and reduce paperwork burdens on small businesses, that is, H.R. 327, the Small Business Paperwork Relief Act.

H.R. 327 includes helpful provisions for small businesses, including a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet an identification of each agency's Federal paperwork requirements for small businesses; a requirement for each agency to establish a single point of contact for small businesses; a requirement for each agency to make further efforts to reduce paperwork for small businesses with fewer than 25 employees; and to establish an interagency task force to study streamlining of paperwork requirements for small businesses.

CBO, as the gentleman from Washington has said, has scored this as having a minimal cost for Federal agencies each year. It is time for us to move forward on doing this. I support the open rule.

Mr. HASTINGS of Washington. Mr. Speaker, I am pleased to yield 2 minutes to the distinguished gentleman from Indiana (Mr. BURTON).

Mr. BURTON of Indiana. Mr. Speaker, I thank the gentleman for yielding time to me.

Mr. Speaker, I think my colleagues have covered the rule very well. I thank the gentleman from Washington (Mr. HASTINGS) and the Committee on Rules for bringing an open rule down to the floor.

I think the gentleman from California (Mr. OSE) and the gentlewoman from New York (Ms. SLAUGHTER) and the gentleman from Washington (Mr. HASTINGS) have covered the bill rather well.

There are 24 million small business people in this country that have been suffering dramatically under the burden of overregulation and paperwork. This bill takes a giant step toward eliminating a lot of the problems they face.

This is supported strongly by the U.S. Chamber of Commerce. I think it is a great bill. Its time has come, as the gentleman from Washington (Mr. HASTINGS) has said.

Ms. SLAUGHTER. Mr. Speaker, I have no further requests for time, and I yield back the balance of my time.

Mr. HASTINGS of Washington. Mr. Speaker, I have no further requests for time, I yield back the balance of my time, and I move the previous question on the resolution.

The previous question was ordered.

The resolution was agreed to.

A motion to reconsider was laid on the table.

The SPEAKER pro tempore (Mr. HASTINGS of Washington). Pursuant to House Resolution 89 and rule XVIII, the Chair declares the House in the Committee of the Whole House on the State of the Union for the consideration of the bill, H.R. 327.

□ 1013

IN THE COMMITTEE OF THE WHOLE

Accordingly, the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, with Mr. FOSSELLA in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. Pursuant to the rule, the bill is considered as having been read the first time.

Under the rule, the gentleman from California (Mr. OSE) and the gentleman from Massachusetts (Mr. TIERNEY) each will control 30 minutes.

The Chair recognizes the gentleman from California (Mr. OSE).

GENERAL LEAVE

Mr. OSE. Mr. Chairman, I ask unanimous consent that all Members may have 5 legislative days within which to revise and extend their remarks on H.R. 327.

The CHAIRMAN. Is there objection to the request of the gentleman from California?

There was no objection.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, H.R. 327, the Small Business Paperwork Relief Act was introduced by the gentleman from Indiana (Chairman BURTON) on January 31, 2001.

This good government bill continues congressional efforts to streamline and reduce paperwork burdens on small businesses.

During the 105th and 106th Congresses, the Committee on Government Reform and Oversight reported out bills H.R. 3310 and H.R. 391, respectively, that passed the House by votes of 267 to 140 and 274 to 151, respectively.

□ 1015

These earlier bills included all of the substantive provisions in H.R. 327. However, unlike the predecessor bills, H.R. 327 does not include any provisions relating to the waiver of sanctions for first-time violations by small businesses of Federal paperwork requirements.

H.R. 327 includes the following helpful provisions for small businesses.

First, a requirement for the Office of Management and Budget to annually publish in the Federal Register and on the Internet an identification of each agency's Federal paperwork requirements for small businesses.

Second, a requirement for each agency to establish a single point of contact for small businesses.

Third, a requirement for each agency to make further efforts to reduce paperwork for small businesses with fewer than 25 employees.

Fourth, a requirement to establish an interagency task force to study streamlining of paperwork requirements for small businesses.

H.R. 327 asks this task force to consider having each agency consolidate its reporting requirements for small businesses, resulting in reporting to the agency's single point of contact, in a single format or using a single electronic reporting system, and on one date.

The definition of small business in this bill is the one used in the Small Business Act, 15 U.S.C., subsection 631 et seq.

H.R. 327 amends the Paperwork Reduction Act, the successor to the Federal Reports Act of 1942, which began the requirement for OMB approval before paperwork could be imposed on nine or more members of the public. The 1980 Paperwork Reduction Act which established the office of Information and Regulatory Affairs in OMB began by stating ''information needed by Federal agencies shall be obtained with a minimum burden upon business enterprises, especially small business enterprises, and other persons required to furnish the information and at a minimum cost to the government.''

The 1995 reauthorization of the Paperwork Reduction Act set 10 percent and 5 percent goals for paperwork reduction each year from 1996 to 2001.

OMB's most recent estimate of Federal paperwork burden on the public is 7.2 billion hours annually, at a cost of $190 billion a year. Despite the statutory requirements for annual reductions in paperwork burden, there have been annual increases, instead of annual decreases, in paperwork in each of the last 5 years. Those being from 1996 to 2000.

OMB's April 2000 report to Congress entitled the Information Collection Budget of the United States Government: Fiscal Year 2000 does not identify any interagency efforts to streamline paperwork requirements on small businesses. Also, although Congress required OMB to provide an analysis of impacts of Federal regulation on small business, OMB's June 2000 ''Report to Congress on the Costs and Benefits of Federal Regulations: 2000'' devotes less than one page to the impact of Federal regulatory and paperwork burdens on small businesses.

H.R. 327 has been endorsed by the U.S. Chamber of Commerce, the National Association of Manufacturers, the National Federation of Independent Business, the National Small Business United, the Small Business Coalition for Regulatory Relief, the Small Business Legislative Council, the Small Business Survival Committee, the Academy of General Dentistry, Agriculture Retailers Association, the American Farm Bureau Federation, the American Road and Transportation Builders Association, Associated Builders and Contractors, the Associated General Contractors, the Automotive Parts and Service Alliance, the Food Marketing Institute, GrassRoots Impact Inc., the National Association of Convenience Stores, the National Automobile Dealers Association, the National Business Association, the National Pest Management Association, the National Restaurant Association, the National Roofing Contractors Association, the National Tooling and Machining Association, the North American Equipment Dealers Association, and the Society of American Florists.

Mr. Chairman, I have introduced an amendment in the nature of a substitute which includes provisions requested by the Government Reform Minority, or the Committee on Small Business. Specifically, calling for, first, a clarification that was added that the annual list of requirements applicable to small businesses shall be organized so that small businesses can easily identify requirements with which they are expected to comply; second, the Department of Treasury was added to the membership of the interagency task force since the IRS accounts for nearly 80 percent of all paperwork burden on the public; third, a clarification was added that the consolidation requirements on small businesses shall not negatively impact the effectiveness of the underlying laws; fourth, the task force's report shall be submitted not only to Congress but also to OMB; and, fifth, a requirement was added to the task force to report in 2 years on recommendations for interactive, electronic recording with on-line editing, electronic dissemination and coordination across agencies so that agency single points of contact can provide small businesses with information from other agencies.

In addition, the Small Business Committee stressed that, first, the interagency task force should reach out to actual small businesses for their views and recommendations, and that agencies should create user-friendly Web sites for small businesses, including links to each agency's reporting requirements for small businesses and organized, where possible, by the North American Industrial Classification System formally known as the SIC codes.

Small businesses are particularly hurt by regulatory and paperwork burden. The Small Business Administration estimates that it costs large firms $3,400 per employee to comply with Federal regulatory and paperwork requirements. However, the costs to small businesses is 50 percent greater, a staggering $5,100 per employee. Not only are such costs higher for small businesses, but clearly they are also harder to absorb.

Small businesses cannot afford to comply with Federal requirements in the same way that large businesses can. The high costs of such requirements often makes it impossible for small businesses to expand. It threatens their ability to stay afloat or it prevents them from opening in the first place.

Mr. Chairman, H.R. 327 should result in needed relief for small businesses.

Mr. Chairman, I reserve the balance of my time.

Mr. TIERNEY. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I thank the gentleman from California (Mr. OSE), the chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs.

Mr. Chairman, H.R. 327 is a substantial improvement over the small business paperwork bills that were considered by the House in the last two Congresses because in the last two Congresses, these contained controversial penalty provisions, and they have since been removed. This bill includes provisions suggested by the Democratic minority that will reduce the paperwork burden on truly small businesses.

Mr. Chairman, small businesses as everyone is familiar with, are the backbone of the economy and, now, are where the new jobs are being created. However, many small- and family-owned businesses spend a great deal of their resources learning about and complying with applicable laws.

I am very pleased that we are looking at ways to make it easier for small businesses to understand what information they are required to provide and the ways to simplify and streamline the paperwork process.

Mr. Chairman, H.R. 327, as amended, requires the Office of Management and Budget to annually produce a list of information collection requirements applicable to small businesses and to do that in a manner that is useful to small businesses. This list must be printed in the Federal Register and on the Internet.

The bill also requires each agency to establish one point of contact to act as a liaison with small businesses.

It requires agencies to make efforts to further reduce paperwork on businesses with fewer than 25 employees.

It establishes a task force to study the feasibility of streamlining information collection and dissemination.

Mr. Chairman, 3 years ago, we considered similar provisions when we considered H.R. 3310. Unfortunately, that

bill also contained provisions that would have probably prohibited agencies from penalizing businesses for most first-time information-related violations. These provisions would remove agency discretion. It would have created a safe haven for willful, substantial, and long-standing violations.

They were obviously strongly opposed by the prior administration, by labor, environmental, consumer, senior citizen, health, trade and firefighter groups, as well as by some State attorneys general.

The gentleman from Ohio (Mr. KUCINICH) and I offered an amendment to address these concerns. However, the amendment failed. Because of the surrounding controversy, the bill was never considered in the Senate; and we lost a chance to implement the provisions that we are considering today.

The bill was resurrected in the next Congress as H.R. 391. The amendment of the gentleman from Ohio (Mr. KUCINICH), which fixed controversial provisions, narrowly failed by a vote of 214–210. Again, because the controversial provisions remained in the bill, it never became law.

Mr. Chairman, I am pleased to see that H.R. 327 does not include those controversial penalty provisions and now there is a strong chance that this bill will in fact become law.

Mr. Chairman, I am also pleased to say that the managers amendment to H.R. 327 includes suggestions made by the Democratic minority of this committee. For instance, the task force will study the feasibility of strengthening the dissemination so that agencies can more effectively share that information with other agencies and with the public.

The task force must make recommendations for implementing an interactive system for information collection requirements so the small businesses can identify applicable requirements over the Internet.

It will provide guidelines for developing an interactive system that edits the information submitted by small businesses and checks for consistency.

It will make recommendations for electronic dissemination of collected information.

Finally, it will make recommendations for coordinating information collection between the different agencies.

Another change that was suggested by the Democratic minority clarifies that the annual list of information requirements will be produced in a manner that is useful to small businesses. The original bill required that the lists be made by statistical code; however, that list likely would not be used by small businesses, it would merely provide a statistical analysis of the quantity of information regulations.

After all, the purpose of this bill is not to count regulations but to help small businesses understand and comply with the information collection requirements. The new language ensures that the list is produced in such a manner that such small business concerns can easily identify requirements with which they are expected to comply.

Further, H.R. 327 includes a provision suggested by the gentleman from Vermont (Mr. SANDERS), and it was adopted 3 years ago. And it focuses paperwork reduction on small businesses with fewer than 25 employees. This amendment directs our efforts to truly small businesses that need our help the most.

The definition of small businesses that was incorporated to H.R. 327 and was so broad that it included numerous businesses that many do not really consider as small.

It would have included petroleum refineries with up to 1500 employees, pharmaceutical companies with up to 750 employees, and banks with up to $100 million in assets. Thus, this bill, as amended, helps most businesses not just small businesses, and I believe it is appropriate to focus the agency efforts on businesses that truly are small.

Mr. Chairman, the information collection is one of the more important jobs of the Federal Government. It allows the government to enforce the law without burdening businesses with in-depth site investigations; nevertheless, it is difficult for small businesses to fully understand what is required of them. And many businesses have expressed frustration with the fact that they provided similar information to more than one source in government.

Mr. Chairman, I believe the government should help small businesses understand their responsibilities and streamline the information collection process. This bill serves both purposes without jeopardizing the underlying protections. Furthermore, it should help us take advantage of the information age by using the Internet to gather and disseminate information. These changes have been suggested by numerous sources, including the General Accounting Office.

Mr. Chairman, it is a bit ironic that we are considering this bill to help small businesses at a time when the President has proposed cutting funding to the Small Business Administration by over 46 percent.

He has recommended eliminating the New Markets Venture Capital Program, which provides venture capital and technical assistance to small businesses in less prosperous areas in the country.

The President also recommends eliminating the BusinessLINC Program which encourages mentoring between large and small businesses. I am hoping that as the session moves forward, we will be able to deal with those matters and to truly help small businesses there, as well as with this Paperwork Reduction Act.

I am pleased that we are at least willing to consider this bill which would help small businesses comply with the law and encourage the government to take advantage of electronic reporting and reduce duplicative paperwork burdens. I urge your support for passage.

Mr. Chairman, I reserve the balance of my time.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I want to thank the gentleman from Massachusetts (Mr. TIERNEY) for his efforts in helping us identify for small businesses across this country what the exact paperwork burden is that exists on them.

Mr. Chairman, I yield 5 minutes to the distinguished gentleman from Indiana (Mr. BURTON), my good friend and chairman of the Committee on Government Reform.

Mr. BURTON of Indiana. Mr. Chairman, I would like to thank the gentleman from California (Mr. OSE), the chairman of the Subcommittee on Energy Policy, Natural Resources and Regulatory Affairs, for his hard work on this bill, and the gentleman from Massachusetts (Mr. TIERNEY). He has worked very hard on this. I would like to thank as well the gentleman from California (Mr. WAXMAN), the minority member on the Committee on Government Reform.

Mr. Chairman, this is a very, very important bill. We talk about a lot of bills around here, Mr. Chairman, that do not seem to be very significant to the American people. But this is one that probably will not get front page across the country but it really is important.

□ 1030

We have 24 million small business people in this country, 24 million. The gentleman from California (Mr. OSE) said there was 190 billion hours that are devoted to small business paperwork. The Chamber of Commerce says that is 229 billion hours that they have to devote to paperwork for the Federal Government. My figures are 232 billion. But no matter how one cuts it, that is an awful lot of time and money that they have to spend just messing with regulations and paperwork in this country.

It costs them, as the gentleman from California (Mr. OSE) and the gentleman from Massachusetts (Mr. TIERNEY) and others have said, on average $5,100 per employee to comply with these regulations each year. Just think how much money we could save in this country and how much money could be turned into capital improvements and economic expansion if they did not have to spend all this time and money on paperwork.

So this bill, I think, is a very, very important bill. It will not be, like I said, front page, but I think everybody

in this country that is a small business person is going to be very, very happy that we pass it.

I might also state that the U.S. Chamber of Commerce is very supportive of the bill. They have 96 percent of their members that are small business people across this country, 96 out of 100. I know that all of those people are going to be thanking the gentleman from Massachusetts (Mr. TIERNEY) and the gentleman from California (Mr. OSE) and hopefully me as well for helping get this terrible workload off their backs so that they can make more money and help make the economy even stronger.

Mr. Chairman, I include the following letter from the Chamber of Commerce for the RECORD, as follows:

CHAMBER OF COMMERCE
OF THE UNITED STATES OF AMERICA,
Washington, DC, March 13, 2001.

Hon. DAN BURTON,
House of Representatives,
Washington, DC.

DEAR REPRESENTATIVE BURTON: Later this week, the full U.S. House is expected to consider H.R. 327, ''The Small Business Paperwork Relief Act.'' The U.S. Chamber of Commerce is the world's largest business federation, representing more than three million businesses of every size, sector, and region. More than 96 percent of the U.S. Chamber's members are small businesses with 100 or fewer employees.

With the plethora of regulatory mandates on small business growing to unpredicted levels, so too is the prodigious task of filling out the required paperwork. Our nation's 23 million small businesses spent approximately 7 billion hours filling out federal paperwork in 1998, according to the Office of Management and Budget (OMB). The cost associated with this paperwork burden is estimated at $229 billion and that does not take into account state and local requirements.

Specifically, H.R. 327 would require each agency to establish one point of contact for small businesses on federal paperwork requirements. In addition, a task force with representatives across federal agencies would be established to examine the feasibility of requiring each agency to reduce, consolidate and harmonize requirements regarding collections of information with respect to small-business concerns.

We urge you to support H.R. 327 and to oppose amendments that would weaken the important paperwork reduction requirements in the bill.

Sincerely,

R. BRUCE JOSTEN.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I would like to just make one add-on to the chairman's comments. He had said there were 190 billion hours. It was actually 7.2 billion hours per year in paperwork and 190 billion per year in cost.

Mr. BURTON of Indiana. Mr. Chairman, will the gentleman yield?

Mr. OSE. I yield to the gentleman from Indiana.

Mr. BURTON of Indiana. Mr. Chairman, when one gets into those figures, it gets very confusing; but the fact of the matter is, it is costing small business people in this country a ton of money.

Mr. OSE. Mr. Chairman, I yield 7 minutes to the gentleman from Illinois (Mr. MANZULLO), my good friend and chairman of the Committee on Small Business.

Mr. MANZULLO. Mr. Chairman, I rise today in support of H.R. 327, the Small Business Paperwork Relief Act. This bill represents an excellent start in reducing the paperwork burdens that are swamping millions of small businesses. If we can get them out from under this deluge, they can devote themselves to hiring workers, investing capital and moving the economy forward.

Twenty years after the passage of the Paperwork Reduction Act, there is no evidence that the government has reduced the amount of paperwork on small businesses. The Federal Government requires the filing of more than 7,700 forms, resulting in nearly 66 million responses with a total burden of more than 7.5 billion man-hours.

The Office of Management and Budget estimates that the annual cost of these paperwork burdens cost the American economy over $61.7 billion. This is a vast amount of paperwork.

Do we know how much of this burden is imposed on small businesses? Do we know how much of this burden is imposed on particular classes of small businesses? Does the Office of Management and Budget know which forms apply to which businesses? If it does, has that agency considered whether the information is duplicated? This bill, H.R. 327, provides the answers to these questions.

For example, convenience store owners that sell gasoline may have to prepare 46 different Federal forms. That is in addition to the basic forms for starting a business which are numerous, forms related to the sale and service of food, et cetera, et cetera. The forms and their associated instructions for the 46 different forms particularly associated with convenience stores total 250 pages of legal and regulatory prose. I got this information not from the Federal Government, which does not compile according to the function of the retailer or the wholesaler, but from a trade association.

So if someone wants to start a convenience store that sells gasoline, he or she would have to go to seven different Federal agencies. That assumes that they even knew that they should be going to some of those agencies. The situation is simply intolerable. H.R. 327 corrects this problem.

The bill requires the Office of Management and Budget to classify forms by business category, mandates that OMB put the information on the Internet in a user-friendly manner for small businesses, forces Federal agencies to create a single point of contact for small businesses to obtain information concerning paperwork requirements, and creates an interagency task force to consider ways to reduce and streamline the paperwork burdens now facing small businesses.

As the chairman of the Committee on Small Business, I would like to thank the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. OSE) for moving H.R. 327. I look forward to working with the gentleman from Indiana (Mr. BURTON) and the gentleman from California (Mr. OSE) on improving the Paperwork Reduction Act to ensure that the Federal Government reduces paperwork burdens on America's small businesses.

Mr. Chairman, the first thing the bill does is require that the OMB identify by North American Industrial Classification or other appropriate industry identification, the forms that every small business must fill out. In essence, a chart would be created that can be reviewed to determine the total number of forms that each agency imposes on each type of small business. OMB could then utilize this identification process to estimate the total burdens imposed on small businesses in each industrial classification. This is vital information that OMB does not yet estimate. OMB should be able to use this information in its internal management of approving existing and new information collection requests under the Paperwork Reduction Act.

There seems to be some concern about using industrial classifications because small businesses do not know their industrial classification. First, any small business that contracts with the Federal Government must know its industrial classification because the Federal Government classifies contracts using the North American Industrial Classification. The Securities and Exchange Commission requires the use of the North American Industrial Classification in all of its filings. So there are many small businesses that already know there industrial classification. And I would expect that OMB would provide a website link to the North American Industrial Classification system so small business owners could actually check their classification. I also would expect that the agency would put the title of the industrial classification in the data it collects for ease of reference in any event.

By itself, that single step would prove valuable to the Federal Government management of paperwork burdens and to the small business community. But H.R. 327, as amended, does more than that. It makes the information available to the small business community in a user-friendly manner. H.R. 327, as amended, requires the agencies to establish a single point of contact within each agency where small businesses can go to obtain information on the paperwork requirements associated with the agency. My colleagues are well aware that within a single Federal agency are numerous subagencies. I see no reason that a small business owner has to negotiate among this multitude in order to find out a simple question—what forms do I need to fill out to comply with the law. The structure of Federal agencies has made this a game. If a small business owner guesses correctly, they might find out what forms they need to fill out; if they guess incorrectly, they might not find out. That is just plain stupid.

H.R. 327 would correct that problem by appointing one person in each agency to act as a central point of contact for small businesses to obtain information on the paperwork requirements associated with its small business. Small businesses then would be able to obtain the appropriate forms from this point of contact. I also would expect that the point of contact would create a website where all of the agency's forms are located for easy downloading by small businesses.

The bill also would establish an interagency task force to address ways to reduce burdens on small businesses. For example, the task force, armed with identification of all appropriate forms identified by industry, could begin to examine processes to improve interagency sharing information so that similar information would not have to be filed with multiple agencies. Or agencies might share knowledge about how to make forms more user-friendly and thereby reduce the time that small businesses expend in completing forms.

Mr. Chairman, I would like to enter into a colloquy with the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, will the gentleman yield?

Mr. MANZULLO. Yes, I yield to the gentleman from California.

Mr. OSE. Mr. Chairman, I will be happy to engage in a colloquy with the gentleman from Illinois.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California for agreeing to engage in a colloquy. I think it is absolutely imperative on the task force created by the bill to obtain input from the small business community. Does the gentleman from California concur?

Mr. OSE. Mr. Chairman, if the gentleman will yield, I concur with the gentleman from Illinois. I certainly would not understand how a task force that is designed to reduce the paperwork burdens on small businesses could accomplish its goal without obtaining input from the small businesses that are buried by Federal reporting and recordkeeping requirements.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California for clarifying that issue.

I also note that the bill would require the Office of Management and Budget place the information on small business paperwork burdens on the Internet. I agree that this would make the information more accessible.

However, I believe more can be done. I think that OMB should establish a link on its website to the agency point of contact established by the bill. Each agency's website then would have links to the relevant paperwork required for small business. I would like the opinion of the gentleman from California on this point.

Mr. Chairman, I yield to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I agree with the gentleman from Illinois. The bill was intended to make information available in a user-friendly format, which means making it easy for small businesses to find the relevant paperwork requirements on the Internet. That would include providing appropriate links on OMB's website to the single points of contact established by the bill. In addition, I would expect links on OMB's website to other general access points, such as the FirstGov website and the Small Business Administration's website.

I look forward to working with the distinguished gentleman from Illinois to ensure that the Federal agencies provide appropriate links to this critical information.

Mr. MANZULLO. Mr. Chairman, finally, I would like to clarify one point. The bill as introduced required that the information be organized by the North American Industrial Classification System. The amendment would modify that requirement by leaving it up to the discretion of OMB.

Is it the opinion of the gentleman from California (Mr. OSE) that the best method of classifying the information remains the North American Industrial Classification System because that would enable small businesses to best identify the paperwork burdens associated with the particular businesses?

Mr. Chairman, I yield to the gentleman from California (Mr. OSE).

Mr. OSE. Mr. Chairman, I thank the gentleman for raising that critical point. I believe that OMB should classify the information using the North American Industrial Classification System. Otherwise, a small business searching for information on its paperwork burdens might not find the information most applicable to its business. By using the North American Industrial Classification System, it would ensure that restaurants find information relevant for restaurants and not information for steel manufacturers.

In conclusion, I fully agree with the gentleman from Illinois on this point.

Mr. MANZULLO. Mr. Chairman, I thank the gentleman from California (Mr. OSE).

Mr. TIERNEY. Mr. Chairman. I yield myself such time as I may consume.

Mr. Chairman, I understand the desire that the task force address concerns of the small business community. It is my understanding that is why the task force in fact includes someone from the Small Business Office of Advocacy. That is what they do. So I should not think we would all be surprised about that. I think that should continue and we support that.

But I think it is also important that the task force obtain input from the environmental, public health and the labor communities as well. Because the study, in fact, is looking at the feasibility of streamlining paperwork without negatively impacting underlying protections.

I think, as much as we can all rail here about the need for paperwork reduction and streamlining, we all believe that is a good goal. I think few of us would argue that the regulations in fact are there for a purpose. While we are achieving our goal for this bill, we want to make sure we do not undercut the purposes of those regulations that are so important.

I would also like to clarify a point made by the gentleman from California (Mr. OSE). I understand his preference of the Office of Management and Budget to use the North American Industrial Classification System. However, I want to ensure that he understands the bill has changed. The bill now states that the information should be organized in such a manner that such small business concerns can easily identify requirements by which they are expected to comply.

If the North American Industrial Classification System is the easiest, then I think that is obviously the one OMB will select. But we should all know that the NAIC categories are used for census purposes and for compiling statistics. OMB may not find that to be the most significant or most proper way to do that, in which case they will use another way of presenting the information.

I thank the chairman for that.

Mr. Chairman, I yield 2 minutes to the gentleman from California (Mr. BACA).

Mr. BACA. Mr. Chairman, I stand in support of this legislation, H.R. 327. If we are not choking small businesses with overburdensome regulations, we are choking them with paperwork.

Today small business owners have to contend with an increased competition with big businesses who are merging and consolidating and putting a squeeze on the little guy. Then they have big government come in, squeezing the little guy with tons of regulations and paperwork. This is why this country is heading into a recession.

Small business is the engine of the economic growth in this country. The biggest employer is the Inland Empire in my area with the largest growth of small businesses.

What we have done is we have stalled the engine. I state we have stalled the engine. We have forced small businessmen and women to spend hours filling out forms. These are hours they cannot spend with customers, their families, vendors, civic organizations.

Time is money. As a former small business owner, I know how tough it can be to keep up with small regulations and forms. I wanted to be a good businessman, not a good form-filler-outer.

For those of us who are in small businesses, we understand what is going on in the world around us and the kind of competition that we are faced with as well. We want to be just as competitive as anybody else. But we also want to spend our time wisely. The way to do

that is to get rid of some of the burdens that we have in the filling out of the paperwork.

In addition, I am also concerned that the President's budget cuts Small Business Administration almost in half from its level of 2000 and that the President's tax plan does not allow for specific tax relief for small businesses.

Small businesses deserve our support and help. They need financing programs. They deserve specific tax relief measures. They need less burdensome regulations and less paperwork.

Let us unharness small business owners and get the engine going again. I ask for support for H.R. 327.

Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

Mr. Chairman, I find myself thanking the gentleman from Massachusetts (Mr. TIERNEY) often, which is good. I want to thank the gentleman from Massachusetts for bringing up the very valid suggestion that the task force should visit with labor and environmental groups in particular. I think that is an excellent point that needs to be in the RECORD.

Mr. Chairman, I yield 3 minutes to the gentleman from Indiana (Mr. PENCE).

Mr. PENCE. Mr. Chairman, I thank the gentleman from California for yielding me the time.

Mr. Chairman, I am grateful for this opportunity to come to the floor this morning to urge my colleagues to support the Small Business Paperwork Reduction Act. I specifically thank the gentleman from California (Chairman OSE) and the gentleman from Massachusetts (Mr. TIERNEY) for their efforts in this regard.

My good friends, the gentleman from Indiana (Chairman BURTON) and the gentleman from Illinois (Chairman MANZULLO), have introduced and worked with these gentlemen to introduce an important bill to help the new administration protect small business from an ever-expanding regulatory burden.

As the new chairman of the Subcommittee on Regulatory Reform and Oversight, I am especially pleased to pick up the regulatory reform mantle from the gentlewoman from New York (Mrs. KELLY) and my good friend and predecessor David McIntosh. They did a tremendous job as advocates for small business, and I hope to continue to fight regulatory excess and burdensome paperwork that acts as such an impediment to economic growth and expansion.

In fact, Mr. Chairman, reducing this burden is as important to small businesses as tax relief, because filling out forms competes directly with the business manager's principal goal, growing his or her business. This mountain of paperwork has been the enemy.

In spite of the importance of small business to the success of our economy, small businesses face serious hurdles. One of the hardships that I have heard over and over again in east central Indiana from small business leaders in my district is the burden of paperwork and Federal red tape.

The Office of Management and Budget estimates the Federal paperwork burden at 7.2 billion hours. What does this mean, Mr. Chairman? It means that it takes an army of 3.5 million workers working 40 hours a week, 52 weeks of the year to simply fill out all of the paperwork the Federal Government requires each year. According to the Office of Management and Budget, this costs the American public $190 billion a year.

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Much of the information that is gathered in this paperwork is important, sometimes even crucial for the government to function. However, too often the paperwork is duplicative and sometimes unnecessary.

Unfortunately, past efforts to fix the paperwork problem have not worked. In 1995, Congress passed amendments to the Paperwork Reduction Act. The goal of the act was to annually reduce the requirements of the Federal Government. These annual reductions in paperwork, however, have not been achieved. In fact, paperwork burdens have increased over the past 5 years.

As my colleagues know, the regulatory burden that the Federal Government imposes on business is staggering. According to the Small Business Administration, it costs large firms $3,400 per employee to comply with Federal regulations. However, the cost to small businesses is 50 percent greater, a staggering, $5,100 per employee; and for small businesses, nearly $2,000 of this cost is for paperwork alone. H.R. 327 starts to deal with these paperwork issues.

Mr. Chairman, I urge my colleagues to support the Small Business Paperwork Relief Act.

Mr. TIERNEY. Mr. Chairman, I yield 4 minutes to the gentleman from California (Mr. WAXMAN), the able ranking member of the Committee on Government Reform.

Mr. WAXMAN. Mr. Chairman, I rise to urge my colleagues to support passage of H.R. 327, the Small Business Paperwork Relief Act. As my colleagues may recall, similar legislation was on the House floor during the 105th and the 106th Congresses, which I did not support. H.R. 327, however, does not contain the controversial provisions as in the past years that would have condoned violations of important health and safety laws.

In addition to stripping the bill of the egregious language regarding violations, the majority worked with us to add new provisions that call for agencies to make it easier for small businesses to learn what is expected of them and improve the dissemination of regulatory information to the public. This bill calls on agencies to work together to create a way for a small business person to be able to contact one agency for information instead of multiple agencies as is currently required.

I especially want to highlight one provision which calls on agencies to work toward an interactive computer system which will allow small businesses to electronically identify information collection requirements. A small business person should be able to go online and determine what are the government requirements with which the business needs to comply.

Just this week the General Accounting Office released a report, Regulatory Management: Communication About Technology-Based Innovations Can Be Improved, drafted at my request and the request of Senators LIEBERMAN and THOMPSON. It demonstrates how information technology can and should be used by agencies when they interact with the public to accomplish their missions. The report explains that increased use of information technology in regulatory management has the potential to yield significant benefits, including reducing burden on regulated entities; and I believe the changes to this bill start us on the right track.

Mr. Chairman, of course this bill's attempt to help small businesses should not obscure what this Congress has done to hurt small businesses. This Republican Congress began down the wrong path earlier this month when it included anti-small business provisions in the bankruptcy bill it passed. One such provision created an inflexible trigger which requires a court to order liquidation even if the small business is still viable.

Similarly, the President's budget recently submitted to Congress funding cuts of the Small Business Administration by 46.4 percent. Specifically, the budget eliminates the New Markets Venture Capital program, which provides venture capital and technical assistance to small businesses in less prosperous areas of the country.

In addition, it eliminates the business link program which encourages mentoring between large and small businesses.

Mr. Chairman, although there were a number of additional provisions that I would have liked to see in this bill, because this bill no longer has the violations sections and because some of the Democratic suggestions were included, I urge passage of H.R. 327.

In closing, I would like to commend the gentleman from California (Mr. OSE), the subcommittee chairman; the gentleman from Indiana (Mr. BURTON), the full committee chairman; and the gentleman from Massachusetts (Mr. TIERNEY), the subcommittee ranking member. They have worked together to produce a bill that deserves our support.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from Idaho (Mr. OTTER).

Mr. OTTER. Mr. Chairman, I rise today in support of H.R. 327, the Small Business Paperwork Relief Act. The Office of Management and Budget estimates that small businesses spend 7.2 billion man-hours to fill out Federal Government paperwork. This means it takes an army of 3.5 million workers, working 8 hours a day, 260 days a year, to fill out the paperwork that the Federal Government requires. Think now, how many government employees it takes to read, file, store, analyze, and then answer this same paperwork.

For the hard-working American people who own and operate small businesses, we must stop these regulations now; and by doing so, we create an opportunity for them to become more efficient, drive down costs, stimulate the economy, and let them spend more time of that 7.2 billion hours with their families and keeping their businesses competitive. It is the American consumer that buys the products from these companies that pays the bill.

Mr. Chairman, once again I thank the gentleman from California for yielding me this time.

Mr. OSE. Mr. Chairman, may I inquire how much time remains?

The CHAIRMAN. The gentleman from California (Mr. OSE) has 9 minutes remaining.

Mr. OSE. Mr. Chairman, I yield 1 minute to one of our newest Members, the gentleman from Florida (Mr. PUTNAM).

Mr. PUTNAM. Mr. Chairman, I thank the gentleman for yielding me this time.

Mr. Chairman, I rise in support of H.R. 327, the Small Business Paperwork Relief Act. In my State of Florida, 98.9 percent of the businesses are small businesses, and 84 percent of the jobs in Florida come from firms having 25 or fewer employees.

Small business ownership is the great gateway to the middle class for many minorities in my State. In Florida, there are over 40,000 small businesses owned by African Americans and over 118,000 Hispanic-owned small businesses. In my home county there are about 9,300 business establishments, 86 percent of which the employment comes from firms employing fewer than 20.

Small business is truly the lifeblood of our economy. Bureaucracy and its attendant costs, however, have invaded nearly every aspect of our economic life. Nowhere does the growing burden of Federal regulation fall more heavily than on small business.

Among the early victories of the Reagan years was the passage of the Paperwork Reduction Act of 1980. The Paperwork Reduction Act targeted several classes of the public for relief, especially the small business community. Unfortunately, since that time, the burden of Federal regulation has once again reared its ugly head. Mr. Chairman, that means that 86 percent of the employment is burdened by this hidden tax of $2,000 per employee.

Mr. Chairman, I urge the passage of H.R. 327.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from New York (Mr. GRUCCI).

Mr. GRUCCI. Mr. Chairman, I thank my colleague, the gentleman from California (Mr. OSE), for yielding me this time.

Mr. Chairman, during my career, both in the private sector as a small family businessman, and in the public sector, when I served as supervisor of the largest town in Suffolk County, on Long Island, I have always been a proponent of streamlining the costly bureaucracies that hinder the success of small businesses and stifle the entrepreneurial spirit.

When I ran my family business, I experienced firsthand how encyclopedia-sized applications discouraged owners from competing on government projects. I had to hire additional attorneys, accountants, and consultants just to fill out the basic paperwork. These requirements place unnecessary burdens on the backbone of our Nation's economy, the entrepreneur and the small business owner.

As a local town supervisor, I streamlined and enhanced the planning and review process so small businesses could obtain permits at a faster pace. By streamlining the process, small businesses open faster, expand at a greater rate, create additional jobs, protect our environment, and provide the improvement for the quality of life of all Americans.

This commonsense measure aims to ease the unnecessary burdensome paperwork by requiring public electronic disclosure of all Federal paperwork requirements and establishing a one-stop shop.

Mr. Chairman, I ask that my colleagues join me in passing this resolution.

Mr. TIERNEY. Mr. Chairman, I yield 3 minutes to the gentlewoman from Texas (Ms. JACKSON-LEE).

Ms. JACKSON-LEE of Texas. Mr. Chairman, I thank the gentleman for yielding me this time and for his leadership. I also thank the committee for its leadership and thank the chairman as well.

Mr. Chairman, I wanted to come to the floor to suggest to my colleagues that I wish that we could be doing more. I happen to be a member of the House Committee on Science, and during my tenure on that committee I have often said that small business is the backbone, the infrastructure, of America, along with science. Science is the work of America. In many instances, small businesses are engaged in activities that generate research and improvements in our quality of life.

I believe the backbone of this legislation is the idea of providing access to small businesses as relates to our Federal agencies. So I am certainly supportive of the aspects that would require Federal agencies to reduce paperwork requirements for very small businesses; and certainly I am very supportive of establishing single points of contacts for information on paperwork requirements and the fact that we are publishing each year a list of all paperwork requirements on small businesses and establishing a task force to study the feasibility of streamlining small business reporting requirements.

But I would like to see us continue outreach activities to small businesses. I think the concept promoted in the last administration of the U.S. General Store, where there was a central point where small businesses could access the Federal agencies and find out how to market products to the Federal agencies and how to work with the Federal agencies, is a concept that this Congress should take up again.

I think this Congress should be looking at how we can lower the cost of health care for our smaller businesses in a manner that provides health care to their employees in an economical way. I think this Congress should be looking at how we can address the energy crisis so that the high cost of fuel is not putting our small businesses out of business. And I would hope that this Congress could as well look at the mobile concerns around the Nation, because it is the employees of small businesses that most suffer in terms of mobility. In particular, my city of Houston is fighting for a light rail system to assist in our mobility and air-quality issues.

So though I come and support this legislation, inasmuch as I believe the economy is driven by small businesses, I think that we will do well to spend a great deal of our legislative agenda in helping to address the questions that really drive small businesses, which is bringing down their health care costs, providing them with regional mobility, and ensuring that they have the kind of lower costs in energy and overhead costs that will keep them strong and vibrant.

With that, Mr. Chairman, I support the legislation and ask my colleagues to continue their work.

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Mr. OSE. Mr. Chairman, I yield myself such time as I may consume.

I want to compliment the gentlewoman from Texas. I look forward to working with her on further relieving the burden on the small businesses that exist in all of our districts. I thought her remarks were right on point.

Mr. Chairman, I yield 2 minutes to the gentlewoman from West Virginia (Mrs. CAPITO).

Mrs. CAPITO. Mr. Chairman, I rise today to urge all of my colleagues to support the small business paperwork relief act, H.R. 327. Many who have spoken have cited the various benefits of this bill to small businesses: reduced costs, greater efficiency and new jobs. But I would like to highlight yet another benefit of this bill, greater business opportunities for women and more women-owned businesses.

Women have made great strides in the workplace, especially as entrepreneurs. Between the years of 1987 and 1997, the number of women-owned businesses has increased by 89 percent. In my State of West Virginia, small business is 80 percent of the businesses in West Virginia. In February of this year, six of my constituents received Small Business Administration loans. Four of these business owners were women. All of them are happy to receive the financial support, but they would be even happier if the government would remove some of the unnecessary regulations and paperwork that prevent them from doing such things as offering expanded health insurance policies or creating new jobs, all these things that could be done with the costs they expend on filling out large amounts of Federal paperwork.

As leaders entrusted with the responsibility to preserve the ideas that this country was founded on, we need to be constantly vigilant, recognizing these needless barriers that unduly burden small business. We need to be constantly aware and unwilling to tolerate the unnecessary obstacles that prevent all Americans, men and women, from achieving the American dream. If we fail our country and our constituents of this responsibility, then we cheat our national economy of many talented and capable workers and potential commercial assets.

I cannot help but wonder how many more women or minority entrepreneurs we could have if we made starting and running a small business a little bit easier. I urge my colleagues today to recognize this. Today we have the opportunity to preserve and extend the idea of the American dream to millions more women who think that when it comes to starting and running a business it is just too hard. Send them a message that the true entrepreneurial spirit is available to them.

I urge support of H.R. 327, the small business paperwork relief act.

Mr. OSE. Mr. Chairman, I yield 2 minutes to the gentleman from New Jersey (Mr. FERGUSON).

Mr. FERGUSON. Mr. Chairman, I rise today in strong support of small business owners and of common sense. I ask my colleagues to support H.R. 327, the small business paperwork relief act. Despite the importance of small businesses to our economy, they face serious regulatory hurdles. The single most costly type of regulation is paperwork compliance. The Office of Management and Budget estimates the Federal paperwork burden at 7.2 billion man hours and $190 billion each year. These small businesses are drowning in a sea of red tape. The time and money required to keep up with government paperwork prevents small businesses from securing their first priority, growing and creating new jobs.

According to the Small Business Administration, it costs large firms $3,400 per employee to comply with Federal regulations. But the cost to small business is 50 percent higher, a staggering $5,100 per employee. This common sense legislation would help ease the paperwork burden by establishing a central Internet site listing all the Federal paperwork requirements for small businesses, allowing small businesses to anticipate the otherwise unknown paperwork hurdles that they must clear in launching new businesses.

As a former small business owner, I have personally witnessed the tremendous strain that paperwork places on small business owners. In fact, in my district in Fanwood, New Jersey, Mary Ellen Cagnassola's small business provides work for my constituents who make the popular scented soaps at Mary Ellen's Sweet Soaps. Mary Ellen is one of thousands of small business owners across the country who employ more than 50 percent of our country's workforce and face a 50 percent higher cost than larger business owners in regulatory paperwork.

I ask my colleagues to support this bill which takes an important first step in trying to lift the paperwork burden that the Federal Government imposes every year on America's small business owners.

Mr. Chairman, I rise today in support of small business owners—and common sense—and ask my colleagues to support H.R. 327, the "Small Business Paperwork Relief Act."

Despite the importance of small businesses to our economy, they face serious regulatory hurdles. The single most costly type of regulation is paperwork compliance. The Office of Management and Budget estimates the federal paperwork burden at 7.2 billion man-hours and $190 billion a year.

But these small businesses are drowning in a sea of redtape. The time and money required to keep up with government paperwork prevents small businesses from securing their first priority—growing and creating new jobs.

According to the Small Business Administration, it costs large firms $3,400 per employee to comply with federal regulations. But the cost to small business is 50 percent greater—a staggering $5,100 per employee.

This commonsense legislation would help ease the paperwork burden by establishing a central Internet site listing all the federal paperwork requirements for small businesses—allowing small businesses to anticipate the otherwise unknown paperwork hurdles they must clear in launching new business.

In addition, it directs each agency to provide a contact for small businesses on paperwork requirements.

As a former small business owner I have personally witnessed the tremendous strain that paperwork places on small business owners.

I have also had the opportunity to speak with other small business owners on this issue. Small businesses are the backbone of our nation's economy. In my district, in Fanwood, NJ, Mary Ellen Cagnassola's small business provides work for my constituents who make the popular scented soaps at "Mary Ellen's Sweet Soaps". Mary Ellen is one of thousands of small business owners across the country who employ more than 50 percent of the country's workforce and face a 50-percent greater cost than larger businesses in regulatory paperwork.

Small businesses are responsible for 47 percent of all sales and 51 percent of the private gross domestic product.

But small businesses provide more than just jobs and sales. They offer most initial on-the-job training. And, even more importantly, they are more likely to employ younger and older workers, former welfare recipients and women, many of whom prefer or are able to work only on a part-time basis.

In addition to being centers for training, small businesses are also laboratories of innovation and entrepreneurship. Small businesses give women and minority's a chance to build on their dreams and enhance the communities they live in.

A great source of American strength has always been the dream of economic growth, equal opportunity and upward mobility. Small businesses enable millions, especially women, to access that American dream.

I ask my colleagues to support this bill, which takes an important first step in trying to lift the paperwork burden that the federal government imposes every year on America's small business owners.

Mr. OSE. Mr. Chairman, I yield 1 minute to the gentleman from Virginia (Mr. SCHROCK).

Mr. SCHROCK. Mr. Chairman, America's small business owners collectively spend thousands of hours and billions of dollars each year filling out government paperwork. A friend of mine, Kent Winquist, is a small business owner in Virginia Beach and Norfolk. He tells me that every week he must maintain and update tax forms, Social Security forms, immigration forms, health care forms and many other mandatory Federal forms just to comply with Federal regulations, or face stiff penalties. Small business owners like Kent are stuck in back offices filling out forms and meeting Federal deadlines instead of training new employees and expanding their businesses. Federal regulatory agencies will continue to hold back small business from thriving in their communities unless we take action.

Mr. Chairman, I believe that less government involvement in our lives will allow us to give more to our communities, our families and our economy.

It is time for us to give small businesses back their time so that they continue to be the engine that drives our economy. I urge my colleagues to support H.R. 327, the small business paperwork relief act which will give small business owners more time to invest in their businesses and share with their families.

Mr. OSE. Mr. Chairman, I yield 2 minutes to the distinguished gentleman from Pennsylvania (Mr. TOOMEY).

Mr. TOOMEY. Mr. Chairman, I have been a small business owner for about 10 years. Like many of us, I am sure, I know many hundreds of small business owners across my district, the Lehigh valley of Pennsylvania. There is no question that small business is the critical engine of economic growth and the critical creator of jobs. It is also, I would point out, an amazing source of the charitable contributions in our communities, of volunteer work that goes to improve the quality of life in our communities.

It is a thrill to own a small business if you are fortunate enough to have a successful one. There is a great satisfaction in creating a business from scratch and employing people and seeing that become productive. But it is also an enormous challenge. There is a great deal of worry, whether you are going to make that payroll every Friday, whether you are going to have the funds to make that bank payment that is coming due next week, how are you going to figure out how to innovate and stay alive in business.

What we in government ought to be doing is we ought to be finding ways to reduce the obstacles that we impose on the small businesspeople of America who achieve this great success. The two big things we can do is we can relieve the tax burden, the enormous tax burden that small business owners contend with every day. We can support the President's proposal and in fact expand on the President's proposal for tax relief and do wonders for small business. The other thing we can do is reduce the regulatory burden. H.R. 327 clearly does that. This is a very constructive step to give small business owners the time and energy to be able to spend productively improving their business, creating more jobs and more opportunity. That is what we ought to be doing here.

I urge my colleagues to vote for H.R. 327. I congratulate the members of the committee who have made this possible.

Mr. TOM DAVIS of Virginia. Mr. Chairman, I rise today in strong support of H.R. 327, the Small Business Paperwork Relief Act of 2001.

It is estimated that small business owners spend at least a billion hours each year filling out government paperwork at a cost of $100 billion. For companies with fewer than 20 employees, paperwork regulations cost $2,017 per employee per year. For those with 20 to 499 employees, paperwork regulations cost $1,931 per employee per year. This is simply unacceptable.

Although there have been attempts to mitigate this burden in the past, they are clearly not working. In fact, the Office of Management and Budget's FY 2000 Information Collection Budget shows that there have been increases in paperwork in each of the last 5 years. Such figures reinforce the notion that the Federal Government is simply a regulatory beast, better suited to imposing complex rules and creating extra work for the American people than being a source of assistance.

This has to stop. Every effort must be made to make it as easy as possible for small businesses to conduct business with, and abide by the rules of, the Federal Government. H.R. 327 goes a long way toward making this a reality, and I commend Chairman BURTON for his leadership in bringing this bill before the House so early in this Congress. H.R. 327 makes it easy for small businesses to find out their paperwork obligations by requiring that a comprehensive, annual list be published on the Internet and in the Federal Register. It also requires every agency to establish a single point of contact to act as a liaison to small businesses. Finally, it requires every agency to make special efforts to reduce paperwork for businesses with fewer than 25 employees, and establishes a task force to study the feasibility of streamlining reporting requirements for all small businesses.

Small businesses have a hard enough time trying to survive in the competitive marketplace. There is no reason not to minimize the amount of resources that they must divert from conducting business to complying with the Federal Government. I urge my colleagues to fully support this bill.

Mr. OTTER. Mr. Chairman, I rise today in support of H.R. 327, the "Small Business Paperwork Relief Act."

The Office of Management and Budget estimates that small businesses spend 7.2 billion man hours to fill out federal paperwork.

This means it takes an army of 3.5 million workers, working 40 hours a week, 52 weeks a year, to fill out the paperwork the Federal Government requires. Think now, how many government employees it takes to read, file, store, analyze, and answer the same paper.

And according to the Chamber of Commerce of the United States, this burden costs the American public $229 billion per year, and this does not take into account state and local requirements.

For the hard-working Americans who own and operate small businesses we must ease these regulations.

By doing so, we create an opportunity for them to become more efficient, drive costs down, stimulate the economy, and let them spend more of that 7.2 billion hours of paperwork with their family and keeping their business competitive.

As most of my colleagues know, it costs money to comply with the regulations the federal government requires. According to the Small Business Administration it costs large firms $3,400 per employee to comply with federal regulations. However, it costs small businesses 50 percent more—an amazing $5,100 per employee.

How can we sit here and continue to justify this burden on our friends and neighbors who are just trying to fill out mandated paperwork.

Let me just tell you about redundant paperwork. In Idaho we have a small business, Land Mark Promotions, who every now and then ships items overseas.

In order to compete internationally they are required to fill out a shipper export declaration, a certificate of origin, maintain a harmonized export number, and have four to five copies of of the invoice, I think we can do better than that and abolish the duplication process in these type of regulations.

In a time where our economy is slowing down, let us free up small business so they can work on job training, innovations, and productivity.

And if anyone can tell me how 7.2 billion hours of bureaucratic paperwork is productive, I have some ocean front property in Idaho.

Mr. Chairman, let us get back to common sense, streamline the requirements for small business, get the monkey off the back of small business owners so they can help this economy grow, and support the "Small Business Paperwork Relief Act."

Ms. HOOLEY of Oregon. Mr. Chairman, anyone who's ever been to Oregon knows that the backbone of our local economy are small businesses and family farms.

Unfortunately, the time and money required to keep up with government paperwork prevents them from growing and creating new jobs.

For example, I recently heard from a local funeral home owner whose business has been in his family for three generations—and was astounded to learn of the increasing mountain of paperwork that he's had to deal with over that time period.

And according to the Office of Management and Budget (OMB), this individual isn't alone—paperwork counts for one-third of all total federal regulatory costs (over $230 billion a year).

I think it would be great if we could get more agencies to work with small businesses to solve their differences instead of immediately taking an adversarial relationship with them.

That's why I support the Small Business Paperwork Relief Act, because it gives Oregon's entrepreneurs some much-needed relief from federal redtape.

Specifically, it would put on the Internet a comprehensive list of all the Federal paperwork requirements for small businesses organized by industry, and it would establish a paperwork czar in each agency who is the point of contact for small businesses on paperwork requirements.

Finally, it would establish a task force, including representatives from the major regulatory agencies, to study how to streamline reporting requirements for small businesses.

I urge my colleagues to support H.R. 391.

Mr. GRAVES. Mr. Chairman, I rise today in strong support of the Small Business Paperwork Relief Act. Small business is the backbone of our Nation's economy. In fact small businesses are the largest employer in the State of Missouri. 96 percent of all businesses have fewer than 100 employees in Missouri. For Missourians the success and prosperity of our State quite literally depends on the success and prosperity of our small businesses.

Which is why I am an ardent supporter of the Small Business Paperwork Relief Act. This act works to reduce the overwhelming paperwork requirements imposed on small businesses by federal agencies.

Mr. Chairman, I would like to give you an idea of the total requirements that the Federal Government forces on small businesses: For firms with fewer than 20 employees, paperwork regulations cost $2,017 per employee per year. This is the single most costly type of regulation.

I spoke with Jim Oldebeken, a constituent in my district, and he stated that in order to be in compliance with OSHA's paperwork requirements, small bussiness owners must know and understand the entire OSHA code—which happens to be longer than the Bible—both New and Old Testament. On average, small business owners spend more time reading, filling out, and filing paperwork than they spend on protecting their employees and making their workplace safe. Another constituent of mine, Bruce Copsey, who owns Hollaway Telephone Co. in Maitland, MO, estimates that he spends three times as much time filing out paperwork today than he did when he opened his business in 1988.

Mr. Chairman, I believe these small businessmen share the same concerns as many of my constituents and small business people across the country. It is not that they do not want to comply with government standards; they just do not want the act of compliance and the art of filling out paperwork to become their job. Small businesses are vital to the economic success of our nation, and they provide millions of good jobs across this nation. The Paperwork Relief Act will streamline the regulatory paperwork process for small business owners. As we deliberate in this body how best to stimulate our economy and insure that there is an abundance of good jobs available, there will be few bills that have the potential to have the sort of impact that this legislation will have on the job providers of our nation. Without regulatory reform and a reduction in the unnecessary regulations and paperwork, our small business people and the jobs that they create will be placed in jeopardy unnecessarily. This bill recognizes the importance of our small business community and the detrimental effect that unnecessary redtape and regulations has on our small businesses. Mr. Chairman, I urge my colleagues today to join me in supporting our small businessmen and women across the country by passing the Small Business Paperwork Relief Act.

Mr. TIERNEY. Mr. Chairman, I thank the gentleman from California (Mr. OSE) for the leadership he has shown on this bill, and I yield back the balance of my time.

Mr. OSE. Mr. Chairman, I thank the gentleman from Massachusetts, who has been a gentleman in this entire process, and I yield back the balance of my time.

The CHAIRMAN. All time for general debate has expired.

Pursuant to the rule, the amendment in the nature of a substitute printed in the CONGRESSIONAL RECORD and numbered 1 shall be considered by section as an original bill for the purpose of amendment and each section is considered read.

During consideration of the bill for amendment, the Chair may accord priority in recognition to a Member offering an amendment that he has printed in the designated place in the CONGRESSIONAL RECORD. Those amendments will be considered read.

The Clerk will designate section 1.

The text of section 1 is as follows:

H.R. 327

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 ''Small Business Paperwork Relief Act''.

The CHAIRMAN. Are there any amendments to section 1?

The Clerk will designate section 2.

The text of section 2 is as follows:

SEC. 2. FACILITATION OF COMPLIANCE WITH FEDERAL PAPERWORK REQUIREMENTS.

(a) REQUIREMENTS APPLICABLE TO THE DIRECTOR OF OMB.—Section 3504(c) of chapter 35 of title 44, United States Code (commonly referred to as the ''Paperwork Reduction Act''), is amended—

(1) in paragraph (4), by striking ''; and'' and inserting a semicolon;

(2) in paragraph (5), by striking the period and inserting a semicolon; and

(3) by adding at the end the following new paragraphs:

''(6) publish in the Federal Register on an annual basis—

''(A) a list of the requirements applicable to small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)) with respect to collection of information by agencies, organized in such a manner that such small-business concerns can easily identify requirements with which they are expected to comply (e.g., organized by North American Industrial Classification System code and industrial/sector description (as published by the Office of Management and Budget)); and

''(B) the agency that issued each such requirement and the website address for such agency; and

''(7) make available on the Internet the information described in paragraph (6).''.

(b) ESTABLISHMENT OF AGENCY POINT OF CONTACT.—Section 3506 of such chapter 35 is amended by adding at the end the following new subsection:

''(i) In addition to the requirements described in subsection (c), each agency shall, with respect to the collection of information and the control of paperwork, establish one point of contact in the agency to act as a liaison between the agency and small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)).''.

(c) ADDITIONAL REDUCTION OF PAPERWORK FOR CERTAIN SMALL BUSINESSES.—Section 3506(c) of such chapter is amended—

(1) in paragraph (2)(B), by striking ''; and'' and inserting a semicolon;

(2) in paragraph (3)(J), by striking the period and inserting ''; and''; and

(3) by adding at the end the following new paragraph:

''(4) in addition to the requirements of this Act regarding the reduction of paperwork for small-business concerns (within the meaning of section 3 of the Small Business Act (15 U.S.C. 631 et seq.)), make efforts to further reduce the paperwork burden for small-business concerns with fewer than 25 employees.''.

(d) EFFECTIVE DATE REGARDING PUBLICATION OF REQUIREMENTS.—The Director of the Office of Management and Budget shall publish the first list of requirements required under paragraph (6) of section 3504(c) of title 44, United States Code (as added by subsection (a)), and make such list available on the Internet as required by paragraph (7) of such section (as added by subsection (a)), not later than the date that is one year after the date of the enactment of this Act.

The CHAIRMAN. Are there any amendments to section 2?

The Clerk will designate section 3.

The text of section 3 is as follows:

SEC. 3. ESTABLISHMENT OF TASK FORCE TO STUDY STREAMLINING OF PAPERWORK COLLECTION REQUIREMENTS AND DISSEMINATION FOR SMALL-BUSINESS CONCERNS.

(a) IN GENERAL.—Chapter 35 of title 44, United States Code, is further amended by adding at the end of subchapter I the following new section:

''§ 3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination

''(a) There is hereby established a task force (in this section referred to as the 'task force') to study the feasibility of streamlining requirements with respect to small-business concerns regarding collection of information and strengthening dissemination of information.

''(b) The members of the task force shall be appointed by the Director, and shall include the following:

''(1) At least two representatives of the Department of Labor, including one representative of the Bureau of Labor Statistics and one representative of the Occupational Safety and Health Administration.

''(2) At least one representative of the Environmental Protection Agency.

''(3) At least one representative of the Department of Transportation.

''(4) At least one representative of the Department of the Treasury.

''(5) At least one representative of the Office of Advocacy of the Small Business Administration.

''(6) At least one representative of each of two agencies other than the Department of Labor, the Environmental Protection Agency, the Department of Transportation, the Department of the Treasury, and the Small Business Administration.

''(7) At least two representatives of the Department of Health and Human Services, including one representative of the Health Care Financing Administration.

''(c) The task force shall examine the feasibility of requiring each agency to consolidate requirements regarding collections of information with respect to small-business concerns within and across agencies without negatively impacting the effectiveness of underlying laws regarding such collections of information, in order that each small-business concern may submit all information required by an agency—

''(1) to one point of contact in the agency;

''(2) in a single format, or using a single electronic reporting system, with respect to the agency; and

''(3) on the same date.

''(d)(1) Not later than one year after the date of the enactment of the Small Business

Paperwork Relief Act, the task force shall submit a report of its findings under subsection (c) to—

''(A) the chairmen and ranking minority members of the Committee on Government Reform and the Committee on Small Business of the House of Representatives, and the Committee on Governmental Affairs and the Committee on Small Business of the Senate; and

''(B) the Director of the Office of Management and Budget.

''(2) Not later than two years after the date of the enactment of such Act, the task force shall submit to the individuals described in paragraph (1) a report examining strengthening dissemination of information and including—

''(A) recommendations for implementing an interactive system for the requirements in section 3504(c)(6) that would allow small-business concerns to identify information collection requirements electronically;

''(B) guidelines for each agency for developing interactive reporting systems that include a component that edits the information submitted by a small-business concern for consistency;

''(C) recommendations for electronic dissemination of such information; and

''(D) recommendations, created in consultation with the Chief Information Officers Council (established pursuant to Executive Order 13011, issued July 16, 1996), for the coordination of information among the points of contact described in section 3506(i), so that those points of contact can provide small-business concerns with information collection requirements from other agencies.

''(e) As used in this section, the term 'small-business concern' has the meaning given that term under section 3 of the Small Business Act (15 U.S.C. 631 et seq.).''.

(b) CONFORMING AMENDMENT.—The table of sections at the beginning of such chapter is amended by inserting after the item relating to section 3520 the following new item:

''3521. Establishment of task force on feasibility of streamlining information collection requirements and dissemination.''.

The CHAIRMAN. Are there any amendments to section 3?

If not, the question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly, the Committee rose; and the Speaker pro tempore (Mr. LAHOOD) having assumed the chair, Mr. FOSSELLA, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H.R. 327) to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, pursuant to House Resolution 89, he reported the bill back to the House with an amendment adopted by the Committee of the Whole.

The SPEAKER pro tempore. Under the rule, the previous question is ordered.

The question is on the amendment in the nature of a substitute.

The amendment in the nature of a substitute was agreed to.

The SPEAKER pro tempore. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER pro tempore. The question is on the passage of the bill.

The question was taken; and the Speaker pro tempore announced that the ayes appeared to have it.

Mr. BURTON of Indiana. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER pro tempore. Evidently a quorum is not present.

The Sergeant at Arms will notify absent Members.

The vote was taken by electronic device, and there were—yeas 418, nays 0, not voting 14, as follows:

[Roll No. 50]

YEAS—418

Abercrombie
Aderholt
Akin
Allen
Andrews
Armey
Baca
Bachus
Baird
Baker
Baldacci
Baldwin
Ballenger
Barcia
Barr
Barrett
Bartlett
Barton
Bass
Becerra
Bentsen
Bereuter
Berkley
Berman
Berry
Biggert
Bilirakis
Bishop
Blagojevich
Blumenauer
Blunt
Boehlert
Boehner
Bonilla
Bonior
Bono
Borski
Boswell
Boucher
Brady (PA)
Brady (TX)
Brown (FL)
Brown (OH)
Brown (SC)
Bryant
Burr
Burton
Buyer
Callahan
Calvert
Camp
Cantor
Capito
Capps
Capuano
Cardin
Carson (IN)
Carson (OK)
Castle
Chabot
Chambliss
Clay
Clayton
Clement
Clyburn
Coble
Collins
Combest
Condit
Conyers
Cooksey
Costello
Cox
Coyne
Cramer
Crane
Crenshaw
Crowley
Cubin
Culberson
Cummings
Cunningham
Davis (CA)
Davis (FL)
Davis (IL)
Davis, Jo Ann
Deal
DeFazio
DeGette
Delahunt
DeLauro
DeLay
DeMint
Deutsch
Diaz-Balart
Dicks
Dingell
Doggett
Dooley
Doolittle
Doyle
Dreier
Duncan
Dunn
Edwards
Ehlers
Ehrlich
Emerson
Engel
English
Eshoo
Etheridge
Everett
Farr
Fattah
Ferguson
Filner
Flake
Fletcher
Foley
Ford
Fossella
Frank
Frelinghuysen
Frost
Gallegly
Gekas
Gibbons
Gilchrest
Gillmor
Gilman
Gonzalez
Goode
Goodlatte
Gordon
Goss
Graham
Granger
Graves
Green (TX)
Green (WI)
Greenwood
Grucci
Gutierrez
Gutknecht
Hall (OH)
Hall (TX)
Hansen
Harman
Hart
Hastings (FL)
Hastings (WA)
Hayes
Hayworth
Hefley
Herger
Hill
Hilliard
Hinchey
Hinojosa
Hobson
Hoeffel
Holden
Holt
Honda
Hooley
Horn
Hostettler
Houghton
Hoyer
Hulshof
Hunter
Hutchinson
Hyde
Inslee
Isakson
Israel
Issa
Istook
Jackson (IL)
Jackson-Lee (TX)
Jefferson
Jenkins
John
Johnson (CT)
Johnson (IL)
Johnson, E. B.
Johnson, Sam
Jones (OH)
Kanjorski
Kaptur
Kelly
Kennedy (MN)
Kennedy (RI)
Kerns
Kildee
Kilpatrick
Kind (WI)
King (NY)
Kingston
Kirk
Kleczka
Knollenberg
Kolbe
Kucinich
LaFalce
LaHood
Lampson
Langevin
Lantos
Larsen (WA)
Larson (CT)
Latham
LaTourette
Leach
Lee
Levin
Lewis (CA)
Lewis (GA)
Lewis (KY)
Linder
Lipinski
LoBiondo
Lofgren
Lowey
Lucas (KY)
Lucas (OK)
Luther
Maloney (CT)
Maloney (NY)
Manzullo
Markey
Mascara
Matheson
Matsui
McCarthy (MO)
McCarthy (NY)
McCollum
McCrery
McDermott
McGovern
McHugh
McInnis
McIntyre
McKeon
McKinney
McNulty
Meehan
Meek (FL)
Meeks (NY)
Menendez
Mica
Millender-McDonald
Miller (FL)
Miller, Gary
Miller, George
Mink
Mollohan
Moore
Moran (KS)
Moran (VA)
Morella
Murtha
Myrick
Nadler
Napolitano
Neal
Nethercutt
Ney
Northup
Norwood
Nussle
Oberstar
Obey
Olver
Ortiz
Osborne
Ose
Otter
Owens
Oxley
Pallone
Pascrell
Pastor
Paul
Payne
Pelosi
Pence
Peterson (MN)
Peterson (PA)
Petri
Phelps
Pickering
Pitts
Platts
Pombo
Pomeroy
Portman
Price (NC)
Pryce (OH)
Putnam
Quinn
Radanovich
Rahall
Ramstad
Rangel
Regula
Rehberg
Reyes
Reynolds
Riley
Rivers
Rodriguez
Roemer
Rogers (KY)
Rogers (MI)
Rohrabacher
Ros-Lehtinen
Ross
Rothman
Roukema
Roybal-Allard
Royce
Rush
Ryan (WI)
Ryun (KS)
Sabo
Sanchez
Sanders
Sandlin
Sawyer
Saxton
Scarborough
Schakowsky
Schiff
Schrock
Scott
Sensenbrenner
Serrano
Sessions
Shadegg
Shaw
Shays
Sherman
Sherwood
Shimkus
Shows
Simmons
Simpson
Sisisky
Skeen
Skelton
Slaughter
Smith (MI)
Smith (NJ)
Smith (TX)
Smith (WA)
Snyder
Solis
Souder
Spence
Spratt
Stark
Stearns
Stenholm
Strickland
Stump
Stupak
Sununu
Sweeney
Tancredo
Tanner
Tauscher
Tauzin
Taylor (MS)
Taylor (NC)
Terry
Thomas
Thompson (CA)
Thompson (MS)
Thornberry
Thune
Thurman
Tiahrt
Tiberi
Tierney
Toomey
Towns
Traficant
Turner
Udall (CO)
Udall (NM)
Upton
Velázquez
Visclosky
Vitter
Walden
Walsh
Wamp
Waters
Watkins
Watt (NC)
Watts (OK)
Waxman
Weiner
Weldon (FL)
Weldon (PA)
Weller
Wexler
Whitfield
Wicker
Wilson
Wolf
Woolsey
Wu
Wynn
Young (AK)
Young (FL)

NOT VOTING—14

Ackerman
Boyd
Cannon
Davis, Tom
Evans
Ganske
Gephardt
Hilleary
Hoekstra
Jones (NC)
Keller
Largent
Moakley
Schaffer

□ 1135

So the bill was passed.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

LEGISLATIVE PROGRAM

(Mr. HOYER asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. HOYER. Mr. Speaker, I rise to inquire about next week's schedule.

Mr. ARMEY. Mr. Speaker, will the gentleman yield?

Mr. HOYER. I yield to the gentleman from Texas (Mr. ARMEY), the distinguished majority leader, for the purposes of apprising us of the schedule for next week.

Mr. ARMEY. Mr. Speaker, I thank the gentleman for yielding.

Mr. Speaker, I did not get the gentleman from Maryland's comment. I missed it.

Mr. HOYER. I said I would yield to the distinguished gentleman from Texas (Mr. ARMEY), the majority leader, for the purposes of informing Members about the schedule.

Mr. ARMEY. I thank the gentleman from Maryland for yielding. I thought I had heard the gentleman say ''distinguished.'' I just wanted to hear him say it again. I thank the gentleman from Maryland.

Mr. Speaker, I am pleased to announce that the House has completed its legislative business for the week.

The House will next meet for legislative business on Tuesday, March 20, at 12:30 p.m. for morning hour and 2 o'clock p.m. for legislative business.

The House will consider a number of measures under suspension of the rules, a list of which will be distributed to Members' offices tomorrow.

On Tuesday, no recorded votes are expected before 6 o'clock p.m.

On Wednesday, March 21, and Thursday, March 22, the House will meet at 10 o'clock a.m. for legislative business.

The House will consider the following measures:

H.R. 802, the Public Safety Officer Medal of Valor Act;

H.R. 247, the Tornado Shelters Act.

Mr. Speaker, we are working with several committees at this time that may have further business ready for consideration on the floor next week. My office will advise the Democratic leadership and the House as soon as further floor business is ready to be announced this afternoon and tomorrow.

Mr. HOYER. Mr. Speaker, I thank the gentleman for that information.

Mr. Speaker, the gentleman from Texas, the majority leader, indicates that there are some possibilities of discussions with some of the committees resulting in bills being reported to the floor.

Would the gentleman be able to inform us as to what those possibilities are, realizing they may or may not come to the floor? Do we know what the possible bills that might come to the floor would be?

Mr. ARMEY. Mr. Speaker, let me thank the gentleman for his inquiry.

I am working with a lot of committees. Quite frankly, at this point, I cannot tell the gentleman what they might be. I do not see anything that would be controversial in the mix of things that might be available, but we certainly will advise the Members and the leadership as soon as we can find something, whatever it is.

Mr. HOYER. I thank the gentleman, particularly for his observation that if something came that we did not hear about today, the probability is it would not be controversial.

Mr. ARMEY. I would expect nothing controversial.

Mr. HOYER. Mr. Speaker, when does the leader expect the next tax bill to come to the floor? Do we have any information on that?

Mr. ARMEY. Again, I want to thank the gentleman for his inquiry.

I just spoke with the chairman of the Committee on Ways and Means. He is working out a few details for an announcement he expects to make this afternoon. It will be a very public announcement.

I believe it will serve the interests of the body best for us to wait for the chairman to make that announcement, rather than for me to speculate at this time.

Mr. HOYER. I thank the gentleman for that response.

Would I be correct, however, in concluding from the gentleman's remarks that there would not be anything controversial coming to the floor next week?

Mr. ARMEY. If the gentleman will continue to yield, I would expect nothing from the Committee on Ways and Means, certainly not a major tax bill. Perhaps they may have something that would be noncontroversial. That basic characterization of noncontroversial I would apply to anything that we should expect on the floor next week.

Mr. HOYER. I thank the leader for his information.

ADJOURNMENT TO MONDAY, MARCH 19, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns today, it adjourn to meet at 2 p.m. on Monday next.

The SPEAKER pro tempore (Mr. LAHOOD). Is there objection to the request of the gentleman from Texas?

There was no objection.

HOUR OF MEETING ON TUESDAY, MARCH 20, 2001

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that when the House adjourns on Monday, March 19, 2001, it adjourn to meet at 12:30 p.m. on Tuesday, March 20, for morning hour debates.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

DISPENSING WITH CALENDAR WEDNESDAY BUSINESS ON WEDNESDAY NEXT

Mr. ARMEY. Mr. Speaker, I ask unanimous consent that the business in order under the Calendar Wednesday rule be dispensed with on Wednesday next.

The SPEAKER pro tempore. Is there objection to the request of the gentleman from Texas?

There was no objection.

ANNOUNCEMENT BY THE SPEAKER PRO TEMPORE

The SPEAKER pro tempore. The Chair will entertain 1-minute speech requests.

CONGRATULATIONS TO GEORGE BATCHELOR, FOUNDER OF THE BATCHELOR CHILDREN'S CENTER

(Ms. ROS-LEHTINEN asked and was given permission to address the House for 1 minute and to revise and extend her remarks.)

Ms. ROS-LEHTINEN. Mr. Speaker, I rise today to congratulate my constituent, George Batchelor, for his wonderful philanthropy and generosity in founding the Batchelor Children's Center, a state-of-the-art facility housing the University of Miami's bench and clinical research programs in childhood diseases.

As one of only a handful of children's research centers in the Nation, the Batchelor Children's Center will enable an unprecedented collaboration among scientists. Scheduled to open in May, 2001, it will attract the best scientific minds and provide an atmosphere conducive to finding cures and treatments for cystic fibrosis, for cancer, leukemia, and other diseases plaguing children.

George Batchelor's son, Falcon, was diagnosed with cystic fibrosis at the age of 14. Specialists projected that Falcon would only live to age 17; but George, refusing to accept that, began bringing his son to the University of Miami's cystic fibrosis center. Falcon lived to be 35, and George said that the 20 quality years he spent with Falcon after his first visit to UM was a gift that he will never be able to repay.

Today I pay tribute to George for returning the gift of health for his son with the gift of hope for parents and their suffering children.

URGING MEMBERS TO SIGN PETITION TO REUNIFY KOREAN-AMERICANS WITH FAMILIES IN NORTH KOREA

(Mr. KIRK asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KIRK. Mr. Speaker, Mrs. Stanfield has not seen her brother for 50 years. She is a symbol of the 500,000 Korean-Americans separated from their families in North Korea.

While substantial progress has been made to reunite South-Korean families with their known relatives, nothing has been done for Korean-Americans living in this country. Her cause is our cause, and we have now formed the Korean-American Coalition of the Midwest.

I issue a call to sign our petition to put the reunification of 500,000 families, Korean-American families, with their known relatives on the U.S. DPRK agenda. Together we can make this humanitarian cause our cause.

I salute our Secretary of State, Colin Powell, and his commitment this morning to review this issue.

SUPPORTING THE SMALL BUSINESS PAPERWORK RELIEF ACT

(Mr. KENNEDY of Minnesota asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KENNEDY of Minnesota. Mr. Speaker, I often joke that the only thing I hate worse than taxes is burdensome regulations. But our small businesses spend at least 1 billion hours a year filling out government forms. As a businessman myself, I understand the impact that this has on business. Every hour that is really spent on filling out this needless paperwork is an hour that our small business owners could use to grow their business.

In a rural district such as mine, almost all of our businesses are small, and this has a very profound effect. Small businesses need to thrive in order for our communities to prosper in rural America.

The Small Business Paperwork Relief Act that we just passed I hope is the beginning of a new era to be friendly to small business. When we support rural small business we support rural hospitals, we support rural schools, and we support the rural infrastructure that is necessary for our communities to prosper.

That is why this KENNEDY was very happy to vote for the Small Business Paperwork Relief Act.

□ 1145

TAX RELIEF IS A HOME RUN FOR AMERICAN FAMILIES

(Mr. GIBBONS asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GIBBONS. Mr. Speaker, Will Rogers once said ''baseball is a skilled game. It's America's game, it, and high taxes.''

Well, it seems that Will Rogers was right.

Currently, Americans are taxed at the highest levels since World War II.

During a time of projected record surpluses, there is absolutely no reason, no justification for these high taxes.

American families deserve a tax break, and according to recent polls, nearly two out of three Americans want, need and deserve a tax break, but the critics of the tax plan want to keep taking more and more money from hard-working Americans just to pay for their growing, yet inefficient, bureaucracy.

Mr. Speaker, spring is just around the corner, marking the beginning of the baseball season and, unfortunately, the tax season as well.

Let us hit a home run for Americans. Let us pass meaningful tax relief and help them pay the mortgage, buy a computer, or simply go to school.

Mr. Speaker, I yield back the criticisms of the tax relief which only serve to strike out for America's families trying to realize the American dream.

WE NEED TAX RELIEF

(Mr. KINGSTON asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. KINGSTON. Mr. Speaker, yesterday I had the honor of being visited by the Savannah Christian Middle School, and in the back row of this large crowd of students, there was a young woman named Amy. Amy made about $20 a day working for her father, but, of course, she only took home about $16. Mr. Speaker, $4 going for taxes.

Amy and the other students understood that we in government need taxes to pay for roads and bridges and military and education and all those things. She did not regret that. She did not begrudge that a bit; but I said to her, Amy, if you knew we could do all that, plus debt reduction for $3.50, what would you want done with the remaining 50 cents? Would you want me to keep it and expand government and take away more rights and privileges from you, or would you like to keep that 50 cents? She said, with all the other students, give it back to me. It is my money.

What a pity that our Washington bureaucracy does not understand this principle. If Amy has that money, what she is going to do is buy more CDs, more hamburgers, more clothes. It adds up.

When she does that, small businesses expand, they create jobs and opportunities for people. More people work. More people are paying taxes, and it is a win-win.

Mr. Speaker, we need tax relief. It will get the economy moving.

FLAG PROTECTION AMENDMENT

(Mr. GRUCCI asked and was given permission to address the House for 1 minute and to revise and extend his remarks.)

Mr. GRUCCI. Mr. Speaker, I rise today as an original cosponsor of the Flag Protection Amendment which was introduced earlier this week with the support of 109 of my fellow members.

The Flag amendment embodies the hopes and sacrifices and freedoms of this great Nation. The American flag is more than just a symbol. It is the fabric that binds our Nation, its citizens, and those brave individuals who have sacrificed to preserve our unity and independence.

Mr. Speaker, I remember June 29 of last year, when I was joined by more than 75 Long Island veterans and high school students as we called upon our Federal officials to pass a similar measure.

The meaning of the American flag could be easily seen in the eyes of these veterans. It is easy to be seen in the eyes of our children who every day look upon the flag as they recite their Pledge of Allegiance as the start of each school day begins.

There is not a place, setting or an event where the American flag is flown where its true meaning is not understood.

To those in need, when they see the Stars and Stripes, they know America has arrived to help.

To our neighbors around the world, the flag means an ally is not far away.

Mr. Speaker, I call upon my colleagues to once again in overwhelming numbers support the flag protection amendment in the 107th Congress.

SPECIAL ORDERS

The SPEAKER pro tempore (Mr. FOSSELLA). Under the Speaker's announced policy of January 3, 2001, and under a previous order of the House, the following Members will be recognized for 5 minutes each.

H.R. 918, THE CLEAN DIAMONDS ACT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Ohio (Mr. HALL) is recognized for 5 minutes.

Mr. HALL of Ohio. Mr. Speaker, I appreciate the opportunity to speak for 5 minutes with the gentleman from Virginia (Mr. WOLF), my friend.

Mr. Speaker, a month ago a coalition of 75 respected human rights organizations launched a campaign aimed at

eliminating the root cause of the wars in Sierra Leone, Guinea, Angola and the Congo, the trade in conflict diamonds, what we call blood diamonds.

They took action because the diamond industry reneged on its solemn promise that it would do its best to help end this problem. These dedicated advocates have reached out to tens of thousands of people with a simple message, do something.

I am here today to echo the call, and I am pleased to be joined by the gentleman from Virginia (Mr. WOLF), the gentleman from California (Mr. ROYCE), and other dedicated colleagues, certainly the gentlewoman from Georgia (Ms. MCKINNEY).

I appreciate their commitment to Africa and the support of more than 90 Members in this House that have given their sponsorship to this effort by cosponsoring the Clean Diamonds Act, H.R. 918.

As our colleagues know, for more than a year, we have been looking for a way to do something about the innocent African civilians who are being viciously attacked, simply because they live on diamond-rich land in these countries.

In Sierra Leone, for example, thousands were senselessly punished for voting by having their hand that cast a ballot in the country's first democratic election chopped off by a machete, and countless victims met similar fates as rebels played cruel games with their victims, like betting on the gender of an unborn child and then cutting the struggling mother open to learn who won the bet.

While Sierra Leone's situation has claimed the most headlines, the suffering is equally bad in Angola, the Congo, and now Guinea.

I hope you and our colleagues will take a moment to hear what these dedicated people have to say. I commend them for bringing this to the American people's attention. I also want to specifically point out what they are not saying. There have been some pretty wild claims made by some African politicians and the army of lobbyists and PR firms that they have hired.

They warn that a boycott of diamonds could hurt some countries that depend on the legitimate trade, and they are right. But no one is calling for a boycott of diamonds, Mr. Speaker. I am not. My colleagues are not. Certainly, the ones who support the Clean Diamonds Act are not. Human rights activists are not.

With that said, any feeling human being knows that if this butchery continues, American consumers, who are the primary source of rebels' funds, will recoil in horror. I do not know what they might do; at a minimum, they probably will think twice before they buy a diamond.

That is the reality that the diamond industry, African countries and U.S. diplomats need to grapple with. They had a good start last summer, but that effort has evolved in meetings about when the next meetings might be and about what report on the situation they might write up before this year ends.

That is simply not enough, Mr. Speaker. That approach does nothing to help the 70 million people of these embattled nations. It does nothing to help, for example, this young lady here and people like her who have lost their hands and so many people that the gentleman from Virginia (Mr. WOLF) and I have seen who have lost their ears and nose and feet, because of the horror of what we call blood diamonds. In this instance and in thousands of others, diamonds certainly are not a girl's best friend.

The legitimate diamond industry has been complicit in funding these atrocities for years and years.

Without its eagerness to launder rebel diamonds in violation not only of human decency but of U.N. sanctions and long-standing international trade law, the rebels in Sierra Leone could not have transformed themselves from a gang of 400 into a well-equipped force of 20,000.

Without the help of otherwise honorable diamond dealers, the rebels in Angola would not have earned nearly $4 billion in recent years, money which has gone into buying land mines and attacking anyone who gets in the way of the diamond mining.

Mr. Speaker, there are a lot of terrible things that are going on in Africa and in desperately poor places. Usually, it is hard for us to figure out what we can do. The problems are usually so awesome and bedeviling and so enormous that we kind of throw up our hands. But this is not one of those cases.

There is something we can do sitting at home in America about diamond wars, because we buy two-thirds of all the diamonds in the world, and as this industry's biggest consumer, Americans have enormous clout.

Mr. Speaker, I urge my colleagues and others who are listening to go to their local jewellers and tell them to do something to bring an end to these diamond wars and peace to Africa and do it without any further delay.

H.R. 918, THE CLEAN DIAMONDS ACT

The SPEAKER pro tempore (Mr. SIMPSON). Under a previous order of the House, the gentleman from Virginia (Mr. WOLF) is recognized for 5 minutes.

Mr. WOLF of Virginia. Mr. Speaker, this is a young girl whose arm was cut off that the gentleman from Ohio (Mr. HALL) and I saw while we were in Sierra Leone.

The gentleman from Ohio (Mr. HALL) is exactly right, and I want to congratulate him for that. I also want to send a message to the lobbyists who have been hired by some of the powerful firms in this city and in this country, when you lobby for the diamond industry against the bill of the gentleman from Ohio (Mr. HALL), you are, in essence, validating the cutting off of the arm of this young child.

Having practiced law in this town for a number of years, I will tell my colleagues, the law firms that are being hired will some day be held accountable for what they are doing, because they have within them the ability to bring about the passage of Mr. HALL's legislation and keep the diamonds and the war and the killing to stop, not only in Sierra Leone, but in Angola and in the Congo.

I rise today with the gentleman from Ohio (Mr. HALL), my colleague and good friend, to speak in support of this bill to address the trade in blood diamonds.

Millions have died in Africa because of the blood shed with regard to diamonds. Rebel groups, as the gentleman from Ohio (Mr. HALL) said, in Sierra Leone, Angola, the Congo, where I just visited have committed horrible atrocities to gain control in and to profit from diamonds and the diamond mines, with regard to drugs, with regard to weapons and diamonds.

Last year, traveling with the gentleman from Ohio (Mr. HALL), we went to Sierra Leone and saw the devastation. This is an individual whose picture a staff member from the office of the gentleman from Ohio (Mr. HALL) took while there and other men and women who have their arms off. Some talked about their ears were off.

Others were asked do you want to short sleeve or a long sleeve. If they said a short sleeve, their arm was cut off here; a long sleeve, it was cut off there.

In Sierra Leone, an estimated 75,000 have died because of the rebel campaign. Diamonds are fueling this issue in the Congo and Sierra Leone and in Angola.

□ 1200

In the Congo where I visited, the same effect is taking place. These diamond wars are notorious for the atrocities and aggressions committed against innocent victims. In all three countries, the civilian population has been the victims of the war crimes.

So I want to thank the gentleman from Ohio (Mr. HALL), and I see the gentleman from California (Mr. ROYCE), the chairman, who was there who has done such a great job on this issue, who have led the way on how the Congress in this country and hopefully this administration treats Charles Taylor who is, in essence, a war criminal in Liberia who is funding the efforts.

I will just say that passage of this bill will stop the killing, stop the maiming.

If you are a lawyer downtown and the diamond industry comes to you and asks you to represent them to oppose the bill of the gentleman from Ohio (Mr. HALL), think about it. Because, in essence, you are representing the people, the people that have been responsible for this.

The bill of the gentleman from Ohio (Mr. HALL) is a responsible bill. It is a balanced bill. I think he is exactly right. We do not want to see a boycott against the diamond industry. We do not want to hurt the jewelers in this country. We do not want to hurt the legitimate diamond merchants in the world and some of the good places in Africa that are doing it.

So by the passage of the bill of the gentleman from Ohio (Mr. HALL), we can resolve this issue and stop the killing of people and the cutting off of arms.

CONFLICT DIAMONDS

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from California (Mr. ROYCE) is recognized for 5 minutes.

Mr. ROYCE. Mr. Speaker, I would like to thank the gentleman from Virginia (Mr. WOLF) and the gentleman from Ohio (Mr. HALL) for focusing our attention on this very important issue. They have been tireless in their efforts to raise awareness of conflict diamonds.

Over the last year, increasing attention has been given to the issue of conflict diamonds in Africa. The gross misuse of these resources in countries like Sierra Leone and Angola raise the stakes in Africa's all too many wars, making these conflicts more deadly by funding otherwise unaffordable weapons that are purchased overseas.

Yesterday, the Subcommittee on Africa, which I chair, held a hearing on the situation in West Africa, with particular emphasis on the destabilizing role of President Charles Taylor of Liberia and what has happened with conflict diamonds there.

The West African country of Liberia, I have to report, is in terrible shape. Over the past 4 years, President Charles Taylor has waged a continuous assault on the democratic dreams of the Liberian people. He rules by decree. He suppresses the press, including USAID-supported STAR radio, which he forced off the air. He sanctions, if not directs, the murder of political opponents.

As the subcommittee has profiled over the last several years, Charles Taylor is a menace to West Africa. One of our witnesses yesterday stated that, ''Charles Taylor's role has been to mastermind carnage in Sierra Leone for the sole purpose of controlling its diamond mines from which he derives income to enrich himself and to buy arms and ammunition to continue his control over Liberia and ultimately over the entire West African sub-region.''

Now, Charles Taylor's accessories to this in Sierra Leone are a group that we call the Revolutionary United Front. Sometimes they are referred to as the RUF. A Panel of Experts report issued last December found unequivocal and overwhelming evidence that Liberia has been actively supporting the Revolutionary United Front at all levels in providing training, in providing weapons and related material, logistical support, a staging ground for tanks that they make and then a safe haven to retreat and to recoup, and has been aiding them in public relations activities.

President Charles Taylor, the report goes on, is actively involved in fueling the violence in Sierra Leone. Underscoring his tight ties with the Revolutionary United Front, this report found that Taylor even uses personnel from the Front for his own personal security detail. This is the same Revolutionary United Front whose signature is forced amputations of men and women and children. I highly commend this report. It well documents the frightening syndicate of international crime and diamond smuggling that Taylor now stands at the center of to anyone concerned about West Africa's fate.

Acting on this report, the UN Security Council last week acted to impose diamond export and other sanctions on Charles Taylor. Sanctioning Charles Taylor was the right thing to do, but it was a mistake to give him 2 months to comply with UN demands that he stop aiding the Revolutionary United Front before the sanctions bite.

This man has a record. For him, peace agreements are tactical delays designed to lull opponents before he strikes again. This was the case with the Lome Accord to Sierra Leone. Taylor has worked a cease-fire between the Revolutionary United Front and the UN peacekeeping operation in Sierra Leone. Why did he do that? So he could free up the Revolutionary United Front to attack Guinea, which is now under way.

So now Taylor is making a bid to stave off the diamond sanctions and the travel sanctions, but it is a feint. Instead of waiting 2 months, the Security Council should have imposed these sanctions now.

West African states, frankly, in this region that are being impacted by the terror that is emanating from his training camps are weak, and these states are getting weaker. If we do not act with vigor now, the region neighboring Liberia will become an irreversible humanitarian and environmental nightmare. In a few years, our ability to do anything constructive may well be gone. We need to bring a sense of urgency to our West Africa policy. We are not serious about Africa if we are not serious about this crisis of what is going on here.

So let me just say that Charles Taylor's time is up. For the sake of tens of millions of West Africans, it is time to act forcefully against President Charles Taylor.

UNITED STATES RELATIONS WITH IRELAND IMPORTANT

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from Florida (Mr. FOLEY) is recognized for 5 minutes.

Mr. FOLEY. Mr. Speaker, we are delighted President Bush has arrived in the Capitol complex, and he is here to celebrate Speaker HASTERT's Saint Patrick's Day luncheon here in our wonderful Nation's Capitol.

I want to take a moment, obviously, to celebrate this important day that is arriving in just 2 short days and to commend President Clinton for his work in Ireland, particularly to try and bring together peace in that region. Ireland is a beautiful country, and anyone who has visited there recognizes its emerald beauty, its hospitality, its friendliness and its importance to the United States.

But for too many years there has been strife, ethnic division, division created by religious beliefs that has gone on for far too long. President Clinton did his best to bring about a cease-fire, working with all parties to make a practical approach to peace, but the one thing that seems apparent to me more than anything else is our continued interest in economic ties with Ireland.

Wherever I have traveled and whoever I have met in the world's theater, one thing seems to be clear in their presentations to members of our congressional delegations; that if we bring jobs and opportunity, America's economic might and stick-to-it-iveness, what emerges from strife and fighting and decay and despair, what emerges from those difficult situations, are hope and opportunity, progress and peace.

When we recently went to the Middle East, King Abdullah, II, who is now the ruling leader of Jordan, rather than ask for military hardware and military might or more American funding, specifically asked could we introduce them to companies like Oracle and Microsoft and companies that may bring jobs and opportunity to Amman and places in Jordan. Because he gets it. He readily acknowledges that with work and opportunity and with income comes peace. People lay down their weapons in order to find jobs and prosper for themselves and their family.

In Northern Ireland, we have that same opportunity; and, yes, we have that same obligation. The President has announced his choice for Ambassador of the United States to Ireland. I

hope the Senate speedily confirms this appointment. It is important that we put someone in place to grapple with the difficult and tenuous issues we face in this region. But it is heartening and encouraging to see the progress that has been made under the past administration and the hopefulness of the future. Combining our resources, combining our strength, combining our character and our ability to persuade is our mission now.

So as we toast a cheer to Ireland and we celebrate a holiday in our Catholic faith, Saint Patrick's Day, and our remembrance of Ireland and the many immigrants that came to this country based on the potato famine or for other reasons, we are really encouraged today as we see many of Irish descent returning to their roots and their homeland because there is jobs, opportunity and strength.

Finally, if we could figure out the peace part of that equation and bring stability to the region, peace to our people and happiness for all, we will truly not only extend the blessings of our country but hopefully solve some of the world's problems.

SUPPORT THE NATIONAL SEA GRANT COLLEGE PROGRAM AUTHORIZATION ENHANCEMENT ACT OF 2001

The SPEAKER pro tempore. Under a previous order of the House, the gentleman from American Samoa (Mr. FALEOMAVAEGA) is recognized for 5 minutes.

Mr. FALEOMAVAEGA. Mr. Speaker, I rise today to introduce the National Sea Grant College Program Authorization Enhancement Act of 2001.

In 1998, Congress passed and the President signed Public Law 105–160, an act to reauthorize the National Sea Grant College Program. In authorizing the National Sea Grant College Program, Congress stressed the importance of the coastal ocean, its margins, the Great Lakes and the Exclusive Economic Zone to the national interest and economic and social well-being of our Nation.

Congress also recognized the National Sea Grants' university-based network offers the most cost-effective way to promote understanding, assessment, development, utilization and conservation of our Nation's coastal regions.

But given the geographic scope and complexity of coastal regions, the Sea Grant faces a variety of unmet needs and challenges. These challenges include increased coastal growth and development and economic and environmental concerns.

Mr. Speaker, the U.S. has 95,000 miles of coastline and more than 3.4 million square miles of ocean within its U.S. territorial sea. Since 1960, the square mileage of coastal urban lands has increased by over 130 percent. Today, approximately 54 percent of the Nation's population, our Nation's population, lives along the coast; and U.S. coastal population is expected to increase by 25 million people between 1996 and 2015.

There are more than 14,000 new housing starts every week in coastal areas, and approximately 1,300 acres of coastal lands are developed into urban lands every day. But our Nation's investment in coastal science continues to lag behind coastal population growth and development.

More than 180 million people visit the Nation's coasts annually, affecting the coastal infrastructure and resources. In 1993, 43 percent of the Nation's fisheries were listed as overfished. The Nation's 6,500 square miles of coral reefs, the rainforests of the sea, face new threats every day, with many already severely damaged or succumbing to environmental conditions and disease.

Runoff is adding nutrients and toxic chemicals to coastal waters, resulting in fish kills, loss of habitat and harmful health conditions. Expanded international trade and travel are causing unprecedented invasions of non-native plants and animals into U.S. coastal waters.

Mr. Speaker, Sea Grant's ability to address these problems have been significantly limited by financial resources. For example, although 54 percent of U.S. population lives on the coast, current funding for Sea Grant is only about 3 percent of the equivalent Federal funding from the U.S. Department of Agriculture for university-based Land Grant/Cooperative Extension Service Programs. In other words, Mr. Speaker, Land Grant Institutions collectively receive a direct appropriation of more than $550 million per year and an additional $350 million in Federal grant funding. I have no problems with that, Mr. Speaker. But, in comparison, the National Sea Grant College Program receives barely $58 million per year.

Mr. Speaker, I believe it bears repeating. More than 54 percent of our Nation's population lives along the coast, but we only devote pennies to marine research. Sea Grant funds on an average less than $2 million per State program. Many geographic regions are not represented, including the Western Pacific, which alone has a huge Economic Exclusive Zone. Some States like Mississippi and Alabama share funding, while other eligible States like Pennsylvania and Vermont have no institutional Sea Grant programs.

On average, there are fewer than seven extension agents per coastal State; and, in many cases, there is only one extension agent serving a major urban area. In Los Angeles, for example, there is only one extension agent serving 14 million people. In New York City, there is only one serving 12 million people.

Mr. Speaker, clearly Sea Grant's potential is limited with respect to its potential. The National Sea Grant College Program is a coastal science management and service program that engages the Nation's top universities through a network of 30 Sea Grant programs and some 200 affiliated institutions located in coastal and Great Lake States and territories.

Sea Grant conducts mission-critical research and development and utilizes a highly effective network of extension and communications professionals to transfer research results to users.

Sea Grant has been actively expanding its capabilities in areas of national interest, including health and medicine. In fact, Sea Grant is looking to the sea to find new pharmaceuticals and medicines and maybe even a cure for cancer.

Sea Grant is also on the cutting edge of marine science and marine aquaculture research. The U.S. imports over $9 billion worth of sea food and shellfish a year.

Mr. Speaker, I ask my colleagues to support this legislation, a very conservative one.

WOMEN IN CONGRESS

The SPEAKER pro tempore. Under a previous order of the House, the gentlewoman from Ohio (Ms. KAPTUR) is recognized for 5 minutes.

Ms. KAPTUR. Mr. Speaker, 11 years ago, the 101st Congress marked the bicentenary of this institution by compiling and printing a volume entitled Women in Congress, 1917 to 1990, a compendium of photographs and brief biographies of the 129 women who had served in the House and Senate as of that time.

The senior congresswoman in the House then, Congresswoman Lindy Boggs of Louisiana, who was later appointed as the United States of America's first woman ambassador to the Vatican, took responsibility for the printing of that document.

□ 1215

Since then, another 79 women have served. Thus, a new addition of ''Women in Congress'' would gather in one updated volume useful information for teachers, students and others about the 208 women who have served to date through all of America's history, including the 61 who now serve here in the House and the 13 serving in the other body. Currently we have 74 women serving in both the House and Senate, and 461 men.

Mr. Speaker, as we enter the 21st century, the time has come to update and reprint ''Women in Congress.'' With it America marks the progress and substantial contribution that women are making in this most democratic legislative body on Earth.

I am confident that a revised volume will quickly become, like the previous

edition, a tremendous historical resource and serve to inspire readers across America to seek careers in public service. I hope my colleagues in the House support this resolution. It is important especially that we do this and introduce this resolution during Women's History Month; and thus the concurrent resolution that I have introduced would provide for the reprinting of that revised edition of the House document.

It is a particular privilege to announce this resolution in that it is cosponsored by every single woman serving in the House, as well as every single Member of the Committee on House Administration. I thank each and every one of them for their support and especially the gentleman from Maryland (Mr. HOYER), who has been a force inside this institution for an equal voice for women.

During the first 128 years of America's history, no woman served in either House of the Congress. That is nearly a century and a quarter. Finally, in the early years of the 20th century, decades of struggle for women's political and social equality began to bear fruit. In 1917, Jeanette Rankin of Montana became the first woman to serve in this House of Representatives; and then 5 years later, Rebecca Felton of Georgia became the first women Senator. So our history, the written word and the spoken word, of women in political environments is still very, very fresh.

Since Representative Rankin and Senator Felton broke the congressional gender barrier, dozens of women have followed in their footsteps.

Mr. Speaker, I would ask my colleagues to sponsor the resolution that I have dropped today to reprint and update the edition of ''Women in Congress, 1917–1990,'' to make it current for this new 21st century when all opportunities are available to young women across our country; and, indeed, America is an ideal for so much of the world to follow.

LEAVE OF ABSENCE

By unanimous consent, leave of absence was granted to:

Mr. EVANS (at the request of Mr. GEPHARDT) for today on account of attending the funeral of a staff member's spouse.

SPECIAL ORDERS GRANTED

By unanimous consent, permission to address the House, following the legislative program and any special orders heretofore entered, was granted to:

(The following Members (at the request of Mr. FALEOMAVAEGA) to revise and extend their remarks and include extraneous material:)

Mr. HALL of Ohio, for 5 minutes, today.

Mrs. JONES of Ohio, for 5 minutes, today.

Ms. LEE, for 5 minutes, today.

Ms. NORTON, for 5 minutes, today.

Mr. FALEOMAVAEGA, for 5 minutes, today.

Ms. KAPTUR, for 5 minutes, today.

(The following Members (at the request of Mr. KINGSTON) to revise and extend their remarks and include extraneous material:)

Mr. ROYCE, for 5 minutes, today.

Mr. TOOMEY, for 5 minutes, today.

Mr. FOLEY, for 5 minutes, today.

ADJOURNMENT

Ms. KAPTUR. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 12 o'clock and 20 minutes p.m.), under its previous order, the House adjourned until Monday, March 19, 2001, at 2 p.m.

OATH FOR ACCESS TO CLASSIFIED INFORMATION

Under clause 13 of rule XXIII, the following Members executed the oath for access to classified information:

Neil Abercrombie, Aníbal Acevedo-Vilá, Gary L. Ackerman, Robert B. Aderholt, W. Todd Akin, Thomas H. Allen, Robert E. Andrews, Richard K. Armey, Joe Baca, Spencer Bachus, Brian Baird, Richard H. Baker, John Elias E. Baldacci, Tammy Baldwin, Cass Ballenger, James A. Barcia, Bob Barr, Roscoe G. Bartlett, Joe Barton, Charles F. Bass, Ken Bentsen, Doug Bereuter, Shelley Berkley, Howard L. Berman, Marion Berry, Judy Biggert, Michael Bilirakis, Rod R. Blagojevich, Earl Blumenauer, Roy Blunt, Sherwood L. Boehlert, John A. Boehner, Henry Bonilla, David E. Bonior, Mary Bono, Robert A. Borski, Leonard L. Boswell, Rick Boucher, Allen Boyd, Kevin Brady, Robert A. Brady, Corrine Brown, Sherrod Brown, Henry E. Brown, Jr., Ed Bryant, Richard Burr, Dan Burton, Steve Buyer, Sonny Callahan, Ken Calvert, Dave Camp, Chris Cannon, Eric Cantor, Shelley Moore Capito, Lois Capps, Michael E. Capuano, Benjamin L. Cardin, Brad Carson, Julia Carson, Michael N. Castle, Steve Chabot, Saxby Chambliss, Wm. Lacy Clay, Eva M. Clayton, Bob Clement, Howard Coble, Mac Collins, Larry Combest, Gary A. Condit, John Cooksey, Jerry F. Costello, Christopher Cox, William J. Coyne, Philip M. Crane, Ander Crenshaw, Joseph Crowley, Barbara Cubin, John Abney Culberson, Elijah E. Cummings, Randy ''Duke'' Cunningham, Danny K. Davis, Jim Davis, Jo Ann Davis, Susan A. Davis, Thomas M. Davis, Nathan Deal, Peter A. DeFazio, Diana DeGette, William D. Delahunt, Rosa L. DeLauro, Tom DeLay, Jim DeMint, Peter Deutsch, Lincoln Diaz-Balart, Norman D. Dicks, John D. Dingell, Lloyd Doggett, Calvin M. Dooley, John T. Doolittle, Michael F. Doyle, David Dreier, John J. Duncan, Jr., Jennifer Dunn, Chet Edwards, Vernon J. Ehlers, Robert L. Ehrlich, Jr., Jo Ann Emerson, Eliot L. Engel, Phil English, Anna G. Eshoo, Bob Etheridge, Lane Evans, Terry Everett, Eni F.H. Faleomavaega, Sam Farr, Chaka Fattah, Mike Ferguson, Bob Filner, Jeff Flake, Ernie Fletcher, Mark Foley, Harold E. Ford, Jr., Vito Fossella, Barney Frank, Rodney P. Frelinghuysen, Martin Frost, Elton Gallegly, Greg Ganske, George W. Gekas, Richard A. Gephardt, Jim Gibbons, Wayne T. Gilchrest, Paul E. Gillmor, Benjamin A. Gilman, Charles A. Gonzalez, Virgil H. Goode, Jr., Bob Goodlatte, Bart Gordon, Porter J. Goss, Lindsey O. Graham, Kay Granger, Sam Graves, Gene Green, Mark Green, James C. Greenwood, Felix J. Grucci, Jr., Gil Gutknecht, Ralph M. Hall, Tony P. Hall, James V. Hansen, Jane Harman, Melissa A. Hart, J. Dennis Hastert, Alcee L. Hastings, Doc Hastings, Robin Hayes, J. D. Hayworth, Joel Hefley, Wally Herger, Baron P. Hill, Van Hilleary, Earl F. Hilliard, Maurice D. Hinchey, David L. Hobson, Joseph M. Hoeffel, Peter Hoekstra, Tim Holden, Rush D. Holt, Michael M. Honda, Darlene Hooley, Stephen Horn, John N. Hostettler, Amo Houghton, Steny H. Hoyer, Kenny C. Hulshof, Duncan Hunter, Asa Hutchinson, Henry J. Hyde, Jay Inslee, Johnny Isakson, Steve Israel, Darrell E. Issa, Ernest J. Istook, Jr., Jesse L. Jackson, Jr., Sheila Jackson-Lee, William J. Jefferson, William L. Jenkins, Christopher John, Eddie Bernice Johnson, Nancy L. Johnson, Sam Johnson, Timothy V. Johnson, Stephanie Tubbs Jones, Walter B. Jones, Paul E. Kanjorski, Marcy Kaptur, Ric Keller, Sue W. Kelly, Mark R. Kennedy, Patrick J. Kennedy, Brian D. Kerns, Dale E. Kildee, Carolyn C. Kilpatrick, Ron Kind, Peter T. King, Jack Kingston, Mark Steven Kirk, Gerald D. Kleczka, Joe Knollenberg, Jim Kolbe, Dennis J. Kucinich, John J. LaFalce, Ray LaHood, Nick Lampson, James R. Langevin, Tom Lantos, Steve Largent, Rick Larsen, John B. Larson, Tom Latham, Steven C. LaTourette, James A. Leach, Barbara Lee, Sander M. Levin, Jerry Lewis, John Lewis, Ron Lewis, John Linder, William O. Lipinski, Frank A. LoBiondo, Zoe Lofgren, Nita M. Lowey, Frank D. Lucas, Ken Lucas, Bill Luther, Carolyn B. Maloney, James H. Maloney, Donald A. Manzullo, Edward J. Markey, Frank Mascara, Jim Matheson, Robert T. Matsui, Carolyn McCarthy, Betty McCollum, Jim McCrery, John McHugh, Scott McInnis, Mike McIntyre, Howard P. McKeon, Cynthia A. McKinney, Michael R. McNulty, Martin T. Meehan, Carrie P. Meek, Gregory W. Meeks, Robert Menendez, John L. Mica, Juanita Millender-McDonald, Dan Miller, Gary G. Miller, Patsy T. Mink, John Joseph Moakley, Alan B. Mollohan, Dennis Moore, James P. Moran, Jerry Moran, Constance A. Morella, John P. Murtha, Sue Wilkins Myrick, Jerrold Nadler, Grace F. Napolitano, Richard E. Neal, George R. Nethercutt, Jr., Robert W. Ney, Anne M. Northup, Eleanor Holmes Norton, Charlie Norwood, Jim Nussle, James L. Oberstar, David R. Obey, John W. Olver, Solomon P. Ortiz, Tom Osborne, Doug Ose, C. L. Otter, Major R. Owens, Michael G. Oxley, Frank Pallone, Jr., Bill Pascrell, Jr., Ed Pastor, Ron Paul, Nancy Pelosi, Mike Pence, Collin C. Peterson, John E. Peterson, Thomas E. Petri, David D. Phelps, Charles W. Pickering, Joseph R. Pitts, Todd Russell Platts, Richard W. Pombo, Rob Portman, David E. Price, Deborah Pryce, Adam H. Putnam, Jack Quinn, George Radanovich, Nick J. Rahall, II, Jim Ramstad, Charles B. Rangel, Ralph Regula, Dennis R. Rehberg, Silvestre Reyes, Thomas M. Reynolds, Bob Riley, Lynn N. Rivers, Ciro D. Rodriguez, Tim Roemer, Harold Rogers, Mike Rogers, Dana Rohrabacher, Ileana Ros-Lehtinen, Mike Ross, Steven R. Rothman, Marge Roukema, Edward R. Royce, Bobby L. Rush, Paul Ryan, Jim Ryun, Martin Olav Sabo, Loretta Sanchez, Bernard Sanders, Max Sandlin, Tom Sawyer, Jim Saxton, Joe Scarborough, Bob Schaffer,

Janice D. Schakowsky, Adam B. Schiff, Edward L. Schrock, Robert C. Scott, F. James Sensenbrenner, Jr., José E. Serrano, Pete Sessions, John B. Shadegg, E. Clay Shaw, Jr., Christopher Shays, Brad Sherman, Don Sherwood, John Shimkus, Ronnie Shows, Rob Simmons, Michael K. Simpson, Norman Sisisky, Joe Skeen, Ike Skelton, Louise McIntosh Slaughter, Adam Smith, Christopher H. Smith, Lamar S. Smith, Nick Smith, Vic Snyder, Mark E. Souder, Floyd Spence, John N. Spratt, Jr., Cliff Stearns, Charles W. Stenholm, Bob Stump, Bart Stupak, John E. Sununu, John E. Sweeney, Thomas G. Tancredo, John S. Tanner, Ellen O. Tauscher, W. J. (Billy) Tauzin, Charles H. Taylor, Gene Taylor, Lee Terry, William M. Thomas, Bennie G. Thompson, Mike Thompson, Mac Thornberry, John R. Thune, Karen L. Thurman, Todd Tiahrt, Patrick J. Tiberi, John F. Tierney, Patrick J. Toomey, James A. Traficant, Jr., Jim Turner, Mark Udall, Robert A. Underwood, Fred Upton, Peter J. Visclosky, David Vitter, Greg Walden, James T. Walsh, Zach Wamp, Maxine Waters, Wes Watkins, Melvin L. Watt, J.C. Watts, Jr., Henry A. Waxman, Curt Weldon, Dave Weldon, Jerry Weller, Ed Whitfield, Roger F. Wicker, Heather Wilson, Frank R. Wolf, Lynn C. Woolsey, Albert Russell Wynn, C.W. Bill Young, Don Young.

CORRECTION TO THE CONGRESSIONAL RECORD OF WEDNESDAY, MARCH 14, 2001, PAGES H924 AND H925, HOUSE BILLS AND JOINT RESOLUTIONS AND SENATE BILLS APPROVED BY THE PRESIDENT

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT PRIOR TO SINE DIE ADJOURNMENT

November 22, 2000:

H.R. 2346. an act to authorize the enforcement by State and local governments of certain Federal Communications Commission regulations regarding use of citizens band radio equipment.

H.R. 5633. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

December 5, 2000:

H.J. Res. 126. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 6, 2000:

H.R. 2941. an act to establish the Las Cienegas National Conservation Area in the State of Arizona.

December 7, 2000:

H.J. Res. 127. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 8, 2000:

H.J. Res. 128. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 11, 2000:

H.J. Res. 129. An act making further continuing appropriations for the fiscal year 2001, and for other purposes.

December 15, 2000:

H.J. Res. 133. Joint resolution making further continuing appropriations for the fiscal year 2001, and for other purposes.

SENATE BILLS APPROVED BY THE PRESIDENT PRIOR TO SINE DIE ADJOURNMENT

November 22, 2000:

S. 11. An act for the relief of Wei Jingsheng.

S. 150. An act for the relief of Marina Khalina and her son, Albert Miftakhov.

S. 276. An act for the relief of Sergio Lozano.

S. 768. An act to amend title 18, United States Code, to establish Federal jurisdiction over offenses committed outside the United States by persons employed by or accompanying the Armed Forces, or by members of the Armed Forces who are released or separated from active duty prior to being identified and prosecuted for the commission of such offenses, and for other purposes.

S. 785. An act for the relief of Frances Schochenmaier and Mary Hudson.

S. 869. An act for the relief of Mina Vahedi Notash.

S. 1078. An act for the relief of Mrs. Elizabeth Eka Bassey, Emmanuel O. Paul Bassey, and Mary Idongesit Paul Bassey.

S. 1513. An act for the relief of Jacqueline Salinas and her children Gabriela Salinas, Alejandro Salinas, and Omar Salinas.

S. 1670. An act to revise the boundary of Fort Matanzas National Monument, and for other purposes.

S. 1880. An act to amend the Public Health Service Act to improve the health of minority individuals.

S. 1936. An act to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other National Forest System land in the State of Oregon and use the proceeds derived from the sale or exchange for National Forest System purposes.

S. 2000. An act for relief of Guy Taylor.

S. 2002. An act for the relief of Tony Lara.

S. 2019. An act for the relief of Malia Miller.

S. 2020. An act to adjust the boundary of the Natchez Trace Parkway, Mississippi, and for other purposes.

S. 2289. An act for the relief of Jose Guadalupe Tellez Pinales.

S. 2440. An act to amend title 49, United States Code, to improve airport security.

S. 2485. An act to direct the Secretary of the Interior to provide assistance in planning and constructing a regional heritage center in Calais, Maine.

S. 2547. An act to provide for the establishment of the Great Sand Dunes National Park and Preserve and the Baca National Wildlife Refuge in the State of Colorado, and for other purposes.

S. 2712. An act to amend chapter 35 of title 31, United States Code, to authorize the consolidation of certain financial and performance management reports required of Federal agencies, and for other purposes.

S. 2773. An act to amend the Agricultural Marketing Act of 1946 to enhance dairy markets through dairy product mandatory reporting, and for other purposes.

S. 2789. An act to amend the Congressional Award Act to establish a Congressional Recognition for Excellence in Arts Education Board.

S. 3164. An act to protect seniors from fraud.

S. 3194. An act to designate the facility of the United States Postal Service located at 431 North George Street in Millersville, Pennsylvania, as the ''Robert S. Walker Post Office.''

S. 3239. An act to amend the Immigration and Nationality Act to provide special immigrant status for certain United States international broadcasting employees.

December 11, 2000:

S. 2796. An act to provide for the conservation and development of water and related resources, to authorize the Secretary of the Army to construct various projects for improvements to rivers and harbors of the United States, and for other purposes.

BILLS AND JOINT RESOLUTIONS APPROVED BY THE PRESIDENT AFTER SINE DIE ADJOURNMENT

December 19, 2000:

H.R. 3048. An act to amend section 879 of title 18, United States Code, to provide clearer coverage over threats against former Presidents and members of their families, and for other purposes.

H.R. 4281. An act to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new or revised scientifically valid toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

H.R. 4640. An act to make grants to States for carrying out DNA analyses for use in the Combined DNA Index System of the Federal Bureau of Investigation, to provide for the collection and analysis of DNA samples from certain violent and sexual offenders for use in such system, and for other purposes.

H.R. 4827. An act to amend title 18, United States Code, to prevent the entry by false pretenses to any real property, vessel, or aircraft of the United States or secure area of any airport, to prevent the misuse of genuine and counterfeit police badges by those seeking to commit a crime, and for other purposes.

December 20, 2000:

H.R. 3514. An act to amend the Public Health Service Act to provide for a system of sanctuaries for chimpanzees that have been designated as being no longer needed in research conducted or supported by the Public Health Service, and for other purposes.

H.R. 5016. An act to redesignate the facility of the United States Postal Service located at 514 Express Center Road in Chicago, Illinois, as the ''J.T. Weeker Service Center.''

December 21, 2000:

H.R. 2903. An act to reauthorize the Striped Bass Conservation Act, and for other purposes.

H.R. 4577. An act making consolidated appropriations for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 4942. An act making appropriations for the government of the District of Columbia and other activities chargeable in whole or in part against the revenues of said District for the fiscal year ending September 30, 2001, and for other purposes.

H.R. 5210. An act to designate the facility of the United States Postal Service located at 200 South George Street in York, Pennsylvania, as the ''George Atlee Goodling Post Office Building.''

H.R. 5461. An act to amend the Magnuson-Stevens Fishery Conservation and Management Act to eliminate the wasteful and unsportsmanlike practice of shark finning.

December 23, 2000:

H.R. 1653. An act to complete the orderly withdrawal of the NOAA from the civil administration of the Pribilof Islands, Alaska, and to assist in the conservation of coral reefs, and for other purposes.

H.R. 2570. An act to require the Secretary of the Interior to undertake a study regarding methods to commemorate the national significance of the United States roadways that comprise the Lincoln Highways, and for other purposes.

H.R. 3756. An act to establish a standard time zone for Guam and the Commonwealth of the Northern Mariana Islands, and for other purposes.

H.R. 4907. An act to establish the Jamestown 400th Commemoration Commission, and for the other purposes.

December 27, 2000:

H.R. 5528. An act to authorize construction of a Wapka Sica Reconciliation Place in Fort Pierre, South Dakota, and for other purposes.

H.R. 5630. An act to authorize appropriations for fiscal year 2001 for intelligence and intelligence-related activities of the United States Government, the Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes.

H.R. 5640. An act to expand homeownership in the United States, and for other purposes.

December 28, 2000:

H.R. 207. An act to amend title 5, United States Code, to make permanent the authority under which comparability allowances may be paid to Government physicians, and to provide that such allowances be treated as part of basic pay for retirement purposes.

H.R. 2816. An act to establish a grant program to assist State and local law enforcement in deterring, investigating, and prosecuting computer crimes.

H.R. 3594. An act to repeal the modification of the installment method.

H.R. 4020. An act to authorize the addition of land to Sequioa National Park, and for other purposes.

H.R. 4656. An act to authorize the Forest Service to convey certain lands in the Lake Tahoe Basin to the Washoe County School District for use as an elementary school site.

December 29, 2000:

H.R. 1795. An act to amend the Public Health Service Act to establish the National Institute of Biomedical Imaging and Bioengineering.

SENATE BILLS APPROVED BY THE PRESIDENT AFTER SINE DIE ADJOURNMENT

December 19, 2000:

S. 1972. An act to direct the Secretary of Agriculture to convey to the town of Dolores, Colorado, the current site of the Joe Rowell Park.

S. 2594. An act to authorize the Secretary of the Interior to contract with the Mancos Water Conservancy District to use the Mancos Project facilities for impounding, storage, diverting, and carriage of nonproject water for the purpose of irrigation, domestic, municipal, industrial, and any other beneficial purposes.

S. 3137. An act to establish a commission to commemorate the 250th anniversary of the birth of James Madison.

December 21, 2000:

S. 439. An act to amend the National Forest and Public Lands of Nevada Enhancement Act of 1988 to adjust the boundary of the Toiyabe National Forest, Nevada and to amend chapter 55 of title 5, United States Code, to authorize equal overtime pay provisions for all Federal employees engaged in wildland fire suppression operations.

S. 1508. An act to provide technical and legal assistance to tribal justice systems and members of Indian tribes, and for other purposes.

S. 1898. An act to provide protection against the risks to the public that are inherent in the interstate transportation of violent prisoners.

S. 3045. An act to improve the quality, timeliness, and credibility of forensic science services for crininal justice purposes, and for other purposes.

December 23, 2000:

S. 1694. An act to direct the Secretary of the Interior to conduct a study on the reclamation and reuse of water and wastewater in the State of Hawaii, and for other purposes.

December 27, 2000:

S. 2943. An act to authorize additional assistance for international malaria control, and for other purposes.

December 28, 2000:

S. 1761. An act to direct the Secretary of the Interior, through the Bureau of Reclamation, to conserve and enhance the water supplies of the Lower Rio Grande Valley.

S. 2749. An act to establish the California Trail Interpretive Center in Elko, Nevada, to facilitate the interpretation of the history of development and use of trails in the settling of the western portion of the United States, and for other purposes.

S. 2924. An act to strengthen the enforcement of Federal statutes relating to false identification, and for other purposes.

S. 3181. An act to establish the White House Commission on the National Moment of Remembrance, and for other purposes.

EXPENDITURE REPORTS CONCERNING OFFICIAL FOREIGN TRAVEL

Reports concerning the foreign currencies and U.S. dollars utilized for official foreign travel during the fourth quarter of 2000, by Committees of the House of Representatives, pursuant to Public Law 95–384, and for miscellaneous groups in connection with official foreign travel during the first quarter of 2001 are as follows:

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, COMMITTEE ON SCIENCE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN OCT. 1 AND DEC. 31, 2000

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. James Sensenbrenner	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Ken Calvert	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Joe Knollenberg	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.38
Hon. Eddie Bernice Johnson	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. Lynn Rivers	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Hon. JoAnn Emerson	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Todd Schultz	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Harlan Watson	11/16	11/22	Netherlands		1,194.00		6,027.28				7,221.28
Jeff Lungren	11/16	11/22	Netherlands		1,194.00		3,732.28				4,926.28
Hon. Nick Smith	11/16	11/22	Netherlands		1,194.00		6,077.28				7,271.28
Committee total					11,940.00		58,377.80				70,317.80

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

SHERWOOD BOEHLERT, Chairman, Feb. 21, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO ITALY, MACEDONIA, KOSOVO, MOROCCO, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Speaker Hastert	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Joe Moakley	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Jim Leach	1/7	1/9	Italy		900.00		(3)				900.00
Hon. Chris Smith	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Sherwood Boehlert	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Chris Cox	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Bud Cramer	1/7	1/11	Italy		1,600.00		(3)				1,600.00

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, HOUSE DELEGATION TO ITALY, MACEDONIA, KOSOVO, MOROCCO, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001—Continued

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Chris John	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Hon. Don Sherwood	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Ms. Nancy Dorn	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Scott Palmer	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Ms. Christy Surprenant	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. John Feehery	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Sam Lancaster	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Mike Stokke	1/7	1/9	Italy		814.00		2,591.12				3,405.12
Mr. Steve LaRosa	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Fr. Daniel Coughlin	1/8	1/11	Italy		1,108.00		2,771.80				3,879.80
Mr. Dwight Comedy	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Dr. John Eisold	1/7	1/11	Italy		1,600.00		(3)				1,600.00
Mr. Ralph Hellmann	1/7	1/11	Italy		1,600.00		2,771.80				1,600.00
Speaker Hastert	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Joe Moakley	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris Smith	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Sherwood Boehlert	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris Cox	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Bud Cramer	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Chris John	1/11	1/14	Morocco		536.00		(3)				536.00
Hon. Don Sherwood	1/11	1/14	Morocco		536.00		(3)				536.00
Ms. Nancy Dorn	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Scott Palmer	1/11	1/14	Morocco		536.00		(3)				536.00
Ms. Christy Surprenant	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. John Feehery	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Sam Lancaster	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Steve LaRosa	1/11	1/14	Morocco		536.00		(3)				536.00
Fr. Daniel Coughlin	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Dwight Comedy	1/11	1/14	Morocco		536.00		(3)				536.00
Dr. John Eisold	1/11	1/14	Morocco		536.00		(3)				536.00
Mr. Ralph Hellmann	1/11	1/14	Morocco		536.00		(3)				536.00
Committee total											

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Military air transportation.

J. DENNIS HASTERT, Speaker, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO DEMOCRATIC REPUBLIC OF CONGO, RWANDA, BURUNDI, UGANDA, SUDAN AND KENYA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Hon. Frank R. Wolf		1/6	U.S.				8,515.82				8,515.82
	1/7	1/9	D.R. Congo		681.00						681.00
	1/9	1/11	Rwanda		476.00						476.00
	1/10	1/10	Burundi		N/A						N/A
	1/11	1/12	Uganda		214.00						214.00
	1/12	1/13	Sudan		96.00						96.00
	1/13	1/13	Kenya		252.00						252.00
	1/14		U.S.		[3] 1,100.00						[3] 1,100.00
Committee total					619.00		8,515.82				9,134.82

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Less $1,100 in unused per diem returned to State Dept.

FRANK R. WOLF, Chairman, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO DEMOCRATIC REPUBLIC OF CONGO, RWANDA, BURUNDI, UGANDA, SUDAN AND KENYA, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 6 AND JAN. 14, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Daniel F. Scandling		1/6	U.S.				8,515.82				8,515.82
	1/7	1/9	D.R. Congo		681.00						681.00
	1/9	1/11	Rwanda		476.00						476.00
	1/10	1/10	Burundi		N/A						N/A
	1/11	1/12	Uganda		214.00						214.00
	1/12	1/13	Sudan		96.00						96.00
	1/13	1/13	Kenya		252.00						252.00
	1/14		U.S.		[3] −700.00						[3] 700.00
Committee total					1,019.00		8,515.82				9,534.82

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.
[3] Less $700 returned to U.S. Treasury/State Department. #55N.

DANIEL F. SCANDLING, Feb. 14, 2001.

REPORT OF EXPENDITURES FOR OFFICIAL FOREIGN TRAVEL, TRAVEL TO CHILE, HOUSE OF REPRESENTATIVES, EXPENDED BETWEEN JAN. 14 AND JAN. 18, 2001

Name of Member or employee	Date		Country	Per diem [1]		Transportation		Other purposes		Total	
	Arrival	Departure		Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]	Foreign currency	U.S. dollar equivalent or U.S. currency [2]
Robert W. VanWicklin	1/14	1/18	Chile		1,184.00		4,624.60				5,808.60
Committee total					1,184.00		4,624.60				5,808.60

[1] Per diem constitutes lodging and meals.
[2] If foreign currency is used, enter U.S. dollar equivalent; if U.S. currency is used, enter amount expended.

ROBERT W. VAN WICKLIN, Feb. 2, 2001.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 8 of rule XII, executive communications were taken from the Speaker's table and referred as follows:

1222. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Clethodim; Pesticide Tolerance [OPP–301105; FRL–6770–8] (RIN: 2070–AB78) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1223. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Chlorothalonil; Pesticide Tolerance [OPP–301088; FRL–6759–4] (RIN: 2070–AB78) received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Agriculture.

1224. A letter from the Chairman, Board of Governors of the Federal Reserve System, transmitting the Board's report entitled, ''Report on Use of Plain Language In Agency Rulemakings,'' pursuant to section 722 of the Gramm-Leach-Bliley Act; to the Committee on Financial Services.

1225. A letter from the Secretary, Department of Energy, transmitting notification regarding the establishment of the Northeast Home Heating Oil Reserve; to the Committee on Energy and Commerce.

1226. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Indirect Food Additives: Adhesives and Components of Coatings and Paper and Paperboard Components [Docket No. 99F–2081] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1227. A letter from the Director, Regulations Policy and Management Staff, FDA, Department of Health and Human Services, transmitting the Department's final rule—Food Additives Permitted for Direct Addition to Food for Human Consumption; Natamycin (Pimaricin) [Docket No. 00F–0175] received March 12, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1228. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Approval and Promulgation of Implementation Plans; Minnesota Designation of Areas for Air Quality Planning Purposes; Minnesota [MN61–01–7286a; MN62–01–7287a; FRL–6901–1] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1229. A letter from the Deputy Associate Administrator, Environmental Protection Agency, transmitting the Agency's final rule—Chromite Ore from the Transvaal Region of South Africa; Toxic Chemical Release Reporting; Community Right-to-Know [OPPTS–400134A; FRL–6722–9] received March 6, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Energy and Commerce.

1230. A letter from the Acting Assistant Secretary for Administration and Management, Department of Labor, transmitting the Department's 2000 FAIR Act Inventory Of Commercial Activities; to the Committee on Government Reform.

1231. A letter from the Chief Scout Executive and President, Boy Scouts of America, transmitting the Boy Scouts of America 2000 report to the Nation, pursuant to 36 U.S.C. 28; to the Committee on the Judiciary.

1232. A letter from the Acting Assistant Attorney General, Department of Justice, transmitting a report entitled, ''Contacts Between the Police and the Public''; to the Committee on the Judiciary.

1233. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model DHC–8–100, -200, and -300 Series Airplanes [Docket No. 2000–NM–102–AD; Amendment 39–12120; AD 2001–04–02] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1234. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Airbus Model A300 B4 Series Airplanes, and Model A300 B4–600, A300 B4–600R, and A300 F4–600R (Collectively Called A300–600) Series Airplanes [Docket No. 2000–NM–47–AD; Amendment 39–12118; AD 2001–03–14] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1235. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; British Aerospace (Jetstream) Model 4101 Airplanes [Docket No. 2000–NM–224–AD; Amendment 39–12116; AD 2001–03–12] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1236. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Boeing Model 747–100, –200, –300, –400, and 747SR Series Airplanes [Docket No. 99–NM–206–AD; Amendment 39–12114; AD 2001–03–10] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1237. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; SOCATA—Groupe Aerospatiale Model TBM 700 Airplanes [Docket No. 2000–CE–69–AD; Amendment 39–12126; AD 2001–04–07] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1238. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Empresa Brasileira de Aeronautica S.A. (EMBRAER) Model EMB–145 Series Airplanes [Docket No. 2000–NM–256–AD; Amendment 39–12121; AD 2001–04–03] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1239. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; BAe Systems (Operations) Limited Model BAe 146 and Model Avro 146–RJ Series Airplanes [Docket No. 2000–NM–253–AD; Amendment 39–12119; AD 2001–04–01] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1240. A letter from the Program Analyst, FAA, Department of Transportation, transmitting the Department's final rule—Airworthiness Directives; Bombardier Model CL–600–2B19 Series Airplanes [Docket No. 2000–NM–142–AD; Amendment 39–12112; AD 2001–03–08] (RIN: 2120–AA64) received March 9, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Transportation and Infrastructure.

1241. A letter from the Chief, Regulations Unit, Internal Revenue Service, transmitting the Service's final rule—Grouping Rules for Foreign Sales Corporation Transfer Pricing [TD 8944] (RIN: 1545–AX41) received March 2, 2001, pursuant to 5 U.S.C. 801(a)(1)(A); to the Committee on Ways and Means.

PUBLIC BILLS AND RESOLUTIONS

Under clause 2 of rule XII, public bills and resolutions of the following titles were introduced and severally referred, as follows:

By Mr. WELLER (for himself, Mr. BARCIA, Ms. CAPITO, Mr. KERNS, Mr. ADERHOLT, Mr. AKIN, Mr. ARMEY, Mr. BAIRD, Mr. BAKER, Mr. BALLENGER, Mr. BARR of Georgia, Mr. BARTLETT of Maryland, Mr. BARTON of Texas, Mr. BASS, Mr. BACHUS, Mr. BEREUTER, Ms. BERKLEY, Mrs. BIGGERT, Mr. BILIRAKIS, Mr. BISHOP, Mr. BLUNT, Mr. BOEHNER, Mr. BOEHLERT, Mr. BONILLA, Mrs. BONO, Mr. BRADY of Texas, Mr. BROWN of South Carolina, Mr. BRYANT, Mr. BURR of North Carolina, Mr. BURTON of Indiana, Mr. BUYER, Mr. CALLAHAN, Mr. CALVERT, Mr. CAMP, Mr. CANNON, Mr. CANTOR, Mr. CHABOT, Mr. CHAMBLISS, Mr. COBLE, Mr. COLLINS, Mrs. CUBIN, Mr. COMBEST, Mr. COOKSEY, Mr. COX, Mr. CRANE, Mr. CRENSHAW, Mr. CULBERSON, Mr. CUNNINGHAM, Mrs. JO ANN DAVIS of Virginia, Mr. DEAL of Georgia, Mr. DEMINT, Mr. DIAZ-

BALART, Mr. DREIER, Mr. DUNCAN, Ms. DUNN, Mr. EHLERS, Mr. ISAKSON, Mr. EHRLICH, Mr. ENGLISH, Mrs. EMERSON, Mr. EVERETT, Mr. FERGUSON, Mr. FLAKE, Mr. FLETCHER, Mr. FOLEY, Mr. FOSSELLA, Mr. FRELINGHUYSEN, Mr. GALLEGLY, Mr. GEKAS, Mr. GANSKE, Mr. GIBBONS, Mr. GILCHREST, Mr. GILMAN, Mr. GOODE, Mr. GOODLATTE, Mr. GORDON, Mr. GOSS, Mr. GRAHAM, Ms. GRANGER, Mr. GRAVES, Mr. GREEN of Wisconsin, Mr. GREENWOOD, Mr. GRUCCI, Mr. GUTKNECHT, Mr. HANSEN, Ms. HART, Mr. HASTINGS of Washington, Mr. HAYES, Mr. HAYWORTH, Mr. HEFLEY, Mr. HERGER, Mr. HILLEARY, Mr. HOBSON, Mr. HOEKSTRA, Mr. HOLT, Mr. HORN, Mr. HOSTETTLER, Mr. HOUGHTON, Mr. HULSHOF, Mr. HUNTER, Mr. HUTCHINSON, Mr. HYDE, Mr. ISSA, Mr. ISTOOK, Mr. JENKINS, Mrs. JOHNSON of Connecticut, Mr. SAM JOHNSON of Texas, Mr. JOHNSON of Illinois, Mr. JONES of North Carolina, Mr. KELLER, Mrs. KELLY, Mr. KENNEDY of Minnesota, Mr. KNOLLENBERG, Mr. KING, Mr. KINGSTON, Mr. KIRK, Mr. KOLBE, Mr. LARGENT, Mr. LATHAM, Mr. LAHOOD, Mr. LATOURETTE, Mr. LEACH, Mr. LEWIS of Kentucky, Mr. LINDER, Mr. LIPINSKI, Mr. LOBIONDO, Mr. LUCAS of Oklahoma, Mr. MALONEY of Connecticut, Mr. MANZULLO, Mrs. MCCARTHY of New York, Mr. MCCRERY, Mr. LARSEN of Washington, Mr. MCHUGH, Mr. MCINNIS, Mr. MCINTYRE, Mr. MCKEON, Mr. MICA, Mr. MILLER of Florida, Mr. GARY MILLER of California, Mr. MORAN of Kansas, Mrs. MYRICK, Mr. NEY, Mr. NETHERCUTT, Mrs. NORTHUP, Mr. NORWOOD, Mr. NUSSLE, Mr. OSBORNE, Mr. OSE, Mr. OTTER, Mr. OXLEY, Mr. PAUL, Mr. PENCE, Mr. PETERSON of Pennsylvania, Mr. PETRI, Mr. PICKERING, Mr. PITTS, Mr. PLATTS, Mr. POMBO, Mr. PORTMAN, Ms. PRYCE of Ohio, Mr. PUTNAM, Mr. QUINN, Mr. RADANOVICH, Mr. RAMSTAD, Mr. REGULA, Mr. REHBERG, Mr. REYNOLDS, Mr. RILEY, Mrs. ROUKEMA, Mr. ROEMER, Mr. ROGERS of Kentucky, Mr. ROGERS of Michigan, Mr. ROHRABACHER, Mr. ROYCE, Mr. RYAN of Wisconsin, Mr. RYUN of Kansas, Mr. SCARBOROUGH, Mr. SANDLIN, Mr. SCHAFFER, Mr. SCHROCK, Mr. SENSENBRENNER, Mr. SESSIONS, Mr. SHADEGG, Mr. SHAW, Mr. SHAYS, Mr. SHERWOOD, Mr. SHIMKUS, Mr. SHOWS, Mr. SIMMONS, Mr. SKEEN, Mr. SMITH of New Jersey, Mr. SMITH of Texas, Mr. SIMPSON, MR. SOUDER, Mr. SPENCE, Mr. STEARNS, Mr. STUMP, Mr. SUNUNU, Mr. SWEENEY, Mr. TAUZIN, Mr. TANCREDO, Mr. TAYLOR of North Carolina, Mr. TERRY, Mr. THUNE, Mr. TIAHRT, Mr. TIBERI, Mr. TOOMEY, Mr. UPTON, Mr. VITTER, Mr. WAMP, Mr. WALDEN of Oregon, Mr. WATKINS, Mr. WATTS of Oklahoma, Mr. WELDON of Florida, Mr. WHITFIELD, Mr. WICKER, Mrs. WILSON, Mr. WOLF, Mr. YOUNG of Florida, Mr. YOUNG of Alaska, Mr. WALSH, Mr. THORNBERRY, and Mr. CONDIT):

H.R. 6. A bill to amend the Internal Revenue Code of 1986 to reduce the marriage penalty by providing for adjustments to the standard deduction, 15-percent rate bracket, and earned income credit and to allow the nonrefundable personal credits against regular and minimum tax liability; to the Committee on Ways and Means.

By Mr. MANZULLO (for himself, Ms. VELÁZQUEZ, Mr. HEFLEY, Mrs. KELLY, Mr. ISSA, and Mr. GRUCCI):

H.R. 1037. A bill to amend the Internal Revenue Code of 1986 to provide tax relief for small businesses, and for other purposes; to the Committee on Ways and Means.

By Mr. JACKSON of Illinois (for himself, Mr. RODRIGUEZ, Mr. CLAY, Mr. HOEFFEL, and Ms. JACKSON-LEE of Texas):

H.R. 1038. A bill to place a moratorium on executions by the Federal Government and urge the States to do the same, while a National Commission on the Death Penalty reviews the fairness of the imposition of the death penalty; to the Committee on the Judiciary.

By Mr. TERRY (for himself, Mr. KNOLLENBERG, and Mr. PICKERING):

H.R. 1039. A bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes; to the Committee on House Administration, and in addition to the Committees on the Judiciary, and Energy and Commerce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ARMEY (for himself, Mrs. MYRICK, Mr. TOOMEY, Mr. HEFLEY, Mr. SMITH of Michigan, and Mr. SUNUNU):

H.R. 1040. A bill to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. PETERSON of Pennsylvania:

H.R. 1041. A bill to amend title XIX of the Social Security Act to permit additional States to enter into long-term care partnerships under the Medicaid Program in order to promote the use of long-term care insurance; to the Committee on Energy and Commerce.

By Mr. GRUCCI:

H.R. 1042. A bill to prevent the elimination of certain reports; to the Committee on Science.

By Mr. WAXMAN (for himself, Mr. HANSEN, Mr. MEEHAN, Mr. GANSKE, Mr. DINGELL, Mrs. MORELLA, Mr. BROWN of Ohio, Mr. DOGGETT, Mr. BONIOR, Ms. DEGETTE, Mrs. CAPPS, Ms. DELAURO, Mr. LANTOS, Mr. MARKEY, Ms. ESHOO, Mr. STARK, Mr. ALLEN, Mr. MCDERMOTT, Mrs. MINK of Hawaii, Ms. SCHAKOWSKY, Mr. OLVER, Mr. HINCHEY, Ms. NORTON, Mrs. TAUSCHER, Mr. OBERSTAR, Mr. GEORGE MILLER of California, Ms. RIVERS, Mr. BALDACCI, Mr. PAYNE, Mr. BORSKI, Ms. ROYBAL-ALLARD, Mr. LAFALCE, Mr. DEFAZIO, Ms. SLAUGHTER, Ms. PELOSI, Mr. COYNE, Mr. BLUMENAUER, Mrs. MALONEY of New York, and Mr. WEXLER):

H.R. 1043. A bill to amend the Federal Food, Drug, and Cosmetic Act to provide the Food and Drug Administration jurisdiction over tobacco; to the Committee on Energy and Commerce.

By Mr. WAXMAN (for himself, Mr. HANSEN, Mr. MEEHAN, Mrs. MORELLA, Mr. DOGGETT, Mr. BONIOR, Ms. DEGETTE, Mrs. CAPPS, Ms. DELAURO, Mr. LANTOS, Mr. MARKEY, Mr. STARK, Mr. ALLEN, Mr. MCDERMOTT, Ms. SCHAKOWSKY, Mr. OLVER, Mr. HINCHEY, Ms. NORTON, Mrs. TAUSCHER, Mr. OBERSTAR, Mr. GEORGE MILLER of California, Ms. RIVERS, Mr. BALDACCI, Mr. PAYNE, Mr. BORSKI, Ms. ROYBAL-ALLARD, Mr. LAFALCE, Mr. KILDEE, Mr. DEFAZIO, Ms. SLAUGHTER, Ms. PELOSI, Mr. COYNE, Mr. BLUMENAUER, Mrs. MALONEY of New York, Mr. WEXLER, Mr. MCGOVERN, Ms. CARSON of Indiana, and Ms. SOLIS):

H.R. 1044. A bill to prevent children from using tobacco products, to reduce the health costs attributable to tobacco products, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. WILSON (for herself, Mr. HUNTER, and Mr. ISSA):

H.R. 1045. A bill to lower energy costs to consumers, increase electric system reliability and provide environmental improvements, through the rapid deployment of distributed energy resources, and for other purposes; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1046. A bill to require cigarette products to be placed under or behind the counter in retail sales; to the Committee on Energy and Commerce.

By Mr. ANDREWS:

H.R. 1047. A bill to amend the Electronic Fund Transfer Act to prohibit any operator of an automated teller machine that displays any paid advertising from imposing any fee on a consumer for the use of that machine, and for other purposes; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1048. A bill to facilitate transfers between interest-bearing accounts and transactions accounts at depository institutions for small businesses; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1049. A bill to amend chapter 89 of title 5, United States Code, to make available to Federal employees the option of obtaining health benefits coverage for dependent parents; to the Committee on Government Reform.

By Mr. ANDREWS:

H.R. 1050. A bill to amend the Internal Revenue Code of 1986 to allow credits against income tax for an owner of a radio broadcasting station which donates the license and other assets of such station to a nonprofit corporation for purposes of supporting nonprofit fine arts and performing arts organizations, and for other purposes; to the Committee on Ways and Means.

By Mr. LAFALCE (for himself, Mr. KANJORSKI, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, Mr. ENGEL, and Ms. SCHAKOWSKY):

H.R. 1051. A bill to amend the Home Ownership and Equity Protection Act of 1994 and other sections of the Truth in Lending Act to protect consumers against predatory practices in connection with high cost mortgage transactions, to strengthen the civil remedies available to consumers under existing law, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, Mr. BONIOR, Mr. GEORGE MILLER of California, Ms. DELAURO, Mr. DELAHUNT, and Ms. SCHAKOWSKY):

H.R. 1052. A bill to amend the Truth in Lending Act to enhance consumer disclosures regarding credit card terms and charges, to restrict issuance of credit cards to students, to expand protections in connection with unsolicited credit cards and third-party checks and to protect consumers from unreasonable practices that result in unnecessary credit costs or loss of credit, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1053. A bill to amend the Equal Credit Opportunity Act and the Home Mortgage Disclosure Act of 1975 to reduce the disparate impact of predatory lending on minorities, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1054. A bill to amend the Truth in Lending Act to expand protections for consumers by adjusting statutory exemptions and civil penalties to reflect inflation, to eliminate the Rule of 78s accounting for interest rebates in consumer credit transactions, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. KANJORSKI, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1055. A bill to amend the Federal Deposit Insurance Act and the Truth in Lending Act to prohibit federally insured institutions from engaging in high-cost payday loans, to expand protections for consumers in connection with the making of such loans by uninsured entities, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1056. A bill to amend the Consumer Credit Protection Act to enhance the advertising of the terms and costs of consumer automobile leases, to permit consumer comparison of advertised lease offerings, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1057. A bill to amend the Truth in Savings Act to enhance civil liability and other enforcement, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. KANJORSKI, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1058. A bill to amend the Truth in Lending Act to prohibit the distribution of any check or other negotiable instrument as part of a solicitation by a creditor for an extension of credit, to limit the liability of consumers in conjunction with such solicitations, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. KANJORSKI, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1059. A bill to require insured depository institutions to make affordable transaction accounts available to their customers, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mrs. MALONEY of New York, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1060. A bill to amend the Truth in Lending Act to prohibit unfair or deceptive creditor acts or practices, and for other purposes; to the Committee on Financial Services.

By Mr. LAFALCE (for himself, Mr. KANJORSKI, Mr. GUTIERREZ, Ms. LEE, Mrs. JONES of Ohio, Mr. CAPUANO, Mr. CLAY, Mr. HINCHEY, and Ms. SCHAKOWSKY):

H.R. 1061. A bill to authorize permanently an annual survey and report by the Board of Governors of the Federal Reserve System on fees charged for retail banking services; to the Committee on Financial Services.

By Mr. ANDREWS:

H.R. 1062. A bill to amend the Internal Revenue Code of 1986 to allow a credit against income tax to C corporations which have substantial employee ownership and to encourage stock ownership by employees by excluding from gross income stock paid as compensation for services, and for other purposes; to the Committee on Ways and Means.

By Mr. ANDREWS:

H.R. 1063. A bill to enhance competition for prescription drugs by increasing the ability of the Department of Justice and Federal Trade Commission to enforce existing antitrust laws regarding brand name drugs and generic drugs; to the Committee on Energy and Commerce, and in addition to the Committee on the Judiciary, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1064. A bill to amend the Public Health Service Act and Employee Retirement Income Security Act of 1974 to require that group and individual health insurance coverage and group health plans provide coverage for annual screening mammography for any class of covered individuals if the coverage or plans include coverage for diagnostic mammography for such class and to amend title XIX of the Social Security Act to provide for coverage of annual screening mammography under the Medicaid Program; to the Committee on Energy and Commerce, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. ANDREWS:

H.R. 1065. A bill to protect the Social Security system and to amend the Congressional Budget Act of 1974 to require a two-thirds vote for legislation that changes the discretionary spending limits or the pay-as-you-go provisions of the Balanced Budget and Emergency Deficit Control Act of 1985 if the budget for the current year (or immediately preceding year) was not in surplus; to the Committee on Ways and Means, and in addition to the Committees on Rules, and the Budget, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mrs. CAPPS (for herself, Ms. ESHOO, Mr. CONDIT, Mr. THOMPSON of California, Mr. FARR of California, Mrs. TAUSCHER, and Mr. FILNER):

H.R. 1066. A bill to amend the Outer Continental Shelf Lands Act to direct the Secretary of the Interior to cease mineral leasing activity on submerged land of the Outer Continental Shelf that is adjacent to a coastal State that has declared a moratorium on such activity, and for other purposes; to the Committee on Resources.

By Mr. COLLINS (for himself and Mr. LEWIS of Georgia):

H.R. 1067. A bill to suspend temporarily the duty on certain steam or other vapor generating boilers used in nuclear facilities; to the Committee on Ways and Means.

By Mr. DEMINT:

H.R. 1068. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Ways and Means.

By Mr. DEMINT:

H.R. 1069. A bill to establish a Bipartisan Social Security Reform and Results Commission; to the Committee on Ways and Means, and in addition to the Committee on Rules, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. EHLERS (for himself, Mr. KIRK, and Mr. BARCIA):

H.R. 1070. A bill to amend the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to make grants for remediation of sediment contamination in areas of concern and to authorize assistance for research and development of innovative technologies for such purposes; to the Committee on Transportation and Infrastructure, and in addition to the Committee on Science, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. FALEOMAVAEGA (for himself and Mr. ABERCROMBIE):

H.R. 1071. A bill to increase the amounts authorized to be appropriated to carry out the National Sea Grant College Program Act; to the Committee on Resources.

By Mr. FOLEY:

H.R. 1072. A bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax for higher education loan interest payments; to the Committee on Ways and Means.

By Mr. FRANK (for himself, Mr. NEY, Mr. SANDLIN, Mrs. MORELLA, Mr. RANGEL, Mr. STUMP, Mr. BONIOR, Mr. SAXTON, Mr. PAUL, Mr. LAHOOD, Mr. ABERCROMBIE, Mr. SMITH of New Jersey, Ms. SCHAKOWSKY, Mr. MCHUGH, Mr. ALLEN, Mr. GILMAN, Ms. DELAURO, Mr. FOLEY, Mr. DELAHUNT, Mr. JONES of North Carolina, Mr. FROST, Mr. BARCIA, Mr. VISCLOSKY, Mr. BERMAN, Mr. WEXLER, Mr. DEFAZIO, Mrs. CAPPS, Mr. MORAN of

Virginia, Mr. BALDACCI, Mr. KUCINICH, Mrs. CHRISTENSEN, Mr. GEORGE MILLER of California, Mr. WAXMAN, Mr. CLEMENT, Mr. MCGOVERN, Mr. COSTELLO, Ms. RIVERS, Mr. LUCAS of Kentucky, Mr. EVANS, Mr. COYNE, Ms. BALDWIN, Mr. ANDREWS, Mr. RAHALL, Mr. HINCHEY, Ms. ROYBAL-ALLARD, Ms. BERKLEY, Ms. MCKINNEY, Mr. LANTOS, Mr. PALLONE, and Mr. OLVER):

H.R. 1073. A bill to amend title II of the Social Security Act to restrict the application of the windfall elimination provision to individuals whose combined monthly income from benefits under such title and other monthly periodic payments exceeds $2,000 and to provide for a graduated implementation of such provision on amounts above such $2,000 amount; to the Committee on Ways and Means.

By Mr. GIBBONS:

H.R. 1074. A bill to direct the Secretary of Transportation to issue regulations relating to the transfer of airline tickets and to amend title 49, United States Code, relating to air carrier ticket pricing policies; to the Committee on Transportation and Infrastructure.

By Mr. HUNTER (for himself, Mr. ROYCE, Mr. POMBO, Mr. ROHRABACHER, Mr. HORN, Mr. RADANOVICH, Mr. DOOLITTLE, Mr. GARY MILLER of California, Mrs. BONO, Mr. CALVERT, Mr. OSE, Mr. CUNNINGHAM, and Mr. ISSA):

H.R. 1075. A bill to allow any business or individual in any State experiencing a power emergency to operate any type of power generation available to ensure their economic stability, and for other purposes; to the Committee on Energy and Commerce.

By Mrs. JOHNSON of Connecticut (for herself, Mr. RANGEL, Mr. HOUGHTON, Mr. STARK, Mr. RAMSTAD, Mr. MATSUI, Mr. ENGLISH, Mr. COYNE, Mrs. MORELLA, Mr. LEVIN, Mr. LEACH, Mr. CARDIN, Mrs. KELLY, Mr. MCDERMOTT, Mr. GILMAN, Mr. KLECZKA, Mr. BOEHLERT, Mr. LEWIS of Georgia, Mr. LATOURETTE, Mr. NEAL of Massachusetts, Mr. KING, Mr. MCNULTY, Ms. ROS-LEHTINEN, Mr. JEFFERSON, Mr. NEY, Mr. BECERRA, Mr. FERGUSON, Mrs. THURMAN, Mr. HORN, Mr. POMEROY, Mr. QUINN, Mr. GEPHARDT, Mr. SMITH of New Jersey, Mr. GEORGE MILLER of California, Mr. MCHUGH, Mr. ETHERIDGE, Mr. WALSH, Mr. CONYERS, Mr. MOAKLEY, Mr. HOEFFEL, Ms. SCHAKOWSKY, Mrs. TAUSCHER, Mr. MALONEY of Connecticut, Mr. ENGEL, Ms. DELAURO, Mr. KILDEE, Mr. BERRY, and Mr. LARSEN of Washington):

H.R. 1076. A bill to amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools; to the Committee on Ways and Means, and in addition to the Committee on Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. JONES of North Carolina:

H.R. 1077. A bill to provide that pay for prevailing rate employees in Pasquotank County, North Carolina, be determined by applying the same pay schedules and rates as apply with respect to prevailing rate employees in the local wage area that includes Carteret County, North Carolina; to the Committee on Government Reform.

By Mr. KLECZKA:

H.R. 1078. A bill to amend title XVIII of the Social Security Act, the Employee Retirement Income Security Act of 1974, the Public Health Service Act, and the Internal Revenue Code of 1986 to provide for an election for retirees 55-to-65 years of age who lose employer-based coverage to acquire health care coverage under the Medicare Program or under COBRA continuation benefits, and to amend the Employee Retirement Income Security Act of 1974 to provide for advance notice of material reductions in covered services under group health plans; to the Committee on Ways and Means, and in addition to the Committees on Energy and Commerce, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. LEWIS of Kentucky (for himself and Mr. SCHAFFER):

H.R. 1079. A bill to amend the Internal Revenue Code of 1986 to change certain threshold and other tests in order to decrease the amount of farm labor wages that are subject to Social Security and Medicare taxes, and for other purposes; to the Committee on Ways and Means.

By Mr. LINDER:

H.R. 1080. A bill to amend the Federal Election Campaign Act of 1971 to prohibit national political parties from using soft money, to restrict the use of soft money by corporations and labor organizations, to impose additional reporting requirements under such Act on corporations, labor organizations, and nonprofit organizations, and for other purposes; to the Committee on House Administration.

By Mr. OSE:

H.R. 1081. A bill to amend title 44, United States Code, to direct the Archivist of the United States to maintain an inventory of all gifts received from domestic sources for the President, the Executive Residence at the White House, or a Presidential archival depository; to the Committee on Government Reform.

By Mr. PETERSON of Minnesota (for himself, Mr. ABERCROMBIE, Mr. ALLEN, Mr. BALDACCI, Ms. BALDWIN, Mr. BENTSEN, Mr. BEREUTER, Mr. BOEHLERT, Mr. BOSWELL, Mr. BOUCHER, Mr. CHAMBLISS, Mr. COSTELLO, Mr. CUNNINGHAM, Mr. DEAL of Georgia, Mr. DELAHUNT, Mr. DINGELL, Mrs. EMERSON, Mr. ENGLISH, Mr. EVANS, Mr. FROST, Mr. GANSKE, Mr. GILLMOR, Mr. HILLIARD, Mr. HINCHEY, Mr. HOLDEN, Mr. ISAKSON, Ms. KAPTUR, Mr. KENNEDY of Minnesota, Mr. KOLBE, Mr. LUTHER, Mr. MARKEY, Ms. MCCOLLUM, Mr. GEORGE MILLER of California, Mr. NEY, Mr. OBERSTAR, Mr. OXLEY, Mr. PHELPS, Mr. PICKERING, Mr. POMBO, Mr. SESSIONS, Mr. SHOWS, Mr. STUPAK, Mr. THOMPSON of California, Mr. THUNE, Mr. TOWNS, Mr. UDALL of Colorado, Mr. WELDON of Pennsylvania, Mr. KENNEDY of Rhode Island, Mrs. THURMAN, Mr. CONDIT, and Mr. JOHN):

H.R. 1082. A bill to amend the Food Security Act of 1985 to expand the number of acres authorized for inclusion in the conservation reserve; to the Committee on Agriculture.

By Mr. PETERSON of Minnesota (for himself, Mr. WEXLER, Mr. ABERCROMBIE, Mr. CONYERS, Ms. KAPTUR, Mr. HOUGHTON, Mr. LAFALCE, Mr. PAYNE, Mr. SABO, Ms. SCHAKOWSKY, and Mr. CAPUANO):

H.R. 1083. A bill to amend the National Labor Relations Act to give employers and performers in the live performing arts, rights given by section 8(e) of such Act to employers and employees in similarly situated industries, to give such employers and performers the same rights given by section 8(f) of such Act to employers and employees in the construction industry, and for other purposes; to the Committee on Education and the Workforce.

By Mr. POMEROY (for himself, Mr. BALDACCI, and Mr. MCHUGH):

H.R. 1084. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a Canadian pesticide for distribution and use within that State; to the Committee on Agriculture.

By Mr. RAHALL:

H.R. 1085. A bill to address certain anachronistic provisions of the general mining laws, and for other purposes; to the Committee on Resources.

By Mrs. TAUSCHER (for herself, Mr. GREENWOOD, Mrs. THURMAN, Ms. LEE, and Mr. WELDON of Pennsylvania):

H.R. 1086. A bill to provide for infant crib safety, and for other purposes; to the Committee on Energy and Commerce.

By Mr. WEINER (for himself, Mr. SOUDER, Mr. DEUTSCH, Mr. BENTSEN, Mr. BERMAN, Mr. CROWLEY, Mr. FROST, Mr. MCNULTY, and Mr. NADLER):

H.R. 1087. A bill to prohibit United States assistance for the Palestinian Authority and for programs, projects, and activities in the West Bank and Gaza; to the Committee on International Relations.

By Mr. PAUL:

H.J. Res. 38. A joint resolution disapproving the rule submitted by the Department of Health and Human Services on December 28, 2000, relating to standards for privacy of individually identifiable health information; to the Committee on Energy and Commerce, and in addition to the Committees on Ways and Means, and Education and the Workforce, for a period to be subsequently determined by the Speaker, in each case for consideration of such provisions as fall within the jurisdiction of the committee concerned.

By Mr. CLEMENT (for himself, Ms. RIVERS, Mr. TIBERI, Mr. HOLT, Mrs. DAVIS of California, and Mr. BLUNT):

H. Con. Res. 64. Concurrent resolution expressing the sense of the Congress supporting music education and Music in Our Schools Month; to the Committee on Education and the Workforce.

By Mr. COLLINS (for himself, Mr. KINGSTON, Mr. BISHOP, Mr. CHAMBLISS, Mr. ISAKSON, Mr. LEWIS of Georgia, Mr. BARR of Georgia, Mr. DEAL of Georgia, Mr. LINDER, Mr. NORWOOD, and Ms. MCKINNEY):

H. Con. Res. 65. Concurrent resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia in March 2001, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States; to the Committee on Armed Services.

By Ms. KAPTUR (for herself, Mrs. ROUKEMA, Mr. NEY, Mr. HOYER, Ms. BALDWIN, Ms. BERKLEY, Mrs. BIGGERT, Mrs. BONO, Ms. BROWN of Florida, Mrs. CAPITO, Mrs. CAPPS, Ms. CARSON of Indiana, Mrs. CHRISTENSEN, Mrs.

CLAYTON, Mrs. CUBIN, Mrs. JO ANN DAVIS of Virginia, Mrs. DAVIS of California, Ms. DEGETTE, Ms. DELAURO, Ms. DUNN, Mrs. EMERSON, Ms. ESHOO, Ms. GRANGER, Ms. HARMAN, Ms. HART, Ms. HOOLEY of Oregon, Ms. JACKSON-LEE of Texas, Ms. EDDIE BERNICE JOHNSON of Texas, Mrs. JOHNSON of Connecticut, Mrs. JONES of Ohio, Mrs. KELLY, Ms. KILPATRICK, Ms. LEE, Ms. LOFGREN, Mrs. LOWEY, Mrs. MCCARTHY of New York, Ms. MCCARTHY of Missouri, Ms. MCCOLLUM, Ms. MCKINNEY, Mrs. MALONEY of New York, Mrs. MEEK of Florida, Ms. MILLENDER-MCDONALD, Mrs. MINK of Hawaii, Mrs. MORELLA, Mrs. MYRICK, Mrs. NAPOLITANO, Mrs. NORTHUP, Ms. NORTON, Ms. PELOSI, Ms. PRYCE of Ohio, Ms. RIVERS, Ms. ROS-LEHTINEN, Ms. ROYBAL-ALLARD, Ms. SANCHEZ, Ms. SCHAKOWSKY, Ms. SLAUGHTER, Ms. SOLIS, Mrs. TAUSCHER, Mrs. THURMAN, Ms. VELÁZQUEZ, Ms. WATERS, Mrs. WILSON, Ms. WOOLSEY, Mr. EHLERS, Mr. MICA, Mr. LINDER, Mr. DOOLITTLE, Mr. REYNOLDS, Mr. FATTAH, and Mr. DAVIS of Florida):

H. Con. Res. 66. Concurrent resolution authorizing the printing of a revised and updated version of the House document entitled ''Women in Congress, 1917–1990''; to the Committee on House Administration.

ADDITIONAL SPONSORS

Under clause 7 of rule XII, sponsors were added to public bills and resolutions as follows:

H.R. 25: Mr. GILCHREST and Mrs. LOWEY.

H.R. 28: Mrs. EMERSON, Ms. SOLIS, and Mr. HYDE.

H.R. 31: Mr. WELDON of Florida.

H.R. 40: Ms. MCKINNEY and Mrs. TAUSCHER.

H.R. 51: Mr. JONES of North Carolina, Ms. HART, Mrs. CLAYTON, Mrs. THURMAN, and Mr. SIMMONS.

H.R. 81: Mr. FOLEY.

H.R. 117: Mr. CRAMER.

H.R. 126: Ms. BALDWIN.

H.R. 128: Mr. MCGOVERN, Mr. MCDERMOTT, and Ms. VELÁZQUEZ.

H.R. 133: Mr. UNDERWOOD.

H.R. 169: Mr. PETRI, Ms. NORTON, Ms. CARSON of Indiana, Ms. BROWN of Florida, and Mr. TOWNS.

H.R. 179: Mr. CRENSHAW, Mr. NEAL of Massachusetts, Mr. HYDE, and Mr. CANTOR.

H.R. 183: Ms. MILLENDER-MCDONALD, Ms. SCHAKOWSKY, Ms. BALDWIN, Mr. FILNER, and Mr. SANDERS.

H.R. 184: Mr. RUSH and Mr. KANJORSKI.

H.R. 187: Mr. FROST, Mr. STENHOLM, and Mr. PETRI.

H.R. 191: Mr. PAUL.

H.R. 192: Mr. FOLEY and Mr. BAKER.

H.R. 218: Mr. DEAL of Georgia, Mr. GIBBONS, Mr. SHADEGG, Mr. GRAHAM, Mr. LINDER, Mrs. NORTHUP, Mr. DUNCAN, Mr. SAXTON, Mr. HINCHEY, and Mr. BAKER.

H.R. 247: Mr. BLUNT, Mr. ISTOOK, and Mr. EVERETT.

H.R. 294: Ms. HART.

H.R. 303: Mrs. CLAYTON, Mr. MATHESON, Mr. SNYDER, Mr. PHELPS, Mr. DUNCAN, Mr. HOLT, Mr. CLYBURN, Mr. CONYERS, and Mr. HYDE.

H.R. 326: Mr. UDALL of New Mexico, Mr. TOWNS, and Mr. LAFALCE.

H.R. 327: Mr. OSE, Mr. PENCE, Mr. OTTER, Mr. PUTNAM, Mr. GRUCCI, Mrs. CAPITO, Mr. FERGUSON, Mr. SCHROCK, Mr. TOOMEY, Mr. MANZULLO, and Mr. GRAVES.

H.R. 336: Ms. BALDWIN, Mrs. JONES of Ohio, and Mr. HOYER.

H.R. 340: Mrs. NAPOLITANO.

H.R. 356: Mr. FOLEY and Mr. KINGSTON.

H.R. 369: Mr. CLAY.

H.R. 415: Ms. CARSON of Indiana, Ms. WATERS, Mr. TOWNS, Mr. HOLDEN, Mr. PAUL, Ms. BROWN of Florida, Mrs. THURMAN, Ms. LEE, and Mr. WEXLER.

H.R. 446: Mr. RODRIGUEZ and Mr. MCGOVERN.

H.R. 458: Mr. SAM JOHNSON of Texas.

H.R. 476: Mr. WELDON of Florida, Mr. HAYES, Ms. HART, Mr. BARTLETT of Maryland, Mr. ROGERS of Michigan, and Mr. LEWIS of Kentucky.

H.R. 478: Mr. MURTHA.

H.R. 494: Mr. WELDON of Pennsylvania.

H.R. 500: Ms. SCHAKOWSKY and Mr. CROWLEY.

H.R. 516: Mr. RAHALL, Ms. CARSON of Indiana, Mr. FILNER, Mr. LOBIONDO, Mr. BACA, Mr. HUTCHINSON, Mr. ENGEL, and Mr. CRAMER.

H.R. 538: Ms. ROS-LEHTINEN, Mr. ARMEY, Mr. SOUDER, Mr. WATTS of Oklahoma, Mr. BRADY of Texas, Mr. FROST, Mrs. BONO, Mr. CALVERT, and Mr. YOUNG of Alaska.

H.R. 539: Mr. BLUNT, Mr. KENNEDY of Minnesota, and Mr. HEFLEY.

H.R. 573: Mr. BERMAN, Mr. FILNER, Mr. MCDERMOTT, Mr. BLUMENAUER, Ms. SCHAKOWSKY, Mr. ANDREWS, Mr. STARK, and Mr. SAWYER.

H.R. 576: Mr. MALONEY of Connecticut.

H.R. 581: Mr. DUNCAN, Mr. KOLBE, and Mr. TANCREDO.

H.R. 586: Mr. CARDIN and Mr. BURTON of Indiana.

H.R. 606: Mr. FOLEY, Mr. SCARBOROUGH, Mrs. LOWEY, and Mr. MICA.

H.R. 609: Mr. PAYNE.

H.R. 611: Mr. OXLEY and Mr. HINCHEY.

H.R. 623: Mr. SCOTT, Mr. CUMMINGS, Mr. ANDREWS, Mr. LANTOS, Ms. MILLENDER-MCDONALD, Ms. SCHAKOWSKY, Mr. HOEFFEL, and Ms. MCCOLLUM.

H.R. 630: Mr. ETHERIDGE, Mr. JEFFERSON, Mr. TOWNS, Mr. GUTIERREZ, Mr. WAXMAN, Mr. RUSH, Mr. SIMMONS, Ms. HARMAN, Mr. ENGEL, Ms. SCHAKOWSKY, and Mr. PAYNE.

H.R. 638: Mr. ABERCROMBIE.

H.R. 665: Mr. RODRIGUEZ.

H.R. 668: Mr. GILCHREST, Mr. OLVER, Ms. BALDWIN, Mr. COYNE, Mr. NEY, Mr. BALDACCI, Mr. WATKINS, and Mr. BURR of North Carolina.

H.R. 674: Mr. BOYD.

H.R. 676: Mr. OTTER.

H.R. 686: Ms. LEE.

H.R. 692: Mr. CAMP and Mr. HASTINGS of Washington.

H.R. 695: Mr. HOEFFEL and Mr. GEORGE MILLER of California.

H.R. 699: Mr. FOLEY.

H.R. 700: Mr. ABERCROMBIE.

H.R. 701: Mr. PICKERING, Mr. THOMPSON of California, Mr. HAYES, Mr. PHELPS, Mr. CHAMBLISS, Mr. PETERSON of Minnesota, Mr. UDALL of Colorado, Mr. VITTER, Mr. CROWLEY, Mr. BURR of North Carolina, Ms. MCCARTHY of Missouri, Mr. BAKER, Mr. LOBIONDO, Mr. LEWIS of Georgia, Mr. JEFFERSON, Mr. FRELINGHUYSEN, Mr. DELAHUNT, Mr. RAMSTAD, Mr. WELLER, Mrs. CHRISTENSEN, Ms. BALDWIN, Mrs. ROUKEMA, Mr. MALONEY of Connecticut, Mr. PALLONE, Mr. WYNN, Mrs. JONES of Ohio, Mr. BRADY of Pennsylvania, Mr. LUTHER, Mr. TOWNS, Mr. CAPUANO, Mr. HOLDEN, Mr. SNYDER, Mrs. MCCARTHY of New York, Mr. ABERCROMBIE, Mr. NADLER, Mr. MEEHAN, Mr. BERMAN, Mr. BOSWELL, Mr. PASCRELL, Mrs. MEEK of Florida, Mr. BOUCHER, Mrs. MALONEY of New York, Ms. LEE, Ms. DELAURO, Mr. ANDREWS, Mr. SOUDER, Mr. KING, Mr. FILNER, Ms. SCHAKOWSKY, Mr. TAYLOR of Mississippi, and Mr. MCCRERY.

H.R. 718: Mrs. BIGGERT, Mr. THORNBERRY, Ms. GRANGER, Ms. PRYCE of Ohio, Mr. HUNTER, Mr. CUNNINGHAM, Mr. HAYES, Mr. WATKINS, Mr. EHLERS, Mr. DOOLITTLE, Mr. WHITFIELD, Mr. BRADY of Texas, Mr. LEWIS of Kentucky, and Ms. SCHAKOWSKY.

H.R. 726: Mr. GUTIERREZ.

H.R. 737: Mr. TERRY and Mr. WAXMAN.

H.R. 759: Ms. LOFGREN and Mrs. CLAYTON.

H.R. 778: Ms. HART.

H.R. 779: Mr. HYDE.

H.R. 786: Mr. MARKEY, Ms. WOOLSEY, and Ms. BALDWIN.

H.R. 808: Mr. DEFAZIO and Mr. KENNEDY of Rhode Island.

H.R. 822: Mr. ABERCROMBIE.

H.R. 823: Mrs. THURMAN.

H.R. 827: Mr. MCGOVERN and Mr. LAMPSON.

H.R. 862: Mr. BALDACCI.

H.R. 865: Mr. LIPINSKI, Mr. KUCINICH, Mr. FROST, Mr. BORSKI, Mrs. DAVIS of California, Mr. DOYLE, and Ms. LEE.

H.R. 938: Mr. CAPUANO.

H.R. 945: Mr. RUSH and Mr. KUCINICH.

H.R. 967: Mr. MCNULTY, Mrs. KELLY, Mr. FRANK, and Mr. BALDACCI.

H.R. 969: Mr. BURR of North Carolina, Mr. CALVERT, and Mrs. MYRICK.

H.R. 1015: Mr. SMITH of New Jersey, Mr. SISISKY, Mr. PUTNAM, Mr. BILIRAKIS, Mr. BUYER, and Mr. STEARNS.

H.J. Res. 11: Mr. FOLEY.

H.J. Res. 32: Mrs. MALONEY of New York.

H.J. Res. 36: Mr. LUTHER and Mr. BRADY of Texas.

H. Con. Res. 8: Mrs. THURMAN.

H. Con. Res. 23: Mr. BLUNT.

H. Con. Res. 52: Mr. SHERMAN.

H. Con. Res. 58: Mr. HOYER.

H. Res. 23: Ms. HART and Mr. CLEMENT.

SENATE—*Thursday, March 15, 2001*

The Senate met at 9:30 a.m. and was called to order by the Honorable MIKE CRAPO, a Senator from the State of Idaho.

The PRESIDING OFFICER. Today's prayer will be offered by our guest Chaplain, Rev. Alan Mitchell, Sligo Presbyterian Church, Republic of Ireland.

PRAYER

The guest Chaplain, Rev. Alan Mitchell, offered the following prayer:

O God, our Father, we acknowledge that the destiny of the nations and peoples of this world is in Your control.

We pray for all Senators and leaders elected to represent the interests and further the welfare of their constituents; especially we pray for the President, Mr. George W. Bush. May the leadership he gives this Nation and the nations of the Western World, be in accord with Your will and purpose.

We thank You for the commitment of the United States to peacemaking. Continue to inspire this administration as it seeks to create prosperity, equality, justice, freedom, and peace for people in this country and wherever the influence of this great Nation impacts on every continent.

On this weekend when we celebrate St. Patrick's mission in Ireland, may the message he proclaimed be proclaimed now with even greater fervor and passion, lighting fires of forgiveness and reconciliation, giving joy to Irish people within their own country and around the world.

Father, as we commence the business of this day, may Your Spirit, through our deliberations, accomplish Your purposes for this Nation as it fulfills its obligations to its own citizens and to people around the world who look to the United States for inspiration and example.

We offer these prayers through Jesus Christ. Amen.

PLEDGE OF ALLEGIANCE

The Honorable MIKE CRAPO led the Pledge of Allegiance, as follows:

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

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will please read a communication to the Senate from the President pro tempore [Mr. THURMOND].

The legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, March 15, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable MIKE CRAPO, a Senator from the State of Idaho, to perform the duties of the Chair.

STROM THURMOND,
President pro tempore.

Mr. CRAPO thereupon assumed the chair as Acting President pro tempore.

RECOGNITION OF THE MAJORITY LEADER

The ACTING PRESIDENT pro tempore. The majority leader is recognized.

GUEST CHAPLAIN MITCHELL

Mr. LOTT. Mr. President, I join all of our colleagues in the Senate in welcoming and thanking our guest Chaplain today for the beautiful prayer he just delivered. He is Rev. Alan Mitchell. With that name, he could just as easily be from Sledge, MS, instead of Sligo, Ireland.

I love the accent he has but, more importantly, the beauty of his prayer. So many in America have roots back in Ireland, Scotland, and that area of the world. We feel a special kinship to the people in Ireland, and we wish them well and pray for them often as they seek greater economic opportunity and continued democracy and freedom. We are delighted to have Reverend Mitchell with us today.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will immediately resume consideration of the bankruptcy legislation with 10 hours remaining for postcloture debate. This morning, Senator WELLSTONE is here and ready to go, and he will be recognized to offer any of his germane amendments. Following the Wellstone debate, we will go to Senator KOHL who will be recognized to offer his homestead amendment, with up to 90 minutes of debate on that issue.

Under the previous order, there will be two votes at 12 noon on the Leahy amendments, Nos. 19 and 41. A vote is possible just prior to the vote scheduled at noon if time is yielded back with regard to the homestead amendment. Further amendments will be offered and debate will continue during today's session. Therefore, votes will occur throughout the day. The Senate will complete action on this bill as early as late this afternoon or tonight.

I, again, thank Senator WELLSTONE for his persistence and also his willingness to cooperate as we have gone along.

I was very pleased and impressed with the vote on cloture. I believe it was 80–19. It is clear the Senate wants to vote on this issue and wants to pass some needed bankruptcy reform.

I yield the floor.

Mr. REID. Before the leader leaves, it is my understanding—and the Presiding Officer can correct me if I am wrong—that in the 10 hours, which starts now, votes are counted, quorums are counted, so we will be here no later than 7:30, plus whatever time it takes to complete the votes. Is that right?

Mr. LOTT. That is correct. I hope that maybe it will not even be that late. It is possible we could get completed with our work a little earlier—6 or 6:30. That would be ideal. I believe, counting the votes and all of the time, it would not go beyond 7:30, so Senators should be aware of that. I might note, in terms of any other legislative action, certainly we wouldn't consider anything further without close consultation with the Democratic leader. We have the possibility of considering the SEC fees bill, but we want to do that in such a way it can be done either by voice vote or in wrap-up, or if there had to be votes, it would not occur until late on Monday afternoon. We will work through that. I put Senators on notice that we will at least consider how we will bring that bill up at some point.

I yield the floor.

RESERVATION OF LEADER TIME

The ACTING PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

BANKRUPTCY REFORM ACT OF 2001

The ACTING PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 420, which the clerk will report.

The bill clerk read as follows:

A bill (S. 420) to amend title 11, United States Code, and for other purposes.

Pending:

Leahy amendment No. 20, to resolve an ambiguity relating to the definition of current monthly income.

Wellstone amendment No. 35, to clarify the duties of a debtor who is the plan administrator of an employee benefit plan.

Kennedy amendment No. 38, to allow for reasonable medical expenses.

Collins amendment No. 16, to provide family fishermen with the same kind of protections and terms as granted to family farmers under chapter 12 of the bankruptcy laws.

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

Leahy modified amendment No. 41, to protect the identity of minor children in bankruptcy proceedings.

Reid (for Breaux) amendment No. 94, to provide for the reissuance of a rule relating to ergonomics.

Reid (for Leahy) amendment No. 19, to correct the treatment of certain spousal income for purposes of means testing.

The ACTING PRESIDENT pro tempore. Under the previous order, the Senator from Minnesota, Mr. WELLSTONE, is recognized to offer any of his germane amendments.

Mr. WELLSTONE. Mr. President, am I correct that my time starts now at 20 minutes of?

The ACTING PRESIDENT pro tempore. The Senator is correct.

Mr. WELLSTONE. Mr. President, I will probably take about 40 minutes of my hour right now and probably later on speak again on the bill.

AMENDMENTS NOS. 70, 71, AND 73, EN BLOC

Mr. WELLSTONE. Let me start by calling up some amendments. I send to the desk amendments Nos. 70, 71, and 73.

The ACTING PRESIDENT pro tempore. The clerk will report.

The bill clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes amendments Nos. 70, 71, and 73, en bloc.

Mr. WELLSTONE. I ask unanimous consent the reading of the amendments be dispensed with.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

The amendments are as follows:

AMENDMENT NO. 70

(Purpose: To change the relevant time period in determining current monthly income)

On page 18, line 9, strike ''6'' and insert ''2''.

AMENDMENT NO. 71

(Purpose: To address the acceptable period of time between the filing of petitions for relief under chapter 13 of title 11, United States Code)

On page 151, strike line 18 and all that follows through page 152, line 3, and insert the following:

Section 727(a)(8) of title 11, United States Code, is amended by striking ''six'' and inserting ''8''.

AMENDMENT NO. 73

(Purpose: To create an exemption for certain debtors)

On page 441, after line 2, add the following:

(c) EXEMPTIONS.—

(1) CERTAIN UNEMPLOYED WORKERS.—This Act and the amendments made by this Act do not apply to any debtor that can demonstrate to the satisfaction of the court that the reason for filing is due to the debtor having become unemployed and the debtor is part of a group of workers certified by the Secretary of Labor as being eligible for trade adjustment assistance under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.), unless the debtor elects to make a provision of this Act or an amendment made by this Act applicable to that debtor.

(2) APPLICABILITY.—Title 11, United States Code, as in effect on the day before the effective date of this Act and the amendments made by this Act, shall apply to persons referred to in paragraph (1) on and after the date of enactment of this Act, unless the debtor elects otherwise in accordance with paragraph (1).

AMENDMENT NO. 70

Mr. WELLSTONE. Mr. President, amendment No. 70 would fix the means test so it only looks at present and future income, not an average of the past 6 months. This is a really important amendment and I am interested in a vote. The means test in the bill determines a debtor's ability to pay a certain threshold amount of debt by averaging the debtor's last 6 months of income. This may be a very poor snapshot of a debtor's circumstances, especially if the debtor's income has gone down shortly before the filing due to a job loss or disability. This will have the effect of inappropriately forcing some debtors into chapter 13 repayment plans which they will never be able to complete.

This means test is unfair. It does not really look at the debtor's current income in determining ability to repay debt. It is abusive to workers who file shortly after losing well-paying jobs, particularly given the current weakness in the manufacturing sector of our economy.

This amendment changes the means test so it looks at an average of the debtor's last 2 months of income instead of the last 6. This is a more accurate picture of the debtor's circumstances and will ensure that only individuals with actual ability to repay will be captured by the means test.

Think about this for a moment. You better be thinking about it if there is a downturn in this economy. I am saying if somebody loses his or her job, and you are looking at the average income over the past 6 months, that doesn't do that person or their family a whole lot of good in terms of making an accurate assessment. If you look at it just over the last 2 months before they file for bankruptcy, then you are providing some protection to the people who have lost their jobs.

I will give a perfect example from the Iron Range. We now have about 1,300 taconite workers who have lost their jobs just with the LTV mine that is shutting down. For Minnesota, these were well-paying jobs with wages and health care. These were $65,000 jobs. For people who lose those kinds of jobs because the manufacturing sector is struggling, it does not do them a whole lot of good to look at the average income over the prior months—not when you have just lost your job or not when you have been in an accident and all of a sudden find yourself disabled. So I say again, this amendment is an amendment that tries to address the harshness of this legislation.

I cannot understand why Senators would not vote for this amendment and therefore this is the first amendment that I bring before the Senate today.

AMENDMENT NO. 71

Amendment No. 71 strikes the 5-year waiting period for a new chapter 13 filing. When people file a chapter 13 case, by definition they are paying all they can afford. There is no disagreement about that on the floor. That is supposed to be the reason this bill puts more people into chapter 13. So why does this bill prevent debtors from filing another chapter 13 case for 5 years, even if those debtors have fulfilled all their obligations in bankruptcy? This change simply adds insult to injury. It is particularly harmful, I maintain, to elderly individuals who might file a chapter 13 case to save their homes. Under this bill, an elderly person might file a chapter 13 case because of medical bills or because a spouse dies, successfully complete chapter 13 and save the home.

But if they have another illness in the next 5 years or they become disabled or lose their income, they will not be able to file for chapter 13. That is ridiculous. That is ridiculous. Again, I point to the harshness of this legislation. Under this bill, chapter 13 filers are not supposed to be abusers. They are supposed to be the good guys. Adopting this amendment would restore current law and allow the filing of new chapter 13 cases. It is very simple.

AMENDMENT NO. 73

Finally, I go to amendment No. 73. This is a safe harbor for folks who file because of job losses that are a result of foreign trade. Mr. President, 1,400 steelworkers have lost their jobs on the Iron Range of Minnesota due to unfair foreign competition.

By the way—and this will be the broader context I want to give about this legislation in a moment—does this Senate, does this Congress, does this administration offer proposals that assure a fair trade policy so many of our industrial workers, such as steelworkers and auto workers, do not get thrown out of work through no fault of their own? Do we do anything about the import surge of steel, quite often produced well below the cost of production, sometimes because of unfair dumping of steel on our market, sometimes because our workers lose their jobs in relation to other developing countries, workers who do not have the right to organize and bargain collectively, where there is no environmental protection, where there is no support for human rights, where people get paid 13 cents an hour? Do we do anything about that? No.

But, by golly, if you lose your job, you are not going to be able to file for chapter 7. You are going to have a very difficult time making it in chapter 13, rebuilding your life, or be in debt for the rest of your life. This amendment speaks for the 1,400 steelworkers who lost their jobs on the Iron Range due to unfair competition.

By the way, these steelworkers are not really interested in even getting to the point where they have to declare bankruptcy. They would like us to do something about an unfair trade policy. That is really what should be part of our agenda. Many more jobs in the timber industry are threatened by Canadian imports.

It is crystal clear that too many of these families are going to need to file for bankruptcy. If they do, I do not think a bill aimed at scofflaws and deadbeats should hold these workers back from a fresh start. This amendment would simply exempt from this entire bill any debtor who files because of a trade-related job loss. The people are not gaming the system. They have been devastated by the uncertainties of the global economy, by forces beyond their control. They have been devastated by the failure of the Senate to be on their side and pass legislation that will assure fair trade. They should not be subjected to this harsh bill.

Let me try to put the last 3 years in context. I think it has been about 2½ or 3 years that we have been going through this debate. It has been 2½ or 3 years that I have tried to prevent this bill from passing. The majority leader says he is very pleased by the vote on cloture. I will let history judge us. The majority leader can be very pleased by the vote. The majority leader can be very pleased the Senate is about to pass this very harsh bankruptcy bill. But later on today, the big guys are going to win. The big guys are going to win, and the little people are going to get smashed. There is no question about it. It is embarrassing—or it should be embarrassing to the Senate—the number of articles and now media coverage that have come out over the last several weeks about all of the ways in which this financial services industry, broadly defined, has hijacked this political process.

It should be embarrassing. There is no one-to-one correlation. I have said that many times over.

I accept the fact that my good friend, Senator GRASSLEY, can have an honestly held but different view. I am telling you that when it comes to elderly people who are put under because of medical bills and now cannot file chapter 13 for another 13 years, or when it comes to families, 50 percent of whom file for bankruptcy because of medical expenses, who are going to be put through one provision and one hurdle and another hurdle and another test, which is going to make it so difficult for them to file for chapter 7 or, for that matter, to be able to rebuild their economic lives, or when it comes to workers who have lost their jobs and don't figure in really well with the 6 months of average income and are going to find it so difficult to rebuild their lives, or when it comes to women where there has been a divorce in the family—and all too often it is the woman who is the one who really has to take care of the children—when it comes to a lot of low- and moderate-income people, there is an awful lot of harshness in this piece of legislation.

They never were able to mount the same lobbying effort. They were never able to get special provisions in the bill. The auto makers or the auto dealers get a special provision for them. There was an article about that. It is embarrassing.

Investors in Lloyd's of London get a special provision for themselves. It is embarrassing.

The homestead exemption for millionaires or multimillionaires—it is embarrassing.

I have to say it. I don't see any balance to this legislation.

Senator DURBIN and others tried to go after the predatory lending practices. They were not successful.

Is there any significant focus in this legislation on the ways in which the credit card industry pumps these credit cards out to people so they are held accountable? No.

Was the Senate willing to vote for low-income and vulnerable people who are picked on by loan sharks or take on these payday loans or take on these lenders? No.

Was the Senate willing to provide an exemption for people who went under because of medical bills? No.

Today I have an amendment that at least says do this for people who lost their jobs. There will probably be again another ''no'' vote.

We have in this legislation the following provisions:

Prebankruptcy credit counseling requirements at the debtor's expense.

So you lose your job. You are being put under because of an injury or a disability or a medical bill based upon a major illness. How do you counsel away a job loss? Why are we asking people who have lost their jobs or are filing for bankruptcy because of medical bills to go through prebankruptcy credit counseling at their own expense? Can someone explain that?

No limits on prefilings, regardless of personal circumstances;

Revocation of automatic stay relief for failure to surrender collateral;

You can't file a new 7 case for 8 years or a new chapter 13 case for 5 years.

There is no current law under chapter 13. That is in one of my amendments.

My friend—I wish I had known him well—Hubert Humphrey, a Senator from Minnesota, later Vice President of the United States of America, once said—and we have all heard this quote—that the moral test of a society in that matter of government is the way we treat people in the dawn of their lives, the children; the way we treat people in the twilight of their lives, the elderly; and the way we treat people in the shadow of their lives, people who are struggling with a disability; and people who are poor.

This bankruptcy bill fails that moral test.

The majority leader says he is delighted with the vote. I say to the majority leader I believe this piece of legislation fails that moral test. I believe the Senate, when it votes for this legislation, will fail that moral test. I believe this will be a vote for the heavy hitters, the investors, the well connected, and the big players. And this will be a vote against ordinary people.

Bankruptcy has been a safety net for them—not just for low-income people but for middle-income people as well. It is being shredded with this piece of legislation. I have tried, as my friend from Iowa knows, for 2½ to 3 years to do this.

This bill is going to pass. When it passes, all I can say is we will have to judge it.

Initially, the case was made that it was all about fraud—that people were gaming the system. But the American Bankruptcy Institute took care of that argument when it said only 3 percent were gaming the system. Other studies got it up to 10 or 13 percent, at the most, of people who were gaming the system and who were filing for chapter 7 but really could pay back more. That is not widespread fraud or abuse.

The argument that there was a dramatic increase in filing of bankruptcies, although in the last year and a half it has gone down, is kind of chasing a problem that doesn't exist. This economy may very well turn down. Then there will be more people who live in our States who will find themselves in difficult economic circumstances through no fault of their own. They will go to try to file for bankruptcy, and they will find it impossible to rebuild their economic lives. And they will hold us accountable. They will say: Were you on the side of the financial services industry with all of these big banks and all of these big lenders and this credit card industry? Why weren't you on our side?

I think it is only fitting—I will conclude this way and reserve the rest of my time—that the bankruptcy bill is considered right after what we did with the ergonomics rule and right before campaign finance reform because basically last week when we were dealing with repetitive stress injury, we took a rule that was a result of 10 years of work—repetitive stress injury, blue-collar, white-collar workers, the majority of working women, the most serious injury in the workplace, providing people with some protection—and in 10 hours the Senate overturned it. That was not a good week for working people.

Then we go to bankruptcy. Now when one of our constituents is injured in the workplace—because we have

stripped away the protection—and she can't work because of a disability, when she goes to file for bankruptcy, she may find it impossible, given all of these provisions and all of these hurdles and obstacles, to rebuild her life for herself and her children.

Do we have out here for consideration legislation to raise the minimum wage? No.

Do we have any kind of legislation that talks about a living wage; that is to say, an income where people can support their families and give their children what they need and deserve? No.

Do we have legislation that focuses on affordable prescription drug costs for elderly people? No.

Do we have legislation to expand health care coverage for people so they don't have to file for bankruptcy? No.

Do we have legislation which would call for much more by way of resources to expand the amount of available low-cost housing for people? This has become a huge crisis. No.

Do we have legislation that calls for a fair trade policy so that workers on the Range and other workers in this country don't end up losing their jobs through no fault of their own? No.

The only thing we have is a bill that is a wish list for the credit card industry and a nightmare for vulnerable families and vulnerable citizens in Minnesota and the country.

(Mr. ALLEN assumed the chair.)

Mr. President, I guess this is a bridge to campaign finance reform because I am not going to argue that any Senator's vote or support for this bill is because of contributions because there are Senators who have a different viewpoint. Senator GRASSLEY absolutely believes in this, has argued for it, has been effective, and will get this bill passed. It is what he believes. I know that.

But I will say, thinking about it in institutional terms, which is the only way I can do it—not in personal terms—anybody can say any Senator's vote or position is based on campaign finance. We do that to everybody. But if you look at it in broader institutional terms, I am sorry, this is a classic example of too few people with too much wealth, too much power, too much access, and too many people in the country locked out, left behind.

If the standard of a representative democracy is that each person should count as one, and no more than one, I will tell you something: This political process fails that standard. And I will tell you something else: I think the next debate we have will be the most fundamental debate of all when it comes to what representative democracy is about because if we fail that test, that each person should count as one, and no more than one—and there is not one Senator in this Chamber who believes that that is true; we have strayed far away from that—then we are undercutting representative democracy.

If legislation that is passed—and what happens in the Senate; the majority leader said he is so pleased about this—is the result of who has power in Washington, who can march on Washington every day, who can do a full court press for several years, I hand it to the financial services industry; you have done that well.

If that is the test of a representative democracy, the pattern of power in the Nation's Capital, we are in really serious trouble because a whole lot of ordinary people are left out, and they know it.

I will tell you what. This debate has me thinking more about this campaign finance reform bill. I do not want to make an absolute commitment, but I want to say a few things about it. I am absolutely convinced that the McCain-Feingold bill is a step in the right direction. But most of the money is hard money, not soft money. These proposals to raise the limit from $2,000 to 6,000 are just unbelievable to me.

Do you know it is something like four-tenths of 1 percent who contribute over $200. So now what we are going to say is, for the four-tenths of 1 percent who can contribute over $200—who have the big bucks, from whom all of us ask for funding when we run for office—we are now going to put more importance on these citizens, the highest incomes and the wealthiest, who, by the way, quite often contribute because they want to support you, they do not do it, hopefully, because they are corrupt or because we are corrupt. But now we are going to attach more importance to them and leave even more people out, and having even more people believe if you pay, you play, and if you don't pay, you don't play. I will spend hours opposing that proposal.

I am absolutely convinced McCain-Feingold is a step in the right direction but does not even get at one-tenth of the way in which money hijacks politics. We have an example—I need to say this well—of corruption—not corruption as in the wrongdoing of individual officeholders, the wrongdoing of individual Senators; no, not that. I do not think so. I do not think so. I am trying to get everybody to like me. I do not think so. I really believe not. But there is a worse kind of corruption, systemic corruption, where too few people have all the access and the say.

This bankruptcy bill has been a perfect example of it. The vast majority of the people are left out. There is a huge imbalance between the big givers and investors—yes, in both parties—and the majority of people.

I will tell you something. I am going to make sure we have a vote on a public financing bill. I have written the clean money/clean election bill. JOHN KERRY has joined me on it. We should have a vote on it.

When my good friend MITCH MCCONNELL comes to the floor, first of all, he will say it is constitutionally legal. It is constitutional. That is what he will say, which I appreciate. Then he will say—and he will say it better than I can say it—this is ''food stamps'' for politicians. Then we will have the debate.

But the debate will be: But wait a minute, do the elections belong to politicians? Does the Government belong to politicians or does it belong to people? And if you could take the clean money/clean election efforts—successful in Massachusetts, and started in Maine, and then in Arizona—I forget the other State—and Vermont; I am sorry, Vermonters, people from Vermont—why not apply that to Federal elections?

Another amendment would be to just simply change three words in the Federal election code, which would allow any State that wanted to—the Presiding Officer might like this one—which would just say: leave it up to Virginia, leave it up to Iowa, leave it up to Minnesota. And if our States want to apply clean money/clean election to Federal elections, they should be able to do so.

There was an Eighth Circuit Court of Appeals decision on this which said: Look, Minnesota, if you want to apply some kind of public financing to elections, we might be for it, but the way the Federal election law reads, you cannot. I would like to enable States to do it if they want to; then let the discussion bubble up from the State level.

But I am telling you something. What we have been going through over the last couple of weeks, and the last couple of years, on a variety of different pieces of legislation—what we have done and what we have not done; what has been on the agenda and what has been off the agenda; what has been on the table and what has been off the table; who decides who benefits and who is asked to sacrifice—those are the questions I ask.

As I look at this within that kind of framework, we need McCain-Feingold-plus. We need sweeping campaign finance reform, we need clean money, and we need clean elections. Ultimately, we have to go down the path of the people owning these elections, and therefore they will have a much better chance of owning the Government and a much better chance of defeating a harsh bankruptcy bill.

I yield the floor and reserve the remainder of my time.

How much time do I have, Mr. President?

The PRESIDING OFFICER. The Senator has 30 minutes remaining.

Mr. WELLSTONE. I reserve the remainder of my time for later today. I thank the Chair.

Mr. GRASSLEY addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa, Mr. GRASSLEY.

Mr. GRASSLEY. I have had an opportunity now for 30 minutes to listen to the Senator from Minnesota. Besides responding to his specific amendments, I would like to—on, hopefully, the last day of debating this bill; and there have been a lot of ''last days'' over the last three Congresses to finally get a bill to the President that will be signed into law—take an opportunity to express some history.

First of all, let me suggest to the Senator from Minnesota that there are a lot of trade associations that are very interested in getting this bill passed. I am not oblivious to that. But I think you ought to take into consideration how Senator GRASSLEY got to the point of considering legislation such as this.

I have town meetings around Iowa, just as I am sure you do in Minnesota. You go to the small towns of Minnesota to hold town meetings; I go to the small towns of Iowa, in each of the 99 counties every year, to hold town meetings. Maybe it is not always a town meeting. It might be at a coffee break for the workers at a factory; it might be at a Rotary Club, and all those things. I have a dialog with my constituents. And over the period of the time I have been in the Senate—maybe not immediately, but in the late 1980s and early 1990s—where did I first hear about abuses of bankruptcy laws that we passed in 1978, which were not intended to make it easier to get into bankruptcy but it ended up that way, 20 years later, so we realized?

It was from the small business people of Main Street USA that I heard about the irritating impact of people declaring bankruptcy. Maybe in some of those cases those bankruptcies would have been legitimate. As we all agree, some people deserve a fresh start. Even under that circumstance, it is irritating to the small businessperson to have somebody declare bankruptcy and then, maybe a month later, to see that person driving a new car.

These are the impressions I have of the use of bankruptcy that brought me to this point, along with the Senator from Alabama, Mr. Heflin, who, until he left the Senate in 1996, was either chairman of this subcommittee when Democrats were in the majority, or I was the chairman and he was the ranking member. He and I worked together on bankruptcy legislation. It was nothing very major through the 1980s and early 1990s, just a technical correction here or there. We were impressed with the number of small businesspeople who would tell us about the abuse of bankruptcy laws, people not paying their bills, and then the small businessperson being stuck with it. That is one point.

The second point is, over the period since the 1978 law passed, we have had a lot of changes in the economy of our country and also the globalization of the economy. The bankruptcy law has not changed with the economics and the changing conditions of the American economy. So early in the 1990s—and I think it took us about 4 years to get a commission set up—we decided, even though we had been working on bankruptcy legislation for a period of time and making some technical corrections, things of that nature—nothing real major—we had been thinking about how to handle this proposition of some corrections, some fine-tuning of the bankruptcy code—we decided to set up the Bankruptcy Commission.

All during that period of time of hearing from our constituents at the grassroots of America about abuse of bankruptcy laws or our seeing the need for some change in bankruptcy laws because of the changing economy, we never heard from these trade associations the Senator is referring to that a commission ought to be set up to change the bankruptcy laws. We set up a commission not made up of political people but experts in bankruptcy laws to bring about some suggested changes. Three Congresses ago, Senator DURBIN and I introduced the results of that commission.

Obviously, at that point, people started lobbying for and against legislation. That is the way the process has worked for a long time. We are here today not because of those trade associations that are very much involved for and against this bill. Don't forget, when you talk about the business interests, there is as much fighting within business as to who is going to be on top or who is going to be on the bottom in the priorities as there is between business as creditors and the debtors the Senator is protecting.

There is a lot of dispute among these trade associations; there is a lot of dispute among various segments of our business community as to just exactly how the laws should be changed. I suggest to the Senator that there is probably as much effort in lobbying between business as there is between all business on one hand and the debtors on the other hand.

I am not saying anything he said is incorrect, nothing whatsoever. I am just saying that, please, look at it from the perspective of the 15 years that I have been involved in bankruptcy legislation and how we came from point A to point B today.

Mr. WELLSTONE. Will the Senator yield?

Mr. GRASSLEY. I will yield.

Mr. WELLSTONE. The reason I make this awkward request is that in just a minute or two, I have to go back to the office for a conversation with journalists about a mental health bill. I apologize for leaving.

I say to the Senator from Iowa two things: First, here is our disagreement. I think there has been abuse. That is what the Senator from Iowa has focused on and heard about in his town meetings. I just think, to be as honest as I can be, that we have lost our way, and we went way beyond dealing with the abuse and ended up with this bill, as opposed to the original bill. I was the only vote against it. Frankly, if I had known what was going to happen, I wish I would have voted for it. I think we lost our way, and we went way beyond dealing with the abuse. We have written a bill that makes it easier for the credit card companies. That is my honest view. I have been speaking about this day after day.

I thank my colleague for what he said. This may sound too flowery—if that is the right word—but I don't think there is anything the Senator from Iowa would say on the floor of the Senate that I would not believe came out of his personal and political conviction. I know that, period.

This is a profound and deep, honest disagreement. It is not personal. He is a great Senator.

Mr. GRASSLEY. I thank the Senator from Minnesota for his kind remarks and his intellectually honest approach to this issue, even though there is great disagreement. One of the tests, I suggest to the Senator from Minnesota, that my position might be right is the fact that this bill passed three Congresses ago, 97–1. It passed two Congresses ago, one time 84–13, another time 70–28. It would be the law of the land now because we had the votes to override a veto, except that it was pocket vetoed by President Clinton. It was not vetoed by President Clinton in the way that we could override it.

I hope, for the cynical people—maybe everybody is somewhat cynical about Congress, but some people are more cynical than others—they are a little less cynical on legislation that gets broad bipartisan support. In other words, what I am saying is, there are 31 Members of Senator WELLSTONE's party who voted for cloture on this bill yesterday to help us get it passed. That is a test that this legislation is well compromised—in my judgment, maybe too much compromised; I would rather have a stronger bill—and it is a good product to send to the President to be the law of the land.

This legislation should be passed. I hope it will. I am going to leave to other Republicans to speak about the merits or demerits of the Wellstone legislation because I have to go to a committee meeting. I do want to give a historical context of why we are here today.

I pursued this bankruptcy legislation because I have a real conviction that when you are right, you eventually win out. This is the third Congress. It would be the law of the land now except for President Clinton's pocket veto. President Bush has said he will sign it. The bipartisanship shows the rightness of it. We are going to have an example this year of right winning out.

I thank the Senator from Utah for coming to the floor. The distinguished chairman of the Judiciary Committee has done so much to help move this legislation along, particularly when I have been so busy as the new chairman of the Senate Finance Committee. I thank Senator HATCH for doing that.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I am here in opposition to the Wellstone amendment to permit a debtor to repeatedly use chapter 13. The effect of his amendment is that it strikes the provisions of the reform act which require a debtor to wait 5 years between chapter 13 bankruptcies.

Present law allows the debtor to file repeated chapter 13s, one right after another. The amendment is unnecessary. Senator LEAHY and myself have already worked out an adjustment to be included in the managers' amendment, which permits a debtor to refile a chapter 13 within 2 years after a previous bankruptcy and provides a hardship exception if the debtor absolutely has to have chapter 13 relief more frequently.

The amendment encourages debtors to repeatedly use chapter 13 regardless of whether they need it. It undercuts personal responsibility. Repeated use of chapter 13 should only be rarely necessary. It should never be allowed, unless a judge determines the debtor is really experiencing hardship. The amendment encourages bankruptcy mills to abuse the system by repeatedly putting their clients into chapter 13. This is a documented abuse that has been noted by many observers.

It is difficult for me to see what merit the distinguished Senator from Minnesota finds in this particular amendment. I oppose this amendment that would undercut personal responsibility and encourage abuse of the bankruptcy system.

I hope our colleagues will vote this amendment down.

Now, with regard to the other amendments the Senator from Minnesota has called up this morning, I oppose the Wellstone amendment to allow the debtor to defraud the court and shield income.

With regard to this legislation, the legislation calculates a debtor's ''current monthly income'' for purposes of the means test by averaging the debtor's monthly income from all sources over a 6-month period.

The amendment of the distinguished Senator from Minnesota would change the time period to a 2-month period instead of 6 months. This amendment would allow the debtor to defraud the system more easily. By limiting the scope of current monthly income, the amendment allows the debtor to hide earnings from the court more easily. For example, it may be worthwhile for the debtor to quit a job for 2 months in order to have no income for purposes of the means test than to take the income into account and risk being converted to chapter 13.

The point of the legislation is to cut down on loopholes, not create them. This amendment of the distinguished Senator from Minnesota creates an obvious loophole, which would allow debtors to game the system prior to filing.

A 2-month period does not give an accurate picture of an individual's income. Wealthier debtors may receive quarterly or semiannual investment distributions which may not be picked up under the Wellstone definition if the debtor is lucky, or extremely clever.

Supporters of the amendment may claim a 6-month period is too long, taking into account income or circumstances that are no longer relevant at the time of filing; that is, the debtor may have recently lost his job. This is the exact reason the legislation includes provisions to allow the judge to take such ''special circumstances'' into account. It is more appropriate to deter fraud in all cases and allow the judge to allow special circumstances in some cases than to presume such circumstances in all cases while making fraud easier.

So I hope our colleagues will oppose that Wellstone amendment as well.

I also oppose the Wellstone amendment excepting those who lose their jobs on account of imports from all provisions of the reform legislation.

The effect of his amendment is, if a debtor can demonstrate ''the reason for filing is due to the debtor having become unemployed'' on account of imports, the debtor is exempt from every provision of S. 420 except those he or she elects to cover them.

The amendment unwisely creates two classes of debtors: One class must use the bankruptcy bill as 420 would amend it, and another class can use bankruptcy law as it exists today, or pick and choose what provisions of this new law apply. To allow some group of our citizens, no matter how unfortunate, to pick and choose what parts of the law will apply to them is absolutely unprecedented.

The amendment would allow debtors to evade child support, alimony, and marital property settlement provisions of this bill that help women and children. That is one thing this bill is doing—moving women and children, or spouses and children, to the front of the line. The debtor who owes child support could evade his basic responsibilities to pay child support by fitting under the loophole created by the Wellstone amendment.

This particular amendment would allow debtors to evade the homestead exemption caps imposed by this bill.

The amendment is unworkable. For example, creditors would not know if they had to make the truth-in-lending disclosures this bill imposes on them until after the debtor files for bankruptcy; yet the disclosures must be given in credit card solicitations and on the monthly statement.

The amendment would have the strange effect of apparently exempting creditors from complying with consumer protections in this bill, such as the reaffirmation reforms, the restrictions on creditors that fail to credit plan payments, the privacy protections, and so forth.

The amendment ignores the basic reality that the bill's primary effect is to require debtors who have the means to repay a meaningful portion of their debts. In most cases, people who lose their jobs will likely not be affected by the means test. For those who still have the ability to repay a meaningful portion of their debts—because they are independently wealthy, regardless of employment—the fact that the person lost a job has nothing to do with whether the debtor can repay a meaningful portion of his or her debt.

We cannot allow this loophole in this legislation. Although I am sure the efforts of the distinguished Senator from Minnesota are well intentioned and made in good faith, the fact is these amendments would do a great deal of harm rather than good and would undermine the purposes of this bill and what we are trying to do, which is bring honesty and justice to the bankruptcy code.

I surely hope our colleagues will vote down all three of the amendments of the distinguished Senator from Minnesota and that we can go forward and, of course, get this bill completed today. I hope we can keep all amendments from being on this bill, except perhaps the managers' package, which we hope we can work out before final passage.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. KOHL. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Under the previous order, the hour of 10:30 having arrived, the Senator from Wisconsin, Mr. KOHL, is recognized to call up No. 68, on which there shall be 90 minutes of debate, equally divided.

AMENDMENT NO. 68

Mr. KOHL. Mr. President, I send this amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Wisconsin [Mr. KOHL] proposes an amendment numbered 68.

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

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

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. KOHL. Mr. President, I rise today to offer an amendment with Senator FEINSTEIN to eliminate the most flagrant abuse of the bankruptcy system—the unlimited homestead exemption.

The homestead exemption allows debtors in five states to purchase expensive homes and shield millions of dollars from their creditors. All too often, millionaire debtors take advantage of this loophole by buying mansions in states with unlimited exemptions like Florida and Texas, and declaring bankruptcy—yet continuing to live like kings. Our amendment will generously cap the homestead exemption at $125,000—that is, it permits a debtor to keep $125,000 of equity in his home after declaring bankruptcy.

The Senate voted on our amendment last session 76–22 after rejecting an amendment that would have gutted our amendment by a vote of 69–29. That was the right thing to do then, and it is the right thing to do now.

Let me give you a few of the numerous examples of rich debtors taking advantage of this loophole:

Abe Gosman, a health care and real estate magnate, declared bankruptcy last week in Florida citing debts of over $233 million. Despite these debts incurred from business losses in Massachusetts and Rhode Island, he will hold onto his 64,000 square foot mansion in West Palm Beach on a street known as ''Billionaire's Row.''

This January, convicted Wall Street financier Paul Bilzerian filed bankruptcy for the second time while owing at least $140 million in debts, but still kept his $5 million, 37,000 square foot Florida mansion.

Movie star Burt Reynolds wrote off more than $8 million in debt through bankruptcy, but still held onto his $2.5 million estate, named Valhalla.

Sadly, those examples are just the tip of the iceberg. We asked the General Accounting Office to study this problem. They estimated that 400 homeowners in Florida and Texas—all with over $100,000 in home equity—profit from this unlimited exemption each year. While they continue to live in luxury, they write off an estimated $120 million owed to honest creditors. A Brown University study estimated that 3 percent of all people who move to Texas and Florida are motivated by bankruptcy concerns.

Opponents of this amendment will say that while their hearts are with us on this issue, there is a compromise in this bill that is satisfactory. That is, they simply require someone be a resident of a state for 2 years. Unfortunately, that so-called compromise is so watered down that it doesn't accomplish anything. Instead, it bends over backwards for millionaire debtors who are trying to evade their creditors.

There are several ways that the current provision fails. First, it is easily evaded. It lets anyone who has had their home for more than two years to take advantage of the homestead loophole. Bankruptcy professors throughout the nation have written us to say that any decent bankruptcy planner will be able to stall for two years while their client squirrels money away in a mansion and away from creditors. If you can afford a multi-million dollar house, you can afford an attorney good enough to get around this provision.

Second, the provision would do absolutely nothing to catch the wealthy debtor who already lives in Florida, Texas, or three other states. Former Governor John Connally, who hid millions from his creditors in Texas, and Burt Reynolds, who shielded $2.5 million in Florida, do not deserve their mansions any more than people who just moved to Florida from Wisconsin or California.

For these reasons, Mr. President, the provision in the bill is just not good enough. It is a blueprint for rich debtors. It shows them how to dodge their creditors. Avoiding personal responsibility and using the bankruptcy laws as a method of financial planning is contrary to the stated purpose of this bill. A hard cap is not only the best policy; it also sends the best message: bankruptcy is a tool of last resort, not financial planning. And it gives credibility to reform by targeting the worst abusers, no matter how wealthy.

This is a simple idea that makes sense. There is no greater bankruptcy abuse than this. Last Congress, an overwhelming number of our colleagues agreed with us and voted to cap the homestead exemption by a vote of 76–22. The vote this year is exactly the same as the one last Congress. If you were against rich debtors avoiding their creditors last time, then you should be against rich debtors avoiding their creditors this time.

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

The PRESIDING OFFICER. Who yields time? The Senator from Utah, Mr. HATCH.

Mr. HATCH. Mr. President, one of the most difficult aspects of this bankruptcy bill we have had is trying to resolve the problems with regard to home ownership and homestead exemption. It has been a very difficult problem and we have worked on both sides of Capitol Hill to try to come up with a solution that will work. Frankly, the solution we have come up with is in this bill, basically recognizing the States have the right to set the homestead cap rather than the Federal Government.

My distinguished friend, Senator KOHL, is trying to change that with this amendment. This amendment jeopardizes bankruptcy reform by stripping out the bipartisan compromise homestead provision that we have worked out over a long period of time, over many years. This bipartisan compromise homestead exemption is in the bill, and the distinguished Senator from Wisconsin would require home equity, wherever acquired, that exceeds $125,000, will be subject to collection under the bankruptcy code. The bipartisan compromise homestead provision now in the bill substantially improves current law by requiring home equity acquired within 2 years before bankruptcy, not to exceed $100,000, to be subject to crediting in a bankruptcy estate.

What the code does is prohibits individuals from shielding more than $100,000 in new equity in their home—paying down the mortgage, building an addition—if that new equity was obtained within 2 years of filing.

Finally, the compromise would disallow any acquisition of homestead property within 7 years of filing if done to ''delay, hinder, or defraud'' a creditor.

The amendments proposed by Senators KOHL and FEINSTEIN would add no additional antifraud protection and would, instead, threaten final passage of the bankruptcy bill. The Bush administration supports the existing homestead language contained in the underlying bill, the compromise that we have all worked out, and the Kohl-Feinstein amendment is opposed by the National Governors' Association and the National Conference of State Legislators. I think we would be very wrong to go against allowing the States to set their own standards in this area.

Some States will have different standards than others, but it is up to the States. If they set the standards too high or too low, they are going to suffer as a result of it. They will gradually get it right. But for us to arbitrarily set a homestead exemption standard here in the Senate, in this bankruptcy bill, is the wrong thing to do. I prefer to leave it up to the States.

I hope our colleagues will vote against this homestead exemption language of the distinguished Senator from Wisconsin.

With that, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin, Mr. KOHL.

Mr. KOHL. Just briefly, to respond to Senator HATCH, bankruptcy is a Federal proceeding that occurs in Federal courts, so there is every logical reason to have Federal standards. Right now, there are only five States with an unlimited exemption—Florida, Texas, South Dakota, Nebraska, and Iowa—and only two States have one over $125,000, and that is $200,000. Those two States are Minnesota and Massachusetts. Every other State has an exemption of $125,000, which is ours, or less.

The argument that every State should be allowed to set an unlimited exemption if they so wish is not logical because it is not a States rights issue. Bankruptcy is a Federal issue.

I think that argument doesn't hold water. Again, I point out the exemption that has been worked out simply says that a person would have to have 2 years residency in any one of these five States, and then they could shield an unlimited amount in a home in a bankruptcy proceeding. As I said in my earlier statement, it is very easy to work a 2-year residency while you are planning to have a bankruptcy proceeding. Furthermore, it does nothing to address the issue of people who currently live in those five States—maybe for 5 years, 10 years, 15 years, or 20 years. They would have the opportunity to shield an unlimited amount in a home.

This is a very simple amendment. We debated it 2 years ago, and by a 76–22 margin, the Senate accepted that amendment 2 years ago. We are simply requesting that same expression of the Senate's intent be stated again today.

I reserve the remainder of my time.

Mr. HATCH. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BROWNBACK. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

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

The Senator from Kansas. Who yields time to the Senator?

Mr. BROWNBACK. Mr. President, I rise to speak against the amendment.

Mr. HATCH. I will be happy to yield 10 minutes to the Senator.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. I thank the chairman of the committee for yielding the 10-minute time for me to speak on this topic.

Mr. President, we have an issue that has been worked on extensively. I appreciate my colleague from Wisconsin bringing this back to the floor this year. We had spirited debate and discussion on it last year. We had an aggressive effort to work this out in conference. We did—I don't think to everybody's satisfaction—but there are a number of people on that side of the aisle and our side of the aisle who thought this was an area that should be addressed.

I personally think this is an area that should be left in the State's constitution and away from bankruptcy law the way it has been for 132 years, and I continue to believe that now. But what has come forward has been a compromise that has been worked out by a number of people who worked on the bankruptcy issue, people of good faith from different perspectives, and that compromise is in the bill.

The chairman of the committee spoke about what that compromise was. To deviate from that will cause a number of us to then say that is something with which we will not be able to live. I personally will be voting against the bill if that is in it, and I will fight this bill coming back in any form from conference if it has this new language in it.

I respect the thoughts on the part of my colleague from Wisconsin. I know his heart is good and clear on this.

But there is another matter here for me; that is, Kansas, along with a number of other States, has put in the State constitution a homestead provision that says you are entitled to be able to keep your home and 160 contiguous acres. This dates back to the period of homesteading, which Kansas, the State of Nebraska, and the United States granted to people. It said, if for 5 years you can go out there and tame 160 acres and build a home, you get to keep it. It is yours. That is your homestead. We settled much of the Midwest in that way—not all of it. It was settled that way.

Over succeeding years, a number of farmers would borrow against the land. They would say, I need to buy fertilizer, or seed, or some stock and cattle to put on it. They would borrow against the land. Then a bad market would hit, or bad weather would hit, and they would lose the land. So a number of States built not just in their laws but their constitution a law to say you can protect your home and 160 contiguous acres so you can farm again.

This was very much thought through, and it has been used a lot—even as recently as the eighties in Kansas. This provision was used extensively by farmers who lost most of their land, most of their machinery, and most of their livestock. But they could keep the home and 160 acres to be able to start farming again.

At that time, I did a number of foreclosures for farmers, defending farmers, and bankruptcy work for farmers. A number of them lost everything but the home and 160 acres. Today they are still out there farming—some because they were able to protect it. They were able to continue and start farming again.

A compromise has been carefully worked out in this legislation that says we are not going to let people defraud others, or try to protect more than they are entitled to, and we are going to continue to allow States 2 years out—people who have lived there for more than 2 years—to protect what the State law would allow you to protect.

In my State, 160 acres is your homestead; or, in town, a home and one-half acre. That is in our law and the constitution of the State of Kansas. I think that is fully appropriate. It is fair. I think it is right, and it is what a number of States have done.

I point out some of the States that have worked on this either in their constitution or in their laws—Florida, Iowa, Kansas, South Dakota, Texas, Oklahoma, Minnesota, and Massachusetts. And there are other States that have different provisions as well.

We have had a Federal bankruptcy law for 133 years that has not addressed this issue and has said this should be left to what an individual State would decide. If California or Wisconsin or Kansas want to do this differently within their State, we will let the State determine what they want to do. I think it is important we allow that provision to continue. The effect of this would be that the Federal Government identifies this law and would say for the first time in 133 years that we are going to take up this issue.

There have been a few high profile instances of abuse of the homestead exemption. Debtors have moved to other States to take advantage of a higher exemption in that State or have transferred assets of the homestead to shield them. Those are, by far, the exception rather than the rule.

I can tell you that during the 1980s during the bankruptcy crisis in Kansas they weren't moving. Some were trying to shield assets but most were trying to hold onto enough so they could start farming again. That is, by far, the typical situation, while there have been some high profile cases where it has been different. In fact, a recent survey of bankruptcies by the Executive Office for the United States Trustees said they ''did not find a single debtor who came close to the popular stereotype of homestead abuse. Our conclusion is that this is a relatively rare phenomenon in bankruptcy.''

For every Burt Reynolds-type example out there, there are hundreds of honest, middle-class people who find themselves in financial trouble who would be forced to move out of their homes or off their farms under this particular well-meaning amendment. As well meaning as it may be, it is going to hit them, and it is going to harm them.

What is in the bill now to end homestead abuse?

The bill now contains compromise language on the homestead issue that was adopted during the debate on the bill last year. That was approved by the Senate as part of the overall bill by a 70-vote margin. We worked a long time to get this language worked out. There were a lot of parties involved. We were able to get it through by a 70-vote majority. Taken together, the protections against homestead abuse contained in the bill virtually guarantee that the few instances of true abuse will never occur again.

They include a cap of $100,000, indexed to inflation, on any new equity

obtained in the homestead within 2 years of filing for bankruptcy. Thus, a debtor would not be able to shield a $200,000 addition to a house built within 2 years of filing. This would, however, leave the large majority of homeowners unaffected since very few homeowners can expect to acquire more than $100,000 in equity within a 2-year period.

The bill requires that, before a debtor can use the homestead exemption in a particular State, he or she must have resided in that State for no less than 2 years. This will prevent the problem of ''forum shopping'' by bankruptcy filers.

If you are trying to plan bankruptcy and looking more than 2 years out, that is a pretty aggressive effort. And, like I said, from the Bankruptcy Trustees' perspective in their study, they don't find any cases of this abuse, and there is a relatively very rare phenomenon of that.

The bill contains a heightened scrutiny of any transfer of assets to the homestead made within 7 years of filing for bankruptcy done to ''delay, hinder, or defraud'' creditors—for example, getting cash from a credit card to fraudulently pay-down a mortgage before filing for bankruptcy.

The bill now makes it very hard for anyone who makes or who can make above the national median income to even file chapter 7, where the homestead exemption is at issue. This effectively guarantees that high-income debtors will not be able to shield their assets in their home and discharge their debts.

Finally, these and other general provisions of the bill and of existing law grant any bankruptcy judge in the country the power to disallow the use of the homestead or any other exemption, if it is being used improperly to shield assets. The bankruptcy judge can step in as well and say: No. I am not going to allow this to take place.

With all of these protections against abuse or fraud, one can only conclude that this amendment will have the effect of forcing middle-class Americans to sell their homes if they encounter financial difficulty.

As I stated, if this gets in the bill, I will be voting against the overall bankruptcy bill, and I will be fighting against it coming out of conference. I will be fighting against it in conference and on the floor by every means possible. It is in the Kansas Constitution. Their right of a homestead is in it. It is in the constitution of several States. It is something that has been used by farmers for generations and will continue to be used.

For those reasons, I will adamantly oppose the Kohl amendment, with as much respect as I have for the Senator from Wisconsin and his heart and his desire to see that people do not fraudulently keep too many of their assets. But it is going to have a detrimental impact on my State. I cannot support that.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. KOHL. Mr. President, I will briefly respond to the Senator from Kansas.

He argues against changing what is in the current bill and is against accepting my amendment and believes that farmers would undergo an extreme correction.

This bill and its amendment can be crafted for acceptance on the floor today to protect a farmer's exemption. There is a recognition that the intention of this amendment is not to impoverish any farmers or homesteaders, as Senator BROWNBACK has referred. And if that language is not clear enough, we would be more than happy to work out the farmer exemption, which is currently in our amendment. The intent of our amendment is not to do anything to get at family farmers who have owned their land for many years and who would be impoverished beyond reasonableness in a bankruptcy proceeding.

I don't think it is an argument that should be used against this amendment because the amendment includes the recognition that farmers need an exemption.

I thank the Chair.

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

Mr. HATCH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, there is an attempt to start some votes in about half an hour, at about 11:35. We have a long list of people who have germane amendments. If any of those individuals wish to offer their amendments, this would be an ideal time to do that. As the day wears on, there is going to be less and less time to do that. There may come a time when all time has expired and they will not be able to call up their amendments.

So if those people who have germane amendments wish to come and offer them, they should do so because otherwise—I have spoken to Senator HATCH and Senator LEAHY, and we could be finished early this afternoon on everything.

So I think the Senator from Utah would agree, Senators should get over here and get moving on these amendments; otherwise, there will come a time this afternoon when there will not be any time and we will wrap up consideration of the bill.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. I agree with the distinguished Senator. I think we should move ahead. I understand there is one other person, the distinguished Senator from Texas, who would like to speak on the Kohl amendment. After she gets here and gives her remarks, we intend to proceed to a vote on the Kohl amendment. Then we will try to stack votes on the two Leahy amendments, I think with a minute on each side to explain them, if I have that right. So we are hopeful we can move this.

Mr. REID. If my friend will yield, the mere fact that you have a germane amendment does not mean it automatically is protected. There are certain procedures that have to be initiated before there can be a vote.

The point is, we have had some down time already this morning. We will have some during the noon hour. These amendments could be called up.

So I hope people who have these amendments—they are listed; it would be easy to ascertain who they are and what the amendments are—will call them up as soon as possible.

There are some people who have already started calling the Cloakroom. They have other things they want to do this evening and tomorrow and are asking us when we are going to be able to complete this bill.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. HUTCHISON. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. HUTCHISON. Mr. President, I rise today in opposition to the Kohl-Feinstein amendment now before the Senate. I do so because it is unwarranted and unwise—it is an intrusion upon well-established State constitutions and laws—and because it throws out the window a carefully crafted compromise reached last year on this issue that virtually guarantees the elimination of any fraud or abuse of State homestead exemptions.

I am pleased to be joined in my opposition to this amendment by my colleagues from Kansas and Florida, as well as the managers of the bill, Senators HATCH, GRASSLEY, and SESSIONS, as well as our leader and assistant leader, Senators LOTT and NICKLES.

Also on our side is the President of the United States who has singled out this issue in the bankruptcy debate and who supports the existing language in the bill.

Finally, my colleagues should know that the National Governors' Association, the National Conference of State Legislatures, and the National Association of Home Builders strongly oppose this amendment.

As my colleagues know, this amendment would impose a one-size-fits-all nationwide cap of $125,000 on all State homestead exemptions in bankruptcy. I must confess that I don't think you could, by any stretch of the imagination, say that property values in Wisconsin are the same as those in Florida or New York the same as those in California or Texas the same as those in Kansas. The arbitrary limit runs roughshod over the constitution and laws of at least nine States that have homestead protection above that amount.

In my home State of Texas, we don't even mention amount. We go by acreage. It is in the State constitution. It has been there for over 100 years. Other States that have different caps are Kansas, Iowa, South Dakota, Oklahoma, Minnesota, and Massachusetts.

It would also immediately threaten the homestead exemptions of two other States, Nevada and California, which are right at the $125,000 figure that is in their amendment. It would threaten two States, and it would, frankly, threaten all States because there is no allowance in the amendment for the rate of real estate inflation which we all know has been on the rise in recent years.

This is a States rights issue. We have, for over 130 years, allowed the States to set homestead exemptions because, clearly, property values are different in different States. Bankruptcy is a Federal issue. Homestead exemptions have been allowed to be set by the States because we differ in our approach to homesteads and to bankruptcy itself. It is important that we address this issue in a way that allows States to have the ability to keep their constitutions intact. There is no overriding interest for us to run over a State constitution.

It is very important that we curb fraud and abuse. That is why this bill contains the airtight antifraud and antiabuse provisions that it does. Under this bill, you must live in a State for at least 2 years before you can even avail yourself of that State's homestead exemption. Moreover, even if you have lived in a State for more than 2 years, you can only protect up to $100,000 in any new equity you obtain in that home within 2 years of filing for bankruptcy. This eliminates the scenario of someone running to a State, buying a home, putting a lot of equity into it, and then filing for bankruptcy.

It is important that we look at this issue in the bigger picture of bankruptcy reform. When we took this amendment up last year, it passed overwhelmingly in the Senate. The House was diametrically opposed. The House had a State opt-out. That would have been my position, to keep States rights in the homestead exemption as it has been for 130 years. I would like to have had the House position. I lost on the Senate floor.

When this bill went to conference, this amendment was hammered out in a very hard-fought conference negotiation. What was hammered out between the two Houses and agreed to by the House and Senate is what we have in the bill today.

Senator SESSIONS and Senator GRASSLEY were two of those who fought hard for the Kohl amendment last year. This year they are saying: Stay with the bill so we can keep the compromise that was forged last year and so we will have a chance to get in place the other bankruptcy reforms that this bill provides.

They are doing something that I think has great integrity because they are saying, we have hammered it out now let's stick to the agreement we made. In fact, I urged my colleagues on the House side not to go back to their original position because I thought the Senate would stick with the bill. I think this goes against what we hammered out last year, and the bill was vetoed by President Clinton, so we are back this year. But President Bush, who has the ability to veto the bill again, has specifically said he hopes the provision that is in the bill that would be altered by the Kohl amendment stays in the bill.

If we vote for the Kohl amendment, we are now putting the bill in jeopardy once again, and if we don't prevail in conference with what is in the bill today, we could face another delay or, possibly, a veto of the bankruptcy reform bill.

So if you are a Senator who favors bankruptcy reform, you should not vote for the Kohl-Feinstein amendment. Instead, you should stick with the bill, stick with the compromise that was forged in a bipartisan way in Congress last year between the House and the Senate, and let's allow States to have the ability to set their own homestead exemptions, except in the case of fraud and abuse and in the case of someone who moves and in 2 years declares bankruptcy.

I think the bill provides closure of every loophole that would allow someone to come in, buy a big house, declare bankruptcy, and still have the big house in which to live. The statistics show that the declarations of bankruptcy in the last couple of years have actually gone down. So the purpose of the bankruptcy bill has been alleviated by the fact that people are not declaring as many bankruptcies.

What we want to do is provide a fair bill that deals with creditors in a fair way but also requires that people pay their debts, if they possibly can. That is the purpose of the bankruptcy reform bill. Running roughshod over States rights is not a good addition to this bill. And, of course, if we do run roughshod over States rights, I could not possibly support a bill that would violate my State's constitution. It would be unthinkable.

So I am urging my colleagues to set this to rest once and for all with the compromise that was hard fought, but forged, last year between the two Houses of Congress, if you believe in real bankruptcy reform. If you do, we should not let this amendment derail the whole bill. If it passes and if it prevails, it will do so. I hope that does not happen.

Thank you, Mr. President. I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I will just respond to the Senator from Texas. I think one of the major arguments, if not the major argument, she makes is that this amendment is about States rights, in her opinion, and that we should preserve States rights.

I want to make the point that, in my judgment, nothing could be further from the truth because anybody who files for bankruptcy is choosing to invoke Federal law in a Federal court to get a fresh start, which is uniquely a Federal benefit. So in these circumstances it is only fair to impose Federal kinds of limits.

In fact, this bill is full of provisions that do rewrite State law. For example, one of the provisions in this bill establishes a Federal provision that allows creditors to come into a debtor's home, if necessary, to take their stereo and then sell it. So there is no reason Federal law should determine if you can keep a stereo but not the amount of equity in your house. I believe this argument about States rights with respect to a Federal bankruptcy bill just doesn't equate.

The other point she makes is that we worked out a generous compromise and that is the one we should keep. That is the compromise that requires 2 years of residency before you can keep the equity in your house to the full extent. Bankruptcy professors and practitioners across our Nation have told us, and will tell you, that the 2-year residency requirement is something that any planner can deal with in providing for the bankruptcy of their client. So that is not an adequate kind of a resolution, and that is why we are here today to make our arguments in favor of this amendment.

I thank the Chair.

Mrs. HUTCHISON. Mr. President, I say to the distinguished Senator from Wisconsin that I think the fact that we have a 7-year antifraud lookback certainly assures that someone who is planning a bankruptcy and comes in and makes the 2-year move is still going to be very vulnerable. In fact, that was part of the hard-fought compromise.

That 7-year antifraud lookback means it doesn't matter what else is in

your favor if you have fraudulently tried to come in and, within 5 years or 6 years—which it would be very hard to plan for—declare a bankruptcy; then you can go back 7 years to make sure you catch someone who would defraud the court or the debtors and lenders of another State.

Secondly, I think that to take away what has been a State right for 130 years is against the rest of the States rights that are allowed in the exemptions the Federal courts take into account. We don't put a limit on the value of personal property. Someone could have a fabulous art collection and defraud creditors, perhaps, in one State. We haven't taken on that. They could have a great car collection that would not have a cap.

The point is, if someone does this in a fraudulent way, we have steps in the bill that can be taken to keep someone from defrauding their lender. We take care of that in the bill. But we have different property values in different States. We have different valuations in personal property, different valuations of cars, and we in this country have acknowledged that, very wisely, for the last 130 years.

It is certainly not unusual but, in fact, oftentimes the Federal courts look to the State laws to be the guiding principle. So that is not an argument not to allow States rights to prevail as they have for 130 years in this country.

So I hope we will look at the bigger picture and keep States rights intact. We have amply provided for antifraud provisions in the compromise that was forged between the two Houses last year. I hope the Senate will stick with that compromise and keep the integrity of the bill.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

Mr. KOHL. Mr. President, I want to respond briefly. There is in the bankruptcy code today a limit on cars. I think it is $5,000. There is a limit on art, along with other provisions, which I think is at $8,000. The claim that you can shield an unlimited amount of art, or a fabulous car collection, in a bankruptcy proceeding today is simply not true.

Mrs. HUTCHISON. Mr. President, I will respond by saying the States set their own limit on personal property.

The PRESIDING OFFICER. The Senator from Utah is recognized.

Mr. HATCH. Mr. President, I understand the distinguished Senator from Florida would like to speak prior to the vote. How much time does the Senator desire?

Mr. GRAHAM. Ten minutes.

Mr. HATCH. And the distinguished Senator from Wisconsin would like some time to respond?

Mr. KOHL. I am prepared to yield my time if we want to vote.

Mr. HATCH. I ask unanimous consent after the 10 minutes of the distinguished Senator from Florida, all time be yielded back in relation to the pending Kohl amendment; that further, the Senate proceed to a vote in relation to the amendment at that time, which would be approximately 11:41, to be immediately followed by a vote in relation to the Leahy amendment numbered 41.

Finally, I ask consent that the second vote in the series, that is, the Leahy amendment, be limited to 10 minutes.

Mr. REID. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. I will not object other than to inform Senators that it appears, following the two votes, Senator BOXER will be over to offer her amendment. Then we really don't have many amendments remaining. Senator FEINGOLD has two amendments and he has tentatively agreed to time agreements. We have Wellstone amendments of which we have to dispose. I don't know if he will offer more, but we have at least three votes there. Senator LEAHY has a number of issues to be resolved and, of course, Senator SESSIONS. We need to work on matters he wants to bring up. We are getting down to the end of this bill. With a little bit of luck, we could be completed late this afternoon.

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

Mr. NELSON of Florida. Mr. President, the Florida Constitution grants the citizens of my State unlimited protection of the equity in their homes. I think we can all agree that this provision was not created so that wealthy, non-resident debtors could escape their obligations. The provision was created because the people of my State understood the importance of preserving a debtor's most essential asset, their home.

I do not think that a previously wealthy person should have the right to purchase a very expensive home in order to shield his remaining assets from creditors, and I do agree that we must address homestead abuse. But, we should not take away the homes of innocent debtors who have worked hard to build equity in their homestead. The median income of debtors in bankruptcy is $22,000 per year. Working people in that income range do not have the ability to shelter a significant amount of money in a home.

My State has many retirees from around the country. Many have worked their entire lives to own their own home and under the Kohl amendment they may lose their residence even though they fell into hard times through no fault of their own. Forcing a bankrupt retiree out of her home simply because she has more than $125,000 in equity does not meet any standard of fair play.

The $125,000 cap proposed by this amendment does not adequately represent the value of homes in Florida today and certainly will not reflect the value of homes five years from now. The Kohl amendment's catch-all, national cap ignores the differences in property value that vary not only from State to State, but also from city to city. Furthermore, the amendment unfairly lumps long-time residents and retirees into the same category as abusers who move to the State one day and file for bankruptcy the next.

The current language of S. 420 avoids these problems by protecting homeowners who have fallen on hard times, but who have worked and played by the rules in a State for more than 2 years. The current language is clear, if you move to a State simply to avoid paying your creditors you will not be protected and you should not be protected. However, people who play by the rules will have a real chance to start over without losing the equity in their homes.

I ask my colleagues today to protect the home equity of those debtors who legitimately need a fresh start by opposing this amendment.

Mrs. FEINSTEIN. Mr. President, I rise in support of the Kohl-Feinstein amendment to cap the homestead exemption at $125,000 for all States, and to eliminate from our bankruptcy laws a loophole so large that you could fit a $50 million mansion right through it.

This amendment will correct a longstanding discrepancy between the States, a discrepancy that on the one hand forces most debtors to struggle to pay back every dime they owe, but on the other hand allows many of the most ''wealthy'' debtors declaring bankruptcy to shield their assets in multi-million dollar homes.

The discrepancy I speak of occurs because in five States, Florida, Texas, South Dakota, Iowa and Kansas, where debtors are allowed to keep their homes no matter what they owe, or to whom they owe it, and no matter how much the home is worth.

The ''homestead'' laws in these five States differ radically from the other 45:

Many States have virtually no homestead exemption at all. In Michigan, for instance, the cap is $3,500; in Pennsylvania, just $300.

Other States, recognizing a benefit in allowing debtors some ability to remain in their homes as they dig out of bankruptcy, place slightly higher caps on their homestead exemptions and allow debtors to keep $15,000, $30,000, $60,000, or even $75,000 equity in their homes.

My own State of California has a sliding scale cap, ranging from $75,000 for most debtors to $125,000 for seniors.

Massachusetts and Minnesota have relatively high caps of $200,000, and Minnesota's cap even goes to $500,000

for farms, the highest cap of all the States that have at least some restriction on how much equity can be protected.

A vast majority of the 50 States have homestead caps of under $125,000, and this bill would do nothing to affect those States.

The glaring exceptions are those five cases where a State has chosen to allow debtors to hide assets in luxury homesteads and essentially avoid their obligations under Federal bankruptcy law.

What does this mean? This means that wealthy debtors facing bankruptcy can take their remaining assets, buy a home in one of those five States, and tell their creditors to get lost. Their assets are protected permanently.

Let me give an example of homestead abuse that has been highlighted in the press and even on ''Sixty Minutes.''

When this Wall Street financier and convicted felon finally declared bankruptcy, he listed more than $140 million in debts and only $15,805 in assets.

But one particular asset was not itemized, and the financier was not obligated to itemize it. That asset was his 37,000 square foot Florida mansion, worth an estimated five to $6 million.

This ''house'' has ten bedrooms, two libraries, a business center, a double gourmet kitchen, an indoor squash and racquetball court, an indoor basketball court complete with electronic scoreboard, a private movie theater, full weight and exercise rooms, a swimming pool, a spa, an outdoor entertainment area, game rooms, a nine-car garage, a lakefront gazebo, an elevator, 21 bathrooms, and a 6,000 square foot quest house.

The quest house alone has been described as a mansion in and of itself.

But in Florida, the entire home, 21 bathrooms and all, as well as the property on which it sits, is completely exempt from the bankruptcy laws. The ''bankrupt'' financier owes millions, but through careful planning he can continue to live like a king.

Meanwhile, his creditors can only stand outside the gates of the home and look with awe upon the home they paid for—$140 million in debts, and nothing his creditors can do.

And this case is not all that unique. Actors, Wall Street financiers, participants in felonious savings and loan scandals, and others, all have taken advantage of the homestead exemption loophole.

Essentially, these five States act as heavens for the most determined avoiders of debt, an escape of last resort for wealthy individuals who play fast and loose with their money.

A General Accounting Office study of bankrupt debtors who take advantage of the homestead loophole in Florida and Texas alone found that each year more than 400 wealthy debtors are able to protect more than $100,000 in equity in their home, at a cost to creditors of $120 million.

The bankruptcy reform bill as a whole attempts to increase personal responsibility by forcing more people to repay more of their debts. This goal is a good one, but the bill as drafted sends mixed signals.

To poor debtors struggling to climb out of bankruptcy and to simply put a roof over the heads of their family, the bill takes a stern view, debts must be paid back, assets must be sold, and you'll face some hard years ahead.

To more sophisticated debtors, many of whom had every advantage before making the bad, or even criminal, decisions that led to bankruptcy, the bill says that with a little planning, you can get away scot free.

This is just plain wrong.

This bankruptcy bill forces lower- and middle-class families to give up the family computer in many instances.

The bill takes your second television set and even family heirlooms.

The bill requires most debtors to enter strict payment plans to pay back even extraordinary medical or other debts incurred due to circumstances beyond their control.

Yet the homestead exemption allows sophisticated debtors to avoid repayment entirely.

This must be changed.

That is why Senator KOHL and I are proposing a cap of $125,000. For States that already have a cap of or below that $125,000 level, and this is almost every State in the Union, this amendment will do nothing to change current bankruptcy proceedings.

For those few States that have chosen to provide a safe haven for debtors fleeing from their creditors, this amendment will create a new, national cap that must be followed.

The last time the Senate considered a homestead cap, an even lower $100,000, we approved of the cap by an overwhelming margin.

The provision was watered down during a shadow conference so that in the end, the conference report and now this bill do virtually nothing to prevent debtors from shielding millions of dollars in luxurious mansions.

Some will argue that the current bill does provide a ''compromise'' homestead exemption cap.

As drafted, that cap only applies if a debtor purchases a home within two years of bankruptcy. Any good bankruptcy attorney will tell you that this provision can be easily avoided. In fact, dozens of professors and attorneys have told us just that. I ask unanimous consent that their letter be printed in the RECORD after my remarks.

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

(See Exhibit 1.)

Mrs. FEINSTEIN. Under this so-called ''compromise'' language, as long as a debtor plans a couple of years in advance, or already lives in one of those five States, there is no cap. This is a very soft cap, indeed.

So the current language in the bill does not represent a real compromise, it does little to stop wealthy debtors from protecting their assets through bankruptcy and living the rest of their lives in luxury, while leaving their creditors with nothing.

Bankruptcy is a federal matter. In fact, our Constitution explicitly gives Congress the right to establish ''uniform laws on the subject of bankruptcies throughout the United States.''

So this Congress is constitutionally authorized, even obligated, to see that bankruptcy laws are fair and uniform throughout our Nation.

We must ensure that bankruptcy is a refuge of last resort for those truly in need of a fresh start, not just another financial planning tool to help felons and deadbeats protect their assets from creditors.

This bill rightly encourages responsibility for those who enter bankruptcy, so that those who can pay their debts, do pay their debts.

But we must encourage responsibility across the board, not just for those who cannot afford a god accountant or don't happen to live in Texas, Florida, Iowa, South Dakota or Kansas.

I urge my colleagues to support his amendment. I thank my distinguished colleague, Senator KOHL, for working so diligently on this amendment.

EXHIBIT 1

OCTOBER 30, 2000.

Re the Bankruptcy Reform Act Conference Report (H.R. 2415).

DEAR SENATORS: We are professors of bankruptcy and commercial law. We have been following the bankruptcy reform process with keen interest. The 91 undersigned professors come from every region of the country and from all major political parties. We are not a partisan, organized group, and we have no agenda. Our exclusive interest is to seek the enactment of a fair and just bankruptcy law, with appropriate regard given to the interests of debtors and creditors alike. Many of us have written before to express our concerns about the bankruptcy legislation, and we write again as yet another version of the bill comes before you. This bill is deeply flawed, and we hope the Senate will not act on it in the closing minutes of this session.

In a letter to you dated September 7, 1999, 82 professors of bankruptcy law from across the country expressed their grave concerns about some of the provisions of S. 625, particularly the effects of the bill on women and children. We wrote again on November 2, 1999, to reiterate our concerns. We write yet again to bring the same message: the problems with the bankruptcy bill have not been resolved, particularly those provisions that adversely affect women and children.

Notwithstanding the unsupported claims of the bill's proponents, H.R. 2415 does *not* help women and children. Thirty-one organizations devoted exclusively to promoting the best interests of women and children continue to oppose the pending bankruptcy bill.

The concerns expressed in our earlier letters showing how S. 625 would hurt women and children have not been resolved. Indeed, they have not even been addressed.

First, one of the biggest problems the bill presents for women and children was stated in the September 7, 1999, letter: ''Women and children as creditors will have to compete with powerful creditors to collect their claims after bankruptcy.'' This increased competition for women and children will come from many quarters: from powerful credit card issuers, whose credit card claims increasingly will be excepted from discharge and remain legal obligations of the debtor *after* bankruptcy; from large retailers, who will have an easier time obtaining reaffirmations of debt that legally could be discharged; and from creditors claiming they hold security, even when the alleged collateral is virtually worthless. *None* of the changes made to S. 625 and none being proposed in H.R. 2415 addresses these problems. The truth remains: if H.R. 2415 is enacted in its current form, women and children will face increased competition in collecting their alimony and support claims after the bankruptcy case is over. We have pointed out this difficulty repeatedly, but no change has been made in the bill to address it.

Second, it is a distraction to argue—as do advocates of the bill—that the bill will ''help'' women and children and that it will ''make child support and alimony payments the top priority—no exceptions.'' As the law professors pointed out in the September 7, 1999, letter: ''Giving 'first priority' to domestic support obligations does not address the problem.'' Granting ''first priority'' to alimony and support claims is not the magic solution the consumer credit industry claims because ''priority'' is relevant only for distributions made to creditors in the bankruptcy case itself. Such distributions are made in only a negligible percentage of cases. More than 95 percent of bankruptcy cases make NO distributions to any creditors because there are no assets to distribute. Granting women and children a first priority for bankruptcy distributions permits them to stand first in line to collect nothing.

Women's hard-fought battle is over reaching the ex-husband's income after bankruptcy. Under current law, child support and alimony share a protected post-bankruptcy position with only two other recurrent collectors of debt—taxes and student loans. The credit industry asks that credit card debt and other consumer credit share that position, thereby elbowing aside the women trying to collect on their own behalf. The credit industry carefully avoids discussing the increased post-bankruptcy competition facing women if H.R. 2415 becomes law. As a matter of public policy, this country should not elevate credit card debt to the preferred position of taxes and child support. Once again, we have pointed out this problem repeatedly, and nothing has been changed in the pending legislation to address it.

In addition to the concerns raised on behalf of the thousands of women who are struggling now to collect alimony and child support after their ex-husband's bankruptcies, we also express our concerns on behalf of the more than half a million women heads of household who will file for bankruptcy this year alone. As the heads of the economically most vulnerable families, they have a special stake in the pending legislation. Women heads of households are now the largest demographic group in bankruptcy, and according to the credit industry's own data, they are the poorest. The provisions in this bill, particularly the many provisions that apply without regard to income, will fall hardest on them. Under this bill, a single mother with dependent children who is hopelessly insolvent and whose income is far below the national median income would have her bankruptcy case dismissed if she does not present copies of income tax returns for the past three years—even if those returns are in the possession of her ex-husband. A single mother who hoped to work through a chapter 13 payment plan would be forced to pay every penny of the entire debt owed on almost worthless items of collateral, such as used furniture or children's clothes, even if it meant that successful completion of a repayment plan was impossible.

Finally, when the Senate passed S. 625, we were hopeful that the final bankruptcy legislation would include a meaningful homestead provision to address flagrant abuse in the bankruptcy system. Instead, the conference report retreats from the concept underlying the Senate-passed homestead amendment. ''The homestead provision in the conference report will allow wealthy debtors to hide assets from their creditors.'' Current bankruptcy law yields to state law to determine what property shall remain exempt from creditor attachment and levy. Homestead exemptions are highly variable by state, and six states (Florida, Iowa, Kansas, South Dakota, Texas, Oklahoma) have literally unlimited exemptions while twenty-two states have exemptions of $10,000 or less. The variation among states leads to two problems—basic inequality and strategic bankruptcy planning. The only solution is a dollar cap on the homestead exemption. Although variation among states would remain, the most outrageous abuses—those in the multi-million dollar category—would be eliminated.

The homestead provision in the conference report does little to address the problem. The legislation only requires a debtor to wait two years after the purchase of the homestead before filing a bankruptcy case. Well-counseled debtors will have no problem timing their bankruptcies or tying-up the courts in litigation to skirt the intent of this provision. The proposed change will remind debtors to buy their property early, but it will not deny anyone with substantial assets a chance to protect property from their creditors. Furthermore, debtors who are long-time residents of states like Texas and Florida will continue to enjoy a homestead exemption that can shield literally millions of dollars in value.

These facts are unassailable: H.R. 2415 forces women to compete with sophisticated creditors to collect alimony and child support after bankruptcy. H.R. 2415 makes it harder for women to declare bankruptcy when they are in financial trouble. H.R. 2415 fails to close the glaring homestead loophole and permits wealthy debtors to hide assets from their creditors. We implore you to look beyond the distorted ''facts'' peddled by the credit industry. Please do not pass a bill that will hurt vulnerable Americans, including women and children.

Thank you for your consideration.

[Signed by 91 law professors.]

Mr. HATCH. I ask for the yeas and nays on the Kohl amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The Senator from Florida is recognized for 10 minutes.

Mr. GRAHAM. Mr. President, for 133 years, since Congress established a Federal personal bankruptcy law, there has been a recognition that the law is a balance of the interests of the National Government in uniformity and the interests of the States in terms of local values and circumstances. Federal law presently allows States, for instance, to establish how much of their residents' property can be protected or exempt from seizure during bankruptcy.

This delicate relationship tests our fundamental commitment to the concept of federalism. Everybody is for federalism. Everyone favors more local control, placing decisions closest to those who are involved, until it begins to affect a specific interest of their own. Then they become what I refer to as ''situational federalists.'' If the situation does not result in a conclusion that is to your liking, you decide that federalism becomes a lesser value.

We are being tested today on, do we believe, as this Congress has for 133 years, that personal bankruptcy should be a balance of the interests of uniformity at the national level, but recognize the legitimate interests of the States and their citizens in protecting certain important values.

Since most of the creditor-debtor relationships tend to be within a single State, this is an issue in which States have had to make the same kinds of hard choices that we have been dealing with in consideration of this bill: How to set the proper balance between the person who has indebted himself and who is now unable to meet their responsibilities against the person who has extended that credit.

Many States, including my own, have placed such an importance on protecting the value of the residence in which an individual lives that they have enshrined that in their State constitution.

I have the following commentaries on the amendment before us as it relates to that Federal-State balance. The amendment makes no allowance for the wide variance in property values from State to State. There are places in America where if you live in a home valued at $125,000, it is a veritable mansion. There are other places in America where a home valued at $125,000 meets minimum adequacy standards. This bill provides only one standard to cover the wide range of circumstances.

The standard itself, even by national standards, is inadequate. The national average value of existing single family homes in the United States of America is $176,000, $51,000 higher than the proposed cap on the amount that can be exempt from foreclosure in bankruptcy. This amendment would threaten home ownership for millions of American families.

States also have given special recognition to individual classes of persons as it relates to the exemption. For

instance, some States have recognized a different standard for seniors or disabled citizens and providing additional homestead protection when they experience a serious illness or other financial crisis. We know, for instance, that seniors tend to have a higher proportion of their net worth in the equity of their home, typically because they have been living in the home for an extended period of time and have paid down the mortgage. The circumstance of older Americans will become more pronounced in the immediate future because within two decades 54 million Americans will be 65 years of age or older. An estimated two-thirds of these seniors will own their own homes free and clear.

This amendment makes no allowance for real estate inflation. In the last few years, parts of America have been experiencing a real estate inflation on residential housing above 10 percent per year. Fewer and fewer States will be able to protect home and farm ownership in the same way they do now as real estate purchasing power of the $125,000 limit contained in this amendment is eroded by inflation.

As the Senator from Texas has already stated, this bill does not ignore, is not unmindful of this balance between the National Government's interest in uniformity and the State's interest in the particular circumstances of its citizens. This bill contains compromised language on the homestead issue which was adopted during debate on the bill last year and has already been approved once by the Senate.

As an example, in this bill before the Senate, without the amendment that has been proposed, the homestead exemption would be capped at $100,000, with an inflation adjustment provision for any property purchased within 2 years of filing for bankruptcy. So the case that is frequently cited as the reason to require this amendment, the person who rushes into a State such as mine which has an exemption of the residential property from bankruptcy in the last moments before they declare, will not be the case. If you have not owned that home for 2 years before declaring bankruptcy, your exemption is limited to $100,000 adjusted for inflation.

There is a further requirement before a debtor can use the homestead exemption in a particular State that he or she must have been a resident of that State for more than 2 years—again, an appropriate recognition of the national desire for uniformity.

Additionally, these and other provisions of the bill and of existing law grant any bankruptcy judge in the country the power to disallow the use of the homestead or any other exemption if it is being used improperly to shield assets.

So this legislation contains effective barriers to inappropriate use of the homestead exemption while recognizing the 130-year theory of Federal relationship within the personal bankruptcy law between national uniformity and State values.

This amendment tests our commitment to the fundamental principle of federalism. The States and the Federal Government share in the responsibility for developing and applying our bankruptcy code. In my judgment, this amendment distorts that relationship. The provisions that are already in the bill honor federalism.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I move to table the Kohl amendment.

The PRESIDING OFFICER. There is still time remaining. That motion is not in order at the present time.

Mr. KOHL. Mr. President, I request just 1 minute.

Mr. HATCH. I request the Senator have 1 minute.

Mr. KOHL. I will respond to some of the comments made by the distinguished Senator from Florida.

We need to recognize there is no question in this legislation that we have every right and have, in fact, asserted a Federal right in bankruptcy legislation. We have done it in many cases in this legislation. To suggest we do not have the right or it is improper to assert in bankruptcy a Federal right in establishing a minimum amount to shield a home just is not consistent with the rest of this legislation.

I also want to point out that the $125,000 limit we imposed is negotiable in conference to $150,000 to $200,000. There are only five States with unlimited exemptions. There are only two States with exemptions in excess of $125,000—Minnesota and Massachusetts, which have $200,000. So it is not difficult to correct any of these problems in conference.

Again, by a vote of 76–22 2 years ago, we accepted this amendment. I am requesting and hoping the Senate will again vote to accept this amendment today.

I yield the floor.

The PRESIDING OFFICER. Does the Senator yield back his time?

Mr. KOHL. I yield back my time.

The PRESIDING OFFICER. The Senator from Kansas.

Mr. BROWNBACK. Mr. President, I move to table the Kohl amendment and I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The question is on agreeing to the motion to table amendment No. 68.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 39, nays 60, as follows:

[Rollcall Vote No. 30 Leg.]

YEAS—39

Allard	Frist	Miller
Allen	Graham	Murkowski
Bennett	Gramm	Nelson (FL)
Bond	Grassley	Nickles
Brownback	Gregg	Roberts
Bunning	Hagel	Sessions
Burns	Hatch	Shelby
Campbell	Hutchinson	Smith (NH)
Cochran	Hutchison	Stevens
Craig	Inhofe	Thomas
Crapo	Kyl	Thompson
Ensign	Lott	Thurmond
Enzi	Lugar	Voinovich

NAYS—60

Akaka	Dodd	Lincoln
Baucus	Domenici	McCain
Bayh	Dorgan	McConnell
Biden	Durbin	Mikulski
Bingaman	Edwards	Murray
Boxer	Feingold	Nelson (NE)
Breaux	Feinstein	Reed
Byrd	Harkin	Reid
Cantwell	Helms	Rockefeller
Carnahan	Hollings	Santorum
Carper	Inouye	Sarbanes
Chafee	Jeffords	Schumer
Cleland	Johnson	Smith (OR)
Clinton	Kennedy	Snowe
Collins	Kerry	Specter
Conrad	Kohl	Stabenow
Corzine	Landrieu	Torricelli
Daschle	Leahy	Warner
Dayton	Levin	Wellstone
DeWine	Lieberman	Wyden

ANSWERED ''PRESENT''—1

Fitzgerald

The motion was rejected.

Mr. HATCH. Mr. President, I move to vitiate the yeas and nays.

The PRESIDING OFFICER (Mr. BUNNING). Without objection, it is so ordered.

The question is on agreeing to amendment No. 68.

The amendment (No. 68) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to reconsider was laid on the table.

VOTE ON AMENDMENT NO. 41, AS MODIFIED

The PRESIDING OFFICER. The question now is on agreeing to the Leahy amendment No. 41, as modified. The yeas and nays have been ordered. The clerk will call the roll.

Mr. LEAHY. Mr. President, parliamentary inquiry: Was there not time reserved of 1 minute before the vote?

The PRESIDING OFFICER. The 2 minutes were vitiated by the last unanimous consent agreement.

Mr. LEAHY. Mr. President, I ask unanimous consent that I have 1 minute and the Senator from Utah have 1 minute.

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

The Senator from Vermont.

Mr. LEAHY. I thank my friend from Kentucky.

Mr. President, our amendment protects the identity of minor children in bankruptcy court records. It permits a debtor to withhold the name of a minor child in the public record, especially as

these records go on the Internet where anybody who wants the names and addresses of children can find them. To prevent fraud, it permits the judge, or trustee, or an auditor to review a child's name in a nonpublic record.

The amendment is modest, but it is a first step in protecting personal privacy and protecting criminal activity through the unnecessary disclosure of personal information. We know, unfortunately, that there are people who prey on children who are out there. What my friend from Utah and I are trying to do is to prevent their access to these names.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, this is a good amendment. It protects the privacy of minors. It is just one of the steps the distinguished Senator from Vermont and I are taking to try to protect privacy rights. I recommend everybody vote for this amendment.

I yield back the remainder of my time.

The PRESIDING OFFICER. All time is yielded back. The question is agreeing to the Leahy amendment No. 41, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 31 Leg.]

YEAS—99

Akaka	Dorgan	Lugar
Allard	Durbin	McCain
Allen	Edwards	McConnell
Baucus	Ensign	Mikulski
Bayh	Enzi	Miller
Bennett	Feingold	Murkowski
Biden	Feinstein	Murray
Bingaman	Frist	Nelson (FL)
Bond	Graham	Nelson (NE)
Boxer	Gramm	Nickles
Breaux	Grassley	Reed
Brownback	Gregg	Reid
Bunning	Hagel	Roberts
Burns	Harkin	Rockefeller
Byrd	Hatch	Santorum
Campbell	Helms	Sarbanes
Cantwell	Hollings	Schumer
Carnahan	Hutchinson	Sessions
Carper	Hutchison	Shelby
Chafee	Inhofe	Smith (NH)
Cleland	Inouye	Smith (OR)
Clinton	Jeffords	Snowe
Cochran	Johnson	Specter
Collins	Kennedy	Stabenow
Conrad	Kerry	Stevens
Corzine	Kohl	Thomas
Craig	Kyl	Thompson
Crapo	Landrieu	Thurmond
Daschle	Leahy	Torricelli
Dayton	Levin	Voinovich
DeWine	Lieberman	Warner
Dodd	Lincoln	Wellstone
Domenici	Lott	Wyden

ANSWERED ''PRESENT''—1

Fitzgerald

The amendment (No. 41), as modified, was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I ask unanimous consent Senator BOXER be recognized in order to call up amendment No. 42, and further, following the debate, the amendment be temporarily set aside. Further, I ask that at 2:30 today the Senate proceed to a vote in relation to the Boxer amendment No. 42 and, following that vote, the Senate proceed to votes in relation to the Wellstone amendments No. 70, No. 71, No. 73, and Leahy No. 19.

Further, I ask consent there be 2 minutes equally divided in the usual form between each vote and there be no second-degree amendments in order to the amendments prior to the votes.

Finally, I ask that following the first vote, the remaining votes in the series be limited to 10 minutes in length.

The PRESIDING OFFICER. Is there objection?

The Senator from Nevada.

Mr. REID. Mr. President, I ask my friend from Utah to change the unanimous consent agreement as follows: That immediately the senior Senator from West Virginia would be recognized and use whatever period of time up to an hour that he wishes. I have been told by the Senator he would yield to Senator BOXER so she could offer her amendment.

Mr. HATCH. That is appropriate and fine with me.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Mr. President, if I might, I so appreciate the opportunity to offer the amendment. I know Senator BYRD is going to yield to me to do that and then he will get the floor. I just want to make sure we can vote on that in the next block, which we are hoping will be around the 2:30 area.

Mr. REID. It is in the unanimous consent agreement.

The PRESIDING OFFICER. The Senator from West Virginia is recognized.

Mr. REID. Will the Senator yield?

Mr. BYRD. Mr. President, I thank the Chair. I ask unanimous consent that I may yield to the distinguished minority whip without losing my right to the floor.

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

Mr. REID. I ask that Senator FEINGOLD's amendments No. 76 and No. 51 be called up and then set aside.

Mr. HATCH. Reserving the right to object.

The PRESIDING OFFICER. The Senator from Utah is reserving the right to object?

Mr. HATCH. It is my understanding that on the Sessions amendment we have asked for a modification.

Mr. REID. We are doing our best to work that out.

Mr. HATCH. I know you are trying to work that out. We have tried to work on modifications for your side as well. I hope that can be worked out.

Mr. REID. We are doing our best.

Mr. HATCH. May we withhold until we get that resolved?

Mr. REID. Yes.

Mr. HATCH. I appreciate that.

The PRESIDING OFFICER. Objection is heard.

The Senator from West Virginia.

Mr. BYRD. Mr. President, I thank the Chair.

Mr. President, I ask unanimous consent that I may speak out of order.

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

Mr. BYRD. Mr. President, I ask unanimous consent that I may yield to the distinguished Senator from California, Mrs. BOXER, for not to exceed 15 minutes without losing my right to the floor.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from California is recognized.

Mr. BYRD. Mr. President, I also ask unanimous consent that the time utilized by the distinguished Senator not come out of my hour under the cloture rule.

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

AMENDMENT NO. 42

Mrs. BOXER. Mr. President, I thank my good friend, my dear friend, for yielding me this time. This is an amendment about which I care an awful lot. Senator CLINTON cares a lot about this. We just want to take a brief time, and speak as concisely as we can, to explain why we believe this amendment is so important.

I think I must call up amendment No. 42 because I have this amendment pending at the desk, and I ask the clerk to report it.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. BOXER] proposes an amendment numbered 42.

Strike Section 310.

Mrs. BOXER. Mr. President, I am very sad to say that there is great controversy surrounding this amendment because there is a misunderstanding about it. I guess what I want to say is I am putting my faith in a number of groups that have written to me about the current status of this bill. I would like to put the names of those groups up on the easel right now. These are groups that have very astute attorneys who have studied this bill. They have enlisted our support. We are about to tell you who they are:

The American Association of University Women, Children NOW, Children's Defense Fund, Center for Law and Social Policy, Feminist Majority, National Association of Commissions For Women, National Center for Youth Law, National Organization for Women, National Partnership for

Women and Families, National Youth Law Center, National Women's Conference, National Women's Law Center, NOW Legal Defense and Education Fund, the Older Women's League, the Women Activist Fund, Wider Opportunities for Women, Women Employed, Women Work, Women's Law Center of Maryland, and the YWCA.

I put my faith in these groups. Their purpose is to protect women and children. I believe they are correct when they say this bill will hurt women and children. Let me explain their position, and mine.

Under the current bankruptcy laws—I want you to remember this number, $1,075—it is presumed that 60 days before you declare bankruptcy, if you have accumulated charges of $1,075 or more, then those charges are presumed fraudulent and the credit card companies can go after those charges. I think it is fair. This number did not come out of the air. It has been adjusted for inflation. It makes sense. I think the credit card companies have the right to say, if you are going to declare bankruptcy and you have charged that much, that you should not be able to discharge it.

Let me tell you what happens in S. 420. That number, rather than being increased for inflation, is brought down to $250 over 90 days. So if someone charges, in that 90-day period, more than $250, all charges on that card in a 90-day period are presumed to be fraudulent and the credit card companies can go after you.

Can you prove these were not luxuries? Sure. You could take time off from work, time away from your children. Can you hire a lawyer? You can fight the credit card companies. But it just makes me ill to think we are presuming that a single woman who may be plagued with all kinds of problems who used her credit card to purchase food at the supermarket would in fact be told that she is a fraud, that she meant to defraud the poor credit card companies.

I have to tell you a story.

The member of my family who has part-time work and is going through a difficult time right now just received today an application for a credit card where they say: Take a trip to exotic lands and put it on your credit card. It happens to be Diners Club. And, don't worry about paying it back for months. The poor credit card company. You would think they would investigate to whom they were sending these cards. But, no, they want us to protect them from some poor woman with a single child, perhaps, or two, who is struggling with a divorce, and let us say is charging $250 on her credit card over 90 days. These charges are fraudulent.

Let me read for you a letter that was sent to me by a women's group, and then I am going to yield 5 minutes to Senator CLINTON.

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

The PRESIDING OFFICER. The Senator has used 5 minutes 45 seconds.

Mrs. BOXER. If the Chair would inform me when I have used another 5 minutes, I would greatly appreciate it. Thank you.

This is the letter:

The undersigned women's and children's organizations write to urge you to support Senator Boxer's amendment to S. 420, the ''Bankruptcy Reform Act of 2001.'' This amendment is necessary to protect parents and children owed child support from facing increased competition from credit card companies after bankruptcy.

Senator Boxer's amendment to the ''luxury goods'' provision of S. 420 would prevent credit card debt from being routinely elevated to the same protected status as child support and alimony obligations after bankruptcy. Under current law, child support and alimony are among the few debts that are not dischargeable in bankruptcy. The bankruptcy process allows debtors to get back on their feet and focus their resources on paying their most important debt: their obligation to support their families. Credit card debts generally are discharged in bankruptcy, unless there has been an abuse of the bankruptcy process; for example, by purchasing ''luxury goods'' on the eve of filing for bankruptcy.

S. 420 would apply the label ''luxury goods'' to very modest levels of expenditures, allowing much more credit care debt to survive bankruptcy and compete with support obligations. Under S. 420, purchases on a credit card that total $250 over the 90-day period prior to filing bankruptcy would be presumed to be nondischargeable ''luxury goods.'' For example, a debtor who charged just $25 a week at the supermarket would have to prove that the purchases—because they would exceed $250 over the 90-day period—were necessities, not luxuries. Cash advances of any more than $75 per week in the 70 days before filing for bankruptcy would be presumed to be nondischargeable.

Senator Boxer's amendment would retain the current ''luxury goods'' exception, preventing abuse of the bankruptcy process by debtors without allowing its abuse by the credit card industry. We urge you to support this important amendment to prevent the credit card industry from making it even more difficult for women and children to collect child support after bankruptcy.

I already talked about how credit card companies solicit and coax people into spending more than they earn.

I do not feel sorry for the companies. I have seen the interest rates. I have seen the profits. Mr. President, $250 is not an amount that says it is a luxury over a 90-day period.

Where is the committee coming from? I don't understand it.

Let's take an example. A woman who grocery shops with a credit card for her family of four at the local Safeway or Albertson's would be able to spend no more than $25 per week in the 12 weeks before declaring bankruptcy. It is true. My colleagues on the other side of the aisle say: No problem. They just have to prove that in a court of law as they go through the filing.

This is a mother who is going through probably a hellish time in her life and she now has to dig out the receipts, or get a lawyer, by the way, or take off from work. Why are we presuming that a person is bad if they charge $250 over 90 days before they file bankruptcy? Can't we give people a break? Don't we respect the American people? People do not want to do this. Keep the current law.

There are many other examples I could show you, all of which they would have to prove in a court of law. The burden is on them. Why not give this exemption? Why not keep the current law?

That is the purpose of this amendment. It just says trust folks a little bit more. That is why I believe very strongly.

I ask Senator CLINTON if she would now wish to use 5 minutes on this amendment at this time.

The PRESIDING OFFICER. The Senator has 5 minutes remaining on her time.

Mrs. BOXER. I ask the Senator to take 4 minutes and I will wrap it up.

Mrs. CLINTON. Mr. President, I thank the Senator.

AMENDMENT NO. 104

First, I ask unanimous consent that it be in order, considered germane for the purpose of S. 420, and the following agreed to: In the amendment on behalf of myself and Mr. HATCH, on page 80, line 25, after the word ''resides)'' add the following: '', and the holder of the claim,''.

I ask that this be adopted because this remedies the problem that was also brought to our attention with respect to this particular legislation.

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

The amendment (No. 104) was agreed to, as follows:

At page 80, on line 25, after ''resides)'' insert the following: '', and the holder of the claim,''.

AMENDMENT NO. 42

Mrs. CLINTON. Mr. President, I rise to support my very good friend, the Senator from California, who is one of the strongest advocates on behalf of women and children in our entire country. I do so because I find myself in agreement that there is some confusion about the meaning and application of this provision. That certainly should be clarified before we move to a vote on the underlying legislation.

As the Senator has so eloquently stated, we are making a dramatic change in both cutting the amount and the period of time for which a debtor would be held accountable with respect to any luxury goods or services.

I respect my very good friend, the Senator from Delaware, in his pointing out that the legislation makes clear that this is not goods for services and is reasonably necessary for the support or maintenance of the debtor or a dependent of the debtor.

We have several issues with this. One which the Senator from California

pointed out is the size and the timing. The other is to make clear that this presumption is absolutely sustainable with respect to the meaning of support and maintenance.

I urge that we adopt the amendment of the Senator from California because I believe it is reasonable for existing law to have the amount and the time period.

I don't believe it is a great disservice to the credit card companies and other creditors to keep the status quo in this provision since we are so dramatically changing the law in so many other respects.

I yield the remainder of my time to the Senator from California.

Mrs. BOXER. How much time is remaining, Mr. President?

The PRESIDING OFFICER. The Senator has 2 minutes 20 seconds.

Mrs. BOXER. I thank Senator CLINTON for her support. I know Senator BIDEN would like to have some time. I am glad he got that by unanimous consent.

I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. BIDEN. Mr. President, I ask the distinguished Senator from West Virginia, since he has the floor, whether I can use up to 5 minutes of the hour I have under cloture.

Mr. BYRD. Mr. President, I have no objection to such a request.

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

Mr. BIDEN. I will be necessarily brief.

First of all, with regard to the credit card companies, this isn't a problem for credit card companies. If you go to the grocery store and use a credit card, it lists the grocery store. You have an automatic receipt. There is a presumption that you went to the grocery store and you bought groceries. They are not luxury goods. That is automatic. You could go in and charge $1,000 of groceries on that credit card and there would be no problem.

Second, if you take a look at what we are talking about, in addition to the credit card companies, you can draw up to $750 in cash. You if go above $750, you have to explain. If you go up to $749 in cash, you don't have to explain anything to anybody.

We are talking about the mother who is in real trouble and can't pay her bills. I am as sympathetic to that as anyone. But that is not with this is about. We are misreading.

First of all, it applies to only luxury goods. On page 147, line 2, a consumer's debt owed to a single creditor—if you have five different credit cards and go out and charge $250 on five different credit cards, it doesn't matter. This is a bunch of malarkey, with all due respect.

I understand the intention, and I think this is just a misreading of the legislation.

Let me speak to the issue of my good friend. I happen to be on the opposite side of Senator BOXER. She is literally my closest friend in the Senate. I don't like doing this. But here is the deal.

Her staff—my former staff—is telling her how this works, as well as these groups are telling her how this works. This is how it works. When you file for bankruptcy, you go before a bankruptcy judge or you go before a master. You have to show up. You have to pay for the cab or the bus to get there. You have to be there.

When you get there, it is a one-stop shopping deal. You have a list, and you have to submit what you spent. You have to submit everything as to why you deserve to go into chapter 13. It is required under the law. For anybody now—no matter when—it is required.

So you have the list and the credit card. You list the credit card. You have all these groceries you bought on the credit card. They are listed. The problem is the non-credit-card guys. You go into Boscov's—and you have credit with Boscov's—and you decide to buy a couch. It is arguable whether that is a luxury good or not. Boscov's might want to fight you about that. They then have to come into court and say: Hey, judge, that was a couch she bought. That was not a luxury good, she says. No, no. It was a crib for my baby. Well, then, file the receipt. Was it a crib for a baby and/or was it a brand new leather couch? What is the deal?

Look, I will do anything I can to change this to accommodate what the concern is of my friends. But I do not understand the concern. It says ''Per creditor.'' You could have five credit cards, No. 1. No. 2, you can take up to $750 in cash out per credit card that you have. You can take it out. No. 3, you can go in and spend $249 on a zircon ring for your daughter because it has been a bad day at Boscov's. That is a luxury good, but you can do that. And, No. 4, you can take all your credit cards and/or your checking account and/or anything and buy $10,000 worth of jeans for your kids—shirts for your baby, formula—whatever dire example I am going to be given here.

Look, with all due respect, this is much ado about nothing. It is the same way in which you would have to go in under $10,750 under the law now. How do you do it now?

Mrs. BOXER. It is $1,075.

Mr. BIDEN. Excuse me, $1,075. You walk in now and say: Judge, here is my form. You get a date to show up or you are going to be discharged from bankruptcy, whether you are going to be in chapter 7 or chapter 13. You walk in—with or without a lawyer—and say: Your Honor, here is the deal. And you list your debt. You list your obligations and you list your assets. You have to do that no matter what.

If you list $1,075 now, and it turns out you bought $1,075 worth of good wine, the creditor can come in and say: Whoa, they bought wine with that—in grocery stores like when I used to stack Schaefer beer in New York State when I was in law school working for the Schaefer beer company. They do not sell alcohol in those stores in my State, but in New York State I think they still do. If you say you bought $1,075 worth of beer, then it is not dischargeable. That would not be dischargeable, any more than $250 or $750 would be.

Look, it is easy to make it sound complicated. When you take out your credit card, it lists what you bought. You have a receipt. You walk in and file and say: Judge, I used five credit cards, and I spent $5,000 in the last 90 days on food and clothing. Here is the deal. That is dischargeable. But if you walk in with those credit cards, and you spend it on, say, Versace——

The PRESIDING OFFICER. The Senator's 5 minutes have expired.

Mr. BIDEN. I thank the Chair.

Mrs. BOXER. Mr. President, this is painful, to have a debate with your brother. But the question of who is full of malarkey is debatable. I have some pretty good folks on my side. May we show them again? I have never known my friend to say the American Association of University Women is full of malarkey, or the Children's Defense Fund, or on and on. I really haven't. That is a debate we will have privately.

But this is the point. To me, it is a question of faith and trust in Americans—in particular, in this case, women, who most of all find themselves caught in this problem. I would like to know where you get a leather couch for $250.

Mr. BIDEN. You don't.

Mrs. BOXER. If you can find one, let me know, because I need one. The fact is, you can't.

The other fact is, if we could put this chart back up, under current law this is the cash card advance. You play with that, too, I say to my friend, it used to be $1,075 over 60 days. Now he rolls it back to $750 and says it is a great deal.

This reminds me of the debates on a woman's right to choose. The presumption is, we can't trust women to make this decision. People supported a 24-hour waiting period, as if a woman never thought about it. They want Government to be involved and make the rules. In a way, it is very similar. It is treating people with distrust.

We have a good law here, the current law. At $1,075, it is presumed you needed these things. It is fine. The other point about: Oh, you have the receipts; it is not a problem, I would ask every American today to put their hands on their receipt that they got when they made their last purchase. Now maybe I am just not good at it. My husband is good. He is probably the one guy I know who keeps every receipt.

Mr. BIDEN. Will the Senator yield for 2 seconds?

Mrs. BOXER. Yes.

Mr. BIDEN. The credit card company, as you point out, will send you the bill. That is your receipt.

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

Mrs. BOXER. I ask for 3 seconds.

The PRESIDING OFFICER. The Senator from West Virginia controls the time.

Mrs. BOXER. May I have 30 seconds?

Mr. BYRD. Mr. President, I have never seen 3 seconds yielded in this Chamber. Does the Senator want 1 minute or 2 minutes or 3 minutes?

Mrs. BOXER. I would be delighted to have 1 minute.

Mr. BYRD. I yield 1 minute to the Senator.

Mrs. BOXER. The only reason I asked for 3 seconds is my friend asked for 2 seconds. I am trying to be fair.

The bottom line here is, as I look at this, this is the little person against the huge credit card companies. The CEOs, who are getting paid millions of dollars, look at the little people and say if they charge $250 cumulatively over 90 days before they declare bankruptcy, they are presumed to be bad people. I have more faith in people than that. I really hope that Senators will support this amendment.

Let's go back to current law. It is fair. And let's reject this portion of S. 420. It is unfair.

I thank my friend from West Virginia very much for his generosity.

The PRESIDING OFFICER. The Senator from West Virginia is now recognized.

Mr. BYRD. Mr. President, the distinguished Senator from California is very gracious, and she was welcome to whatever time I have been able to yield to her.

THE BUDGET AND TAX CUTS

Mr. BYRD. Mr. President, on February 28, 2001, President Bush sent to the Congress his fiscal year 2002 budget outline entitled, ''A Blueprint for New Beginnings.'' Sadly, this budget is a blueprint for putting tax cuts for the wealthy at the front of the line, above all of the needs of the American people.

Now I say to my colleagues, caution, we have not yet seen the real budget. The President's budget will be sent up to the Hill in the early part of April. We have not seen it yet. So I would suggest to all of us that we go slowly until we see the fine print in the President's budget.

What we have seen thus far is a mere blueprint entitled ''A Blueprint for New Beginnings.'' But I say again, this is a blueprint for putting tax cuts for the wealthy at the front of the line, above all other needs of the American people.

The President's Budget allocates 80 percent, over $2 trillion of the $2.5 trillion non-Social Security, non-Medicare surplus, on tax cuts.

Two trillion dollars. Does anyone know how long it would take to count $1 trillion at the rate of $1 per second? It would take 32,000 years—32,000 years—to count $1 trillion at the rate of $1 per second.

The President's budget allocates 80 percent, over $2 trillion—that would take 64,000 years to count at the rate of $1 per second—of the $2.5 trillion non-Social Security/non-Medicare surplus on tax cuts. I believe the President is not on the same page—I say this respectfully about the President—with the American people.

I keep hearing this said: ''Give the money back to the people. Give the people their money back.'' Well, we are going to give a few of the rich people in this country a lot of money back, if this tax cut is passed as proposed. Don't we also owe the people clean water? Don't we also owe the people modern highways, safe bridges, a reliable energy supply, and modern school buildings for their taxes? It is their money. Yes. It is also their school buildings, also their highways, their bridges, their debt, the public debt. Isn't it true that this country's infrastructure, its supply of clean water, its sewers, its transportation capabilities, its energy delivery systems are vitally important to a healthy economy?

These things are vital to support thriving businesses. They enhance productivity. They provide jobs. They are basic to the quality of life for our people. A strong infrastructure is basic to a strong economy.

We can't continue to expect the performance of an eight-cylinder economy if we refuse to clean the spark plugs and tune up the engine. Our Nation's infrastructure is fast becoming a Model T, riding on retread tires. Yet, this administration seems to believe that the old buggy can continue to keep rolling with no maintenance and no repairs.

I submit that putting a few dollars back into the pockets of the rich—and I have nothing against a person being rich; I wish I could be rich; that was never one of my fondest dreams, never one of my goals in life to become rich—is no substitute for addressing crumbling schools, outdated highways, and dirty drinking water, and on and on and on. Yes, it is the people's money, but it is also the people's dirty drinking water. It is also the people's crumbling schools.

These things are the first responsibility of Government, and they are what we owe the people for their taxes. They are things the people cannot provide for themselves. I was a Member of Congress when President Eisenhower advocated legislation establishing the Interstate Highway System. I voted for that. I have voted for the taxes to build it. These are things the people cannot provide for themselves. People cannot provide interstate highways, a national system of highways for themselves.

By putting tax cuts at the head of the line, the President does not leave enough of the surpluses—although he may say otherwise; he may be advised otherwise, but it is not true—to adequately fund programs that meet the needs of the Nation.

You people out there watching through those electronic eyes, I am talking about you. You are the taxpayers of the country. It is your children in the dilapidated schools. It is your children who are in the crowded classrooms.

The President's budget proposes to increase discretionary spending by just 4 percent, barely enough to adjust for inflation. Much of this increase, however, is for defense programs. I don't complain about national defense. I have helped to build this country's defenses with my votes and with my taxes, too. While defense programs are increased $3.1 billion, which is 1 percent above baseline—and baseline is last year's appropriation plus inflation, so the President's budget provides for 1 percent above that, above last year's budget plus inflation and then add another 1 percent; that is for defense—while defense programs are increased $3.1 billion above baseline for fiscal year 2002, nondefense programs are cut $5.9 billion or 1.6 percent below baseline, baseline being last year's appropriation, plus inflation. The President's budget is not going to add plus inflation. He is going to cut below baseline for nondefense programs.

Senators, wait until you see this President's budget. Wait until you can see the fine print. In revolutionary war terms, ''wait until you see the whites of their eyes.'' I say to my colleagues on both sides of the aisle, wait until you see the fine print in this President's budget. When are we going to see it? It will be after April Fools' Day, sometime in early April.

The Senate Budget Committee has estimated that domestic programs that are not Presidential initiatives—get that, domestic programs that are not Presidential initiatives—will be cut by 6.6 percent in fiscal year 2002. Most of these cuts are not yet specified in the budget for review. They are not in that blue outline about which I am talking. This is what we have to go on up to now, ''a Blueprint for New Beginnings.'' I have read this thing from cover to cover, as they say, but that is not it yet. That is not the fine print. This is just the bare skeleton. You can see through it, as Paul said, ''through a glass darkly.''

After 2002, discretionary spending grows with inflation, not population.

This means we will be spending less on man, woman, and child in America. Despite the fact that the Census Bureau is predicting that the country's population will grow by 8.9 percent by 2010—that is not far away—the President's budget provides no resources—none—to deal with that growth.

I have been around a long time. I can remember that when I graduated from high school, there were 130 million people in this country. When I was born, there were 100 million, in 1917. Today, there are 280 million. The population, we hear, will grow by 8.9 percent by 2010. The President's budget provides no resources—none—to deal with that growth. Nor does the budget include resources to respond to a recognized long-term infrastructure deficit in this country. Over the next 5 years, nondefense programs are cut $24.5 billion below baseline.

So, Senators, before we get on board for this colossal tax cut for the wealthy, just back off a little bit, just hold on and say, whoa, let's wait and see the fine print. Let's see how that affects the people back home, the people who send you here.

The President calls the surplus ''the people's money.'' Have you heard that expression? You are going to keep on hearing it a lot. And he is right, it is the people's money. And we are elected by the people to make the right choices, the disciplined choices, about the use of their money.

The Wall Street Journal of March 8, 2001, contained the results of a recent poll that asked this question:

If taxes are cut this year, would you prefer a large tax cut or a smaller tax cut and one of the following:

I will read that again:

If taxes are cut this year, would you prefer a large tax cut or a smaller tax cut and one of the following:

It goes on to enunciate as ''one of the following'': A smaller tax cut and more education. So would you prefer a large tax cut or a smaller tax cut and more education funding? Which would you rather have: A large tax cut, the so-called $1.6 trillion tax cut the President is talking about; or would you prefer a smaller tax cut and more education funding? Well, 64 percent of adults responded, yes, they prefer a smaller tax cut and more education funding; 64 percent preferred that against 30 percent who preferred a large tax cut.

Now the next bars in the graph indicate a response to this question: Would you prefer a large tax cut or a smaller tax cut and more Social Security funding? The chart shows that 65 percent of the respondents answered they would prefer a smaller tax cut and more Social Security funding. Only 29 percent preferred to have the large tax cut.

Then the third category: Would you prefer a large tax cut—let's say the President's proposed tax cut of $1.6 trillion—although it is growing every day—or would you prefer a smaller tax cut and paying down the national debt? Well, the respondents answered that question, and 60 percent said they prefer to pay down the national debt; 32 percent preferred the large tax cut.

So, again, I will say the President is not on the same page with the American people.

We have had a series of hearings in the Senate Budget Committee that have exposed a number of important, unanswered questions about the President's budget. His tax cuts are based on highly uncertain 10-year surplus estimates. The Congressional Budget Office, which prepared those surplus estimates, projects that there is only a 10-percent chance their surplus estimates for 2006 will be correct. The CBO witness testified before the committee that the probability of the 10-year surplus estimates coming through shrinks even further by 2011. Yet the costs of the President's tax cut proposal explode in the outyears—meaning the years 2007 through 2011. Over 72 percent of the revenue losses from the tax cuts occur between fiscal years 2007 and 2011, and these cuts total at least $344 billion per year, beginning in fiscal year 2011.

Let me say that again. If we take a microscope and look at these projections concerning surpluses and put them alongside the tax cut proposal, we find that the probability of the 10-year surplus estimate coming through shrinks. After having said there is only a 10-percent chance that that surplus estimate for 2006 will be correct, it goes on to say that the probability of the surplus estimate coming through shrinks even further by 2011.

Yet, on the other side of the coin, the costs of the President's tax cut proposal explode in the outyears. They are backloaded, you see—the years 2007 through 2011. Over 72 percent of the revenue losses from the tax cuts occur between fiscal years 2007 and 2011, and these cuts total at least $344 billion per year beginning in fiscal year 2011.

Let me ask you, the public out there, as I look through these electric eyes here: If we can't project 24 hours in advance that the stock market is going to drop 436 points—in 1 day, within 24 hours—if we can't project 24 hours ahead that we are going to have this big loss in the stock market of 436 points, how can we project 10 years out and say the surpluses will be this much, or that much, or some other amount? We are living in a fool's paradise when we gamble on such estimates.

My good friend, Howard Baker, referred to the Reagan tax cut of 1981 as a riverboat gamble. That is what they were talking about. Apparently gambling is not out of style. This is another riverboat gamble.

This administration's plan would sap the budget of the resources needed to solve the Social Security and Medicare crises that loom just over the horizon due to the impending retirement of the baby boom generation. The baby boom generation—it just started about the time I got into politics, about 1946. That was the beginning. So the baby boom generation will really be retiring about 10 years from now.

Currently, 45 million people receive Social Security and that number is expected to grow to 60 million in the year 2015. Yet the Social Security trustees estimate that Social Security expenditures will exceed receipts in 2015. Currently, 40 million people receive Medicare, and the number is expected to grow to 46 million in 2010. Yet the Medicare trustees estimate that Medicare expenditures will exceed receipts in 2010. That is just 9 years away.

Despite the 407–2 vote in the House last month and similar votes in the House and Senate last year to protect the Medicare hospital insurance trust fund, the budget does not even project the existing $526 billion Medicare surplus for Medicare, instead putting it into a fantasy reserve, an Alice in Wonderland reserve, a fantasy reserve, to be used for ''unspecified purposes.'' Now, does that cause you to remember anything about the Reagan tax cut in 1981 where they had a $44 billion magic asterisk—$44 billion magic asterisk. Those were ''unspecified'' cuts. Nobody knew what cuts. But really in the minds of the planners back then they had Social Security in mind, Social Security and Medicare. That is what they had in mind. But they didn't quite have the nerve to come out and say so. So they just put a little asterisk down at the bottom of the page. The ''magic asterisk'' it was called.

We are seeing the same thing over again. History does repeat itself. The American people expect the President—here is what they expect the President to do—to put forward a serious, disciplined budget that addresses their long-term needs. That is what they expect. Yet the President is offering the people candy first, putting tax cuts in front of the hard work of fixing Social Security and Medicare. That is hard work. That is going to take some political capital, and politicians will have to expend some of that political capital when it comes to fixing Social Security and Medicare. But just hold on a moment, we will wait on that. Put the tax cuts first. We will give them the candy first.

It is very disturbing that Congress is moving ahead on the tax cut in the absence of a complete budget. A few days ago, the House of Representatives passed the first of several bills that cut taxes. The first bill alone cuts taxes by almost $1 trillion; yet the House has not taken up a budget resolution. We do not even have a full budget, as I said earlier, from the President. Most of the details of the President's budget are not expected to be sent to Congress until after the debate on the budget resolution next month.

The President is telling the American people, in essence, let's serve up the candy now and put off the tough

questions on what programs will be cut until later. Instead of a menu designed to nourish the Nation with the vitamins needed for healthy growth, I can see only a sweet snack of tax candy.

The President's tax cut proposal could put us back on the course toward deficits, returning us to the days when we had to spend the Social Security surplus for day-to-day Federal operations. By undermining fiscal discipline, this could return us to the days of high interest rates, making the average wage earner's mortgage, education, and automobile more expensive.

We should not return to an era of deficits like the 1980s. We have been down the road of big tax cuts and promised surpluses, and we ended up where? In the ditch.

When President Reagan presented his first budget to the Congress, he, too, proposed big tax cuts and future surpluses. There are not many in this town who remember that President Reagan's 5-year budget plan projected surpluses for fiscal year 1984, $1 billion; fiscal year 1985, $6 billion; and fiscal year 1986, $28 billion. Those were the projected surpluses. Congress passed a tax cut bill that reduced revenues by over $2 trillion from fiscal year 1981 to fiscal year 1991.

Did the Reagan administration projections of surpluses come to pass? No. In fact, precisely the opposite occurred. The fiscal year 1984 deficit was not a surplus of $1 billion but a deficit of $185 billion. The fiscal year 1985 deficit was not a surplus of $6 billion, but a deficit of $212 billion. And the fiscal year 1986 deficit was not a surplus of $28 billion, which we were promised, but it was a deficit of $221 billion.

That was an error, that was just a small error amounting to $653 billion over just 3 years.

How much is $1 billion? $1 billion is a dollar for every minute since Jesus Christ was born. That is $1 billion. It doesn't sound like that much when it is jingling in your pocket, or you are making big promises to the taxpayer. But it is $1 for every minute since Jesus Christ was born. We are talking about an error not of $1 billion but of $663 billion over 3 years.

The President asked his Secretary of Defense to undertake a thorough review of the defense needs of the Nation. I am for that review. I support the President's proposal. As he stressed in his address to the joint session last month, he wanted a policy first, with a budget to follow. In fact, the President said, these are his words ''our defense vision will drive our defense budget. Not the other way around.''

It makes sense to me. I also think the President should have the same philosophy for our domestic needs. Our domestic vision should drive our domestic budget, not the other way around. If the defense review results in further proposed increases for defense, the budget is not clear on whether those increases will have to be absorbed within the 4-percent increase proposed in the budget. If that is the case, domestic programs, which are already $5.9 billion below baseline, will have to be cut even more. Already, this budget leaves infrastructure needs, education, science, technology, and many other domestic programs, behind. This budget continues to let the underpinnings of our economy slide into disrepair and neglect. No help is on the way in this budget blueprint.

According to the American Society of Civil Engineers, one-third of the nation's roads are in poor or mediocre condition, costing American drivers an estimated $5.8 billion and contributing to as many as 13,800 highway fatalities annually.

As of 1998, 29 percent of the Nation's bridges were structurally deficient or functionally obsolete. It is estimated that it will cost $10.6 billion a year for 20 years to eliminate all bridge deficiencies.

Capital spending on mass transit must increase 41 percent just to maintain the system in its present condition.

Airport congestion delayed nearly 50,000 flights in one month alone last year.

Seventy-five percent of our nation's school buildings are inadequate to meet the needs of schoolchildren. The average cost of capital investment needed is $3,800 per student.

The nation's 54,000 drinking water systems face an annual shortfall of $11 billion needed to replace facilities that are nearing the end of their useful life and to comply with Federal water regulations.

In 1955 I traveled around the world in an old Constellation. We traveled for 68 days, I believe it was. They call that a junket these days. We went to the Middle East and we saw people there carrying their water around in what appeared to be gasoline cans.

We traveled around the world. I saw the Taj Mahal; I saw the pyramids of Egypt; I saw many beautiful sites in many lands. But the most beautiful site I saw on the whole trip was the little red lights flashing on the top of the Washington Monument on the night I returned.

I was able to go to the house, turn the faucet, and get a drink of good, clean water. I had been in many countries where we couldn't drink the water—couldn't drink the water. So we take our blessings for granted—clean water. Yet there are places in this country where the water is not clean. There are places in the great cities of this country where the water is not clean. And some sewer systems are 100 years old or over 100 years old. Currently, there is a $12 billion annual shortfall in funding for infrastructure needs in this category.

Give the people back their money? Yes. Remember, it is their dirty water, also; their sewer systems. Right here in the District of Columbia, take a look at the potholes. Read about what happens to the sewer system in this city.

There are more than 2,100 unsafe dams in the United States. There were 61 reported dam failures in the past 2 years.

Since 1990, actual capacity has increased only 7,000 megawatts per year, an annual shortfall of 30 percent. More than 10,000 megawatts of capacity must be added each year until 2008 to keep up with the 1.8 percent annual growth in demand.

President Bush's budget does not respond to these needs.

The Bush budget could leave billions of dollars of gas tax receipts sitting in the Highway Trust Fund rather than helping us develop our highways, bridges and mass transit systems for the 21st century.

According to the Federal Highway Administration, less than half of the miles of roadway in rural America are considered to be in good or very good condition. Of the road miles in rural America, 56.5 percent are in fair to poor condition. The people's money? Yes. Whose highway? The people's highway. Conditions are even worse in urban America, where 64.6 percent of the road miles are considered to be in some level of disrepair, and only 35.4 percent of urban roadways are considered to be in good or very good condition.

Violence pervades our schools. Our students score poorly when pitted against students from other countries. Seventy percent of our 4th graders have difficulty even reading. The people's money? Yes, it is the people's money. But we are talking about the people's children. While the President takes credit for proposing an 11.5 percent increase in education programs, the Education Secretary has testified that the actual increase is just 5.9 percent. The President's increase of 5.9 percent just doesn't make the grade.

A study by the National Center for Education Statistics, in June, 2000, the ''Condition of America's Public School Facilities: 1999,'' estimated that the total cost of putting the nation's public schools in good repair is $127 billion. The people's money? Yes, it is the people's money. But it is the people's school buildings. A 1994 General Accounting Office study put the cost of school renovations at $112 billion.

Of the schools surveyed in the more recent study, half reported at least one building feature, such as heating, plumbing, roofs, or sprinklers and fire alarms, in less than adequate condition, and nearly half reported at least one environmental factor, such as ventilation, security or indoor air quality, in unsatisfactory condition. The average age of a public school is 40 years;

the functional age, that is, the age since the last major renovation, is 16 years. Yet the Bush budget proposes to eliminate the Federal program that is specifically designed for renovating schools.

Our needs for clean water projects are growing. Wastewater treatment plants prevent pollutants from reaching America's rivers, lakes, and coastlines. They prevent water-borne disease, keep our waters safe for fishing and swimming, and preserve our natural resources like the Chesapeake Bay, Great Lakes, and Colorado River. However, the President proposes only level funding for the national program and he proposes to eliminate about $350 million of projects that were earmarked by Congress last year.

We have learned that just through this outline, this blue book, ''A Blueprint For New Beginnings.'' That is the large print, and not all the large print. Wait until we see the budget; just wait until we see the small print. Then I will make another speech, if it is the Good Lord's will, and I am still here.

Energy programs are proposed for over $700 million in cuts this year, including steep cuts in programs designed to promote energy independence, such as energy efficiency and renewable programs and fossil fuel programs.

The President's Budget proposes cuts below baseline of 2 percent for the National Science Foundation, 2 percent for NASA and 7 percent for the Department of Energy. In the March 9, 2001 New York Times, Dr. D. Allan Bromley stated that the major driver of our nation's economic success is scientific innovation. He stressed that many economists attribute much of America's 1990's boom to increased productivity stemming, in large part, from scientific research. He concluded that the cuts proposed in the budget are, ''a self-defeating policy''. Dr. Bromley was the science and technology adviser to President George H. W. Bush from 1989 to 1993. I could not agree with him more.

What are we leaving to America's children? How much longer can we afford to ignore the infrastructure needs of this nation? If we hand them a worn out 19th century infrastructure which cannot support a vital economy, what do we tell them.

We can tell them: We gave your parents a tax cut. That is what we can tell our children.

I am not against tax cuts. I want to see us wipe out this marriage penalty that subsidizes the cohabitation of people who are not married. I want to wipe that out, or at least cut it. So I am for some tax cut.

But if we leave our children with dirty water, antiquated schools, poor mass transit, rusting bridges, what do we tell them? We gave your parents a tax cut. Can't you be happy with that?

If the projections are wrong, and we go back in debt, bequeathing our children nothing tangible except red ink and interest payments, will they really appreciate the government's generosity in giving their parents a tax cut?

Instead, as I look at the President's budget priorities we haven't seen them up close; we just see them through a glass—and that is what a budget is, a statement of priorities—I see a plan that focuses on an enormous tax cut instead of supporting efforts to promote school safety. After the school shooting in California last week, one of the students commented that he believed that the presence of a police officer who is regularly on campus helped to save lives when the gunfire broke out. The ''COPS in Schools'' program has been a valuable resource for students, teachers and school administrators. It has helped to stop would-be violent acts at schools before they start. Yet the Bush administration's budget proposes to ''redirect''—.

Remember that word ''redirect.'' I find that word in this so-called ''A Blueprint for New Beginnings.'' I find that word ''redirect'' in that blueprint more than once. It is an interesting word. See how it is used.

I have strong concerns about the word redirect—to redirect $1.5 billion from Department of Justice grant programs like COPS. The President is not on the same page with the American people.

Mr. President, we are a nation of dreamers. We dream of a better life for all of our people. We dream of a brighter future for all of our children. We are inspired by a challenge—we rise to it, we embrace its promise, we enjoy righting wrongs, breaking new ground, achieving the impossible. When our collective will is engaged, and we agree to put resources behind a challenge, the United States can be an awesome force for remarkable progress and for good in the world. We need leadership to fully galvanize our attention. Yet, when that combination of American determination and drive is motivated by a vision, great things can be achieved. Witness space exploration and putting a man on the moon; witness beating the old Soviet Union in the arms race; witness mapping the human genome for which the distinguished Senator from New Mexico, a member of the Senate Appropriations Committee, Mr. DOMENICI, is to be given great credit. This is something that originated in the brain of a Member of this body to support this research.

Witness the mapping of the human genome and all of the other mind-boggling advances in science and medicine over the last 50 years.

But, where is the leadership and inspiration for this new millennium? I find none in the trumpeting of a tax cut, and this tax cut in particular. I see no call to make the world a better place for our children. I see no appeal to mount a massive effort to beat cancer or aids. I see no drive to make our children the best educated in the world. I hear no determination to make us energy independent.

I hear nothing about a Moon shot to make our Nation energy independent. I hear nothing about a Moon shot to make our children the best educated children. I hear nothing about a Moon shot to conquer cancer. I was here when Sputnik burst forth from the headlines of the Nation's newspapers and the world's newspapers. I heard John F. Kennedy say, ''We are going to put a man on the Moon,'' and we did that. We put a man on the Moon and brought him back safely to Earth again.

Yes. We made the world safer for democracy. We participated in two world wars. We had the dream of the Marshall Plan. We had the dream finally culminating in the breaking down and the tearing down of the Berlin Wall.

We remember the Berlin airlift. President Harry Truman was determined to break that Soviet ring that had Berlin enclosed. We didn't back away from that challenge.

The Interstate Highway System was another dream.

We hear no determination to do great things today. The centerpiece of this administration is not a dream. It is not a great dream. It is not a great call for a Moon shot to beat back the ravages of cancer, tuberculosis, sugar diabetes, and the other diseases that confront our people. We hear only a call for huge tax cuts for the wealthy.

I hear no appeal to American pride to repair our dilapidated system of transportation. Our roads, our bridges, our mass transit systems, our airports, our national parks should be the envy of the world. What has happened to our pride in American know how, American skills, American research, and America as a show place to inspire visitors to our shores with the tangible achievements of this great experiment in representative democracy? Are we to forgot our glory days? Are we to settle for smaller dreams, and more limited horizons.

Is this what we are going to settle for? Do we tell our children that we didn't want to go for bigger things because we gave their parents a tax cut?

I hear no call to greatness in this peddling of massive tax cuts. I hear only a veiled appeal to greed and to distrust of government.

The President is not on the same page with the American people. The American people, according to these polls, are not asking for a refund. They are not asking for a refund. They want their government to lead. They want their government to inspire. They want their government to do the great things for the country, the very things

they pay their taxes for. That is what they want. In short, they are not asking for their money back. They want their money's worth. And a king's ransom of a tax cut will be worth nothing to them if it shortchanges our Nation's children and downsizes our dreams.

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. FITZGERALD). Without objection, it is so ordered.

BANKRUPTCY REFORM ACT OF 2001—Continued

Mr. SESSIONS. Mr. President, we are now proceeding on the bankruptcy bill in the regular order.

I want to say a few general remarks about this process of bankruptcy. It is provided for in the U.S. Constitution. It was not written out in the early days of our founding precisely how bankruptcy law should apply, but it did provide for uniform Federal laws of bankruptcy. So our bankruptcy court system is a Federal court system presided over by Federal bankruptcy judges, and all the clerks are Federal civil servants.

England developed some procedures to deal with persons who owed debts. Basically, they would turn over everything to the Crown, and sometimes they would get thrown in jail. But their assets would be distributed equally to whoever was claiming money from that person in sort of a realistic-priority way.

Over the years, we have provided tremendous protections for the person filing bankruptcy. It does aid them in a lot of different ways. How does it actually work?

Let's say you are in debt and telephone calls start coming from the creditors. You promised to pay certain debts and you are not paying them. I do not know how we can complain too much about somebody calling to ask what your intentions are about paying them. They become burdensome on the family after a while, though—very burdensome. Then people threaten lawsuits. Then they file lawsuits. And lawsuits get carried on to judgment.

The person is being sued. They are being called. Their lives are really being disrupted because they are unable to pay the debts they owe. So under this circumstance, a person is allowed to file bankruptcy. When bankruptcy is filed, that stops everything. You cannot be harassed by phone calls or other claims for debts because all the creditors—people who are claiming money—have to be sent a notice; and when they get the notice that you filed bankruptcy, all they can do is file a claim at the bankruptcy court.

They cannot keep bugging the individual American citizen. They have to leave him or her alone or the bankruptcy judge will slap them with a fine if they do that, because bankruptcy does stay those kinds of activities. It stops the lawsuits. All lawsuits are stopped under the bankruptcy. It is called a stay. A stay is issued, and the legal proceedings stop, so a debtor can take a breather.

Basically, they go into court, if it is an individual. And the individual has two choices. He can file, under current law, under chapter 7. He can say: I am exempting my homestead. You can't take that. And certain of my personal property, you can't take that. This is all the money I have otherwise. This is all the assets I have. You take that and divide it up among all those people I can't pay. It may be 5 cents on the dollar, 10 cents on the dollar, 50 cents on the dollar—usually less than 10 cents on the dollar, or less than 30 cents on the dollar, anyway—when they do that.

Then they wipe out those debts. They are forever gone. They signed a contract. They signed agreements. They got sued. And they got judgments against them. It is all wiped out; a person does not have to pay.

That goes on in America regularly. And it is a healthy thing for people who are in debt so deep that it is not possible for them to get out. And we affirm that.

So over the years bankruptcy law has been amended and improved. We had a Bankruptcy Reform Act in 1978, the last real reform of bankruptcy law in the United States. At that time, there were fewer than 300,000—I think 270,000—bankruptcies a year.

Since 1978, bankruptcies have increased at a steady pace. Now the filings exceed—well, in 1998 or 1999 it was 1.4 million. It dropped a little last year, but it is projected to go up again significantly this year. So we are talking about nearly 1.5 million filings this year. You may say: That is not too many. We have 250, 260 million people in America. A lot of them are children, and a lot of them are in jail, and so on. You take those numbers down—who is really eligible—and that is getting to be a significant number. We do not think about the fact that it is happening every year. When you add up 5 years, that is 5, 6, 7 million people who have filed bankruptcy in a period of 5 years. That becomes a significant portion of the American population. If they all qualify, then I do not have a problem with it.

But what has occurred in recent years is the proliferation—and I think virtually every city in America has it—of some sort of promotional bankruptcy mill. For years, lawyers could not advertise. Some people can still remember that day. But now they can. So you turn on the TV at 11:30 at night or Saturday afternoon, or pick up the dime store, corner market shopping guide, and there are these advertisements: Wipe out your debts. Don't pay anybody you owe. Call old Joe, your friendly lawyer. He will tell you how to do the deal.

So people call. They are in debt and having trouble managing their money. Some of them are in debt because they could not help it—maybe there were serious injuries, maybe medical causes, maybe bad business deals, bad judgment. Some of them just cannot manage their money. Some of them have drug problems. Some have alcohol problems. Some are just unable to manage and just will not stop spending.

So they go to the lawyer. And this is fundamentally what the lawyer tells them. He says: Now, when you get your paycheck, you save that money, and you bring it straight to me—all that money—and maybe your second check. As soon as I have $1,500 or $1,000, I will file your bankruptcy. Don't pay any of your other debts. Don't pay any more debts. He will say: Use your credit card. Run up everything you want to on your credit card. Live off your credit card. Come down here, and we will file bankruptcy as soon as you get your money together to pay me. That is what has happened. That is the kind of message. They are told this is the right thing to do. These people in debt are in trouble. They are hurting. They are tired of people calling them. It is embarrassing their children and their families. They want it to end. This seems to be the best way out, so they do so. The numbers through this promotional activity have been going through the roof.

A lot of people are troubled by it. People who are regularly involved in bankruptcy and see what is happening are rightly concerned that quite a number of people are filing who don't qualify, who really don't meet our traditional standards of someone who cannot pay all or a part of their debts.

The discussion went on for a number of years about how to deal with it. A Federal bankruptcy commission dealt with it, others have dealt with it, lawyers groups, experts, and so forth. We have had, in the Senate and in the House of Representatives, hearings that have gone on for over 4 years now. As a result of those hearings and refinements, bankruptcy bills have come forward. One passed this body 2 years ago with about 88 votes. The last one passed with 70 votes. It has passed the House every year with a veto-proof margin, strong bipartisan Republican and Democratic support.

We are dealing with this incredible surge in bankruptcies and trying to do it in a way that allows everybody who previously legitimately wanted to file

bankruptcy, that they could file bankruptcy, by trying to identify those who don't qualify and should be contained in their filing. So this is a fundamental change in bankruptcy. We adopted what has come to be called a means test. It says if you have the means to pay some or all of your debt, we ought to set up a plan for you to do so.

In law today, we have two sections. I mentioned chapter 7, where you go in and wipe out all your debts. Basically, the debtor can choose that. He can choose in which chapter he wants to go.

There is a another chapter called chapter 13. In that case, if you file in chapter 13, all of the lawsuits stop; all of the phone calls stop. The court sits down with the debtor and works out a payment arrangement. They prioritize the debts to be paid. Some of them are secured; some are not secured. The right priorities are all set. Then that person basically takes his paycheck in every month. He or she gives it to the court. He or she keeps enough money to live on. They give the money to the court, and they pay out to the debtors every dime.

Under chapter 13, many people work through their debts, people with low incomes and higher incomes. They pay off all their debts.

In my State of Alabama, I am proud to say that in the southern district of Alabama, where I practiced, 50 percent of the people who filed filed under chapter 13. They wanted to pay their debts back. In fact, there are some good incentives to filing under chapter 13, a lot of good things for a creditor that I won't go into here.

They are doing it in Birmingham. In the northern district of Alabama, I understand 60 percent file there. I also understand there are some districts in New York and other places where less than 10 percent, maybe even less than 5 percent use chapter 13. Just routinely, the debtors come in and wipe out all their debts.

How should we deal with that? After much thought, it was decided that we ought to focus this legislation on a relatively small number of people filing for bankruptcy who have income sufficient to pay back some or all of their debts. We thought that was a good approach, and it has been widely received and voted on by most of the Members of this body.

Basically, we drew a bright line. We said: Based on the size of your family and the income of your family, if you make below median income, which in America for a family of four is $50,000, you will be able to file bankruptcy any way you want, 7 or 13, just like today.

There is no change for them in that regard. We believe probably 70, 80, 85 percent of the people who file bankruptcy are below median income, but for that 20, that 10, that 15 percent who make above median income—some make $70, $80, $90, $200,000, $250,000, some are doctors, some are lawyers, some have professional incomes, and so forth—to them we say: We are going to look at your income. We are going to look at your earning possibilities. If you are able to pay back at least 25 percent of that debt over 3 to 5 years, we are going to put you in chapter 13, as half the people in my State do anyway, and we are going to ask you to try to pay those debts over that period of time. You will be monitored by the court.

By the way, this bill says, in a historic step, child support and alimony will be moved up to the top, to the first item that will be paid. For 5 years, you will be under the supervision financially of a Federal bankruptcy judge, and you will pay your alimony. You will pay your child support on time. As a matter of fact, the judge will order a repayment of past due alimony and child support under court supervision.

I thought that ought to greatly please most people in America. It deals only with the abusive cases. It confronts the problem we are seeing in bankruptcy. Maybe somewhat fewer people will file if they don't think they can get away with ripping off the average taxpayer, citizen.

They say: These credit card companies, these are evil companies. They go out and actually lend people money. They are not citizens, they are corporations. They are evil. They are always trying to cheat you, and we don't need to pay them. They care about this bill. Therefore, the bill is no good.

That is silly. That is not right. The first principle of economics, which a lot of people in this body apparently don't know or forgot, is there is no such thing as a free lunch. Somebody is going to pay this debt if you don't pay it. Somebody is going to eat that loss. If it is a bank or a credit card company, they have computers. They figure it out. They start seeing greater losses. What do they do? They have to raise the interest rate on all of us.

Experts have studied this; economists have studied it. They have concluded that the average debt-paying American citizen who pays his bills is annually imposed a bankruptcy cost of $450. That is about $40 a month they are having to pay every month because other people in this country don't pay their debts.

They say: Well, maybe it was because they had a high medical bill. Therefore, we don't want them to pay their hospital bill. Heaven knows, they should not pay the doctor and the hospital who treated them and helped them get well. This bill is oppressive because it would suggest that people ought to pay their hospital bill if they can.

Basically, that is what the argument is. If you are making below median income, lower than median income in America, then you can file, just as you always did, and you can wipe out your bills to the hospital, to any other people that you owe, including your bookie, I guess—wipe that all out. But if you are making above median income, and the judge finds you are able, only if he finds you are able to pay 25 percent of what you owe to the hospital over a period of 3 to 5 years, he can order a payment plan that requires you to pay that 25 percent. And he will allow you every month to have sufficient funds to live on, in the court's judgment.

Well, I don't think this is oppressive. This is a reform. This is a piece of legislation that deals with a fundamental question. I was asked by a young reporter yesterday afternoon, while doing a piece for one of the TV shows, ''Do you think this is a moral question?'' I said, ''I absolutely think it is a moral question.''

What we do here when we establish law, as our Founding Fathers always knew, and I think we are forgetting, is that we are setting public policy that guides and shapes American values. What we say you must do and what we say you don't have to do shapes opinions and values.

So I think it is a bad suggestion, an unhealthy value to promote, that a person who can pay a substantial portion of his or her debt can just walk away from it—not pay the hospital, for example.

I have visited 20 hospitals in my home State this year. They have a bad debt section that they write off regularly. They are not expecting any great, huge surge of benefits from this bill. But why should you not pay the hospital if you can pay a portion of it? What is bad about them? Is that not a good institution that ought to be valued? Who else is going to pay for the hospital if the person who is using it doesn't pay?

Well, they say: Maybe you didn't have health care insurance. If you make above the median income, you ought to have health care insurance. Maybe somebody who is struggling to get by every day, who would be below median income, is not able to take out health care insurance. If you are making above median income, you need to have some health insurance. Why should a person who is not responsible, making above median income, who didn't have health insurance—why should they be able to stiff the hospital when the ''honest Joe'' and his family, who are making below median income, takes out his health insurance every month and pays it and makes sure his hospital is paid if he and his family go there?

I think it is a moral question. I think we need to set a public policy that says, yes, we validate the great privilege of American law—and that has really been increased in recent years—

that allows a person to wipe out their debts and start over again. We validate that. We do not object to that. We have tried to create a bill that does just that. But we also say that if you have a higher than average income and you can pay some of those debts, we want to set up a system where you pay them.

I believe this is a fair approach, a balanced approach, a generous approach. And the legislation has quite a number of factors in it that cut down on fraud and abuse. We raise up the protections for women and children, as I said. We have tightened up the language on the bill to reaffirm a debt from a person who maybe wants to keep his car, or a washing machine, and they can come in and negotiate with them. We can put extra protections in before they can reaffirm a debt after bankruptcy and want to keep something, so that the creditors are protected.

We put in another amendment that people have asked for. I think, in general, I will challenge people to tell me what it is about this bill that is precisely unfair to anybody. If we want to talk about the means test, we will talk about that. That is the real change, the only thing that really happens here of significance.

We have made a number of other improvements to reduce abuses and problems with the bill and the processing of cases in bankruptcy, which I think everybody would support.

We have had a lot of amendments. If anybody listens carefully, they will find they are not focusing primarily on the improvement of bankruptcy law and the administration of assets in a bankruptcy court. They are focused on rules for credit cards or bank lending rules, all of which are not in the jurisdiction of the Judiciary Committee. They are in the jurisdiction of the Banking Committee. Periodically, that kind of legislation comes forward. We will have amendments that touch on issues outside the bill, but, for the most part, we are right on.

We had a vote on homestead. The homestead law in this bill eliminated quite a number of abuses. The homestead law basically said that States could set their own standard for how much you could protect in your home. If you file bankruptcy, each State has a homestead limit—some as low as $5,000; some are unlimited. So in certain States you can buy a home and put $2 million into your home, and when you file bankruptcy, you get to keep your home.

I never thought that was a good idea. I voted to eliminate that. Some State laws have unlimited assets, and some Senators wanted to keep that. They fought us and fought us and fought us. Frankly, after being a cosponsor with Senator KOHL on a limit of $100,000, which we passed, we went along with a compromise that we reached that restricted homesteads, but not as much as I would like.

We just voted this morning to go back to the $100,000 limit. The vote was here. I voted, as I agreed to last time, for the compromise. But I certainly am happy with that public policy. I hope the Senators who lost on that vote will see just how strong this body cares about it and will realize they are not really benefiting, and the citizens of their States are not benefiting by allowing a millionaire to keep a million dollars in his home and not pay the gas station or local hospital or bank.

So those are the kinds of things that have occurred. The complaints here are either about issues outside of the reform of bankruptcy court law or it is a matter in which we have it go.

I think we have done well. I salute Senator HATCH, the chairman of the Judiciary Committee, for his steadfast leadership, and Senator GRASSLEY, who formerly chaired the Courts and Administration Subcommittee, which I am honored now to chair, when this bill came out of his subcommittee. He battled steadfastly to bring this bill up for a vote. I believe we will be able to do that today.

I am quite confident we will have an overwhelming vote for one of the most historic reforms that we can imagine. It will improve the operation of bankruptcy courts, I am confident. If we made any errors in it, I am willing to listen to that and make further amendments, if needed.

I thank the Chair and yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SESSIONS. Mr. President, on the Leahy amendment, I will make a few comments. It includes the spouse's income in a bankruptcy.

The PRESIDING OFFICER. The Chair notifies the Senator there is an order for a vote to occur at this time.

Mr. LEAHY. I ask unanimous consent the Senator from Alabama be allowed to proceed for 1 minute and then I be allowed to proceed for 1 minute.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I have no objection, but reserving the right to object, it is my understanding that, regarding the previous order entered, we are going to change the order in which the votes take place; is that right?

Mr. SESSIONS. I was going to make a change in the order according to the agreement that has been reached.

Mr. REID. I withdraw my objection.

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

The Senator from Alabama.

Mr. SESSIONS. I believe the Senator from Delaware has a request.

Mr. CARPER. I ask unanimous consent to speak for 1 minute to engage in a colloquy with Mr. LEAHY and Mr. SESSIONS.

Mr. LEAHY. Reserving the right to object, and I will not object, if the Senator from Delaware amends that to also add 1 minute for the Senator from Vermont.

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

The Senator from Alabama.

Mr. SESSIONS. Mr. President, this would be an amendment on the surface that appears to be good. However, I am of the firm opinion that it would be unwise and cause a very difficult problem with filing for bankruptcy. Under the present law, the median income is determined by household size which includes a spouse when married and living together. Yet a debtor filing singly will be tested based on his or her income only and not based on the income of the spouse as well.

Under the current bill, for a debtor who is married but has been abandoned by her spouse, that will be corrected. She will be tested under the means test from her income. If she is abandoned, her expenses will exceed her income and she will not be prevented from filing under chapter 7.

However, the ability of couples to maneuver income——

The PRESIDING OFFICER. The Senator from Alabama has used his 1 minute.

Mr. SESSIONS. I thank the Chair.

Mr. LEAHY. Mr. President, I believe we are dealing with a bill with a drafting error and I am trying to correct it. For example, in the bill before the Senate, a battered spouse who flees the home with children can be denied bankruptcy relief regardless of circumstances because the bill would count her husband's income, as well, even though she did not receive any money from him.

Without the Leahy amendment, it is hard to imagine a more antiwoman, antichild, or antifamily result. My amendment would not allow separated spouses to somehow shield assets when they file for bankruptcy because the bill already counts income of the debtor from all sources. That is why my amendment is supported by virtually every group in the country that has advocated for battered women and battered spouses. They say, we support this effort to correct this oversight which ''if left unrepaired would create a severe injustice to many women, children, and families across the country.''

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. The amendment offered by Senator LEAHY is a good amendment and he has pointed to a

problem with the bill, I think unintentional.

This is the situation we face: We have a husband and a wife and they are living separately, maybe at the end of their marriage, and the wife wants to file for bankruptcy. The income of her spouse will be imputed, regardless of whether or not that spouse is providing any kind of support at all.

As a result, in most cases the wife would not be able to file chapter 7 and enjoy the benefit of safe harbor. Mr. LEAHY would have us fix that. That is a good thing.

Unfortunately, the problem that flows out of the amendment is that in some cases that husband really is providing support for that spouse. It is important we find that out; that we not create a situation, unwittingly, where fraud could prevail and where that husband, in most cases, is supporting the wife and supporting the family and does not acknowledge as much. There is a simple way to fix it, and I hope in conference Senator LEAHY and others will find that appropriate fix.

Mr. LEAHY. Mr. President, I thank my friend from Delaware, but I note my amendment does not allow a separated spouse to somehow shield assets because the bill already counts income of the debtors from all sources.

The definition of ''current monthly income'' on page 18, lines 4 to 21, of the bill includes income from all sources. So if a battered spouse or anybody else conceal income on a bankruptcy schedule, that is a Federal crime.

What I do not want is a battered wife who is getting no income from a separated spouse to suddenly, if she is out there trying to put her financial situation in order, to have to consider the income of a spouse from whom she is getting no income.

I ask unanimous consent a letter from the American Academy of Matrimonial Lawyers, and a second letter on behalf of a number of organizations, be printed in the RECORD.

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

AMERICAN ACADEMY OF MATRIMONIAL LAWYERS,
Chicago, IL, March 15, 2001.

Hon. PATRICK LEAHY,
Ranking Minority Member, Committee on the Judiciary, Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: I write in strong support of your ''separated spouse'' amendment to the pending means test provisions of the bankruptcy bill not being considered by the Senate.

I assume the current language in the bill is the result of an unintentional drafting error. If left uncorrected, the existing language will be draconian in its application to all single parents with children who do not have the benefit of any spousal income. It will particularly jeopardize a battered spouse who flees her home with her children. This debtor could be denied bankruptcy relief regardless of her circumstances because the bill would count her husband's income as well, even if she did not receive any money from him.

The current language would impute to a single parent debtor, for purposes of a means test, the income of a separated spouse irrespective of whether the absentee spouse actually contributes any income to the household.

There can be no justification that single parents with children should suffer unduly in the bankruptcy process because false and inflated income of an absentee spouse is credited to debtor spouse. I support your laudable effort to correct this oversight, which if left unrepaired, would create a severe injustice to many women, children and families across the country.

Respectfully yours,
CHARLES C. SHAINBERG.

MARCH 15, 2001.

Hon. PATRICK LEAHY,
Ranking Minority Member, Committee on the Judiciary,
Russell Senate Office Building, Washington, DC.

DEAR SENATOR LEAHY: We write in strong support of your ''separated spouse'' amendment to the pending means test provisions of the bankruptcy bill now being considered by the Senate.

We assume the current language in the bill is the result of an unintentional drafting error. If left uncorrected, the existing language will be draconian in its application to all single parents with children who do not have the benefit of any spousal income. It will particularly jeopardize a battered spouse who flees her home. This debtor could be denied bankruptcy relief regardless of her circumstances because the bill would count her husband's income as well, even if she did not receive any money from him.

The current language would impute to a single parent debtor, for purposes of a means test, the income of a separated spouse irrespective of whether the absentee spouse actually contributes any income to the household. The effect of such language would be to falsely inflate the single parent's income such that it could exceed the means test for purposes of the safe harbor, for access to Chapter 7, or to determine how much an individual can actually repay in bankruptcy.

There can be no justification that single parents with children should suffer unduly in the bankruptcy process because false and inflated income of an absentee spouse is credited to the debtor spouse. We support your laudable effort to correct this oversight, which if left unrepaired, would create a severe injustice to many women, children and families across the country.

Sincerely,
Association for Children for Enforcement of Support (ACES).
National Center for Youth Law.
National Partnership for Women & Families.
National Women's Law Center.
National Organization for Women.
NOW Legal Defense and Education Fund.

Mr. SESSIONS. Mr. President, will the Senator yield for a question?

Mr. LEAHY. I don't think I have time left.

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

The Senator from Alabama.

Mr. SESSIONS. Mr. President, I think we can fix this.

I ask unanimous consent the votes now commence under the previous order, with the vote relative to the Boxer amendment being postponed, to occur at the end of the voting sequence, and the Leahy amendment being first in the sequence.

Mr. REID. No objection.

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

Mr. SESSIONS. I thank the Chair.

VOTE ON AMENDMENT NO. 19

The PRESIDING OFFICER. The question is on agreeing to amendment No. 19.

Mr. LEAHY. Have the yeas and nays been ordered, Mr. President?

The PRESIDING OFFICER. The yeas and nays have been ordered.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 56, nays 43, as follows:

[Rollcall Vote No. 32 Leg.]

YEAS—56

Akaka	Dodd	Lieberman
Baucus	Dorgan	Lincoln
Bayh	Durbin	Mikulski
Biden	Edwards	Murray
Bingaman	Ensign	Nelson (FL)
Boxer	Feingold	Nelson (NE)
Breaux	Feinstein	Reed
Byrd	Graham	Reid
Cantwell	Harkin	Rockefeller
Carnahan	Hollings	Sarbanes
Carper	Inouye	Schumer
Chafee	Jeffords	Snowe
Cleland	Johnson	Specter
Clinton	Kennedy	Stabenow
Collins	Kerry	Stevens
Conrad	Kohl	Torricelli
Corzine	Landrieu	Wellstone
Daschle	Leahy	Wyden
Dayton	Levin	

NAYS—43

Allard	Gramm	Murkowski
Allen	Grassley	Nickles
Bennett	Gregg	Roberts
Bond	Hagel	Santorum
Brownback	Hatch	Sessions
Bunning	Helms	Shelby
Burns	Hutchinson	Smith (NH)
Campbell	Hutchison	Smith (OR)
Cochran	Inhofe	Thomas
Craig	Kyl	Thompson
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Domenici	McCain	Warner
Enzi	McConnell	
Frist	Miller	

ANSWERED ''PRESENT''—1

Fitzgerald

The amendment (No. 19) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENTS NOS. 70, 71, AND 73

The PRESIDING OFFICER. The question is on agreeing to amendment No. 70 offered by Mr. WELLSTONE of Minnesota.

The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I have 1 minute; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. WELLSTONE. Would it be helpful, I say to the Senator from Utah and the Senator from Vermont, if I did a quick summary of each one of the amendments right now, one right after the other?

Mr. LEAHY. Mr. President, there is so much noise. I know the Senator from Minnesota is addressing us. I couldn't hear him.

Mr. WELLSTONE. I asked my colleagues, if they want me to, I could do quick summaries of each one of these amendments. They can respond and then we can vote one after another, if that would expedite the process.

Mr. HATCH. That is fine with me.

The PRESIDING OFFICER. The Senator may proceed for 3 minutes.

Mr. WELLSTONE. Amendment No. 70, the first amendment, fixes the means test so that it looks at present and future income, not over the past 6 months. If someone has been laid off work just yesterday and you look at their income over the past 6 months, that is not a very accurate way of determining whether or not they can file for chapter 7 or how they can rebuild their lives. So this means test now in the bill is unfair. This is a very important correction.

Amendment No. 71 strikes the 5-year waiting period for a new chapter 13 filing. I thought colleagues wanted people to go chapter 13. You have an elderly person, a major medical bill puts them under. They file for chapter 13 under existing law. If it happens a year from now, they can file for chapter 13 again. With this bill, they can't file chapter 13 for 5 more years. This is especially discriminatory against elderly people who are struggling with medical illness.

Finally, amendment No. 73, a safe harbor for folks who file because of job losses as a result of unfair foreign trade. What I am saying is, there are many egregious loopholes that will make it hard for people to get the relief they need. At the very minimum, if you have people in your State who have lost their jobs because of unfair competition, because of unfair trade competition, at the very minimum, they ought to be exempt from these very harsh provisions. Many of us come from States where there are industrial workers. At the very minimum, we ought to be there for them.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. How much time do we have?

The PRESIDING OFFICER. The Senator has 3 minutes.

Mr. HATCH. How much time remains? Did the Senator from Minnesota use all his time?

Mr. WELLSTONE. Do I have time remaining?

The PRESIDING OFFICER. One minute 4 seconds.

Mr. WELLSTONE. Did my colleague from New Mexico need this minute and a half?

Mr. DOMENICI. I would like to use half of it, if the Senator would give it to me, and I would ask the permission of the Senate to use the time for something else.

Mr. WELLSTONE. That would be fine.

Mr. DOMENICI. I so request.

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

(The remarks of Mr. DOMENICI pertaining to the introduction of S. 543 are printed in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. HATCH. Has the time of the Senator from Minnesota expired?

The PRESIDING OFFICER. Yes.

Mr. HATCH. Mr. President, I will be short. I know these amendments are well intentioned, but they are terrible amendments.

The first amendment allows dishonest debtors to shield legitimate income from the court. The amendment creates a significant new loophole for debtors to exploit. The amendment would create an inaccurate picture of even an honest debtor's income by limiting the time period over which the income was measured. The legislation already allows the court to make adjustments to a debtor's income if necessary and, if necessary, to do justice. That amendment should be defeated.

The second amendment will allow debtors to game the bankruptcy system by repeatedly filing in chapter 13. By striking the 5-year waiting period, the amendment encourages abusive repeat filings one right after the other. I hope our colleagues will vote that down.

The third amendment would jeopardize bankruptcy reform by completely exempting debtors who lose their jobs because of trade imports from the provisions of the bill. Under the bill's means test, an unemployed worker would still be able to discharge all of his or her debts under chapter 7. This amendment, however, would exempt debtors from the alimony, child support, and other important protections provided by this bill. I worked long and hard for that, and I think almost everybody in this body wants it. I can't imagine anybody voting for that amendment, but I know it is well intentioned. We will leave it at that.

I yield back the remainder of my time.

VOTE ON AMENDMENT NO. 70

The PRESIDING OFFICER. The question is on agreeing to amendment No. 70.

Mr. HATCH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 22, nays 77, as follows:

[Rollcall Vote No. 33 Leg.]

YEAS—22

Akaka	Durbin	Murray
Boxer	Feingold	Nelson (FL)
Carnahan	Feinstein	Reed
Clinton	Inouye	Rockefeller
Corzine	Kennedy	Sarbanes
Daschle	Kerry	Wellstone
Dayton	Leahy	
Dodd	Levin	

NAYS—77

Allard	Edwards	McConnell
Allen	Ensign	Mikulski
Baucus	Enzi	Miller
Bayh	Frist	Murkowski
Bennett	Graham	Nelson (NE)
Biden	Gramm	Nickles
Bingaman	Grassley	Reid
Bond	Gregg	Roberts
Breaux	Hagel	Santorum
Brownback	Harkin	Schumer
Bunning	Hatch	Sessions
Burns	Helms	Shelby
Byrd	Hollings	Smith (NH)
Campbell	Hutchinson	Smith (OR)
Cantwell	Hutchison	Snowe
Carper	Inhofe	Specter
Chafee	Jeffords	Stabenow
Cleland	Johnson	Stevens
Cochran	Kohl	Thomas
Collins	Kyl	Thompson
Conrad	Landrieu	Thurmond
Craig	Lieberman	Torricelli
Crapo	Lincoln	Voinovich
DeWine	Lott	Warner
Domenici	Lugar	Wyden
Dorgan	McCain	

ANSWERED "PRESENT"—1

Fitzgerald

The amendment (No. 70) was rejected.

Mr. COCHRAN. Mr. President, I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

VOTE ON AMENDMENT NO. 71

The PRESIDING OFFICER. The question is on agreeing to the amendment numbered 71 offered by Mr. WELLSTONE.

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

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

The result was announced—yeas 36, nays 63, as follows:

[Rollcall Vote No. 34 Leg.]

YEAS—36

Akaka	Dayton	Hollings
Bayh	Dodd	Inouye
Boxer	Dorgan	Jeffords
Cantwell	Durbin	Kennedy
Clinton	Edwards	Kerry
Conrad	Feingold	Kohl
Corzine	Graham	Landrieu
Daschle	Harkin	Leahy

Levin	Murray	Sarbanes
Lieberman	Reed	Schumer
Lincoln	Reid	Wellstone
Mikulski	Rockefeller	Wyden

NAYS—63

Allard	DeWine	Miller
Allen	Domenici	Murkowski
Baucus	Ensign	Nelson (FL)
Bennett	Enzi	Nelson (NE)
Biden	Feinstein	Nickles
Bingaman	Frist	Roberts
Bond	Gramm	Santorum
Breaux	Grassley	Sessions
Brownback	Gregg	Shelby
Bunning	Hagel	Smith (NH)
Burns	Hatch	Smith (OR)
Byrd	Helms	Snowe
Campbell	Hutchinson	Specter
Carnahan	Hutchison	Stabenow
Carper	Inhofe	Stevens
Chafee	Johnson	Thomas
Cleland	Kyl	Thompson
Cochran	Lott	Thurmond
Collins	Lugar	Torricelli
Craig	McCain	Voinovich
Crapo	McConnell	Warner

ANSWERED ''PRESENT''—1

Fitzgerald

The amendment (No. 71) was rejected.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 73, WITHDRAWN

Mr. WELLSTONE. Mr. President, I ask unanimous consent that the next amendment be withdrawn. I will be back with this amendment, but I want to move things along for a little while.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The amendment (No. 73) was withdrawn.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mrs. BOXER. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. SMITH of Oregon). Without objection, it is so ordered.

AMENDMENT NO. 42, AS MODIFIED

Mrs. BOXER. Mr. President, I ask unanimous consent to modify my amendment No. 42. It has been cleared on all sides. I send the modification to the desk at this time.

The PRESIDING OFFICER. Is there objection to the modification?

Without objection, it is so ordered.

Mr. HATCH. Reserving the right to object, do we have a copy of that?

Mrs. BOXER. We showed it to the Senator's staff.

Mr. HATCH. I don't think we will object. It is OK. I withdraw my reservation.

The PRESIDING OFFICER. Without objection, the amendment is so modified.

The amendment, as modified, is as follows:

On page 147, line 3, strike ''$250'' and insert ''$750''.

Mrs. BOXER. Mr. President, I thank Senator BIDEN, Senator HATCH, and Senator CLINTON, who worked so hard with me on this issue. I thank Senator PHIL GRAMM as well. What we do is simply say that the definition of a luxury item will be raised from $250 cumulative to $750. Frankly, I don't think that is high enough, but it certainly moves us in the right direction. I hate to think that people who accumulate $250 on a credit card 90 days before bankruptcy will be assumed to be a bad person and committing fraud. I think this is a step in the right direction. I appreciate it.

I also thank Senator HATCH and Senator LEAHY on the other issue that they have agreed to place into the managers' amendment: My amendment to ensure that public education expenses are protected in bankruptcy as well as private education expenses. I am very pleased that would be in the managers' amendment.

I will not ask for a rollcall vote but a voice vote on my amendment, as modified.

The PRESIDING OFFICER. Does the Senator from Utah yield back time?

Mr. HATCH. I am happy to accept this amendment and modification. I yield back whatever time we have.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 42, as modified.

The amendment (No. 42), as modified, was agreed to.

Mrs. BOXER. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

AMENDMENT NO. 105

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, a number of Senators have been discussing the issue of, for want of a better word, the cramdown issue. I ask unanimous consent that it be in order, notwithstanding cloture, to send to the desk an amendment related to the so-called cramdown issue, and that it be considered.

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

The legislative clerk read as follows:

The Senator from Vermont [Mr. LEAHY] proposes an amendment numbered 105.

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

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

The amendment is as follows:

(Purpose: To change the period for no cramdown of debt secured by an automobile from 5 years to 3 years)

On page 138, line 19, strike ''5-year'', and insert ''3-year''.

Mr. LEAHY. Mr. President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate on the amendment? The question is on agreeing to amendment No. 105.

The amendment (No. 105) was agreed to.

Mr. LEAHY. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. REID. I further ask unanimous consent that the Senator from New Jersey be recognized for up to 15 minutes.

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

Mr. TORRICELLI. Mr. President, I thank the distinguished Senator from Nevada for yielding the time.

For more than 4 years, this body has considered the need for comprehensive bankruptcy reform. I have been very proud in each of those years to work with Senator HATCH and Senator GRASSLEY in accommodating the needs of individual Senators in fashioning what I think is a fair and balanced approach.

I am certainly grateful to each of them, as well as Senator BIDEN, Senator SESSIONS, and Senator LEAHY, for what I think has been an extraordinary and a very balanced approach on incredibly complicated legislation that has accommodated so many individual Senators.

We are now approaching the end of this very long and detailed debate. I think it is worth noting, as we approach a final vote, that the legislation before the Senate has not only been considered for many years but has received extraordinarily broad and deep support in the Congress. Indeed, very similar legislation passed the House of Representatives 2 weeks ago on a bipartisan basis with more than 300 votes.

That legislation provided an important change to what is, by any reasonable assessment, a very flawed bankruptcy system. Indeed, the best evidence of the need for this reform is that in 1998 alone, in the midst of one of the greatest economic expansions in American history, nearly 1.5 million Americans sought bankruptcy protection. This is a staggering 350-percent increase since 1980.

Indeed, while the filings may have been reduced slightly in 1999, they are

still far too high. It is estimated that 70 percent of filings were made in chapter 7, allowing a debtor to obtain relief from almost all of their unsecured debts. Conversely, only 30 percent of petitions filed were under chapter 13, which requires a repayment plan. This is the heart of the problem. People with an ability to repay some debts are repaying almost no debts because current bankruptcy law allows them to choose, totally escaping responsibility.

The Department of Justice estimated that 182,000 people last year could have repaid some of these debts and didn't. The question has come to the floor of the Senate, these 182,000 people, representing some $4 billion that could have been repaid but escaped repayment, what this means in public policy. Members of the Senate appropriately have raised questions about the impact on families, on poor people, on middle-income people, and on small businesses. Each of us has an obligation to ensure people meet their responsibilities, that we are not ending the opportunities for people who want, need, and deserve a second chance in American life.

To our credit, in our system we have allowed people who often, through no fault of their own, face bankruptcy to get another chance. We have been particularly sensitive to the poor, that those who have been disadvantaged or face tragedy in their lives are given a chance to reorganize their lives, to start over, through the protection of bankruptcy. It is important that every Member of the Senate know that this bankruptcy bill was rewritten to be sensitive to these needs, and more.

It has been argued on the Senate floor that these protections would help large American companies—credit card companies, banks, large retailers—who sometimes now are left with the price of inappropriate bankruptcies. It may help their interests. But how about the small retailer or the consumer who ultimately pays for inappropriate bankruptcies? How about the small business—the contractor, the subcontractor—that is left to absorb the cost of these inappropriate bankruptcies? It happens every day. As when one person or business inappropriately files for bankruptcy, though they could pay the bills and escape their obligation, that cost is passed along, not only to the consumer who pays more for everything in every store through every product but the subcontractors, the mom-and-pop businesses that are sometimes forced out of business by abuse of the bankruptcy law.

I believe this reform and these changes protect them as well. But even so, if we did so while still victimizing the single mother or the child or child support, it wouldn't be worth doing. Indeed, I would be here opposing the bill rather than fighting for it.

That is not what we did. This bill protects the American family, the vulnerable child, the single mother. Under current bankruptcy law, a single parent and the child are seventh in line behind the Government, accountants, rent, storage, and tax claims. Under this bill, a mother and child seeking money in bankruptcy stand behind no one. They are first in line in claiming assets in any bankruptcy.

Second, the question has been brought to the Senate, How about those who are poor and seek protection in bankruptcy? Are they jeopardized if they are not single mothers or not children who, through no fault of their own, find themselves in bankruptcy?

This bill provides a waiver so any judge can use discretion to ensure any citizen who needs bankruptcy protection because of extraordinary or extenuating circumstances, who is otherwise not eligible, can and will get it.

Finally, the question has been raised on the Senate floor: Is it not true that all the fault of bankruptcy is not with the individual, it is sometimes with unscrupulous, unnecessary, even unconscionable credit solicitations? I cannot tell the Senate that in every way this bill provides all the consumer protection I think it should have. Rarely in the Senate do we get to vote on perfect legislation as envisioned by any Member. The question is, as in protection for women and children, Is it better than current law? Unquestionably, the answer is yes.

There are 3.5 billion solicitations for credit cards in America every year, 41 mailings for every man, woman, and child in the country. The issue before the Senate is, If this bill is passed, is the consumer better protected than under current law?

Under this bill, we will require the prominent disclosure of the impact of making only minimum payments every month so every consumer knows. Every consumer today does not know.

It will require the disclosure of late fees, what they will be, and when they will be imposed. That is not required under current law.

It will require disclosure of the date under which introductory or teaser rates will expire, as well as what the permanent rate will be after that time. That is not required under current law.

I do not say this will provide perfect consumer protection but it is better consumer protection.

So in all these ways we have taken a difficult situation, recognizing the reality of abuse of bankruptcy laws, and provided a more fair bill, with access to the courts, protecting the most vulnerable with meaningful consumer protection. For all those reasons I ask Members of the Senate who on several occasions previously have voted for this bill to do so again, recognizing the balance we have tried to reach in one of the most extraordinarily complex pieces of legislation in which I have ever been involved, and that we follow our 300 colleagues in the House, vote for this legislation, get it to the President in the belief that he will sign bankruptcy reform and will provide these added protections for American businesses, large and small, and for American consumers.

With all the costs being imposed on American businesses in difficult and competitive times, one of the costs that should not be imposed is unfair and unreasonable petitions for bankruptcy from people and businesses that have the ability to repay these debts.

At long last, after all these years, having spoken on this floor more times than I care to remember for bankruptcy reform, this is my last speech. The Senate is nearing its last action. It is time to vote for the bill and implement bankruptcy reform. I yield the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mr. REID. Mr. President, I ask unanimous consent the Senator from Delaware be recognized. We are trying to work out a unanimous consent agreement here. He will yield to us at such time as that is ready to go.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, I thank Senator REID. As we come to a conclusion on this bill, I just ask a couple of rhetorical questions I want us to consider. One of those is, do we believe as a people—not just as a Senate but as a people—that those in our country who incur substantial debt, in many cases through no fault of their own, should be able to gain access to help, to the forgiveness that can be found in a bankruptcy court? I think most of us would say, yes, they ought to have that right.

If we ask the second question: If someone filing for bankruptcy has the ability to repay a portion of their debts, should we expect that of them? I think most of us in this Chamber and across the country would agree, if they have the ability to repay a portion of their debts, they ought to do that.

Those are really the easy questions. The harder question in this debate is how do you determine who has the ability to repay a portion of their debts? In some cases, we give to a bankruptcy judge the discretion to make those decisions. In the legislation before us today, that we will vote on in a short while for final passage, we go a step beyond that. It is a good step.

What we do is provide, in essence, a safe harbor for those who really do not

have a whole lot of money in the first place, so they can gain access to file under chapter 7 and not have to go through an extended process of demonstrating a need or lack of means.

The way it works is pretty simple. I will discuss it again. I want to reiterate it.

Those families whose income is below 100 percent of family median income—that is about $46,000 in Delaware for a family of four; in Alabama it might be $33,000; in Connecticut it might be $50,000—have a safe harbor. They can go right to chapter 7 and file. That is pretty much the ball game.

For those whose income is between 100 percent of median income and 150 percent of median income, they have the option to get an expedited review, and in all likelihood will go ahead and file under chapter 7 as well.

For those people who have extenuating circumstances, and they don't meet either the test of safe harbor, the test of 100 percent or 150 percent of median family income, or they have extra medical expenses, those can be taken into account. If they have extra expenses for educational needs, those can become extenuating circumstances. For people who have seen a marriage end or for people who have lost their jobs, those can be extenuating circumstances and be accounted for by a bankruptcy judge who is given discretion to decide whether or not a person can then go ahead and file under chapter 7.

There is another very important change in the bill. I would like to share a letter I received from the child support enforcement agency in my State. As in other States, Delaware has a child support enforcement agency to make sure parents meet their obligations to their children for whom they do not have custody. In my State, our child support enforcement agency endorsed this legislation.

Frankly, that has been the case in virtually every State across America. The reason they do it is simple. This legislation makes it more likely that people who have an obligation to the children for whom they don't have custody will meet their obligations. Similarly, people who have an obligation to their spouse or former spouse for alimony will meet that obligation.

Under current law, once satisfied in bankruptcy, there are secured creditors, and there is money left over. When it comes to unsecured creditors, children and former spouses are near the end of the line.

Under this bill, children, alimony payments, and child support payments move not to the end of the line under the nonsecured creditors but to the front of the line. That is an important change of which we need to be mindful.

I know not everybody agrees with what we have done. There is some disagreement as well.

We had debate on an amendment that said to those people who might try to take their assets and go to a State where there is no limit on the amount of money they can put into an estate, a home, or residence to protect it from bankruptcy—we have attempted to make a real change there—to the extent they would have done it, it would have had to have been at least 2 years before bankruptcy, and it is capped at $150,000.

I know that causes heartburn for some people. But it also goes a long way in protecting the abuses that occasionally occur when people do just that.

I thank Senator HATCH and Senator SESSIONS. I express my thanks to those on our side—especially to Senator BIDEN and Senator TORRICELLI, and others—who have worked real hard to get us to a compromise which I think is fairer to creditors and certainly fairer to those who incur debt than is the current case.

I think it significantly increases the ability for those who have the capability of paying their debts to do so while better ensuring that those who do not will not be punished.

I yield back the floor.

Mr. REID. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. LOTT. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. ENSIGN). Without objection, it is so ordered.

Mr. LOTT. Mr. President, I believe we are ready to go with a unanimous consent agreement which will allow us to complete action on this legislation and hopefully go to conference. Let me propound the request, see if we can get it locked in so that we can go ahead and get a vote here shortly. Let me note before I do that, we may allow, for instance, 10 minutes or 15 minutes for debate. I am assuming that maybe most of it will be yielded back. Obviously, you don't have to use the full time. That is why we do put some amount of time in here so that it will be available if there is a need for it.

I ask unanimous consent that Senator SESSIONS be recognized to offer his amendment No. 59, that it be considered in order, and there be up to 10 minutes for debate, and following that debate, the amendment be agreed to and the motion to reconsider be laid upon the table. I further ask unanimous consent that Senator FEINGOLD then be recognized to call up his amendment No. 51 and there be up to 15 minutes for debate and, following the debate, a vote occur.

I further ask unanimous consent that all of the pending amendments be withdrawn, and I ask unanimous consent that following that, the Senate proceed to a managers' amendment, to be followed by third reading of the Senate bill, and the Senate proceed to the House companion bill, H.R. 333, and that the text of S. 420 be inserted, the bill be advanced to third reading, and passage occur on H.R. 333, as amended, and the Senate bill be placed on the calendar.

Mr. WELLSTONE. Mr. President, I object.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Will the Senator allow me to make a statement?

Mr. LOTT. I yield to Senator REID for a comment at this point.

Mr. REID. I ask that we vote on the Senate bill. That is what we had agreed to do.

Mr. LOTT. Mr. President, on that, since the Chair asked for consent and it was objected to, Senator REID is suggesting that a change be made. For the information of all Senators, this is standard and routine language necessary to send a bill to conference. This action is made and agreed to 40, 50 times on average in a year of a Senate session. However, this objection indicates to me that, once again, the goal here is to try to make it difficult for us to get to conference. The Senator from Minnesota knows what the rules are and what his rights are. You recall last year we had a hard time getting the bankruptcy bill into conference. It was for a different set of reasons, but that is what we have here, too.

Again, I may have to go through some hoops to get this bill to conference. That could take some time, and I am prepared to do that, since there was objection heard. I think that with the kind of support this bill has, with Senators speaking for it on both sides of the aisle, and with 80 Senators voting to invoke cloture, surely a bill with that kind of support—and I assume there are going to be about 80 votes for it on final passage—we should find a way to get it to conference.

Since objection was heard, then I renew my request but amend it to withdraw the reference to the House companion bill so that passage would occur on the Senate bill.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Reserving the right to object, Mr. President, I say to my friend from Alabama principally, because of a Senator wanting to vote on the underlying Feingold amendment and time being so precious, would the Senator from Alabama agree to roll those, have his after Senator FEINGOLD debates his?

Mr. SESSIONS. We are not going to vote on my amendment.

Mr. REID. That is correct.

Mr. SESSIONS. I would like to have it accepted before, and I would not need but 1 minute to comment on it.

Mr. REID. Senator FEINGOLD is here on the floor. The other question is, he has another amendment; it was my understanding that that was not going to be offered.

Mr. FEINGOLD. I would just need a couple minutes to offer that as well.

Mr. LOTT. Mr. President, I thought we clearly had an understanding on that. That additional Feingold amendment was not included in the UC. I urge the Senators to let us proceed with this UC because we are under severe time constraints now. Could we proceed with the UC as requested?

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, reserving the right to object, I want to be clear on the amendment No. 51, that was No. 51, as modified. The leader originally said amendment No. 51.

Mr. REID. As modified.

Mr. FEINGOLD. As modified.

Mr. LOTT. We will make that change in the request: Amendment No. 51, as modified.

Mr. FEINGOLD. Although I had intended to offer the other amendment, given the situation here, even though it is a very worthy amendment and really should be brought up on the floor, I am going to withdraw it at this time.

Mr. LOTT. I would like to express our appreciation to Senator FEINGOLD for his willingness to do that in an effort to accommodate Senators on both sides of the aisle.

Mr. REID. Mr. Leader, I will just briefly say it is my fault. I explained that to Senator HATCH, and that was the agreement we had. I apologize to my friend from Wisconsin.

Prior to passage, Senator DASCHLE wishes 5 minutes and Senator JOHN KERRY 10 minutes.

Mr. LOTT. Mr. President, I would modify the request but also would need to reserve an equal amount of time for Senator HATCH or his designee of 15 minutes in addition to that 15 minutes.

Mr. SESSIONS. Reserving the right to object, I want to be sure that the modified language Senator FEINGOLD cared about and that he wanted in there—we have agreed on that language?

Mr. FEINGOLD. Mr. President, it is my understanding that we have agreed on the modification.

Mr. SESSIONS. I believe we have, and I will not object.

Mr. REID. The Chair has not accepted the unanimous consent agreement yet; is that true?

I have been informed that the manager on this side wants 5 minutes, and the manager on the other side wants 5 minutes before final passage.

Mr. LOTT. I believe Senator HATCH would be in control, or his designee, of a total of 20 minutes and 20 minutes on the other side divided among Senators DASCHLE, LEAHY, KERRY and I hope none of them will take the full time.

The PRESIDING OFFICER. Is there objection to the leader's request, as amended?

Without objection, it is so ordered.

Mr. LOTT. I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama.

AMENDMENT NO. 59, AS MODIFIED

Mr. SESSIONS. Mr. President, I offer my amendment No. 59, as modified.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Alabama [Mr. SESSIONS] proposes an amendment numbered 59, as modified.

The amendment is as follows:

On page 148, strike line 4 and all that follows through page 151, line 15, and insert the following:

(a) IN GENERAL.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

''(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property—

''(A) on which the debtor resides as a tenant; and

''(B) with respect to which—

''(i) the debtor fails to make a rental payment that first becomes due under the unexpired specific term of a rental agreement or lease or under a tenancy under applicable State, or local rent control law, after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

''(ii) the debtor has a month to month tenancy (or one of shorter term) other than under applicable State or local rent control law where timely payments are made pursuant to clause (i), if the lessor files with a court a certification that the requirements of this clause have been met and serves a copy of the certification upon the debtor.

''(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property, if during the 2-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

''(A) commenced another case under this title; and

''(B) failed to make any rental payment that first became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

''(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;''; and

(2) by adding at the end of the flush material at the end of the subsection the following: ''With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

''(A) the debtor files a certification with the court and serves a copy of that certification upon the lessor on or before that 15th day, that—

''(i) contests the truth or legal sufficiency of the lessor's certification; or

''(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23)(B)(i), except that no tenant may take advantage of such remedy more than once under this title; or

''(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability.''.

(3) by adding at the end of the flush material added by paragraph (2), the following:

Where a debtor makes a certification under subparagraph (A), the clerk of the court shall set a hearing on a date no later than 10 days after the date of the filing of the certification of the debtor and provide written notice thereof. If the debtor can demonstrate to the satisfaction of the court that the sent payment due post-petition or 10 days prior to the petition was made prior to the filing of the debtor's certification under subparagraph (A), or that the situation giving rise to the exception in paragraph (25) does not exist or has been remedied to the court's satisfaction, then a stay under subsection (a) shall be in effect until the termination of the stay under this section. If the debtor cannot make this demonstration to the satisfaction of the court, the court shall order the stay under subsection (a) lifted forthwith. Where a debtor does not file a certification under subparagraph (A), the stay under subsection (a) shall be lifted by operation of laws and the clerk of the court shall certify a copy of the bankruptcy docket as sufficient evidence that the automatic stay of subsection (a) is lifted.

Mr. SESSIONS. Mr. President, Senator FEINGOLD and I have worked on this for some time. He cares very deeply about this. I did, too, as a matter of legal principle and what I thought was correct. I think we have language with which both of us can live. The perfect being the enemy of the good, we might as well just take the good and bring this matter to a conclusion.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

Mr. FEINGOLD. Mr. President, as the Senator from Alabama suggested, I don't think either one of us is entirely happy with the outcome of this. I hope we have something that takes a more reasonable approach to the landlord-tenant situation.

Mr. SESSIONS. Mr. President, I yield back my time on the amendment and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. REID. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

The PRESIDING OFFICER. Under the previous order, the amendment No. 59, as modified, is agreed to.

The amendment (No. 59), as modified, was agreed to.

The PRESIDING OFFICER. The Senator from Wisconsin is recognized.

AMENDMENT NO. 51, AS MODIFIED

Mr. FEINGOLD. Mr. President, I send amendment No. 51, as modified, to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows.

The Senator from Wisconsin [Mr. FEINGOLD], for himself, Mr. THOMPSON and Mr. WELLSTONE, proposes an amendment numbered 51, as modified.

The amendment is as follows:

(Purpose: To strike section 1310, relating to barring certain foreign judgments)

On page 439, strike line 19 and all that follows through page 440, line 12.

Mr. FEINGOLD. Mr. President, I am happy to be joined in offering this bipartisan amendment by the Senator from Tennessee, Mr. THOMPSON, and the Senator from Minnesota, Mr. WELLSTONE. I ask unanimous consent they be listed as original cosponsors.

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

Mr. FEINGOLD. Mr. President, this amendment would delete section 1310 from the bill. Section 1310 is the epitome of a special interest fix—its language purports to be general, it identifies no particular person, but it is targeted to affect only a tiny number of people who were involved in cases arising out of transactions with Lloyd's of London, a large multinational insurance company.

Those people who invested with Lloyd's are called ''names.'' This provision, which bars the enforcement of certain foreign judgments against some of the ''names'' has nothing whatsoever to do with bankruptcy law. Very few people have heard of it but it has some history: It has been quietly promoted for at least a couple of years now, but it has never been the subject of a full hearing in the Judiciary committee. It found its way into the conference report that served as a vehicle for bankruptcy legislation last year, although it had never been debated or discussed in committee or on the floor. Let me emphasize that point: this special provision was nowhere to be found in the Senate bankruptcy bill in the last Congress. Nor was it in the House bankruptcy bill last year. Yet somehow, late last year, it was quietly slipped into the conference vehicle that was negotiated in secret. That vehicle was the empty shell of a bill unrelated to bankruptcy, into which was inserted the version of the bankruptcy bill favored by the majority leadership, along with the special-interest provision that my amendment seeks to strike. Somebody in Congress arranged that, but nobody in Congress ever voted on it. In the end, last year's conference report was vetoed.

As a result Section 1310 has been treated as part of the bill we started with this year, and it has reappeared in the version of the bill before us: the same provision, designed to assist only about 250 investors in Lloyds of London, the Names, who lost money on asbestos-related claims in the 1980s. These individuals had judgments entered against them in British courts, and American courts repeatedly have declined to throw out those judgments. In fact, eight circuit courts have ruled that these investors' disputes with Lloyds should be settled in British courts. Now, to be fair, the Names have attorneys who argue that the British courts won't treat their clients fairly and that their clients have suffered as a result. So they have been seeking special treatment from the Congress, and if the final conference vehicle had not been vetoed last year they would have succeeded.

Mr. President, this provision has been opposed by the State Department, under President Bill Clinton and George W. Bush. The State Department is worried about the impact of a law that gives the back of the hand to respected foreign courts, courts that we will rightly expect to respect and enforce the judgments of American courts. Here is what a State Department spokesman had to say about this issue in a Reuters article, dated March 13:

We have reservations about section 1301. There are commercial disputes involving U.S. and British companies every day. It is inevitable that, in some of those disputes, U.S. parties will lose.

But this cannot be the basis for the U.S. Congress to overturn decisions of both British and U.S. courts. Such action would be directly at odds with our own international economic policy, which promotes a rules-based system premised on the rule of law to protect U.S. investors abroad.

Just this morning Mr. President, I received a letter in support of our amendment, signed by Secretary of State Colin Powell and Secretary of the Treasury Paul O'Neill.

I ask unanimous consent that the text of the letter be printed in the RECORD.

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

THE SECRETARY OF STATE,
Washington, March 15, 2001.

Hon. RUSSELL D. FEINGOLD,
U.S. Senate.

DEAR SENATOR FEINGOLD: We write in support of the amendment that you and Senator Thompson have introduced to S. 420 (The Bankruptcy Reform Act). The Administration supports the overall bankruptcy reforms contained in S. 420. However, the Administration opposes Section 1310, which would bar enforcement in the United States of any foreign judgment between 1975 and 1993 if a U.S. court finds that the judgment was derived from fraud.

Section 1310 is intended to provide relief for some American investors who have a private commercial dispute with the Lloyd's of London (UK) insurance market that, according to the contracts they signed with Lloyd's, must be heard in British courts. U.S. courts have dismissed all attempts by these investors to sue here, requiring that they resolve their dispute in the United Kingdom as provided by their contractors. U.S. courts have upheld the enforcement of the U.K. court judgments. The investors now want legislation to overturn these decisions.

By directing the outcome in these court cases, Section 1310 has the potential to undercut the rule of law as it applies across international borders today, with serious consequences for U.S. commercial and other interests. Commercial disputes involving American and British companies arise every day, and it is inevitable that American parties sometimes lose. However, that cannot be the basis for federal legislation to overturn the decisions of both British and U.S. courts. Such action would be directly at odds with our goals of promoting a rules-based system to protect U.S. investors abroad.

The American investors have had the opportunity to argue the merits of their position before U.S. courts, as well as in the United Kingdom, but have not prevailed. For example, under U.S. law, our courts can refuse to enforce foreign court judgments if they find that the foreign court failed to follow fundamental standards of fairness and due process, or if the judgments violated our public policy. State and federal courts hearing these cases have not found this threshold to be met.

In these circumstances, intervening in these private commercial matters through legislation could open the door to reciprocal treatment in other countries. The result would be to undercut the orderliness and predictability that are essential to international business transactions and crucial to our Nation's economic well-being. It could also weaken our ability to negotiate new international rules on enforcement of civil judgments and to promote the enforcement of child custody cases.

We respectfully urge that the Senate adopt the amendment to remove Section 1310 from the Bankruptcy Reform Act.

Sincerely,

PAUL H. O'NEILL,
Secretary of the Treasury.

COLIN L. POWELL,
Secretary of State.

Mr. FEINGOLD. The Organization for International Investment, the National Association of Insurance Commissioners, and the Council of Insurance Agents and Brokers oppose the provision because of their concern over its potential impact on the international insurance market.

Now I realize there are arguments on the other side. The Names argue that they were defrauded by Lloyds, misled into investing when Lloyds knew that there were going to be many claims based on asbestos litigation. And despite their consistent losses in courts on both sides of the Atlantic, they might be right, and maybe the courts have been wrong not to let them make their claims of fraud in the way that they desired.

They may believe they were right to try to avoid the judgments against

them. But Mr. President, I don't think we in the Senate are in a better position than the courts to assess those arguments at this point. I am not yet convinced that this is a matter that should be addressed by legislation, certainly not by bankruptcy legislation, and very certainly not without a hearing. At the very least, we need to have a full hearing and air these issues in a public forum, that will lend itself to a thoughtful and deliberate consideration of the issues. The kind of insiders' deal that led to this provision being added for a small group of people should be unacceptable to anyone who cares about maintaining the people's confidence in the integrity of the legislative process.

I hope my colleagues will join me in this bipartisan effort to strike this provision for a few simple reasons: It is a special deal for a very small group of people—they represent about one one-millionth of our population, but they somehow had the clout to get it inserted into the bill; it will undermine the ability of American courts to see their judgments enforced abroad; and it has not been fully considered by the Judiciary Committee or the full Senate—there have been no hearings, no debate and until the last few days, no knowledge by most members that this provision was even a part of the bill.

We should strike Section 1310 and then we should ensure that it does not sneak back into the bill at a later date. If we adopt this amendment, I will keep an open mind on the issue of the remaining Lloyds names if it comes before the committee in the future, and I won't oppose a request to the chairman of the Judiciary Committee to schedule a hearing to examine the issues in full if the Names wish to pursue a legislative remedy through the normal channels. But until then, this special interest provision has no place in the bankruptcy bill or any other bill.

Mrs. LANDRIEU. Mr. President, I have received a number of letters on this subject. I ask unanimous consent that they be printed in the RECORD.

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

NEW YORK, NY.

Re 8–420 Bankruptcy Abuse Prevention and Consumer Protection Act of 2001, Sec. 1310. Enforcement of Certain Foreign Judgments Barred.

DEAR SENATOR LANDRIEU: I write to enlist your support in protecting hundreds of innocent victims from what many consider to be the biggest, most sophisticated, deliberate securities fraud in financial history that has been perpetrated by Lloyd's of London.

In the mid-seventies, when Lloyd's realized the extent of their exposure from underwriting insurance policies exposed to huge losses from asbestosis and pollution they set out to recruit Americans and other foreign investors to fund their losses. They did this with what we now know were fallacious financial statements for unregistered securities. More than three thousand Americans, who are called Names, were recruited. They were induced on the basis of Lloyd's three hundred year history to undertake what was purported to be a safe, conservative investment. My involvement with Lloyd's has resulted, so far, in the loss of my family home, over three hundred thousand dollars and my good health. Stress from Lloyd's produced heart attack. Am 77.

Over the years, many Names have become old and the draining of their resources has brought much hardship to those employed and to those no longer employed, especially those who were counting on some income from their Lloyd's investment to help sustain them in retirement. The constant stress, effort and anxiety endured in battling for our constitutional right to a fair trail, which Lloyd's has fought with over eighty million dollars paid to lawyers, lobbyists and campaign contributions to legislators and insurance commissioners, has taken a toll on all of us. Names have already sacrificed millions of dollars, stock and real estate to satisfy Lloyd's claims, but they are not through with having us cover their losses and that is why we need your help in passing Sec. 1310. I implore you to resist efforts by those conspiring to deny Names of their right to due process. The deceit and arrogance of Lloyd's can no longer be tolerated.

For the full, sordid story of fraud at Lloyd's I refer you to www.truthaboutlloyds, the special twenty-four page report in the February 21, 2000 European Edition of Time magazine and current articles in the Los Angeles Times on the former California Insurance Commissioner's acceptance of gifts and four hundred thousand dollars from Lloyd's and their lawyers, LeBoeuf, Lamb, Greene & MacRae, for among other things promoting opposition in the insurance and legal communities to the just claims and interests of the Names.

Thank you for your kind attention and, I hope, your vote in favor of S. 420, Sec. 1310.

Yours truly,

EDITH ANTHOINE.

SAN ANTONIO, TX,
March 13, 2001.

Hon. MARY LANDRIEU,
Hart Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: I am an 80-year-old grandmother who has worked and saved all my life and who attempts to live honorably, only to be cheated and lied to by fancy pants, smooth talking Englishmen representing Lloyd's of London. For the past decade I have been traumatized by their threats. Much of my life savings have been depleted by their fraudulent representations. They have used every legal trick known, plus many they invented, to keep out of U.S. courts because they, along with those who have aided and abetted them, know that their lawlessness and misdeeds would be exposed.

As I understand the Bankruptcy Bill, Section 1310 prohibits the granting of a foreign judgment without giving the defrauded defendant an opportunity to present the merits of his/her case in a U.S. court. It seems to me that any fair-minded person would savor the justice implicit in this Amendment. Foreign interlopers who commit fraud in this country should not use the technicalities of foreign judgments to harvest their fraudulent gains. This will provide Constitutional due process to me and other Lloyd's victims. It will also provide American due process to future victims of fraud by foreigners.

I urge, and count on you to enthusiastically support this Amendment. Thank you for your help on this vital matter.

Sincerely yours,

JOAN B. WILSON.

March 13, 2001.

DEAR SENATOR LANDRIEU, I am a senior citizen and am among those who have been hurt by Lloyds.

Right now, of course, I need what funds I do have to live on as I cannot work anymore. We (my now deceased husband & myself) had to sell an income producing apartment house in downtown Reno in order to pay what they requested of our letter of credit. In addition they wanted even more than that. We could not pay it. So, we were not ''wealthy Americans'' who could afford a big loss, or who refused to pay—we just didn't have it.

With the constant threat of Lloyds grabbing everything—life as you may understand—was not easy. However, compared to those who went bankrupt or homeless—as dreadful as our situation was, we were better off than those who went bankrupt or lost their homes. Lloyds is without a conscience.

Sincerely,

BEVERLY HUDSON.

NEW ORLEANS, LA,
March 13, 2001.

Re Section 1310 of the Bankruptcy Bill (S–420).

Hon. MARY LANDRIEU,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: I am a 72-year-old widow whose husband was an investor in Lloyd's of London along with my son and daughter. When my husband learned of Lloyd's fraud and the devastating affect it could have upon our two children he spent tireless hours attempting to right this very very wrong. It seemed at every turn, Lloyd's was far too powerful and far too well heeled, for my husband to fight this massive institution. As the stress continued to mount against him, in November of 1993 he died of a heart attack.

What Lloyd's of London did to my husband and my family, I will never forgive. It is my understanding that you are making the effort to stand up for the rights of Lloyd's investors by urging the passage of Section 1310 in the Bankruptcy Bill. It is my understanding that Section 1310 is designed to provide a level playing field, something that neither my husband nor children have had in connection with their investment at Lloyd's. You are absolutely doing the right thing.

I would ask that you let other colleagues in the Senate know that if Section 1310 is not passed it will likely wipe out all that my husband and two children have worked for. I ask for my children, that you ask your colleagues to pass Section 1310 and give all of Lloyd's investors a fighting chance to put Lloyd's fraud behind them forever.

I would also like to thank you very much on behalf of my family for taking the time to correct this wrong and not having asked for anything in return.

Thank you very much,

RUTH G. TUFTS.

SAN ANTONIO, TX,
March 13, 2001.

Senator MARY LANDRIEU of Louisiana,
U.S. Senate.

I am writing to you about S. 420 Bankruptcy Bill, Sec. 1310. I am desperately in need of your support of this legislation. It will allow me to raise a defense of fraud prior

to any enforcement of Lloyd's of London judgment against me issued by a thoroughly biased English Court. Why is Lloyd's so fearful of facing the U.S. Justice system if they are not guilty?

Lloyd's of London purposely withheld and actively concealed information from U.S. citizens regarding existing asbestos claims. I foolishly believed their prior reputation and invested the inheritance that my father worked so hard for—only to lose it all—and much more. I was repeatedly falsely reassured in written communications that ''things would certainly improve next year''. As you no doubt know, the U.S. Justice Department and Postal Service is currently investigating Lloyd's. How can they have any credibility at all? I resigned in 1993 and have been fighting them at great financial and emotional expense ever since.

I am not a wealthy person. I am the same Shirley Cook, third grade teacher, mentioned in the Time Magazine article of February 28, 2000. I am now retired, age 65 and receive slightly over $20,000.00 per year in retirement. I live in a quite average house with a leaky roof and currently drive a seven-year-old automobile.

Lloyd's has offered me a ''settlement'' of its fraudulent claims against me, but offer no legitimate proof of the validity of their demands. Even worse, there is no finality. If they want more money anytime in the future, all they have to do is bill me. If I move, I must notify them of my whereabouts! In fact, by payment of the settlement offer, I absolve them of any past, present or future claim of fraud and give up all rights to recourse of any kind. This is certainly not the American way. It is a travesty, and to me, personally, a tragedy.

I implore you to vigorously support and vote for justice for the Americans, your constituents, who were ill treated by a foreign court favoring a dishonest foreign company.

Most respectfully,

SHIRLEY M. COOK.

SAN ANTONIO, TX,
March 13, 2001.

Hon. MARY LANDRIEU,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: As an 80 year old grandmother, who has been thoroughly skinned by Lloyd's of London, I am again dismayed by their arrogance and audacity in coming to Washington to oppose legislation aimed at assuring Americans Constitutional due process in United States courts.

It is obvious to me that they are afraid that a trial on the merits would expose their fraud and deviousness. The United States Department of Justice, the Postal Service and the California Attorney General all seem to smell a rat in their behavior. Please don't let them pull the wool over the eyes of the Senate. I plead with you to support Section 1310 of the Bankruptcy Bill.

Trusting your wisdom and support, I remain

Respectfully and sincerely yours,

JOAN B. WILSON.

NEW YORK, NY,
March 13, 2001.

Senator MARY LANDRIEU,
U.S. Senate,
Washington, DC.

DEAR SENATOR LANDRIEU: I write to you in explanation of why it seems so terribly important that you vote for the bill which includes section 1301: it's a request for your understanding of the difficulty of being 79 years old and under acute stress because I wait to see what terrible move Lloyd's will make next. I'm not the suicide type and I intend to fight to the last ditch, but they have made light of the many years I have worked and lived carefully, of the fact that I trusted them on their assurance that Names would be first in their consideration, that they would certainly honor my request for modest and safe participation in their investments.

I had a sum of money because I lost my husband in an airplane accident from which I miraculously was rescued. The court awarded me some money. That together with my earnings which were at the time $39,000 annually, gave me $400,000, which was enough for them to accept me. Obviously it had to be a modest participation. I told them my goals were to make a bit of supplementary money annually. They appeared to understand. But what they did was something else again. They put me on syndicates which they knew to be already treacherous—with upcoming liabilities of billions of dollars. What kind of a character does that? Do they deserve the immunity that their courts have granted them? The inside traders all took themselves off the syndicates. The man who handled my affairs retired (in his 50s) and I should have suspected.

I'm still working. I really dare not stop. If we can get 1301 through, we will not be ducking our debts. We will simply be getting the time and opportunity to bring our fraud charges to the American court system where we as citizens should be able to plead our case and have it aired once and for all. Please help to give us that chance.

Thank you for your attention to my letter.

Sincerely yours,

BARBARA LYONS.

NEW ORLEANS, LA,
March 13, 2001.

Re Section 1310 of the Bankruptcy Bill (S–420).

Hon. MARY LANDRIEU,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR LANDRIEU: I respectfully urge your continued support of Section 1310 and that you inform your Senate colleagues of the importance of this provision, which will do no more than give me and hundreds of other defrauded U.S. citizens the ability to defend ourselves against the fraud perpetrated by Lloyd's of London.

Already as a result of Lloyd's fraud, I have had several hundred thousand dollars confiscated by them; my wife and I have partitioned our community to protect what is left of our estate, and I have spent countless hours and spent thousands of dollars in attorneys fees preparing for bankruptcy and otherwise fighting the terrible Lloyd's nemace.

If Section 1310 is not adopted, it is highly likely that Lloyd's will successfully (and wrongly) reap the rewards of their fraud against those hundreds of U.S. citizens and, personally, require me to file for bankruptcy.

As always, your help in protecting me, the citizens of Louisiana, and in this case hundreds of U.S. citizens across the country, is most appreciated.

Sincerely,

THOMAS O. LIND.

Mr. THOMPSON. Mr. President, I agree with my colleague's assessment. This is simply an effort to abrogate a series of contracts. This was a contract dispute involving thousands of people; 97 percent of those people settled those lawsuits. There were some who didn't settle them. They went to court in England and raised a fraud claim and lost. They went to court in this country and raised the fraud claim and lost.

In fact, there were two sets of lawsuits in England and two sets in America, and in every case the ultimate disposition at the appellate court level—five appellate courts in the U.S. ruled on the venue question, for example. In each and every case, they had their day in court and they lost. Some of them were on the fraud issue and some on other issues.

The bottom line is that it is not our job in Congress to determine factual issues in a lawsuit. So after having lost two sets of lawsuits in each country, they have here a provision in the bankruptcy bill that would in effect open the lawsuit again. It says, ''notwithstanding any other provision of law or contract . . ..'' So it is a clear abrogation of contracts and opens the situation again for courts in this country.

In addition to that, I am afraid it is clearly unconstitutional. Specifically, it violates article III in that it represents a congressional attempt to dictate a result with respect to the parties in a final determination by an article III court. As Judge Posner, of the Sixth Circuit, said, this thing has been litigated in England. The English system comports to our system. It is not exactly as if there was a due process of law situation. Most of us understand from where our court system comes. It was litigated. By this law, we are attempting to open up and overturn a final determination by an American court. If we get in the business in the Congress of overturning lawsuits with results we don't like, we will have clearly gone down a slippery slope and will be going contrary to the rule of law.

Secretary Powell and Secretary O'Neill have sent us a letter, and it contains this provision:

> By directing the outcome in these court cases, Section 1310 has the potential to undercut the rule of law as it applies across international borders today, with serious consequences for U.S. commercial and other interests.

I think they are right. Our sympathy is with the 300 or so Americans who had the opportunity to litigate this and lost, just as our sympathy is with the several thousand people who lost money and settled the lawsuits.

But the rule of law must prevail, and we must be concerned about our own commercial interests if, in fact, we do this when we have a British citizen over here in our court that makes a similar determination.

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

The PRESIDING OFFICER. Two minutes.

Mr. FEINGOLD. I ask the Senator from Tennessee if he will yield so I can

offer a minute to the Senator from Texas and a minute to the Senator from Delaware.

Mr. THOMPSON. Yes.

Mr. FEINGOLD. I thank the Senator from Tennessee.

I yield a minute to the Senator from Texas.

Mr. GRAMM. Mr. President, all over the world tonight, legislative bodies are meeting to try to protect their citizens from living up to obligations that they have with American economic interests. All over the world tonight, legislative bodies that don't live up to the standards we have set for this, the greatest deliberative body in history, are trying to change domestic laws to make it possible for people to violate international standards of business.

There is no one in this body I care more about than the distinguished Senator from Alabama, and I have no doubt that there may very well have been wrongs committed in terms of selling people part of this liability. But I urge my colleagues tonight to look at the big issue of the viability of world commerce, and the enforceability of contracts, and to live up to the standards of the greatest deliberative body in history by adopting this amendment.

Mr. FEINGOLD. I thank the Senator.

I yield the remainder of my time to Senator BIDEN.

Mr. BIDEN. Mr. President, I associate myself with the remarks of the Senator from Tennessee, as well as the Senator from Texas. International relations, this would be a very serious mistake for us to make. Beyond commerce, this will do damage, in my view, to our relations also with Great Britain. This will make it difficult for us to make the case that when we want foreign courts to make concessions based upon our needs, for them to be willing to do so, I think it is a mistake.

I understand and admire the Senator from Alabama for his desire to protect the interests of a citizen or citizens of his State, or others, but I think this is a mistake.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alabama has 7½ minutes.

Mr. SESSIONS. Mr. President, I will refer to a letter from Congressman HENRY HYDE, chairman of the House of Representatives Committee on International Relations and former chairman of the House Judiciary Committee, a man of great knowledge and experience. He says:

This provision does not impact State regulation of insurance and it does not violate any treaty obligations of this country. Consistent with the Hague Convention, recognition of a foreign award may be refused if the court in the country where enforcement is sought finds that ''recognition or enforcement of the award would be contrary to the public policy of that country.'' It certainly is contrary to the public policy of this country [Chairman Hyde continues] for an individual to be defrauded and then denied the right to assert fraud as a defense.

I ask unanimous consent to have printed in the RECORD letters from the former Chief Justice of the Supreme Court of Alabama, and a former Democratic Senator from this body, Howell Heflin, who said:

As a former judge, I am appalled at this entire situation.

I also ask unanimous consent to have a letter from Senator ROBERT KERREY of Nebraska and MARY LANDRIEU of Louisiana in reference to this matter, as well as a letter from Laura Unger, acting chairman of the Securities and Exchange Commission, printed in the RECORD.

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

U.S. SECURITIES AND EXCHANGE COMMISSION,
Washington, DC, March 1, 2001.

Hon. MICHAEL G. OXLEY,
Chairman, Committee on Financial Services, House of Representatives, Rayburn House Office Building, Washington, DC.

DEAR CHAIRMAN OXLEY: Thank you for your letter dated February 28, 2001 regarding Lloyd's of London. As you stated in your letter, the SEC has filed a number of briefs amicus curiae with United States Courts of Appeals stating that forum selection provisions entered into between Lloyd's and plaintiffs in the cases violated the anti-waiver provisions of the United States federal securities laws. The SEC stated that these provisions acted to prohibit courts from giving effect to contractual provisions precluding purchasers from obtaining relief under the federal securities laws.

As we stated in our briefs, Congress has made a legislative determination of the rights and obligations necessary to protect investors in the United States and directed that those provisions cannot be waived. As a result, we continue to believe that the antiwaiver provisions of the federal securities laws render void any agreement to waive compliance with those laws. The SEC, however, submitted its briefs solely to address the legal issue of the applicability of the anti-waiver provisions and took no position on any other issue.

I hope this information is helpful. If you have any further questions, please do not hesitate to contact me.

Sincerely,

LAURA S. UNGER,
Acting Chairman.

U.S. SENATE,
Washington, DC, May 16, 2000.

Hon. ORRIN HATCH,
Chairman, Committee on the Judiciary, Washington, DC.

DEAR MR. CHAIRMAN: We are writing you regarding an issue of concern to a number of us on both sides of the aisle. As we understand it, you are aware that English courts have entered summary judgments against hundreds of Americans who contend that they were defrauded in the United States by Lloyd's of London. These Americans were deprived of the right in these actions of raising a fraud defense to Lloyd's claims. As a result, they have asked Congress to give them the right to raise their fraud claims in any collection action brought by Lloyd's in the United States. They are merely asking to have their day in court.

Enclosed is a copy of the proposed language which would provide these Americans with the right to their day in court. As you will see, it is limited in scope and the burden of proof will be upon those seeking to raise a fraud defense to prove such fraud. The amendment would in no way mandate how a court might ultimately decide whether fraud occurred. It simply gives these Americans their day in court.

We hope that it could be included in the pending bankruptcy legislation when it emerges from conference. We would appreciate your consideration in this regard.

Sincerely,

MARY L. LANDRIEU,
U.S. Senator.

HOWELL HEFLIN,
U.S. SENATOR (RETIRED),
Tuscumbia, AL, March 2, 2001.

Hon. RUSSELL D. FEINGOLD,
U.S. Senator, Hart Senate Office Building, Washington, DC.

DEAR RUSS: I am writing you about a matter which will be on the Senate floor next week. I would prefer to visit directly with you, but unfortunately I am unable to make the trip at this time.

Our State Democratic Party chairman here in Alabama, Jack Miller, and his law firm are old friends and supporters who have been involved with me from the time I first ran for Chief Justice of the Alabama Supreme Court and throughout my political career. They tell me that over the last three years, they have been working with a group of Americans who invested in Lloyd's of London and they have been trying to help them secure ''their day in court.'' This group invested in the 1980s before it was generally known that Lloyd's was facing horrendous asbestos losses. When they invested, they were not told of these losses. Obviously, had they been aware of the losses, they would not have made the investments.

Despite the strong support of the SEC, including the SEC's filing of amicus briefs with various courts, these Americans have not been allowed to assert their claims of fraud by Lloyd's. Lloyd's has used an agreement executed by agents appointed by Lloyd's to preclude these Americans from raising fraud as a defense. Lloyd's did this by passing a by-law which authorized Lloyd's to appoint an agent for the investors. The agent then signed away the investors' right to assert fraud as a defense or to question how Lloyd's had calculated what they allegedly owed. As a result of the agent's actions, the investors were just given a sheet of paper with the amounts owed and no backup information and they were not permitted to question how the numbers were calculated. Some of the investors instructed their agent not to sign away their rights and those agents which followed the investors' instructions were replaced by Lloyd's with an agent which would do as Lloyd's instructed in direct contravention of the instructions from the principal.

As a former judge, I am appalled at this entire situation. As I understand it, the provision in the pending bankruptcy bill, Section 1310, simply will give these Americans the right to have their case heard. The burden will be on them to prove by clear and convicing evidence, the highest civil standard, that they were defrauded.

There are no treaty implications. The Hague Convention only applies to arbitral awards, not judgements. Further, Article V of the Convention permits host countries to refuse enforcement of judgements which contravene the public policy of the host country. It would be difficult to find a situation

which is more clearly against our country's public policy.

I hear that you have been concerned over the increasing use of arbitration provisions in the United States. Likewise, I am seriously concerned. What Lloyd's is attempting to do takes such provisions to a new level. The consumer is not only expected to sign away his constitutional rights and securities law protections, it can be done for him by another who is appointed his agent by the other party.

Finally, I gather that you have some questions regarding how this provision became part of the bankruptcy bill. As I understand it, my friends here in Alabama have been working for years to find a legislative vehicle to help these Americans secure a day in court. They have had bipartisan support, including former Senator Bob Kerrey and Senator Mary Landrieu. During their efforts over the last several years, the firm contacted Senator Jeff Sessions since the firm and Senator Sessions are both from Mobile. As a former U.S. Attorney, Senator Sessions agreed that these people had not been accorded their rights and he agreed to support their efforts.

I know that my friends here in Alabama would like the opportunity to meet with you and to respond to any questions you might have concenring this matter. If your scheduled permits this to occur, please let me know.

Thank you for considering what I have to say. I hope that it won't be too long before we can visit in person again.

Sincerely yours,

HOWELL HEFLIN.

HOUSE OF REPRESENTATIVES, COMMITTEE ON INTERNATIONAL RELATIONS,

Washington, DC, March 5, 2001.

Hon. JESSE HELMS,

Chairman, Senate Committee on Foreign Relations, Washington, DC.

DEAR CHAIRMAN HELMS: I am strongly supportive of Section 1310 of S. 420, the Bankruptcy Reform Act of 2001, and I seek your support of this provision as well. It is important that this provision remain in the Senate bill and not be stricken.

This provision is necessary to allow American investors who believe they may have been defrauded by Lloyd's of London an opportunity to be heard in American courts. Section 1310 is narrowly drafted to address the unique circumstances facing those Americans who were recruited in the United States to invest in Lloyd's before 1994 without full disclosure that they would be saddled with asbestos liabilities. The English court which rendered summary judgments in favor of Lloyd's and against the American investors denied those investors the right to assert fraud as an affirmative defense. Section 1310 provides a measured remedy in these cases, where, by clear and convincing evidence, the burden of proof is on the American investor to assert and prove fraud. As you are probably aware, a number of Members and Senators on both sides of the aisle, as well as the Securities and Exchange Commission have endeavored to give the Americans who believe they have been defrauded by Lloyd's legal forum in American courts with respect to the representations that were made to them in this country by Lloyd's and its agents. (See attached copy of the Commission's letter to Chairman Oxley)

The provision does not impact state regulation of insurance and it does not violate any treaty obligations of this country. Consistent with the Hague Convention, recognition of a foreign award may be refused if the court in the country where enforcement is sought finds that ''recognition or enforcement of the award would be contrary to the public of that country.'' It is certainly contrary to the public policy of this country for an individual to be defrauded and then denied the right to assert fraud as a defense.

If you have any questions concerning this provision or my support of it, I would be happy to discuss this matter with you.

Sincerely,

HENRY HYDE.

Mr. SESSIONS. This is a front page copy of Time magazine:

LLOYD'S OF LONDON, 1688—?

Its watchword is utmost good faith. So why does Lloyd's stand accused of the greatest swindle ever?

I was a Federal prosecutor for 12 years in Alabama. I was also in litigation. I am personally aware that there is fraud in big insurance companies. I had the opportunity and the responsibility to prosecute perhaps the largest insurance fraud case in the history of the United States that had even been investigated by committees here in the Senate. In that case, people were defrauded out of over $50 million-plus. The guy who did that, Alan Teal, was convicted. It just so happened he had previously, years before, been a member of Lloyd's. That has nothing to do with this, but I relay it here to let you know that I understand insurance fraud and I have been involved in prosecuted the big cases.

In addition, I was involved in asbestos litigation in the late 1970s. I know in the late 1970s there were thousands of asbestos cases being filed, tens of thousands were being filed, and more were on the way. Everyone knew it. Plaintiffs were beginning to win tremendous verdicts. Everybody who knew anything about the litigation wondered if there would ever be enough money to pay those verdicts.

During this same period of time, the companies that had the guaranteeing of the insurance, the reinsurance, was Lloyd's of London. What did they do? They were sending representatives to the United States, asking those people to invest hundreds of thousands of dollars of their own money into these accounts, and they told them: People have done well investing in Lloyd's. We think you will do well. But you are liable for everything that can come up. It is in the fine print. But they invested, thinking Lloyd's had a good reputation. The company began in 1688 with Members of Parliament, with lords and earls as investors in this.

So they invested, little knowing that the bullet was already in the heart, that this company faced absolute financial ruin as a result of the most unprecedented series of lawsuits in American history, asbestos lawsuits.

Now, when this case went to trial, they said they had a trial over there. They passed a securities law in England similar to our securities law, except they exempted one named entity—Lloyd's of London. Many Members of Parliament who passed that law were investors in Lloyd's. I don't know if they recused themselves or not.

These are some of the facts at which we are looking. The heart of the claim is this, that these American investors were not allowed to put on evidence in the British court that omission could lead to liability. In other words, they were not allowed to show under the law under which they were forced to operate, that Lloyd's had any duty to tell them when they were investing in these syndicates, that they were doomed to lose, and there would be money they would have to pay—really, tens of billions of dollars in asbestos claims, enough to ruin all of Lloyd's.

They sold these investments to American citizens, who did not fully know what they were facing. As one said, these were massive, unquantifiable losses that were heading Lloyd's way like a tidal wave, visible only to the few professional insiders who were tracking asbestos claims.

That was a fraud, I think, under any definition of the word.

The British judge, who excluded all evidence except the written documents that were submitted to the investors as the only evidence that went in on the question of fraud, those documents were submitted and they said you could be liable for any claims that may come against Lloyd's, but they did not say this tidal wave of claims was coming.

Up to 7 or more people all over the world, possibly up to 12, have committed suicide as a result of this. It has ruined the lives of many, many citizens.

The judge who tried the case and who was bound by the law so he didn't let this evidence in, said, ''The catalog of failings and incompetence in the 1980s by underwriters, managing agents, members and agents and others is staggering and has brought disgrace on one of the city's great markets.'' He goes on to skewer Lloyd's for their behavior, yet we can't get a remedy.

This says you don't get money as a result, you only go to court and show in a court of law you may have been defrauded.

Mr. President, let me take just a moment to more fully explain the issues involved in this section of S. 420 that we are debating here today.

The Lloyd's of London provision would allow American investors in Lloyd's to defend against debt collection actions by Lloyd's in American courts by attempting to show that Lloyd's defrauded them when it recruited them as investors in the United States. The investors claim that Lloyd's of London recruited them as investors with unlimited liability and

without disclosing to them massive impending liabilities for asbestos and pollution losses.

This provision was added in the quasi-conference on the Bankruptcy Bill last year. Republicans and Democrats alike agreed to it.

The provision was in the Bankruptcy bill as introduced and passed by the Judiciary Committee of the House and by the whole House this year. It was in the Bankruptcy Bill as introduced and passed by the Senate Judiciary Committee this year where Senator FEINGOLD mentioned his objections to it.

There are legitimate arguments on both sides of this issue. I have listened to investors, and I have listened to Lloyd's of London. Further, my colleague from Wisconsin has spoken against this provision, and I respect his view.

Lloyd's asserts that an English court has found that Lloyd's, as a corporate entity, was not liable for fraud to several American investors that participated in that trial; that international law and comity among nations demands that we respect the judgment of the English courts;

That the agreements signed by the investors had forum-selection and choice-of-law clauses which provided that any dispute would be litigated in English courts under English law; and

That American courts have upheld the forum-selection and choice-of-law clauses.

On the other hand, the investors contend that Parliament precluded suits against Lloyd's for negligence and breach of contract in 1982 and for securities fraud in 1986; that after the investment contract was signed, Lloyd's changed its by-laws to require investors to pay their losses before asserting fraud as a defense even though many investors can't afford to pay their losses in full!;

That the English court failed to address allegations of fraud that took place in America;

That in 1995 a Colorado court, at the behest of state attorneys working under Gale Norton, issued a preliminary injunction against Lloyd's stating its statements to American investors were "materially misleading and false because, as a result of underwriting and reinsurance of asbestos-related liabilities in various syndicates, which liabilities had not been disclosed to [investors], those [investors] . . . are exposed to indefinite liability both in terms of amount and duration . . . .";

That in 1996, Lloyd's settled the fraud claims of numerous State securities regulators by agreeing to reduce its claims against settling investors by $62 million; and

That in the February 26th edition of the Wall Street Journal it was reported that Lloyd's is currently under criminal investigation relating to defrauding its American investors.

In my view, this comes down to a very simple question:

Is this situation egregious enough to warrant an exception to the general rule of comity on judgments?

I believe that it is because of my personal experience as both Attorney General of my State and a federal of prosecutor.

I prosecuted criminals who defrauded policy-holders and investors.

In 1979, I became aware that insurance companies knew of large asbestos losses discovered in litigation in Pascagoula, Mississippi, and that these losses would be catastrophic to the insurance companies.

I know what it means to a family to be defrauded by an insurance company. It is wrong.

I believe in the sanctity of contract, but there is no contract if the investors were fraudulently induced to enter the investment agreement.

I believe in comity with the British government, but there is no comity if Parliament protects Lloyd's, but Congress does not protect American investors.

I believe that helping wealthy investors should not be at the top of our priority list, but many of these investors are not wealthy and as Time magazine reported some have even lost their homes to Lloyd's.

I also believe that defrauding investors is intolerable, but that it is possible Lloyd's did not commit fraud.

However, under the current post-contract term that requires the investors to pay before they assert fraud as a defense, investors who cannot afford to pay their loss in full cannot prevent debt collection actions by Lloyd's even if Lloyd's did defraud them.

This amendment says that international comity is a two-way street. The British Parliament cannot protect wealthy British investors from negligence and securities law claims and expect the American Congress not to at least give American investors a chance to assert fraud as a defense to debt-collection actions—a right that the investors had when they signed their investment contracts but that was unilaterally stripped away from them by Lloyd's after the fact.

Accordingly, I support this narrow provision in the bill to allow pre-1994 American investors to assert fraud as a defense prior to payment. If they cannot prove fraud by clear and convincing evidence, they will lose. If they can prove it, they will win. That is only fair.

Mr. FEINGOLD. I ask for the yeas and nays on the amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the Feingold amendment, No. 51, as modified.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. STEVENS (when his name was called). Present.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) is necessarily absent.

The result was announced—yeas 79, nays 18, as follows:

(Rollcall Vote No. 35 Leg.)

YEAS—79

Akaka	Durbin	Mikulski
Allard	Edwards	Miller
Allen	Ensign	Murkowski
Bayh	Enzi	Murray
Biden	Feingold	Nelson (NE)
Bond	Feinstein	Nickles
Brownback	Frist	Reed
Burns	Graham	Reid
Byrd	Gramm	Roberts
Cantwell	Hagel	Rockefeller
Carnahan	Harkin	Santorum
Carper	Hollings	Sarbanes
Chafee	Hutchison	Schumer
Cleland	Inhofe	Shelby
Clinton	Inouye	Smith (OR)
Cochran	Jeffords	Snowe
Collins	Johnson	Specter
Conrad	Kennedy	Stabenow
Corzine	Kerry	Thomas
Craig	Kohl	Thompson
Crapo	Leahy	Torricelli
Daschle	Levin	Voinovich
Dayton	Lieberman	Warner
DeWine	Lincoln	Wellstone
Dodd	Lugar	Wyden
Domenici	McCain	
Dorgan	McConnell	

NAYS—18

Baucus	Grassley	Landrieu
Bennett	Gregg	Lott
Bingaman	Hatch	Nelson (FL)
Breaux	Helms	Sessions
Bunning	Hutchinson	Smith (NH)
Campbell	Kyl	Thurmond

ANSWERED "PRESENT"—2

Fitzgerald Stevens

NOT VOTING—1

Boxer

The amendment (No. 51), as modified, was agreed to.

Mr. HATCH. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. Under the previous order, the pending amendments are withdrawn.

The Senator from Utah.

AMENDMENTS NOS. 15 AS MODIFIED, 16, 20 AS MODIFIED, 24, 30 AS MODIFIED, 35, 38 AS MODIFIED, 43, 45 AS MODIFIED, 49, 50, 54 AS MODIFIED, 58, 60 AS MODIFIED, 66 AS MODIFIED, 81 AS MODIFIED, 106, 107, 108, AND 109

Mr. HATCH. Mr. President, I have sent a package of amendments to the desk that have been cleared by both sides. Pursuant to the prior agreement, I ask unanimous consent that the package be agreed to at this time, and I also ask unanimous consent the pending Breaux amendment No. 94 be withdrawn, pursuant to previous agreement.

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

The amendment (No. 94) was withdrawn.

The amendments (Nos. 15 as modified, 16, 20 as modified, 24, 30 as modified, 35, 38 as modified, 43, 45 as modified, 49, 50, 54 as modified, 58, 60 as modified, 66 as modified, 81 as modified, 106, 107, 108, and 109) were agreed to, as follows:

AMENDMENT NO. 15, AS MODIFIED

(Purpose: To clarify provisions relating to involuntary cases)

On page 413, after line 25, insert the following:

SEC. 1237. INVOLUNTARY CASES.

Section 303 of title 11, United States Code, is amended—

(1) in subsection (b)(1), by—

(A) inserting ''as to liability or amount'' after ''bona fide dispute''; and

(B) striking ''if such claims'' and inserting ''if such undisputed claims''; and

(2) in subsection (h)(1), by inserting before the semicolon the following: ''as to liability or amount''.

AMENDMENT NO. 16

(Purpose: To provide for family fishermen)

At the appropriate place insert the following:

SEC. ___. FAMILY FISHERMEN.

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

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

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

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

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

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

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

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

''(19A) 'family fisherman' means—

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

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

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

''(B) a corporation or partnership—

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

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

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

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

''(II) its aggregate debts do not exceed $1,500,000 and not less than 80 percent of its aggregate noncontingent, liquidated debts (excluding a debt for 1 dwelling which is owned by such corporation or partnership and which a shareholder or partner maintains as a principal residence, unless such debt arises out of a commercial fishing operation), on the date the case is filed, arise out of a commercial fishing operation owned or operated by such corporation or such partnership; and

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

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

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

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

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

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

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

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

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

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

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

(5) by adding at the end the following:

''§ 1232. Additional provisions relating to family fishermen

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

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

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

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

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

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

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

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

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

''(B) personal injury; or

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

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

(d) CLERICAL AMENDMENTS.—

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

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

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

''1232. Additional provisions relating to family fishermen.''.

(e) APPLICABILITY.—

Nothing in this section shall change, affect, or amend the Fishery Conservation and Management Act of 1976 (16 U.S.C. 1801, et seq.).

Amend the table of contents accordingly.

AMENDMENT NO. 20, AS MODIFIED

(Purpose: To resolve an ambiguity relating to the definition of current monthly income)

On page 18, beginning on line 10, after ''preceding the date of determination'' insert '', which shall be the date which is the last day of the calendar month immediately preceding the date of the bankruptcy filing. If the debtor is providing the debtor's current monthly income at the time of the filing, and otherwise the date of determination shall be such date on which the debtor's current monthly income is determined by the court for the purposes of this Act.''.

AMENDMENT NO. 24

(Purpose: To amend the definition of a bankruptcy petition preparer)

On page 85, beginning on line 12, strike ''a person, other than''.

AMENDMENT NO. 30, AS MODIFIED

(Purpose: To provide a clarification of postpetition wages and benefits)

At the end of title III, add the following:

SEC. 330. CLARIFICATION OF POSTPETITION WAGES AND BENEFITS.

Section 503(b)(1)(A) of title 11, United States Code, is amended to read as follows:

''(A) the actual, necessary costs and expenses of preserving the estate, including wages, salaries, or commissions for services rendered after the commencement of the case, and wages and benefits awarded pursuant to an action brought in a court of law or the National Labor Relations Board as back pay attributable to any period of time after commencement of the case as a result of the debtor's violation of Federal or State law, without regard to when the original unlawful act occurred or to whether any services were rendered if the court determines that the award will not substantially increase the probability of layoff or termination of current employees or of nonpayment of domestic support obligations during the case;''

AMENDMENT NO. 35

(Purpose: To clarify the duties of a debtor who is the plan administrator of an employee benefit plan)

At the appropriate place, insert the following:

SEC. ___. DUTIES WITH RESPECT TO A DEBTOR WHO IS A PLAN ADMINISTRATOR OF AN EMPLOYEE BENEFIT PLAN.

(a) IN GENERAL.—Section 521(a) of title 11, United States Code, as so designated by section 106(d) of this Act, is amended—

(1) in paragraph (4), by striking ''and'' at the end;

(2) in paragraph (5), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(6) unless a trustee is serving in the case, if at the time of filing, the debtor, served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator.''.

(b) DUTIES OF TRUSTEES.—Section 704(a) of title 11, United States Code, as so designated and otherwise amended by this Act, is amended—

(1) in paragraph (10), by striking ''and'' at the end;

(2) in paragraph (11), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(12) where, at the time of the time of the commencement of the case, the debtor served as the administrator (as defined in section 3 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1002)) of an employee benefit plan, continue to perform the obligations required of the administrator;''.

(c) CONFORMING AMENDMENT.—Section 1106(a) of title 11, United States Code, is amended by striking paragraph (1) and inserting the following:

''(1) perform the duties of the trustee, as specified in paragraphs (2), (5), (7), (8), (9), (10), (11), and (12) of section 704;''.

Amend the table of contents accordingly.

AMENDMENT NO. 38, AS MODIFIED

(Purpose: To allow a debtor to purchase health insurance)

Page 25, line 7, insert the following new subsection and redesignate the subsequent subsections accordingly:

''(i) SPECIAL ALLOWANCE FOR HEALTH INSURANCE.—Section 1329(a) of title 11, United States Code, is amended by inserting the following new paragraph—

'''(4) reduce amounts to be paid under the plan by the actual amount expended by the debtor to purchase health insurance for the debtor and any dependent of the debtor (if those dependents do not otherwise have health insurance coverage) if the debtor documents the cost of such insurance and demonstrates that—

'''(A) such expenses are reasonable and necessary;

'''(B)(i) if the debtor previously paid for health insurance, the amount is not materially larger than the cost the debtor previously paid or the cost necessary to maintain the lapsed policy, or;

'''(ii) if the debtor did not have health insurance, the amount is not materially larger than the reasonable cost that would be incurred by a debtor who purchases health insurance and who has similar income, expenses, age, health status, and lives in the same geographic location with the same number of dependents that do not otherwise have health insurance coverage; and

'''(C) the amount is not otherwise allowed for purposes of determining disposable income under section 1325(b) of this title.

Upon request of any party in interest the debtor shall file proof that a health insurance policy was purchased.'''

AMENDMENT NO. 43

(Purpose: To address exceptions to discharge)

On page 173, line 11, strike ''discharge a debtor'' and insert ''discharge an individual debtor''.

On page 244, line 8, strike ''described in section 523(a)(2)'' and insert ''described in subparagraph (A) or (B) of section 523(a)(2) that is owed to a domestic governmental unit or owed to a person as the result of an action filed under subchapter III of chapter 37 of title 31, United States Code, or any similar State statute,''.

AMENDMENT NO. 45, AS MODIFIED

(Purpose: To make amendments with respect to filings by small business concerns, and for other purposes)

On page 212, strike line 8 and all that follows through page 212, line 14, and insert the following:

SEC. 438. PLAN CONFIRMATION DEADLINE.

Section 1129 of title 11, United States Code, is amended by adding at the end the following:

''(e)(1) In a small business case, the plan shall be confirmed not later than 45 days after the date that a plan is filed with the court as provided in section 1121(e).

''(2) The 45 day period referred to in paragraph (1) may be extended only if—

''(A) the debtor, after notice and hearing, demonstrates that it is more likely than not that the court will confirm a plan within a reasonable period of time;

''(B) a new deadline is imposed at the time at which the extension is granted; and

''(C) the order extending time is signed before the existing deadline has expired.''.

On page 217, line 16, strike ''establishes'' and all that follows through ''time'' on line 20 and insert the following: ''establishes that—

''(A) there is a reasonable likelihood that a plan will be confirmed within the timeframes established in sections 1121(e) and 1129(e) of this title, as amended, or in cases in which these sections do not apply, within a reasonable period of time''.

AMENDMENT NO. 49

(Purpose: To provide that Federal election law fines and penalties are nondischargeable debts)

At the appropriate place, insert the following:

SEC. . FEDERAL ELECTION LAW FINES AND PENALTIES AS NONDISCHARGEABLE DEBT.

Section 523(a) of title 11, United States Code, is amended by inserting after paragraph (14A) (as added by this Act) the following:

''(14B) incurred to pay fines or penalties imposed under Federal election law;''.

Amend the table of contents accordingly.

AMENDMENT NO. 50

(Purpose: to provide that political committees may not file for bankruptcy)

At the appropriate place, insert the following:

SEC. . NO BANKRUPTCY FOR INSOLVENT POLITICAL COMMITTEES.

Section 105 of title 11, United States Code, is amended by adding at the end the following:

''(e) A political committee subject to the jurisdiction of the Federal Election Commission under Federal election laws may not file for bankruptcy under this title.''.

Amend the table of contents accordingly.

AMENDMENT NO. 54, AS MODIFIED

(Purpose: To encourage debtors to file in chapter 13 to repay their debts)

On page 151, strike line 23 and all that follows through page 152, line 3, and insert the following:

''(f) Notwithstanding subsections (a) and (b), the court shall not grant a discharge of all debts provided for by the plan or disallowed under section 502, if the debtor has received a discharge: (1) in a case filed under chapter 7, 11 or 12 of this title during the three-year period preceding the date of the order for relief under this chapter, or (2) in a case filed under chapter 13 of this title during the two-year period preceding the date of such order, except that if the debtor demonstrates extreme hardship requiring that a chapter 13 case be filed, the court may shorten the two-year period.''.

AMENDMENT NO. 58

(Purpose: To make an amendment to preserve the existing bankruptcy appellate structure while providing a mechanism for obtaining early review by the court of appeals in appropriate circumstances)

Strike section 1235 and insert the following:

SEC. 1235. EXPEDITED APPEALS OF BANKRUPTCY CASES TO COURTS OF APPEALS.

(a) APPEALS.—Section 158 of title 28, United States Code, is amended—

(1) in subsection (c)(1), by striking ''Subject to subsection (b),'' and inserting ''Subject to subsections (b) and (d)(2),''; and

(2) in subsection (d)—

(A) by inserting ''(1)'' after ''(d)''; and

(B) by adding at the end the following:

''(2)(A) A court of appeals that would have jurisdiction of a subsequent appeal under paragraph (1) or other law may authorize an immediate appeal of an order or decree, not otherwise appealable, that is entered in a case or proceeding pending under section 157 or is entered by the district court or bankruptcy appellate panel exercising jurisdiction under subsection (a) or (b), if the bankruptcy court, district court, bankruptcy appellate panel, or the parties acting jointly certify that—

''(i) the order or decree involves—

''(I) a substantial question of law;

''(II) a question of law requiring resolution of conflicting decisions; or

''(III) a matter of public importance; and

''(ii) an immediate appeal from the order or decree may materially advance the progress of the case or proceeding.

''(B) An appeal under this paragraph does not stay proceedings in the court from which the order or decree originated, unless the originating court or the court of appeals orders such a stay.''.

(b) PROCEDURAL RULES.—

(1) TEMPORARY APPLICATION.—A provision of this subsection shall apply to appeals under section 158(d)(2) of title 28, United States Code, as added by subsection (a) of this section, until a rule of practice and procedure relating to such provision and appeal is promulgated or amended under chapter 131 of such title.

(2) CERTIFICATION.—A district court, bankruptcy court, or bankruptcy appellate panel may enter a certification as described in section 158(d)(2) of title 28, United States Code,

during proceedings pending before that court or panel.

(3) PROCEDURE.—Subject to the other provisions of this subsection, an appeal by permission under section 158(d)(2) of title 28, United States Code, shall be taken in the manner prescribed in rule 5 of the Federal Rules of Appellate Procedure.

(4) FILING PETITION.—When permission to appeal is requested on the basis of a certification of the parties, a district court, bankruptcy court, or bankruptcy appellate panel, the petition shall be filed within 10 days after the certification is entered or filed.

(5) ATTACHMENT.—When permission to appeal is requested on the basis of a certification of a district court, bankruptcy court, or bankruptcy appellate panel, a copy of the certification shall be attached to the petition.

(6) PANEL AND CLERK.—In a case pending before a bankruptcy appellate panel in which permission to appeal is requested, the terms ''district court'' and ''district clerk'', as used in rule 5 of the Federal Rules of Appellate Procedure, mean ''bankruptcy appellate panel'' and ''clerk of the bankruptcy appellate panel'', respectively.

(7) APPLICATION OF RULES.—In a case pending before a district court, bankruptcy court, or bankruptcy appellate panel in which a court of appeals grants permission to appeal, the Federal Rules of Appellate Procedure apply to the proceedings in the court of appeals, to the extent relevant, as if the appeal were taken from a final judgment, order, or decree of a district court, bankruptcy court, or bankruptcy appellate panel exercising appellate jurisdiction under subsection (a) or (b) of section 158 of title 28, United States Code.

AMENDMENT NO. 60, AS MODIFIED

(Purpose: To make technical corrections to Title IX—Financial Contract Provisions)

On page 294, line 10, delete the comma after ''mortgage'';

On page 295, line 15, insert ''mortgage'' before ''loan'';

On page 296, line 25, strike ''or'' and insert ''including'';

On page 299, line 17, strike ''or'' and insert ''including'';

On page 301, line 18, strike ''or any'' and insert ''including any'';

On page 302, line 23, insert ''mortgage'' before ''loans'';

On page 303, line 3, insert ''mortgage'' before ''loans'';

On page 304, line 16, strike ''or'' after ''(V)'' and insert ''including'';

On page 306, line 10, insert ''is of a type'' after ''clause and'';

On page 308, line 5, strike ''or any'' and insert ''including any'';

On page 308, line 23, strike ''the Gramm-Leach-Bliley Act,'' and insert ''the Gramm-Leach-Bliley Act, and'';

On page 308, line 25, strike all after ''2000'' and insert a period following ''2000'';

On page 309, strike line 1 through 3;

On page 320, line 10, strike ''and'';

On page 321, line 4, strike the period at the end of the line and insert ''; and''

On page 321, insert after line 4 the following:

''(3) by including at the end of section 11(e) the following new paragraph:

'(___) SAVINGS CLAUSE.—The meaning of terms used in this subsection (e) are applicable for purposes of this subsection (e) only, and shall not be construed or applied so as to challenge or after the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities law (as that term is defined in section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.''

On page 327, line 7, strike ''408'' and insert ''407A'';

On page 327, line 20, strike ''or'' the second time it appears;

On page 328, line 3, strike all following ''receiver'' through ''agency'' on line 4;

On page 328, line 7, strike all following ''receiver'' through ''bank'' on line 9;

On page 328, line 12, strike the comma after ''Act'';

On page 328, line 18, strike all following ''conservator'' through ''agency'' on line 20;

On page 338, line 23, strike all following ''conservator'' through ''bank'' on line 25;

On page 329, line 25, insert ''in the case of an uninsured national bank or uninsured Federal branch or agency'' after ''Currency'';

On page 330, line 1, insert ''in the case of a corporation chartered under section 25A of the Federal Reserve Act, or an uninsured State member bank that operates, or operates as a multilateral clearing organization pursuant to section 409 of the Act,'';

On page 330, line 3, insert ''solely'' before ''to implement''.

On page 330, line 5, strike ''to implement this section,'' and insert '', limited solely to implementing paragraphs (8), (9), (10) and (11) of section 11(e) of the Federal Deposit Insurance Act,'';

On page 330, line 7, insert ''each'' before ''shall ensure'';

On page 330, line 8, strike ''that the'' and insert ''that their'';

On page 332, line 4, strike ''(D), or'' and insert ''(D) including'';

On page 333, line 14, insert ''mortgage'' before ''loans'';

On page 333, line 18, insert ''mortgage'' before ''loans'';

On page 334, line 21, strike ''(iv), or'' and insert ''(vi) including'';

On page 336, line 5, strike ''or an'' and insert ''or'';

On page 336, line 8, strike ''or a'' and insert ''or'';

On page 336, line 10, strike ''credit spread, total return, or a'' and insert ''total return, credit spread or'';

On page 336, line 22, insert after ''(I)'' the following: ''is of a type that'';

On page 338, line 13, strike ''(v), or'' and insert ''(v); including'';

On page 338, line 18, strike ''do'';

On page 339, line 9, insert ''and'' after ''Act,'';

On page 339, line 10, strike all after ''2000'' through ''Commission'' on line 13 and insert a period after ''2000'';

On page 340, line 20, insert ''mortgage'' before ''loan'';

On page 342, line 2, strike ''or any'' and insert ''Including any'';

On page 343, line 21, strike ''or any'' and insert ''including any'';

On page 346, line 7, strike ''or'' the first time it appears;

On page 346, line 25, Insert '', including any guarantee or reimbursement obligation related to 1 or more of the foregoing'' following ''foregoing'';

On page 352, line 24, insert ''a securities clearing agency,'' after ''association,'';

On page 353, line 25, insert ''a securities clearing agency,'' before ''a contract market'';

On page 355, line 5, insert ''a securities clearing agency,'' after ''association,'';

On page 355, line 6, strike the end parenthesis after ''Act'';

On page 358, line 13, strike ''5(c)'' and insert ''5c(c)'';

On page 358, line 24, strike ''a national securities exchange'';

On page 359 line 4, insert ''a securities clearing agency,'' after ''association'';

On page 363, line 13, insert ''a securities clearing agency,'' after ''association,'';

On page 365, strike lines 18 through 22, and on page 366, strike lines 1 through 2, and insert in lieu thereof the following:

''(H) RECORDKEEPING REQUIREMENTS.—The Corporation, in consultation with the appropriate Federal banking agencies, may by regulation require more detailed recordkeeping by any insured depository institution with respect to qualified financial contracts (including market valuations) only if such insured depository institution is in a troubled condition (as such term is defined by the Corporation pursuant to 12 USC 1831i).'';

On page 372, line 18, insert ''governmental unit, limited liability company (including a single member limited liability company),'' after ''partnership,'';

On page 373, line 22, insert ''on or'' after ''State law'';

On page 374, line 10, insert ''and'' before ''the Commodity'' and strike all after ''Act'' through line 12 and insert a period after ''Act''.

AMENDMENT NO. 66 AS MODIFIED

(Purpose: To save taxpayers $4,000,000 over 5 years, the costs associated with the storage of the tax returns of debtors in certain bankruptcy cases, according to the Congressional Budget Office)

Strike line 21, page 160 to line 12, page 161 and insert thereof:

''(f) An individual debtor in a case under chapter 7, 11, or 13 shall file with the court at the request of the Judge, U.S. Trustee, any party in interest—

''(1) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, with respect to the period from the commencement of the case until such time as the case is closed;

''(2) at the time filed with the taxing authority, the Federal tax returns or transcript thereof required under applicable law, that were not filed with the taxing authority when the schedules under subsection (a)(1) were filed with respect to the period that is 3 years before the order of relief;

''(3) any amendments to any of the Federal tax returns or transcripts thereof described in paragraph (1) or (2); and''.

AMENDMENT NO. 81, AS MODIFIED

(Purpose: To require the General Accounting Office to conduct a study of the reaffirmation process, and for other purposes)

At the end of subtitle A of title II, add the following:

SEC. 204. GAO STUDY ON REAFFIRMATION PROCESS.

(a) STUDY.—The General Accounting Office (in this section referred to as the ''GAO'') shall conduct a study of the reaffirmation process under title 11, United States Code, to determine the overall treatment of consumers within the context of that process, including consideration of—

(1) the policies and activities of creditors with respect to reaffirmation; and

(2) whether consumers are fully, fairly and consistently informed of their rights pursuant to this title.

(b) REPORT TO CONGRESS.—Not later than 1½ years after the date of enactment of this Act, the GAO shall submit a report to the Congress on the results of the study conducted under subsection (a), together with any recommendations for legislation to address any abusive or coercive tactics found within the reaffirmation process.

AMENDMENT NO. 106

(Purpose: To improve the bill)

On page 187, line 20, strike ''(25)'' and insert ''(24)''.

On page 187, line 21, strike ''(26)'' and insert ''(25)''.

On page 191, strike line 25 and insert the following:

(2) in subsection (i), as so redesignated, by inserting ''and subject to the prior rights of holders of security interests in such goods or the proceeds thereof,'' after ''consent of a creditor,''; and

On page 192, line 1, strike ''(2)'' and insert ''(3)''.

On page 199, line 4, strike ''through (5)'' and insert ''and (4)''.

On page 255, line 8, strike ''(26)'' and insert ''(25)''.

On page 255, line 10, strike ''(27)'' and insert ''(26)''.

On page 278, line 9, strike ''(28)'' and insert ''(27)''.

On page 281, line 23, strike ''(28)'' and insert ''(27)''.

On page 347, line 21, strike ''to, under'' and insert ''to and under''.

On page 347, line 24, strike ''to, under'' and insert ''to and under''.

On page 348, line 13, strike ''to, under'' and insert ''to and under''.

On page 348, line 17, strike ''(27)'' and insert ''(26)''.

On page 348, line 19, strike ''(28)'' and insert ''(27)''.

On page 349, line 8, strike ''to, under'' and insert ''to and under''.

On page 349, line 21, strike ''(28)'' and insert ''(27)''.

On page 361, line 23, strike ''(28)'' and insert ''(27)''.

On page 362, lines 4 and 8, strike ''(28)'' each place it appears and insert ''(27)''.

On page 385, line 10, strike '', including'' and insert ''. If the health care business is a long-term care facility, the trustee may appoint''.

On page 385, line 13, add at the end the following: ''In the event that the trustee does not appoint the State Long-Term Care Ombudsman to monitor the quality of patient care in a long-term care facility, the court shall notify the individual who serves as the State Long-Term Care Ombudsman of the name and address of the individual who is appointed.''.

On page 386, line 12, insert after the first period the following: ''If the individual appointed as ombudsman is a person who is also serving as a State Long-Term Care Ombudsman appointed under title III or title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq., 3058 et seq.), that person shall have access to patient records, consistent with authority spelled out in the Older Americans Act and State laws governing the State Long-Term Care Ombudsman program.''.

On page 388, line 4, strike ''(28)'' and insert ''(27)''.

On page 388, line 6, strike ''(29)'' and insert ''(28)''.

On page 394, strike lines 9 through 13.

Redesignate sections 1220 through 1223 as sections 1219 through 1222, respectively.

On page 397, strike line 16 and all that follows through page 398, line 12.

On page 405, line 13, strike ''after'' and insert ''prior to''.

On page 406, line 5, strike ''after'' and insert ''prior to''.

Redesignate sections 1225 through 1236 as sections 1223 through 1234, respectively.

Amend the table of contents accordingly.

AMENDMENT NO. 107

(Purpose: To provide for an additional bankruptcy judgeship for the district of Nevada)

On page 400, insert between lines 10 and 11 the following:

(T) One additional bankruptcy judgeship for the district of Nevada, and one for the district of Delaware.

AMENDMENT NO. 108

(Purpose: To correct the treatment of certain spousal income for purposes of means testing)

On page 10, line 14, after ''private'' insert ''or public'' and

On page 10, line 17, after ''necessary'' insert '', and that such expenses are not already accounted for in the Internal Revenue Service Standards referred to in 707(b)(a) of this title.''

AMENDMENT NO. 109

At the end of the bill, add the following:

TITLE XV—MISCELLANEOUS PROVISIONS

SEC. 1501. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.

(a) IN GENERAL.—Not later August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

Amend the table of contents accordingly.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. LEAHY. Mr. President, just so Senators know, that included the Baucus, Feingold, Feinstein, Leahy, Schumer, Wellstone, Leahy, Ensign/Reid, Leahy, Kohl/Kennedy, Levin/Grassley, Biden/Specter/Sessions/Leahy, Collins/Kerry, Gramm of Texas, Reed of Rhode Island, Kennedy, Leahy, Bond/Kerry, Boxer, and Grassley amendments.

AMENDMENT NO. 30, AS MODIFIED

Mr. KENNEDY. Mr. President, this bipartisan amendment protects workers who face bankruptcy because they are owed money by employers for back pay. This amendment was passed by voice vote last year, but was dropped in conference. This should be a noncontroversial change, a change that would ensure that workers receive all the wages that are due them, workers who were denied minimum wage or overtime pay, workers who were victims of discrimination, workers who were wrongfully fired, and veterans who were denied jobs when they returned from active military duty.

Amending the bankruptcy bill to protect the back pay of workers is especially appropriate, because back pay awards help many of the people that this legislation places at risk, low income families, minorities, and women. My amendment helps workers take care of their families. Collecting a back pay award would give them more of the resources they need to afford food, clothing, and health care without turning to credit cards.

Our bankruptcy laws already protect wages so that businesses can continue to pay their workers during a reorganization. And some courts have taken the important step of requiring employers facing bankruptcy to live up to their obligations to provide back pay awards. This change would ensure that all workers are treated the same, no matter what bankruptcy court their employer has filed in.

The Department of Labor and the National Labor Relations Board obtain back pay awards on behalf of workers. For fiscal year 1998, the NLRB got back pay awards on behalf of about 24,000 workers, with an average award of $3,750 per worker. During the past 5 years, the NLRB also recovered about $1 million on behalf of approximately 300 American veterans who were wrongfully denied jobs after they returned to work from active military duty.

Similarly, for fiscal year 1999 the Department of Labor got back pay awards on behalf of about 2,000 workers, with an average award of about $900 per worker.

If these back pay awards do not receive protection in bankruptcy, most workers will never receive them. They will have earned the back pay, but will never see a dime. Without this amendment, workers lose twice—first when they are wrongfully denied wages, and then again when they are unable to collect the wages because their employers have declared bankruptcy.

Mr. KOHL. Mr. President, I am pleased that the Senate agreed to accept this amendment as part of the bankruptcy bill. Last session, my amendment was accepted by the Senate only to be stripped out of the conference report. The compromise reached on the amendment this year should ensure that it remains in the bill this year. In addition, I would like to thank Senator KENNEDY for joining me this year in offering this amendment.

The amendment corrects an inconsistency in current law regarding the

treatment of backpay awards issued for violations of state or federal laws such as whistle blower protection laws, the Fair Labor Standards Act, or civil rights laws. For example, an employee who works ten hours of overtime during a pay period, but is only paid for nine, or an employee who is wrongfully fired for being a whistle blower does not currently receive the same treatment as the employee who continues to work for the bankrupt company postpetition. Some courts have held that where an award of backpay covers a time both before and after the employer's bankruptcy petition, the entire award is considered a general unsecured claim.

This amendment would clarify the treatment of backpay awards for the postpetition period. For example, the postpetition backpay due an employee who has been reinstated after a successful suit under whistleblower protection laws would clearly be an administrative expense under 11 U.S.C. § 503(b)(1)(A). So too would backpay due to workers whose overtime compensation was illegally denied or reduced.

Under the terms of the compromise agreed to in this amendment, before the postpetition award is treated as an administrative expense, the bankruptcy court must first determine that ''the award will not substantially increase the probability of layoff or termination of current employees or nonpayment of domestic support obligations during the case.'' The court should evaluate the possible impact of the award in the context of all other administrative expenses being awarded. The term ''substantial'' will ensure that the bankruptcy court only refuses to treat postpetition backpay awards as an administrative expense in the rarest of circumstances.

In general, these backpay awards range on average from only a few hundred dollars up to a couple of thousand dollars. Given that these awards are so small, there is virtually no chance that the award will substantially affect any part of an ongoing business concern. Should the award of the postpetition amount be significantly more than a couple of thousand dollars, it is still highly unlikely that it will substantially change the probability of layoff or termination of other employees.

This amendment is an important clarification to the code. I am pleased that the Senate recognized the consequence of these postpetition backpay awards.

AMENDMENT NO. 107, AS MODIFIED

Mr. ENSIGN. Mr. President, today I introduce, along with the senior Senator from Nevada, an amendment to the Bankruptcy Reform Act of 2001 to create an additional bankruptcy judgeship position for the District of Nevada.

This amendment follows the recommendation of the Judicial Conference Committee on the Administration of the Bankruptcy Committee to the Judicial Conference of the United States that legislation be transmitted to Congress to create an additional judgeship for the District of Nevada.

The combination of a rapidly growing population in Nevada and a high number of bankruptcy filings makes it imperative for Nevada to have another judgeship. Nevada continues to be the fastest growing state in the nation, and the Las Vegas metropolitan area remains one of the most rapidly growing cities. Between 1990 and 1999, the population of the state of Nevada grew by more than 66 percent. Its population growth is projected to increase by 10 percent from 2000 to 2005. At this current rate of growth, the Las Vegas area alone will nearly double to 2.5 million people in the next ten years.

Unfortunately, the growth in bankruptcy case filings in Nevada has been even more dramatic. Between 1990 and 1999 case filings grew by more than 226 percent. In 2000, the District of Nevada was ranked fifth highest in U.S. total filings per capita and first in the U.S. in filings of Chapter 7 per capita. By every measure, weighted filings per judgeship, case filings per judgeship, Chapter 11 filings—the District of Nevada measured well above the national average.

The population growth in my state and the increased number of case filings clearly justifies the need for an additional bankruptcy judgeship position for the District of Nevada. We offer this amendment today in the hopes that we can accomplish this critical task for our home state of Nevada.

Mr. LEAHY. Mr. President, I am pleased that we finally adopted the amendments in the managers' package to improve this bill. I thank the efforts of Senators HATCH, DASCHLE, GRASSLEY, and REID.

For the information of my colleagues, we adopted the following amendments to improve this bill.

We adopted an amendment by Senator BAUCUS to resolve an ambiguity regarding involuntary bankruptcies.

We adopted an amendment by Senator BOXER to provide that public education expenses are treated equally with private education expenses in the bill's means-test.

We adopted an amendment by Senator FEINSTEIN regarding bankruptcy petition preparers.

We adopted an amendment by Senator JACK REED calling for a General Accounting Office review of the bill's reaffirmation provisions.

We adopted an amendment by Senator FEINGOLD to make Federal Election Commission fines and judges nondischargeable in a bankruptcy proceeding.

We adopted another amendment by Senator FEINGOLD to clarify that the Federal Election Commission has jurisdiction over insolvent Political Action Committees.

We adopted an amendment that I offered to clarify the definition of current monthly income in the bill's means-test to prevent unnecessary litigation.

We adopted another Leahy amendment to allow a person who has successfully completed a chapter 13 plan and paid off all her creditors to file another chapter 13 plan if some unforeseen economic disaster—such as a job loss or high medical expenses—hits that person within two years of the first chapter 13 completion.

We adopted a third Leahy amendment to modify the requirements for debtors to file tax returns to only Federal returns or transcripts to streamline the process and reduce unnecessary court storage costs.

We adopted an amendment by Senator SCHUMER and Senator GRASSLEY on corporate business reorganizations to prevent a single creditor from alleging fraud to delay the reorganization and to clarify that debts from violations of the False Claims Act are nondischargeable in bankruptcy.

We adopted an amendment by Senator WELLSTONE to clarify that the companies in bankruptcy must fulfil their legal obligations as sponsors and administrators of health care and other benefit plans.

We adopted an amendment by Senators REID and ENSIGN to authorize a bankruptcy judgeship for Nevada the fastest growing state in the nation.

We also adopted, at the request of Senators BIDEN and CARPER, an authorization for an additional bankruptcy judgeship for the District of Delaware, which has the heaviest caseload of bankruptcy cases in the country.

We accepted a colloquy between Senator LEVIN and Senator GRASSLEY to ensure that spikes in gasoline prices will be taken into account in the bill's means-test.

We adopted an amendment by Senators KOHL and KENNEDY to require that back pay awards are given the same priority as regular wages in bankruptcy proceedings.

We adopted an amendment by Senator GRAMM, which Senator SARBANES has cleared as the ranking member of the Senate Banking Committee, making corrections to the bill's financial contract provisions.

We adopted an amendment by Senators BOND and KERRY to improve the bill's small business provisions.

We adopted an amendment by Senator KENNEDY to include health insurance costs in the bill's means-test.

We adopted an amendment by Senator COLLINS and Senator KERRY on family fisherman protection in bankruptcy.

We adopted an amendment by Senators SESSIONS, LEAHY, SPECTER, and BIDEN regarding appeals of bankruptcy cases.

I am glad we made these important bipartisan changes to improve this bill and add more balance and fairness to it.

AMENDMENT NO. 59, AS FURTHER MODIFIED

Mr. SESSIONS. Mr. President, I ask unanimous consent that amendment No. 59 be further modified so that it strikes section 311 of the Kohl amendment No. 68.

The PRESIDING OFFICER. Without objection, it is so ordered. The amendment (No. 59), as further modified, is as follows:

Strike section 311 of Kohl amendment No. 68, and insert the following:

(a) IN GENERAL.—Section 362(b) of title 11, United States Code, is amended—

(1) by inserting after paragraph (21), as added by this Act, the following:

''(23) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property—

''(A) on which the debtor resides as a tenant; and

''(B) with respect to which—

''(i) the debtor fails to make a rental payment that first becomes due under the unexpired specific term of a rental agreement or lease or under a tenancy under applicable State, or local rent control law, after the date of filing of the petition or during the 10-day period preceding the date of filing of the petition, if the lessor files with the court a certification that the debtor has not made a payment for rent and serves a copy of the certification upon the debtor; or

''(ii) the debtor has a month to month tenancy (or one of shorter term) other than under applicable State or local rent control law where timely payments are made pursuant to clause (i), if the lessor files with a court a certification that the requirements of this clause have been met and serves a copy of the certification upon the debtor.

''(24) under subsection (a)(3), of the commencement or continuation of any eviction, unlawful detainer action, or similar proceeding by a lessor against a debtor seeking possession of residential property, if during the 2-year period preceding the date of filing of the petition, the debtor or another occupant of the leased premises—

''(A) commenced another case under this title; and

''(B) failed to make any rental payment that first became due under applicable nonbankruptcy law after the date of filing of the petition for that other case;

''(25) under subsection (a)(3), of an eviction action, to the extent that it seeks possession based on endangerment of property or the illegal use of controlled substances on the property, if the lessor files with the court a certification that such an eviction has been filed or the debtor has endangered property or illegally used or allowed to be used a controlled substance on the property during the 30-day period preceding the date of filing of the certification, and serves a copy of the certification upon the debtor;''; and

(2) by adding at the end of the flush material at the end of the subsection the following; ''With respect to the applicability of paragraph (23) or (25) to a debtor with respect to the commencement or continuation of a proceeding described in any such paragraph, the exception to the automatic stay shall become effective on the 15th day after the lessor meets the filing and notification requirements under any such paragraph, unless—

''(A) the debtor files a certification with the court and serves a copy of that certification upon the lessor on or before that 15th day, that—

''(i) contests the truth or legal sufficiency of the lessor's certification; or

''(ii) states that the tenant has taken such action as may be necessary to remedy the subject of the certification under paragraph (23)(B)(i), except that no tenant may take advantage of such remedy more than once under this title; or

''(B) the court orders that the exception to the automatic stay shall not become effective, or provides for a later date of applicability.''.

(3) by adding at the end of the flush material added by paragraph (2), the following:

''Where a debtor makes a certification under subparagraph (A), the clerk of the court shall set a hearing on a date no later than 10 days after the date of the filing of the certification of the debtor and provide written notice thereof. If the debtor can demonstrate to the satisfaction of the court that the sent payment due post-petition or 10 days prior to the petition was made prior to the filing of the debtor's certification under subparagraph (A), or that the situation giving rise to the exception in paragraph (25) does not exist or has been remedied to the court's satisfaction, then a stay under subsection (a) shall be in effect until the termination of the stay under this section. If the debtor cannot make this demonstration to the satisfaction of the court, the court shall order the stay under subsection (a) lifted forthwith. Where a debtor does not file a certification under subparagraph (A), the stay under subsection (a) shall be lifted by operation of law and the clerk of the court shall certify a copy of the bankruptcy docket as sufficient evidence that the automatic stay of subsection (a) is lifted.''

FLUCTUATING GAS PRICES

Mr. LEVIN. Mr. President, as the Senator knows, gas prices have fluctuated significantly in the last year. In my own state of Michigan, gas prices went from .80 cents a gallon in October 1999 to a high of $1.46 a gallon by June 2000. The Internal Revenue Service, IRS, Local Standards for Operating Costs and Public Transportation Costs, which includes costs for gasoline, are revised in October of each year but are often based on statistics from as long as 2 or 3 years before that. The IRS standards for gasoline costs can be out of date in a fast changing economy.

In the event a debtor has experienced significant increases in the costs of buying gasoline for their car, how would the means test adjust for this?

Mr. GRASSLEY. Mr. President, under the special circumstances provision, the debtor could explain in the debtor's petition why an additional allowance in excess of the amounts allowed under the Internal Revenue Standards was reasonable and necessary. As a practical matter, if the costs for gas have increased significantly over the costs for gas used by the Internal Revenue Service, the excess costs of gasoline over the IRS standard should and would be allowed under the special circumstances provision.

Mr. NELSON of Florida. Mr. President, I am opposed to the Bankruptcy Reform Act of 2001. I do not take my decision to vote against this legislation lightly. The growing personal debt of the American people and the dramatic rise in bankruptcy filings over the last 10 years should give us all reason for concern.

However, this legislation simply fails as a matter of sound public policy. Rather than addressing this complex issue with a solution that focuses on consumer and private sector responsibility, this bill almost exclusively places the burden of change on the people that bankruptcy law is supposed to help. It almost completely ignores the aggressive marketing practices of lenders who in some cases, seem to have lost the ability to judge a bad credit risk.

It is difficult to have sympathy for an industry that mails three billion solicitations a year, and expends very little effort to ensure that they are marketing to people who have the financial means or are even old enough to hold a credit card. It's clear that young and low-income individuals, who often have the least ability to repay, are prime targets of the credit industry's overly aggressive marketing tactics.

It appears that these companies have made a calculation that it is more profitable to have liberal lending policies and higher interest rates, than it is to deny credit or at least putting a reasonable credit limit in place.

I have heard many of my colleagues talk a lot over the past week about how consumers need to be more financially responsible. Fair enough. But I'm here to say that we should also demand more responsibility from big lenders who fail to do their homework.

Especially in a time of economic slow-down, I do not believe we should make it more difficult for people to get a fresh start unless we also make further demands of an industry that could solve many of its problems by simply making credit available responsibly.

I realize that this legislation also would benefit many small businesses that extend credit to their customers, and that are sometimes forced to foot the bill for individuals who choose to abuse the system. My concern about reckless lending practices is not aimed at the small businessman, and, I strongly want to stamp out abuse in the bankruptcy system.

However, a better bankruptcy bill would encourage responsible marketing of credit services and would include stronger provisions to curb predatory lending. This bill falls short of the mark in these areas and as result will not get my vote.

Mr. KERRY. Mr. President, the Bankruptcy Reform bill we are voting on today has a valid, uncontroversial and necessary purpose. It is intended to curb bankruptcy abuse and ensure that

those who can afford to pay their debts, do pay their debts. And I would say to you, Mr. President, if this were—all about those goals—if this were a debate about personal responsibility—there would be a very different dialogue in the United States Senate and it would have given us a very different bill than the one we're voting on today. But Mr. President the bill we are voting on is seriously flawed and will harm innocent debtors who are genuinely in need of the protections and ''fresh start'' that bankruptcy procedures are intended to provide. It is for that reason that I must vote against this bill.

During the 106th Congress, I voted in favor of the Senate bankruptcy bill, because I believe that we need to reform the system and curb abuse. I had some serious reservations about that bill and had hoped that many of the concerns I had at that time would be addressed in conference. Unfortunately the conference bill, like the bill we are voting on today, did not target only those who abuse the bankruptcy system. What we needed during the 106th Congress, and what we need now, is bankruptcy reform that does not lump together those who need the protections of bankruptcy with those who abuse the system.

We must absolutely prevent the abuse of the bankruptcy system by the millionaires whom we know have received the protections of the bankruptcy system despite their ability to repay their debts. But even beyond the flagrant, high profile abuse of the bankruptcy system that we have read about in the papers, we must also be sure that every consumer acts responsibly and does not charge meals, vacations and clothes that he can't afford, only to turn to the bankruptcy system to bail him out of his debt.

At the same time, we must not forget that a fresh start in bankruptcy serves a valuable purpose for many individuals who truly need its protections. When an individual gets into financial trouble because, for example, she has catastrophic, unforeseen medical expenses, it is better for her, for her creditors and even for society as a whole if she is given the opportunity to have her debts discharged and is given a fresh start. The alternative is that the innocent but unlucky debtor may have as much as 25 percent of her wages garnished by her creditors. Most people live paycheck to paycheck and would be put in serious financial trouble if their paychecks were reduced by that much. In those circumstances, consumers have no choice but to cut back on other, important expenses. They stop paying for their auto insurance and health insurance. They deplete any savings they might have and stop contributing to their retirement accounts. This is a perverse result that doesn't benefit anyone and certainly should not be the outcome of our efforts to reform the bankruptcy system.

As you know, this bill implements a means-testing system that would create a presumption that a Chapter 7 bankruptcy, or fresh start bankruptcy, should be dismissed or converted to a Chapter 13 reorganization if a certain financial formula is satisfied. The means test applies an IRS standard to determine whether a case should be dismissed or converted. The IRS standard is inflexible, and it provides no room for a bankruptcy judge to determine whether the circumstances that led to the debtor's financial situation warrant treatment under Chapter 7. A father with a sick child is treated the same way as a reckless spender who ran up his credit cards on luxury items. Judges should have some discretion to distinguish those situations and exempt from means-testing debtors who, due to circumstances beyond their control, have come to the court to ask for the protection bankruptcy is intended to provide.

The purpose of the means test is to ensure that more individuals file in Chapter 13 and therefore pay off more of their debts. That sounds like a laudable goal. But it is likely to fail. Simply because more people are forced into Chapter 13 plans does not mean that they will be able to successfully complete those plans. Even under the current system, only a third of those who file for Chapter 13 successfully complete their plans. Simply funneling more individuals into Chapter 13 does not in any way guarantee that more debts will be paid off.

Finally, the means test imposes financial disclosure requirements that put significant burdens on all debtors, not just the ten percent or fewer whom experts say abuse the system. Under the means test, everyone who files for bankruptcy must engage in more preparation, more paperwork and more attorney and other expenses prior to filing for bankruptcy, leaving fewer assets to distribute to creditors.

A narrowly targeted reform bill designed to reduce abuse of the system would have provided bankruptcy judges with the discretion to dismiss or convert a case to Chapter 7, but would not have mandated it. It would have provided creditors the opportunity to ask for a dismissal or conversion, but would not have put the burden on every filer to prove that he or she deserves the protections of Chapter 7. This bill simply fails to take that reasonable, targeted approach toward curbing abuse.

In its attempt to thwart abuse of the system, the bill we are voting will also result in some innocent debtors losing their rented homes and apartments. Current bankruptcy law allows individuals in bankruptcy to remain in their apartments as long as they keep paying their rent while the bankruptcy is pending, and as long as they repay any unpaid rent. A landlord must go to the bankruptcy court for permission to evict tenants who have filed for bankruptcy. There is no question that some tenants will abuse this provision, and withhold rent while gambling on the fact that the time and expense of going to bankruptcy court will prevent the landlord from getting permission to evict the tenant. This bill, which allows landlords to evict debtors without going to bankruptcy court, punishes the innocent tenant who is paying his rent while it attempts to get at those who abuse the system. And once again, the answer lies in more narrowly targeting reform. We simply need to make it easier and less expensive for a landlord to evict a tenant when that tenant has failed to pay his rent. It is not necessary, nor is it good public policy, to allow a landlord to evict a tenant who is paying rent and who will pay back any debts owed.

Perhaps one of the most disturbing parts of the bill is its impact on children. The bill's supporters claim that by moving child support claims from seventh to first priority in Chapter 7 cases, the bill ''puts child support first.'' What they don't say is that this provision is virtually meaningless and will help very few children. The reason is because few debtors in Chapter 7 have any assets to distribute to priority unsecured creditors, such as credit card companies, after secured creditors receive the value of their collateral. Therefore, this change would affect only the smallest number of cases.

In addition, by forcing more debtors to file Chapter 13, more debt, including credit card debt, will have to be repaid. The result is that banks and credit card companies will be in direct competition with single parents trying to collect child support after bankruptcy. Once again, Mr. President, a bill that claims to reform the system may actually make it worse for those most in need.

While this bill puts more burdens on the innocent debtor, it does not place more responsibility on the creditors who provide the consumers with the opportunity to take on increasing amounts of debt. A simple provision requiring credit card bills to state the length of time it would take and the interest that would be paid on the current debt if only the monthly minimum was paid would have provided real reform. Such a provision would have provided valuable information to consumers, and given them the tools they need to decide whether they can afford to take on any new debt. This bill, however, fails to include such a balanced reform provision. Instead, it includes an inadequate disclosure provision that would free 80% of all banks from any disclosure responsibility and place the burden of disclosure on the Federal Reserve for two years. After

that time, it is unclear whether and how the consumer disclosure requirements would be maintained.

This bill is not only detrimental to consumers, but it also hurts our small businesses. This effort to reform our bankruptcy laws will make it more difficult for entrepreneurs to start a small business and impose additional regulations and reporting requirements on small businesses who file for bankruptcy. I believe we must do everything possible to ensure the viability of small businesses and to assist in fostering entrepreneurship in our economy. It has been the Congress's long-held belief that regulatory and procedural burdens should be lowered for small business wherever possible. However, the Bankruptcy Reform Act fails to meet this challenge. Instead, this legislation promotes additional red tape and a government bureaucracy that we have worked to reduce for small business. Specifically, the provisions included in the Bankruptcy Reform Act impose new technical and burdensome reporting requirements for small businesses who file for bankruptcy that are more stringent on small businesses than they are on big business. Further, the bill will provide creditors with greatly enhanced powers to force small businesses to liquidate their assets.

Any big business would have difficulty complying with these new burdensome reporting requirements. But think of the difficulties an entrepreneur or a mom and pop grocery store will have in complying with this dizzying array of new and complex reporting and other requirements. These small businesses are the most likely to need, but least likely to be able to afford, the assistance of a lawyer or an accountant to comply with these new taxing requirements. That is why during the consideration of this bill I offered an amendment to strike the small business provisions which will make it easier for creditors to force liquidations of small business during the bankruptcy process. Unfortunately, that amendment was not adopted.

A limited number of provisions do help small businesses and family fishing businesses. The amendments that I offered last year to extend the reorganization plan filing and confirmation deadlines for small business are included in this bill along with a provision to include small businesses in the creditors committee. Those amendments help small businesses, but they cannot compensate for the greater burdens this bill imposes.

Additionally, I am pleased that an amendment sponsored by Senator COLLINS and I which will extend Chapter 12 bankruptcy protections to our family fishermen has been included in the bill. Mr. President, small, family-owned fishing businesses are in serious trouble. Severe environmental factors such as coastal pollution, warmer oceans and changing currents have resulted in severely depleted fish stocks around the country. We are making progress in rebuilding stocks, however, the cost of this progress has been a steep decline in the amount of fishing allowed in Georges Bank and the Gulf of Maine. This in turn has made it much more difficult for fishermen in Massachusetts and Maine to maintain profitable businesses.

This amendment Senator COLLINS and I sponsored will ensure that fishermen have the flexibility under Chapter 12 of the bankruptcy code to wait out the rebuilding of our commercial fish stocks without back-tracking on our conservation gains to date. It will help preserve the rich New England fishing heritage in Massachusetts without wiping out the fiercely independent small-boat fishermen.

Despite those provisions, which I do believe improve the system, overall this bill does not provide for real bankruptcy reform. Mr. President, sponsors of this bill say it is necessary because we are in the midst of a ''bankruptcy crisis.'' There has been widespread and justifiable concern over the increase in consumer bankruptcies during the 1990s. There were more than 1.4 million bankruptcy filings in 1998. However, personal bankruptcy filings have fallen steadily since then, down to 1.3 million in 1999 and to 1.2 million last year. That is fewer bankruptcies per capita than there were at the time the bankruptcy bill was first introduced. I cannot help but think that had we enacted bankruptcy reform in 1998, the sponsors of the bill would have been taking credit for this downturn in bankruptcies.

But without congressional intervention, bankruptcies have been on the decline. The reason, Mr. President, is simple. Lenders are profit-maximizing institutions which select their own credit criteria. If there is an increase in personal bankruptcies, credit card companies simply won't offer their cards to consumers who don't have the means to pay. The free-market thus corrects any upswing in bankruptcy.

Although the free market will correct the over-extension of credit to those who can least afford it, the market will not address the small percentage of bankruptcy filers who abuse the system. We need legislation for that. But that legislation should be targeted; it should be narrowly crafted; and it should avoid punishing those who truly need and deserve bankruptcy protection. This bill does not do that, and I must vote against it.

Mr. HATCH. Mr. President, I am pleased that S. 420, the bankruptcy legislation, cures some abuses in the Bankruptcy Code regarding executory and unexpired leases.

One provision, Section 404 of the bill, amends Section 365(d)(4) of the Bankruptcy Code. Presently, Section 365(d)(4) provides a retail debtor 60 days to decide whether to assume or reject its lease. A bankruptcy judge may extend this deadline for cause, and therein is the problem. Too many bankruptcy judges have allowed this exception essentially to eliminate any notion of a reasonable and firm deadline on a retail debtor's decision to assume or reject a lease. Bankruptcy judges have been extending this deadline for months and years, often to the date of confirmation of a plan.

This situation is unfair. A shopping center operator is a compelled creditor. It has no choice but to continue to provide space and services to the debtor in bankruptcy. Yet, the current Code permits a retail debtor as much as years to decide what it will do with its lease. Coupled with the increased use of bankruptcy by retail chains, the Bankruptcy Code is tipped unfairly against the shopping center operator.

Some stores curtail their operations or go dark, and still the lessor cannot regain control of its space.

This legislation, like the conference report in the last two Congresses, ends this abuse. It imposes a firm, bright line deadline on a retail debtor's decision to assume or reject a lease, absent the lessor's consent. It permits a bankruptcy trustee to assume or reject a lease on a date which is the earlier of the date of confirmation of a plan or the date which is 120 days after the date of the order for relief. A further extension of time may be granted, within the 120-day period, for an additional 90 days, for cause, upon motion of the trustee or lessor. Any subsequent extension can only be granted by the judge upon the prior written consent of the lessor: either by the lessor's motion for an extension, or by a motion of the trustee, provided that the trustee has the written approval of the lessor. This is important. We are taking away the bankruptcy judges' discretion to grant extensions of the time for the retail debtor to decide whether to assume or reject a lease after a maximum possible period of 210 days from the time of entry of the order of relief. Beyond that maximum period, there is no authority in the judge to grant further time unless the lessor has agreed in writing to the extension.

Retail debtors filing for bankruptcy will factor into their plans this new deadline. Most retail chains undertake a careful review of their financial condition and business outlook before they file for bankruptcy. They will already have an understanding of which leases are ones they wish to assume and which ones they wish to dispose of. The legislation gives them an additional 120 days to decide on what to do with their leases, once they file for bankruptcy. Within that 120 day time period, an additional 90 days can be granted for cause. A further extension may be negotiated by the retail debtor and the

lessor if circumstances warrant, and any such extension can be granted by a judge only with prior written consent of the lessor. Further, a lessor's prior written approval of one such extension does not constitute approval for any further extensions, each such extension beyond the 210 day period requires the lessor's prior written approval. The current imbalance between the retail debtor and the lessor will be redressed by the legislation.

The bill in Section 404 also amends Section 365(f)(1) of the Bankruptcy Code to make sure that all of the provisions of Section 365(b) are adhered to and that Section 365(f) does not override Section 365(b).

This addresses another growing abuse under the Bankruptcy Code. The bill makes clear that an owner must be able to retain control over the mix of retail uses in a shopping center. When an owner enters into a use clause with a retail tenant forbidding assignments of the lease for a use different than that specified in the lease, that clause should be honored. Congress has so intended already, but bankruptcy judges have sometimes ignored the law.

Congress made clear, in Section 365(f)(2)(B), that the trustee may assign an executory contract or unexpired lease of the debtor, only if the trustee makes adequate assurance of future performance under the contract or lease.

In Section 365(b)(3), Congress provided that for purposes of the Bankruptcy Code:

''Adequate assurance of future performance of a lease of real property in a shopping center includes adequate assurance—

''(A) of the source of rent and other consideration due under such lease, and in the case of an assignment, that the financial condition and operating performance of the proposed assignee and its guarantors, if any, shall be similar to the financial condition and operating performance of the debtor and its guarantors, if any, as of the time the debtor became the lessee under the lease;

(B) that any percentage rent due under such lease will not decline substantially;

(C) that assumption or assignment of such lease is subject to all provisions thereof, including (but not limited to) provisions such as a radius, location, use, or exclusivity provision, and will not breach any such provision contained in any other lease, financing agreement, or master agreement relating to such shopping center; and

(D) that assumption or assignment of such lease will not disrupt any tenant mix or balance in such shopping center.

Congress added these provisions to the Code in recognition that a shopping center must be allowed to protect its own integrity as an on going business enterprise, notwithstanding the bankruptcy of some of its retail tenants. A shopping center operator, for example, must be able to determine the mix of retain tenants it leases to. Congress decided that use or similar restrictions in a retail lease, which the retailer cannot evade under nonbankruptcy law, should not be evaded in bankruptcy.

Regrettably, bankruptcy judges have not followed this Congressional mandate. Under another provision of the Code, Section 365(f), a number of bankruptcy judges have misconstrued the Code and allowed the assignment of a lease even though terms of the lease are not being followed. This ignores Section 365(b)(3) and is wrong.

For example, if a shopping center's lease with an educational retailer requires that the premises shall be used solely for the purpose of conducting the retail sale of educational items, as the lease in the In re Simon Property Group, L.P. v. Learningsmith, Inc. case provided, then the lessor has a right to insist on adherence to this use clause, even if the retailer files for bankruptcy. The clause is fully enforceable if the retailer is not in a bankruptcy proceeding, and the retailer should not be able to evade it in bankruptcy. Otherwise, the shopping centers operator loses control over the nature of his or her business.

Unfortuantley, in the Learningsmith case, the judge allowed the assignment of the lease to a candle retailer because it offered more money than an educational store to buy the lease, in contravention of Section 365(b)(3) of the Code. As a result, the lessor lost control over the nature of its very business, operating a particular mix of retail stores. If other retailers file for bankruptcy in that shopping center, the same result can occur.

The bill remedies this problem by amending Section 365(f)(1) to make clear it operates subject to all provisions of Section 365(b).

The legal holding in the Learningsmith case, and other cases like it which do not enforce Section 365(b), particularly 365(b)(3), are overturned by this legislation.

Mr. GRAMM. Mr. President, Title IX of S. 420, the Bankruptcy Reform Act of 2001, involves financial contract provisions. The provisions of Title IX have been carefully crafted with the assistance of the President's Working Group on Financial Markets following a review of current statutory provisions governing the treatment of qualified financial contracts and similar financial contracts upon the insolvency of a counterparty.

Title IX amends the Bankruptcy Code, the Federal Deposit Insurance Act, FDIA, as amended by the Financial Institutions Reform, Recovery, and Enforcement Act of 1989, FIRREA, the payment system risk reduction and netting provisions of the Federal Deposit Insurance Corporation Improvement Act of 1991, FDICIA, and the Securities Investor Protection Act of 1970, SIPA. These amendments address the treatment of certain financial transactions following the insolvency of a party to such transactions. The amendments are designed to clarify and improve the consistency between the applicable statutes and to minimize the risk of a disruption within or between financial markets upon the insolvency of a market participant.

Since its adoption in 1978, the Bankruptcy Code has been amended several times to afford different treatment for certain financial transactions upon the bankruptcy of a debtor, as compared with the treatment of other commercial contracts and transactions. These amendments were designed to further the policy goal of minimizing the systemic risks potentially arising from certain interrelated financial activities and markets. Similar amendments have been made to the FDIA and the FDICIA, both the Federal Deposit Insurance Corporation, (FDIC), and the Securities Investor Protection Corporation (SIPC), have issued policy statements and letters clarifying general issues in this regard.

Systemic risk has been defined as the risk that a disruption at a firm, in a market segment, to a settlement system, etc., can cause widespread difficulties at other firms, in other market segments or in the financial system as a whole. If participants in certain financial activities are unable to enforce their rights to terminate financial contracts with an insolvent entity in a timely manner, to offset or net payment and other transfer obligations and entitlements arising under such contracts, and to foreclose on collateral securing such contracts, the resulting uncertainty and potential lack of liquidly could increase the risk of an inter-market disruption.

Congress has in the past taken steps to ensure that the risk of such systemic events is minimized. For example, both the Bankruptcy Code and the FDIA contain provisions that protect the rights of financial participants to terminate swap agreements, forward contracts, securities contracts, commodity contracts and repurchase agreements following the bankruptcy or insolvency of a counterparty to such contracts or agreements. Furthermore, other provisions prevent transfers made under such circumstances from being avoided as preferences or fraudulent conveyances, except when made with actual intent to defraud and taken in bad faith. Protections also are afforded to ensure that the acceleration, termination, liquidation, netting, setoff and collateral foreclosure provisions of such transactions and master agreements for such transactions are enforceable.

In addition, FDICIA was enacted in 1991 to protect the enforceability of close-out netting provisions in ''netting contracts'' between ''financial institutions.'' FDICIA states that the goal of enforcing netting arrangements is to reduce systemic risk within the banking system and financial markets.

The orderly resolution of insolvencies involving counterparties to such

contracts also is an important element in the reduction of systemic risk. The FDIA allows the receiver for an insolvency insured depository institution the opportunity to review the status of certain contracts to determine whether to terminate or transfer the contracts to new counterparties. These provisions provide the receiver with flexibility in determining the most appropriate resolution for the failed institution and facilitate the reduction of systemic risk by permitting the transfer, rather than termination, of such contracts.

In general, Title IX is designed to clarify the treatment of certain financial contracts upon the insolvency of a counterparty and to promote the reduction of systemic risk. It furthers the goals of prior amendments to the Bankruptcy Code and the FDIA regarding the treatment of those financial contracts and of the payment system risk reduction provisions in FDICIA. It has four principal purposes:

1. To strengthen the provisions of the Bankruptcy Code and the FDIA that protect the enforceability of acceleration, termination, liquidation, closeout netting, collateral foreclosure and related provisions of certain financial agreements and transactions.

2. To harmonize the treatment of these financial agreements and transactions under the Bankruptcy Code and the FDIA.

3. To amend the FDIA and FDICIA to clarify that certain rights of the FDIC acting as conservator or receiver for a failed insured depository institution (and in some situations, rights of SIPC and receivers of certain uninsured institutions) cannot be defeated by operation of the terms of FDICIA.

4. To make other substantive and technical amendments to clarify the enforceability of financial agreements and transactions in bankruptcy or insolvency.

All these changes are designed to further minimize systemic risk to the banking system and the financial markets.

In section 901, subsections (a) through (f) amend the FDIA definitions of ''qualified financial contract,'' ''securities contract,'' ''commodity contract,'' ''forward contract,'' ''repurchase agreement'' and ''swap agreement'' to make them consistent with the definitions in the Bankruptcy Code and to reflect the enactment of the Commodity Futures Modernization Act of 2000 (CFMA). It is intended that the legislative history and case law surrounding those terms, to the date of this amendment, be incorporated into the legislative history of the FDIA.

Subsection (b) amends the definition of ''securities contract'' expressly to encompass margin loans, to clarify the coverage of securities options and to clarify the coverage of repurchase and reverse repurchase transactions. The inclusion of ''margin loans'' in the definition is intended to encompass only those loans commonly known in the securities industry as ''margin loans,'' such as arrangements where a securities broker or dealer extends credit to a customer in connection with the purchase, sale or trading of securities, and does not include loans that are not commonly referred to as ''margin loans,'' however documented. The reference in subsection (b) to a ''guarantee by or to any securities clearing agency'' is intended to cover other arrangements, such as novation, that have an effect similar to a guarantee. The reference to a ''loan'' of a security in the definition is intended to apply to loans of securities, whether or not for a ''permitted purpose'' under margin regulations. The reference to ''repurchase and reverse repurchase transactions'' is intended to eliminate any inquiry under the qualified financial contract provisions of the FDIA as to whether a repurchase or reverse repurchase transaction is a purchase and sale transaction or a secured financing. Repurchase and reverse repurchase transactions meeting certain criteria are already covered under the definition of ''repurchase agreement'' in the FDIA (and a regulation of the FDIC). Repurchase and reverse repurchase transactions on all securities (including, for example, equity securities, asset-backed securities, corporate bonds and commercial paper) are included under the definition of ''securities contract''.

Subsection (b) also specifies that purchase, sale and repurchase obligations under a participation in a commercial mortgage loan do not constitute ''securities contracts.'' While a contract for the purchase, sale or repurchase of a participation may constitute a ''securities contract,'' the purchase, sale or repurchase obligation embedded in a participation agreement does not make that agreement a ''securities contract.''

A number of terms used in the qualified financial contract provisions, but not defined therein, are intended to have the meanings set forth in the analogous provisions of the Bankruptcy Code or FDICIA (for example, ''securities clearing agency''). The term ''person,'' however, is not intended to be so interpreted. Instead, ''person'' is intended to have the meaning set forth in 1 U.S.C. §1.

Subsection (e) amends the definition of ''repurchase agreement'' to codify the substance of the FDIC's 1995 regulation defining repurchase agreement to include those on qualified foreign government securities. See 12 CFR §360.5. The term ''qualified foreign government securities'' is defined to include those that are direct obligations of, or fully guaranteed by, central governments of members of the Organization for Economic Cooperation and Development, OECD. Subsection (e) reflects developments in the repurchase agreement markets, which increasingly use foreign government securities as the underlying asset. The securities are limited to those issued by or guaranteed by full members of the OECD, as well as countries that have concluded special lending arrangements with the International Monetary fund associated with the Fund's General Arrangements to Borrow.

Subsection (e) also amends the definition of ''repurchase agreement'' to include those on mortgage-related securities, mortgage loans and interests therein, and expressly to include principal and interest-only U.S. government and agency securities as securities that can be the subject of a ''repurchase agreement.'' The reference in the definition to United States government- and agency-issued or fully guaranteed securities is intended to include obligations issued or guaranteed by Fannie Mae and the Federal Home Loan Mortgage Corporation (Freddie Mac) as well as all obligations eligible for purchase by Federal Reserve banks under the similar language of section 14(b) of the Federal Reserve Act.

This amendment is not intended to affect the status of repos involving securities or commodities as securities contracts, commodity contracts, or forward contracts, and their consequent eligibility for similar treatment under the qualified financial contract provisions. In particular, an agreement for the sale and repurchase of a security would continue to be a securities contract as defined in the FDIA, even if not a ''repurchase agreement'' as defined in the FDIA. Similarly, an agreement for the sale and repurchase of a commodity, even though not a ''repurchase agreement'' as defined in the FDIA, would continue to be a forward contract for purposes of the FDIA.

Subsection (e), like subsection (b) for ''securities contracts,'' specifies that repurchase obligations under a participation in a commercial mortgage loan do not make the participation agreement a ''repurchase agreement.'' Such repurchase obligations embedded in participations in commercial loans (such as recourse obligations) do not constitute a ''repurchase agreement.'' However, a repurchase agreement involving the transfer of participations in commercial mortgage loans with a simultaneous agreement to repurchase the participation on demand or at a date certain one year or less after such transfer would constitute a ''repurchase agreement'', as well as a ''securities contract''.

Subsection (f) amends the definition of ''swap agreement'' to include an ''interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same

day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option.'' As amended, the definition of ''swap agreement'' will update the statutory definition and achieve contractual netting across economically similar transactions.

The definition of ''swap agreement'' originally was intended to provide sufficient flexibility to avoid the need to amend the definition as the nature and uses of swap transactions matured. To that end, the phrase ''or any other similar agreement'' was included in the definition. (The phrase ''or any similar agreement'' has been added to the definition of ''forward contract,'' ''commodity contract,'' ''repurchase agreement'' and ''securities contract'' for the same reason.) To clarify this, subsection (f) expands the definition of ''swap agreement'' to include ''any agreement or transaction that is similar to any other agreement or transaction referred to in Section 11(e)(8)(D)(vi) of the FDIA and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets and that is a forward, swap, future, or option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value.''

The definition of ''swap agreement,'' however, should not be interpreted to permit parties to document non-swaps as swap transactions. Traditional commercial arrangements, such as supply agreements, or other non-financial market transactions, such as commercial, residential or consumer loans, cannot be treated as ''swaps'' under either the FDIA or the Bankruptcy Code simply because the parties purport to document or label the transactions as ''swap agreements.'' In addition, these definitions apply only for purposes of the FDIA and the Bankruptcy Code. These definitions, and the characterization of a certain transaction as a ''swap agreement,'' are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (f). Similarly, Section 914 and a new paragraph of Section 11(e) of the FDIA provide that the definitions of ''securities contract,'' ''repurchase agreement,'' ''forward contract,'' and ''commodity contract,'' and the characterization of certain transactions as such a contract or agreement, are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (f).

The definition also includes any security agreement or arrangement, or other credit enhancement, related to a swap agreement, including any guarantee or reimbursement obligation related to a swap agreement. This ensures that any such agreement, arrangement or enhancement is itself deemed to be a swap agreement, and therefore eligible for treatment as such for purposes of termination, liquidation, acceleration, offset and netting under the FDIA and the Bankruptcy Code. Similar changes are made in the definitions of ''forward contract,'' ''commodity contract,'' ''repurchase agreement'' and ''securities contract.''

The use of the term ''forward'' in the definition of ''swap agreement'' is not intended to refer only to transactions that fall within the definition of ''forward contract.'' Instead, a ''forward'' transaction could be a ''swap agreement'' even if not a ''forward contract.''

Subsection (g) amends the FDIA by adding a definition for ''transfer,'' which is a key term used in the FDIA, to ensure that it is broadly construed to encompass dispositions of property or interests in property. The definition tracks that in section 101 of the Bankruptcy Code.

Subsection (h) makes clarifying technical changes to conform the receivership and conservatorship provisions of the FDIA. This subsection (h) also clarifies that the FDIA expressly protects rights under security agreements, arrangements or other credit enhancements related to one or more qualified financial contracts, (QFCs). An example of a security arrangement is a right of setoff, and examples of other credit enhancements are letters of credit, guarantees, reimbursement obligations and other similar agreements.

Subsection (i) clarifies that no provision of Federal or state law relating to the avoidance of preferential or fraudulent transfers, (including the anti-preference provision of the National Bank Act) can be invoked to avoid a transfer made in connection with any QFC of an insured depository institution in conservatorship or receivership, absent actual fraudulent intent on the part of the transferee.

Section 902 provides that no provision of law, including FDICIA, shall be construed to limit the power of the FDIC to transfer or to repudiate any QFC in accordance with its powers under the FDIA. As discussed below, there has been some uncertainty regarding whether or not FDICIA limits the authority of the FDIC to transfer or to repudiate QFCs of an insolvent financial institution. Section 902, as well as other provisions in the Act—clarify that FDICIA does not limit the transfer powers of the FDIC with respect to QFCs.

Section 902 denies enforcement to ''walkaway'' clauses in QFCs. A walkaway clause is defined as a provision that, after calculation of a value of a party's position or an amount due to or from one of the parties upon termination, liquidation or acceleration of the QFC, either does not create a payment obligation of a party or extinguishes a payment obligation of a party in whole or in part solely because of such party's status as a non-defaulting party.

In Section 903, subsection (a) amends the FDIA to expand the transfer authority of the FDIC to permit transfers of QFCs to ''financial institutions'' as defined in FDICIA or in regulations. This provision will allow the FDIC to transfer QFCs to a non-depository financial institution, provided the institution is not subject to bankruptcy or insolvency proceedings.

The new FDIA provision specifies that when the FDIC transfers QFCs that are cleared on or subject to the rules of a particular clearing organization, the transfer will not require the clearing organization to accept the transferee as a member of the organization. This provision gives the FCIC flexibility in resolving QFCs cleared on or subject to the rules of a clearing organization, while preserving the ability of such organizations to enforce appropriate risk reducing membership requirements. The amendment does not require the clearing organization to accept for clearing any QFCs from the transferee, except on the terms and conditions applicable to other parties permitted to clear through that clearing organization. ''Clearing organization'' is defined to mean a ''clearing organization'' within the meaning of FDICIA (as amended both by the CFMA and by Section 906 of the Act).

The new FDIA provision also permits transfers to an eligible financial institution that is a non-U.S. person, or the branch or agency of a non-U.S. person or a U.S. financial institution that is not an FDIC-insured institution if, following the transfer, the contractual rights of the parties would be enforceable substantially to the same extent as under the FDIA. It is expected that the FDIC would not transfer QFCs to such a financial institution if there were an impending change of law that would impair the enforceability of the parties' contractual rights.

Subsection (b) amends the notification requirements following a transfer

of the QFCs of a failed depository institution to require the FDIC to notify any party to a transferred QFC of such transfer by 5:00 p.m. (Eastern Time) on the business day following the date of the appointment of the FDIC acting as receiver or following the date of such transfer by the FDIC acting as a conservator. This amendment is consistent with the policy statement on QFCs issued by the FDIC on December 12, 1989.

Subsection (c) amends the FDIA to clarify the relationship between the FDIA and FDICIA. There has been some uncertainty whether FDICIA permits counterparties to terminate or liquidate a QFC before the expiration of the time period provided by the FDIA during which the FDIC may repudiate or transfer a QFC in a conservatorship or receivership. Subsection (c) provides that a party may not terminate a QFC based solely on the appointment of the FDIC as receiver until 5:00 p.m. (Eastern Time) on the business day following the appointment of the receiver or after the person has received notice of a transfer under FDIA section 11(d)(9), or based solely on the appointment of the FDIC as conservator, notwithstanding the provisions of FDICIA. This provides the FDIC with an opportunity to undertake an orderly resolution of the insured depository institution.

The amendment also prohibits the enforcement of rights of termination or liquidation that arise solely because of the insolvency of the institution or are based on the ''financial condition'' of the depository institution in receivership or conservatorship. For example, termination based on a cross-default provision in a QFC that is triggered upon a default under another contract could be rendered ineffective if such other default was caused by an acceleration of amounts due under that other contract, and such acceleration was based solely on the appointment of a conservator or receiver for that depository institution. Similarly, a provision in a QFC permitting termination of the QFC based solely on a downgraded credit rating of a party will not be enforceable in an FDIC receivership or conservatorship because the provision is based solely on the financial condition of the depository institution in default. However, any payment, delivery or other performance-based default, or breach of a representation or covenant putting in question the enforceability of the agreement, will not be deemed to be based solely on financial condition for purposes of this provision. The amendment is not intended to prevent counterparties from taking all actions permitted and recovering all damages authorized upon repudiation of any QFC by a conservator or receiver, or from taking actions based upon a receivership or other financial condition-triggered default in the absence of a transfer (as contemplated in Section 11 (e)(10) of the FDIA).

The amendment allows the FDIC to meet its obligation to provide notice to parties to transferred QFCs by taking steps reasonably calculated to provide notice to such parties by the required time. This is consistent with the existing policy statement on QFCs issued by the FDIC on December 12, 1989.

Finally, the amendment permits the FDIC to transfer QFCs of a failed depository institution to a bridge bank or a depository institution organized by the FDIC for which a conservator is appointed either (i) immediately upon the organization of such institution or (ii) at the time of a purchase and assumption transaction between the FDIC and the institution. This provision clarifies that such institutions are not to be considered financial institutions that are ineligible to receive such transfers under FDIA section 11(e)(9). This is consistent with the existing policy statement on QFCs issued by the FDIC on December 12, 1989.

Section 904 limits the disaffirmance and repudiation authority of the FDIC with respect to QFCs so that such authority is consistent with the FDIC's transfer authority under FDIA section 11(e)(9). This ensures that no disaffirmance, repudiation or transfer authority of the FDIC may be exercised to ''cherry-pick'' or otherwise treat independently all the QFCs between a depository institution in default and a person or any affiliate of such person. The FDIC has announced that its policy is not to repudiate or disaffirm QFCs selectively. This unified treatment is fundamental to the reduction of systemic risk.

Section 905 states that a master agreement for one or more securities contracts, commodity contracts, forward contracts, repurchase agreements or swap agreements will be treated as a single QFC under the FDIA (but only to the extent the underlying agreements are themselves QFCs). This provision ensures that cross-product netting pursuant to a master agreement, or pursuant to an umbrella agreement for separate master agreements between the same parties, each of which is used to document one or more qualified financial contracts, will be enforceable under the FDIA. Cross-product netting permits a wide variety of financial transactions between two parties to be netted, thereby maximizing the present and potential future risk-reducing benefits of the netting arrangement between the parties. Express recognition of the enforceability of such cross-product master agreements furthers the policy of increasing legal certainty and reducing systemic risks in the case of an insolvency of a large financial participant.

In section 906, subsection (a)(1) amends the definition of ''clearing organization'' to include clearinghouses that are subject to exemptions pursuant to orders of the Securities and Exchange Commission or the Commodity Futures Trading Commission and to include multilateral clearing organizations, (the definition of which was added to FDICIA by the CFMA).

Subsection (a)(2). FDICIA provides that a netting arrangement will be enforced pursuant to its terms, notwithstanding the failure of a party to the agreement. However, the current netting provisions of FDICIA limit this protection to ''financial institutions,'' which include depository institutions. This subsection amends the FDICIA definition of covered institutions to include (i) uninsured national and State member banks, irrespective of their eligibility for deposit insurance and (ii) foreign banks, (including the foreign bank and its branches or agencies as a combined group, or only the foreign bank parent of a branch or agency).[1] The latter change will extend the protections of FDICIA to ensure that U.S. financial organizations participating in netting agreements with foreign banks are covered by the Act, thereby enhancing the safety and soundness of these arrangements. It is intended that a non-defaulting foreign bank and its branches and agencies be considered to be a single financial institution for purposes of the bilateral netting provisions of FDICIA (except to the extent that the non-defaulting foreign bank and its branches and agencies on the one hand, and the defaulting financial institution, on the other, have entered into agreements that clearly evidence an intention that the non-defaulting foreign bank and its branches and agencies be treated as separate financial institutions for purposes of the bilateral netting provisions of FDICIA).

Subsection (a)(3) amends FDICIA to provide that, for purposes of FDICIA, two or more clearing organizations that enter into a netting contract are considered ''members'' of each other. This assures the enforceability of netting arrangements involving two or more clearing organizations and a member common to all such organizations, thus reducing systemic risk in the event of the failure of such a member. Under the current FDICIA provisions, the enforceability of such arrangements depends on a case-by-case determination that clearing organizations could be regarded as members of each other for purposes of FDICIA.

Subsection (a)(4) amends the FDICIA definition of netting contract and the general rules applicable to netting contracts. The current FDICIA provisions require that the netting agreement must be governed by the law of the United States or a State to receive the

[1] The Federal Reserve Board has by regulation included certain institutions, including certain foreign banks, swaps dealers and insurance companies, in the definition of a ''financial institution'' for purposes of FDICIA. See 12 C.F.R. Part 231.

protections of FDICIA. However, many of these agreements, particularly netting arrangements covering positions taken in foreign exchange dealings, are governed by the laws of a foreign country. This subsection broadens the definition of ''netting contract'' to include those agreements governed by foreign law, and preserves the FDICIA requirement that a netting contract not be invalid under, or precluded by, Federal law.

Subsections (b) and (c) establish two exceptions to FDICIA's protection of the enforceability of the provisions of netting contracts between financial institutions and among clearing organization members.

First, the termination provisions of netting contracts will not be enforceable based solely on (i) the appointment of a conservator for an insolvent depository institution under the FDIA or (ii) the appointment of a receiver for such institution under the FDIA, if such receiver transfers or repudiates QFCs in accordance with the FDIA and gives notice of a transfer by 5:00 p.m. on the business day following the appointment of a receiver. This change is made to confirm the FDIC's flexibility to transfer or repudiate the QFCs of an insolvent depository institution in accordance with the terms of the FDIA. This modification also provides important legal certainly regarding the treatment of QFCs under the FDIA, because the current relationship between the FDIA and FDICIA is unclear.

The second exception provides that FDICIA does not override a stay order under SIPA with respect to foreclosure on securities, (but not cash), collateral of a debtor (section 911 makes a conforming change to SIPA). There is also an exception relating to insolvent commodity brokers.

Subsections (b) and (c) also clarify that a security agreement or other credit enhancement related to a netting contract is enforceable to the same extent as the underlying netting contract.

Subsection (d) adds a new section 407 to FDICIA. This new section provides that, notwithstanding any other law, QFCs with uninsured national banks, uninsured Federal branches or agencies, or Edge Act corporations, or uninsured State member banks that operate, or operate as, a multilateral cleaning organization and that are placed in receivership or conservatorship will be treated in the same manner as if the contract were with an insured national bank or insured Federal branch for which a receiver or conservator was appointed. This provision will ensure that parties to QFCs with these institutions will have the same rights and obligations as parties entering into the same agreements with insured depository institutions. The new section also specifically limits the powers of a receiver or conservator for such an institution to those contained in 12 U.S.C. §§1821(e)(8), (9), (10), and (11), which address QFCs.

While the amendment would apply the same rules to such institutions that apply to insured institutions, the provision would not change the rules that apply to insured institutions. Nothing in this section would amend the International Banking Act, the Federal Deposit Insurance Act, the national Bank Act, or other statutory provisions with respect to receiverships of insured national banks or Federal branches.

In section 907, subsection (a)(1) amends the Bankruptcy Code definitions of ''repurchase agreement'' and ''swap agreement'' to conform with the amendments to the FDIA contained in sections 901(e) and 901(f) of the Act.

In connection with the definition of ''repurchase agreement,'' the term ''qualified foreign government securities'' is defined to include securities that are direct obligations of, or fully guaranteed by, central governments of members of the Organization for Economic Cooperation and Development OECD. This language reflects developments in the repurchase agreement markets, which increasingly use foreign government securities as the underlying asset. The securities are limited to those issued by or guaranteed by full members of the OECD, as well as countries that have concluded special lending arrangements with the International Monetary Fund associated with the Fund's General Arrangements to Borrow.

Subsection (a)(1) also amends the definition of ''repurchase agreement'' to include those on mortgage-related securities, mortgage loans and interests therein, and expressly to include principal and interest-only U.S. government and agency securities as securities that can be the subject of a ''repurchase agreement.'' The reference in the definition to United States government- and agency-issued or fully guaranteed securities is intended to include obligations issued or guaranteed by Fannie Mae and the Federal Home Loan Mortgage Corporation (Feddie Mac) as well as all obligations eligible for purchase by Federal Reserve banks under the similar language of section 14(b) of the Federal Reserve Act.

This amendment is not intended to affect the status of repos involving securities or commodities as securities contracts, commodity contracts, or forward contracts, and their consequent eligibility for similar treatment under other provisions of the Bankruptcy Code. In particular, an agreement for the sale and repurchase of a security would continue to be a securities contract as defined in the Bankruptcy Code and thus also would be subject to the Bankruptcy Code provisions pertaining to securities contracts, even if not a ''repurchase agreement'' as defined in the Bankruptcy Code. Similarly, an agreement for the sale and repurchase of a commodity, even though not a ''repurchase agreement'' as defined in the Bankruptcy Code, would continue to be a forward contract for purposes of the Bankruptcy Code and would be subject to the Bankruptcy Code provisions pertaining to forward contracts.

Subsection (a)(1) specifies that repurchase obligations under a participation in a commercial mortgage loan do not make the participation agreement a ''repurchase agreement.'' Such repurchase obligations embedded in participations in commercial loans, such as recourse obligations, do not constitute a ''repurchase agreement.'' However, a repurchase agreement involving the transfer of participations in commercial mortgage loans with a simultaneous agreement to repurchase the participation on demand or at a date certain one year or less after such transfer would constitute a ''repurchase agreement'' (as well as a ''securities contract'').

The definition of ''swap agreement'' is amended to include an ''interest rate swap, option, future, or forward agreement, including a rate floor, rate cap, rate collar, cross-currency rate swap, and basis swap; a spot, same day-tomorrow, tomorrow-next, forward, or other foreign exchange or precious metals agreement; a currency swap, option, future, or forward agreement; an equity index or equity swap, option, future, or forward agreement; a debt index or debt swap, option, future, or forward agreement; a total return, credit spread or credit swap, option, future, or forward agreement; a commodity index or commodity swap, option, future, or forward agreement; or a weather swap, weather derivative, or weather option.'' As amended, the definition of ''swap agreement'' will update the statutory definition and achieve contractual netting across economically similar transactions.

The definition of ''swap agreement'' originally was intended to provide sufficient flexibility to avoid the need to amend the definition as the nature and uses of swap transactions matured. To that end, the phrase ''or any other similar agreement'' was included in the definition. (The phrase ''or any similar agreement'' has been added to the definitions of ''forward contract,'' ''commodity contract,'' ''repurchase agreement,'' and ''securities contract'' for the same reason.) To clarify this, subsection (a)(1) expands the definition of ''swap agreement'' to include ''any agreement or transaction that is similar to any other agreement or transaction referred to in Section 101(53B) of the Bankruptcy Code and that is of a type that has been, is presently, or in the future becomes, the subject of recurrent dealings in the swap markets and that is a forward, swap, future, or

option on one or more rates, currencies, commodities, equity securities or other equity instruments, debt securities or other debt instruments, quantitative measures associated with an occurrence, extent of an occurrence, or contingency associated with a financial, commercial, or economic consequence, or economic or financial indices or measures of economic or financial risk or value.''

The definition of ''swap agreement'' in this subsection should not be interpreted to permit parties to document non-swaps as swap transactions. Traditional commercial arrangements, such as supply agreements, or other non-financial market transactions, such as commercial, residential or consumer loans, cannot be treated as ''swaps'' under either the FDIA or the Bankruptcy Code because the parties purport to document or label the transactions as ''swap agreements.'' These definitions, and the characterization of a certain transaction as a ''swap agreement,'' are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in subsection (a)(1)(C). Similarly, Section 914 provides that the definitions of ''securities contract,'' ''repurchase agreement,'' ''forward contract,'' and ''commodity contract,'' and the characterization of certain transactions as such a contract or agreement, are not intended to affect the characterization, definition, or treatment of any instruments under any other statute, regulation, or rule including, but not limited to, the statutes, regulations or rules enumerated in the definition of ''swap agreement.''

The definition also includes any security agreement or arrangement, or other credit enhancement, related to a swap agreement, including any guarantee or reimbursement obligation related to a swap agreement. This ensures that any such agreement, arrangement or enhancement is itself deemed to be a swap agreement, and therefore eligible for treatment as such for purposes of termination, liquidation, acceleration, offset and netting under the Bankruptcy Code and the FDIA. Similar changes are made in the definitions of ''forward contract,'' ''commodity contract,'' ''repurchase agreement,'' and ''securities contract.'' An example of a security arrangement is a right of setoff; examples of other credit enhancements are letters of credit and other similar agreements. A security agreement or arrangement or guarantee or reimbursement obligation related to a ''swap agreement,'' ''forward contract,'' ''commodity contract,'' ''repurchase agreement'' or ''securities contract'' will be such an agreement or contract only to the extent of the damages in connection with such agreement measured in accordance with Section 562 of the Bankruptcy Code (added by the Act). This limitation does not affect, however, the other provisions of the Bankruptcy Code (including Section 362(b)) relating to security arrangements in connection with agreements or contracts that otherwise qualify as ''swap agreements,'' ''forward contracts,'' ''commodity contracts,'' ''repurchase agreements'' or ''securities contracts.''

The use of the term ''forward'' in the definition of ''swap agreement'' is not intended to refer only to transactions that fall within the definition of ''forward contract.'' Instead, a ''forward'' transaction could be a ''swap agreement'' even if not a ''forward contract.''

Subsections (a)(2) and (a)(3) amend the Bankruptcy Code definitions of ''securities contract'' and ''commodity contract,'' respectively, to conform them to the definitions in the FDIA.

Subsection (a)(2), like the amendments to the FDIA, amends the definition of ''securities contract'' expressly to encompass margin loans, to clarify the coverage of securities options and to clarify the coverage of repurchase and reverse repurchase transactions. The inclusion of ''margin loans'' in the definition is intended to encompass only those loans commonly known in the securities industry as ''margin loans,'' such as arrangements where a securities broker or dealer extends credit to a customer in connection with the purchase, sale or trading of securities, and does not include loans that are not commonly referred to as ''margin loans,'' however documented. The reference in subsection (b) to a ''guarantee'' by or to a ''securities clearing agency'' is intended to cover other arrangements, such as novation, that have an effect similar to a guarantee. The reference to a ''loan'' of security in the definition is intended to apply to loans of securities, whether or not for a ''permitted purpose'' under margin regulations. The reference to ''repurchase and reverse repurchase transactions'' is intended to eliminate any inquiry under Section 555 and related provisions as to whether a repurchase or reverse repurchase transaction is a purchase and sale transaction or a secured financing. Repurchase and reverse repurchase transactions meeting certain criteria are already covered under the definition of ''repurchase agreement'' in the Bankruptcy Code. Repurchase and reverse repurchase transactions on all securities (including, for example, equity securities, asset-backed securities, corporate bonds and commercial paper) are included under the definition of ''securities contract''. A repurchase or reverse repurchase transaction which is a ''securities contract'' but not a ''repurchase agreement'' would thus be subject to the ''counterparty limitations'' contained in Section 555 of the Bankruptcy Code (i.e., only stockbrokers, financial institutions, securities clearing agencies and financial participants can avail themselves of Section 555 and related provisions).

Subsection (a)(2) also specifies that purchase, sale and repurchase obligations under a participation in a commercial mortgage loan do not constitute ''securities contracts.'' While a contract for the purchase, sale or repurchase of a participation may constitute a ''securities contract,'' the purchase, sale or repurchase obligation embedded in a participation agreement does not make that agreement a ''securities contract.''

Subsection (b) amends the Bankruptcy Code definitions of ''financial institution'' and ''forward contract merchant.'' The definition for ''financial institution'' includes Federal Reserve Banks and the receivers or conservators of insolvent depository institutions. With respect to securities contracts, the definition of ''financial institution'' expressly includes investment companies registered under the Investment Company Act of 1940.

Subsection (b) also adds a new definition of ''financial participant'' to limit the potential impact of insolvencies upon other major market participants. This definition will allow such market participants to close-out and net agreements with insolvent entities under sections 362(b)(6), 555 and 556 even if the creditor could not qualify as, for example, a commodity broker. Sections 362(b)(6), 555 and 556 preserve the limitations of the right of close-out and net such contracts, in most cases, to entities who qualify under the Bankruptcy Code's counterparty limitations. However, where the counterparty has transactions with a total gross dollar value of at least $1 billion in notional or actual principal amount outstanding on any day during the previous 15-month period, or has gross mark-to-market positions of at least $100 million (aggregated across counterparties) in one or more agreements or transactions on any day during the previous 15-month period, sections 362(b)(6), 555 and 556 and corresponding amendments would permit it to exercise netting and related rights irrespective of its inability otherwise to satisfy those counterparty limitations. This change will help prevent systemic impact upon the markets from a single failure, and is derived from threshold tests contained in Regulation EE promulgated by the Federal Reserve Board in implementing the netting provisions of the Federal Deposit Insurance Corporation Improvement Act. It is intended that the 15-month period be measured with reference to the 15 months preceding the filing of a petition by or against the debtor.

''Financial participant'' is also defined to include ''clearing organizations'' within the meaning of FDICIA

(as amended by the CFMA and Section 906 of the Act). This amendment, together with the inclusion of ''financial participants'' as eligible counterparties in connection with ''commodity contracts,'' ''forward contracts'' and ''securities contracts'' and the amendments made in other Sections of the Act to include ''financial participants'' as counterparties eligible for the protections in respect of ''swap agreements'' and ''repurchase agreements,'' take into account the CFMA and will allow clearing organizations to benefit from the protections of all of the provisions of the Bankruptcy Code relating to these contracts and agreements. This will further the goal of promoting the clearing of derivatives and other transactions as a way to reduce systemic risk. The definition of ''financial participant'' (as with the other provisions of the Bankruptcy Code relating to ''securities contracts,'' ''forward contracts,'' ''commodity contracts,'' ''repurchase agreements'' and ''swap agreements) is not mutually exclusive, i.e., an entity that qualifies as a ''financial participant'' could also be a ''swap participant,'' ''repo participant,'' ''forward contract merchant,'' 'commodity broker,'' ''stockbroker,'' ''securities clearing agency'' and/or ''financial institution.''

Subsection (c) adds to the Bankruptcy Code new definitions for the terms ''master netting agreement'' and master netting agreement participant.''

The definition of ''master netting agreement'' is designed to protect the termination and close-out netting provisions of cross-product master agreements between parties. Such an agreement may be used (i) to document a wide variety of securities contracts, commodity contracts, forward contracts, repurchase agreements and swap agreements or (ii) as an umbrella agreement for separate master agreement between the same parties, each of which is used to document a discrete type of transaction. The definition includes security agreements or arrangements or other credit enhancements related to one or more such agreements and clarifies that a master netting agreement will be treated as such even if it documents transactions that are not within the enumerated categories of qualifying transactions (but the provisions of the Bankruptcy Code relating to master netting agreements and the other categories of transactions will not apply to such other transactions).

A ''master netting agreement participant'' is an entity that is a party to an outstanding master netting agreement with a debtor before the filing of a bankruptcy petition.

Subsection (d) amends section 362(b) of the Bankruptcy Code to protect enforcement, free from the automatic stay, of setoff or netting provisions in swap agreements and in master netting agreements and security agreements or arrangements related to one or more swaping agreements or master netting agreements. This provision parallels the other provisions of the Bankruptcy Code that protect netting provisions of securities contracts, commodity contracts, forward contracts, and repurchase agreements. Because the relevant definitions include related security agreements, the references to ''setoff' in these provisions, as well in section 362(b)(6) and (7) of the Bankruptcy Code, are intended to refer also to rights to foreclose on, and to set off against-obligations to return, collateral securing swap agreements, mater netting agreements, repurchase agreements, securities contracts, commodity contracts, or forward contracts. Collateral may be pledged to cover the cost of replacing the defaulted transactions in the relevant market, as well as other costs and expenses incurred or estimated to be incurred for the purpose of hedging or reducing the risks arising out of such termination. Enforcement of these agreements and arrangement free from the automatic stay is consistent with the policy goal of minimizing systemic risk.

Subsection (d) also clarifies that the provisions protecting setoff and foreclosure in relation to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements free from the automatic stay apply to collateral pledged by the debtor but that cannot technically be ''held by'' the creditor, such as receivables and book-entry securities, and to collateral that has been repledged by the creditor and securities re-sold pursuant to repurchase agreements.

The current codification of section 546 of the Bankruptcy Code contains two subsections designated as ''(g)''; subsection (e) corrects this error.

Subsections (e) and (f) amend sections 546 and 548(d) of the Bankruptcy Code to provide that transfers made under or in connection with a master netting agreement may not be avoided by a trustee except where such transfer is made with actual intent to hinder, delay or defraud and not taken in good faith. This amendment provides the same protections for a transfer made under, or in connection with, a master netting agreement as currently is provided for margin payments, settlement payments and other transfers received by commodity brokers, forward contract merchants, stockbrokers, financial institutions, securities clearing agencies, repo participants, and swap participants under Sections 546 and 548(d), except to the extent the trustee could otherwise avoid such a transfer made under an individual contract covered by such master netting agreement.

Subsections (g), (h), (i) and (j) clarify that the provisions of the Bankruptcy Code that protect (i) rights of liquidation under securities contracts, commodity contracts, forward contracts and repurchase agreements also protect rights of termination or acceleration under such contracts, and (ii) rights to terminate under swap agreements also protect rights of liquidation and acceleration.

Subsection (k) adds a new section 561 to the Bankruptcy Code to protect the contractual right of a master netting agreement participant to enforce any rights of termination, liquidation, acceleration, offset or netting under a master netting agreement. Such rights include rights arising (i) from the rules of a derivatives clearing organization, multilateral clearing organization, securities clearing agency, securities exchange, securities association, contract market, derivatives transaction execution facility or board of trade, (ii) under common law, law merchant or (iii) by reason of normal business practice. This reflects the enactment of the CFMA and the current treatment of rights under swap agreements under section 560 of the Bankruptcy Code. Similar changes to reflect the enactment of the CFMA have been made to the definition of ''contractual right'' for purposes of Sections 555, 556, 559 and 560 of the Bankruptcy Code.

Subsections (b)(2)(A) and (b)(2)(B) of new Section 561 limit the exercise of contractual rights to net or to offset obligations where the debtor is a commodity broker and one leg of the obligations sought to be netted relates to commodity contracts traded on or subject to the rules of a contract market designated under the Commodity Exchange Act or a derivatives transaction execution facility registered under the Commodity Exchange Act. Under subsection (b)(2)(A) netting or offsetting is not permitted in these circumstances if the party seeking to net or to offset has no positive net equity in the commodity accounts at the debtor. Subsection (b)(2)(B) applies only if the debtor is a commodity broker, acting on behalf of its own customer, and is in turn a customer of another commodity broker. In that case, the latter commodity broker may not net or offset obligations under such commodity contracts with other claims against its customer, the debtor. Subsections (b)(2)(A) and (b)(2)(B) limit the depletion of assets available for distribution to customers of commodity brokers. This is consistent with the principle of subchapter IV of chapter 7 of title 11 that gives priority to customer claims in the bankruptcy of a commodity broker. Subsection (b)(2)(C) provides an exception to subsections (b)(2)(A) and (b)(2)(B) for cross-margining and other similar arrangements approved by, or

submitted to and not rendered ineffective by, the Commodity Futures Trading Commission, as well as certain other netting arrangements.

For the purposes of Bankruptcy Code, sections 555, 556, 559, 560, and 561, it is intended that the normal business practice in the event of a default of a party based on bankruptcy or insolvency is to terminate, liquidate or accelerate securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements with the bankrupt or insolvent party.

The protection of netting and offset rights in sections 560 and 561 is in addition to the protections afforded in sections 362(b)(6), (b)(7), (b)(17), and (b)(28).

Under the Act, the termination, liquidation, or acceleration rights of a master netting agreement participant are subject to limitations contained in other provisions of the Bankruptcy Code relating to securities contracts and repurchase agreements. In particular, if a securities contract or repurchase agreement is documented under a master netting agreement, a party's termination, liquidation, and acceleration rights would be subject to the provisions of the Bankruptcy Code relating to orders authorized under the provisions of SIPA or any statute administered by the SEC. In addition, the netting rights of a party to a master netting agreement would be subject to any contractual terms between the parties limiting or waiving netting or set off rights. Similarly, a waiver by a bank or a counterparty of netting or set off rights in connection with QFCs would be enforceable under the FDIA.

Section 502 of the Act clarifies that, with respect to municipal bankruptcies, all the provisions of the Bankruptcy Code relating to securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, and master netting agreements (which by their terms are intended to apply in all proceedings under title 11) will apply in a Chapter 9 proceeding for a municipality. Although sections 555, 556, 559, and 560 provide that they apply in any proceeding under the Bankruptcy Code, Section 502 makes a technical amendment in Chapter 9 to clarify the applicability of these provisions.

New section 561 of the Bankruptcy Code clarifies that the provisions of the Bankruptcy Code related to securities contracts, commodity contracts, forward contracts, repurchasing agreements, swap agreements, and master netting agreements apply in a proceeding ancillary to a foreign insolvency proceeding under new Chapter 15.

Subsections (l) and (m) clarify that the exercise of termination and netting rights will not otherwise affect the priority of the creditor's claim after the exercise of netting, foreclosure, and related rights.

Subsection (n) amends section 553 of the Bankruptcy Code to clarify that the acquisition by a creditor of setoff rights in connection with swap agreements, repurchase agreements, securities contracts, forward contracts, commodity contracts and master netting agreements cannot be avoided as a preference.

This subsection also adds setoff of the kinds described in sections 555, 556, 559, 560, and 561 of the Bankruptcy Code to the types of setoff excepted from section 553(b).

Subsection (o), as well as other subsections of the Act, adds references to ''financial participant'' in all the provisions of the Bankruptcy Code relating to securities, forward and commodity contracts, and repurchase and swap agreements.

Section 908 amends section 11(e)(8) of the Federal Deposit Insurance Act to explicitly authorize the FDIC, in consultation with appropriate Federal banking agencies, to prescribe regulations on recordkeeping by any insured depository institution with respect to QFCs only if the insured depository institution is in a troubled condition (as such term is defined in the FDIA).

Section 909 amends FDIA section 13(e)(2) to provide that an agreement for the collateralization of governmental deposits, bankruptcy estate funds, Federal Reserve Bank or Federal Home Loan Bank extensions of credit, or one or more QFCs shall not be deemed invalid solely because such agreement was not entered into contemporaneously with the acquisition of the collateral or because of pledges, delivery, or substitution of the collateral made in accordance with such agreement.

The amendment codifies portions of policy statements issued by the FDIC regarding the application of section 13(e), which codifies the ''D'Oench Duhme'' doctrine. With respect to QFCs, this codification recognizes that QFCs often are subject to collateral and other security arrangements that may require posting and return of collateral on an ongoing basis based on the mark-to-market value of the collateralized transactions. The codification of only portions of the existing FDIC policy statements on these and related issues should not give to any negative implication regarding the continued validity of these policy statements.

Section 910 adds a new section 562 to the Bankruptcy Code providing that damage under any swap agreement, securities contract, forward contract, commodity contract, repurchase agreement, or master netting agreement will be calculated as of the earlier of (i) the date of rejection of such agreement by a trustee or (ii) the date of liquidation, termination or acceleration of such contract or agreement.

New section 562 provides important legal certainty and makes the Bankruptcy Code consistent with the current provisions related to the timing of the calculation of damages under QFCs in the FDIA.

Section 911 amends SIPA to provide that an order or decree issued pursuant to SIPA shall not operate as a stay of any right of liquidation, termination, acceleration, offset, or netting under one or more securities contracts, commodity contracts, forward contracts, repurchase agreements, swap agreements, or master netting agreements (as defined in the Bankruptcy Code and including rights of foreclosure on collateral), except that such order or decree may stay any right to foreclose on or dispose of securities (but not cash) collateral pledged by the debtor or sold by the debtor under a repurchase agreement or lent by the debtor under a securities lending agreement. (A corresponding amendment to FDICIA is made by section 906). A creditor that was stayed in exercising rights against such securities would be entitled to post-insolvency interest to the extent of the value of such securities.

Section 912 generally protects asset-backed securitization transactions from legal uncertainties and disruptions related to the bankruptcies of certain parties and allows for the further development of structured finance. Asset securitization involves the issuance of securities supported by assets having an ascertainable cash flow or market value. Securitization of receivables, such as small-business loans, commercial and multifamily mortgages, and car loans, allows for the funding of such loans from capital market sources. The process generally enlarges the pool of capital available and reduces financing costs for vital lending purposes such as the financing of small-business operations and home ownership.

Through a number of definitions designed to ensure that the exclusion from property of the estate applies only to the intended type of transaction, new section 541(b)(5) of the Bankruptcy Code excludes from the property of a debtor's estate any ''eligible asset'' (and proceeds thereof) to the extent that such eligible asset was ''transferred'' by the debtor, before the date of commencement of the case, to an ''eligible entity'' in connection with an ''asset-backed securitization.'' Each term is explicitly defined to reflect its specific role or application in the securitization process to ensure that only bona fide securitizations are eligible for the safe harbor exclusion. All defined elements of a securitization must be present for the safe harbor to apply. Other commercial transactions lacking any of the defined elements, such as transactions documented and structured as collateralized lending arrangements and other commercial asset sales or financings that are unrelated to securitization transactions,

would be ineligible for the safe harbor provided by section 541(b)(5).

The phrase ''to the extent'' in new section 541(b)(5) makes clear that a portion of the eligible asset may remain part of the debtor's estate, for example, where the eligible entity obtains the right to receive only interest payments on the first 10 percent of payments due on a receivable in connection with an asset-backed securitization. In addition, the reference to section 548(a) in new section 541(b)(5) will make clear that the safe harbor does not supersede a trustee's power to avoid fraudulent transfers.

New section 541(b)(5) is not intended to override state law requirements, if any, regarding ''perfection'' of an asset sale. However, regardless of strict compliance with such state law requirements, new section 541(b)(5) is intended to provide an exclusion of the debtor's interest in eligible assets (and proceeds thereof) from the debtor's estate, upon compliance with section 541(b)(5). Thus, despite an eligible entity's failure to have properly perfected a sale for state law purposes, the eligible assets in question would remain excluded from the debtor's estate. In such event, however, a third party creditor with an interest in such eligible assets under state law would not be precluded from asserting, outside of the bankruptcy proceedings, such interest against the issuer or any other party purporting to have an interest in those assets. In other words, the amendments do not purport to extinguish any party's interest in the securitized assets other than the debtor's interest to the extent transferred by the debtor to the securitization vehicle. In order to provide certainty to participants in the asset-backed securities market (including both issuers and purchasers of such securities), it is noted that the ''strong-arm'' provisions of section 544 of the Bankruptcy Code are not intended to override the general rule set forth in new section 541(b)(5) so as to bring such assets back into the debtor's estate.

Frequently, asset securitizations involve the issuance of more than one class of securities with differing payment priorities, subordination provisions and other characteristics. The definition of ''asset-backed securitization'' contained in new section 541(e)(1) requires that at least one tranche of the asset-backed securities backed by the eligible assets in question be rated investment grade, thereby requiring that each asset-backed securitization as to which eligible assets are excluded from the debtor's estate be a carefully reviewed transaction subjected to third party scrutiny by a nationally recognized statistical rating organization. The investment-grade rating requirement applies only when the security is initially issued. In view of the cost and time associated with obtaining an investment-grade rating, such ratings are generally not pursued for smaller transactions. These and other burdens of the rating process add further protection against potential abuse of the safe harbor for sham transactions and ensure its application of its intended purpose—to preserve payments on asset-backed securities issued in the public and private markets.

New section 541(e)(4) defines the term ''eligible asset.'' This definition is based upon the definition provided in rule 3a–7 under the Investment Company Act of 1940, which provides an exemption from registration under the Investment Company Act for issuers of asset-backed securities (i.e., issuers in the business of purchasing, or otherwise acquiring, and holding eligible assets). The phrase ''or other assets'' is intended to cover assets often conveyed in connection with securitization transactions such as letters of credit, guarantees, cash collateral accounts, and other assets that are provided as additional credit support. This phrase would also cover other assets, such as swaps, hedge agreements, etc., that are provided to protect bondholders against interest rate, currency and other market risks. The inclusion of cash and securities as eligible assets allows so-called market-value based securitizations of equity and other non-amortizing securities to fall within the purview of the amendment, although securitizations of such securities are not included under Rule 3a–7 and therefore would be subject to regulation under the Investment Company Act if another exemption therefrom were not available.

New sections 541(e)(3) and (4) define the terms ''eligible entity'' and ''issuer,'' respectively. The definitions exclude operating companies by encompassing only single purpose entities. Because securitization transactions often involve intermediary transferees, an eligible entity can be either an issuer or an entity engaged exclusively in the business of acquiring and transferring eligible assets directly or indirectly to an issuer.

New section 541(e)(5) defines the term ''transferred.'' In order for the eligible assets to be excluded from the debtor's estate under section 541, the debtor must represent and warrant in a written agreement that such eligible assets were sold, contributed or otherwise conveyed with the intention of removing them from the debtor's estate pursuant to section 541 (whether or not reference is made to section 541 in the written agreement). The definition makes clear that the debtor's written intention as to the exclusion of the eligible assets will be honored, regardless of the state law characterization of the transfer as a sale, contribution or other conveyance, and regardless of any other aspect of the transaction (such as the debtor's holding an interest in the issuer or any securities issued by the issuer, the ongoing servicing obligation of the debtor; the tax and accounting characterization; or any recourse to the debtor, whether relating to a breach of a representation, warranty or covenant, or otherwise) which may affect a state law analysis as to the true sale.

Section 913, subsection (a) provides that the amendments made under Title IX take effect on the date of enactment.

Subsection (b) provides that the amendments made under Title IX shall not apply with respect to cases commenced, or to conservator/receiver appointments made, before the date of enactment. The amendments would, however, apply to contracts entered into prior to the date of enactment, so long as a Bankruptcy Code case were commenced or a conservator/receiver appointment were made on or after the date of enactment under any Federal or state law.

Section 914 provides that the meaning of terms used in Title IX are applicable for purposes of Title IX only, and shall not be construed or applied so as to challenge or affect the characterization, definition, or treatment of any similar terms under any other statute, regulation, or rule, including the Gramm-Leach-Bliley Act, the Legal Certainty for Bank Products Act of 2000, the securities laws (as that term is defined in Section 3(a)(47) of the Securities Exchange Act of 1934), and the Commodity Exchange Act.

Mr. HUTCHINSON. Mr. President, I rise in support of S. 420, the Bankruptcy Reform Act of 2001, and I commend Senators GRASSLEY, HATCH, and SESSIONS for their hard work, dedication, and perseverance. As a result of their efforts, a sense of balance and fairness has been restored to our legal system and American consumers and businesses will both benefit.

This bill is long overdue as over the past decade there has been an explosion in the number of bankruptcy filings. Last year, there were 1.25 million total bankruptcy filings in America, in 1990, a mere ten years earlier, there were 782,960 filings. In Arkansas, there were 7,062 filings in 1990 and 16,784 in 2000. This explosion is due in no small part to the current Bankruptcy Code's generous, no questions asked policy of providing complete debt forgiveness under Chapter 7 without seriously considering whether a person filing bankruptcy can repay some or all of those debts.

Furthermore, the United States economy loses $40 billion annually as a result of bankruptcy filings and the U.S. Department of Justice estimates that creditors lose $3.22 billion every year because of bankruptcies filed by persons who could repay their debts. These losses are passed on to all consumers—including, and especially,

those who responsibly pay at least part of their debts but choose not to use the bankruptcy code to escape them. The Congressional Budget Office estimates that as a result each American household pays an extra $400 annually in the form of higher costs for goods, services, and credit.

The Bankruptcy Reform Act of 2001 will reduce the number of frivolous bankruptcy filings while still allowing those who truly need help to obtain a fresh start. I am proud to support this legislation and I ask my colleagues to join me in support of the Bankruptcy Reform Act of 2001.

Mrs. MURRAY. Mr. President, I rise to express my support for the bankruptcy reform legislation. This legislation offers an imperfect but fairly balanced approach to reforming the bankruptcy system. Through the amendment process we have improved the bill, but it could be more fair to all sectors of our society. I am disappointed some good amendments that would have improved the legislation were rejected.

The bankruptcy reform legislation that passed the House a couple of weeks ago is less friendly to individuals in adverse circumstances not of their own doing. If this bankruptcy reform bill is weakened in conference, I will have a hard time supporting it. I will likely oppose a conference agreement that looks at all like the House bill.

In recent years, consumer bankruptcy filings have dramatically increased. We debated bankruptcy reform in the last two Congresses. Those discussions showed our desire to elevate personal responsibility in consumer financial transactions; to prevent bankruptcy filings from being used by consumers as a financial planning tool; and, to recapture the stigma associated with a bankruptcy filing. It is clear the system is broke, and bankruptcy reform is needed.

I voted for bankruptcy reform in both the 105th and 106th Congresses, and I plan to vote for this bill. Despite these votes, I have reservations about how the unintended consequences of this bill will affect the less fortunate.

The bill will have an enormous impact on women and child support. The largest growing group of filers are women, usually single mothers. The bill's overall philosophy of pushing debtors from chapter 7 to chapter 13 will have an unintended effect on women. They usually have fewer means and are more susceptible to crafty creditors seeking to intimidate and reaffirm their debts. They need the protection of chapter 7, but could be pushed into chapter 13.

Women will also be disadvantaged by provisions in this bill that fail to prioritize domestic obligations. Under the provisions of this bill, women will find themselves competing with powerful commercial creditors for necessary resources, such as past-due child support, from spouses who are in bankruptcy. It is unfair to place the critical needs of families and single mothers trying to survive behind those of well-off commercial creditors.

Another problem with this bill is the new filing requirements are very complex, which could result in unintended discrimination against lower-income individuals and families. Many low-income families don't have the means to combat most creditors. Because debtors must prove they are filing for legitimate reasons, those without the means to combat powerful commercial interests will be placed at an unfair disadvantage.

I was also disappointed that the U.S. Senate failed to adopt some very good amendments that would have significantly improved the bill. Senator KOHL offered an amendment that would have limited the practice of wealthy debtors shielding themselves from creditors in bankruptcy behind State homestead exemption laws that allow them to shelter large amounts of money in a new home. His amendment would have placed a national cap on this exemption, and limited the abusive practice of sheltering large amounts of money in large homes. I supported this needed amendment, but it was rejected on the floor of the Senate.

Several amendments were also offered that would have restricted the marketing to and use of credit cards by young people. Credit card companies are aggressively marketing to young people, and many young people are getting into massive debt. Companies should only be allowed to offer credit cards to those who can pay for them.

Finally, I am disappointed that amendments were rejected that would have limited predatory lending practices. Some of these predatory loans can have interest rates over 100%.

I was pleased to see that the bill included language to end the practice of using the bankruptcy code to escape civil punishment for violence, intimidation or threats against individuals using family planning services. This provision was added in the Judiciary Committee and greatly improves the bill. It ensures that those who violate the law cannot escape justice through the bankruptcy laws. This critical provision of this bill that must not be stripped or drastically changed in conference.

Overall, this is a decent bill that will improve on the current abuses of the bankruptcy system. While I have concerns over many of this bill's provisions, I hope they can be dealt with in conference or in future legislation.

This bill should be strengthened in conference, not weakened as has happened to other versions of bankruptcy legislation. I will closely examine a conference agreement with this in mind before voting to send this legislation to the President.

Mr. LEVIN. Mr. President, once again the Senate will vote on a bankruptcy reform bill. In the last session of Congress, when the bankruptcy bill came before the Senate, I voted in favor of the bill. I said at the time that because of the amendments adopted in the Senate, the bill was a more reasonable approach to bankruptcy reform that had been reported by the Judiciary Committee. However, I further stated that if the legislation came back from conference, without those modest amendments, I would consider opposing the bill. In the end, the bankruptcy legislation came back from conference in a form that I could not support. The conferees who worked out the differences on the bill deleted or weakened many of the provisions I had supported.

Today, I will vote for this bill with the hope that it does not return from conference in a form I cannot support. The Senate today adopted the Kohl amendment establishing a nationwide homestead cap. That provision must be retained in conference. The Senate has now spoken twice with respect to homestead abuse. We cannot legitimately reform the bankruptcy system if we do not prevent wealthy debtors from shielding luxurious homes while shedding thousands of dollars of debt in bankruptcy.

In addition, the conferees should keep in the final bill, the amendment making debts arising from clinic violence nondischargeable, the amendment on landlord-tenant, the amendment on separated spouses, and the amendment on the means test with respect to high energy costs. It is also my hope that the conference will yield more protections for consumers.

If the bankruptcy bill comes back from conference without these and some of the other reasonable amendments adopted in the Senate, I may once again be forced to oppose the final legislation.

Mrs. CLINTON. Mr. President, I rise today in support of final passage of S. 420, the Bankruptcy Reform Act. Many of my colleagues may remember that I was a strong critic of the bill that passed out of the 106th Congress because I did not believe it provided a balanced approach to bankruptcy reform.

While we have yet to achieve the kind of bankruptcy reform I believe is possible, I have worked with a number of people over the past three years to make improvements that bring us closer to our goals, particularly when it comes to child support.

Women can now be assured that they can continue to collect child support payments after the child's father has declared bankruptcy. The legislation makes child support the first priority during bankruptcy proceedings.

This year, we have made more progress. The Senate agreed to include a revised version of Senator SCHUMER's amendment to ensure that any debts resulting from any act of violence, intimidation, or threat would be non-dischargeable. Earlier today, this body agreed to include a cap on the homestead exemption to ensure that wealthy debtors could not shield their wealth by purchasing a mansion in a state with no cap on homestead exemption. And finally, today I worked hard to make sure that once a person has been declared bankrupt, single mothers can still collect the child support they depend upon. Senator HATCH and I passed an amendment to ensure that child's custodian—usually the mother—will be informed by the bankruptcy trustee of her right to have the State child support agency collect the non-dischargeable child support from the ex-spouse.

In addition, I was concerned about competing non-dischargeable debt so I worked hard with Senator BOXER to ensure that more credit card debt can be erased so that women who use their credit cards for food, clothing and medical expenses in the 90 days before bankruptcy do not have to litigate each and every one of these expenses for the first $750.

Let me be very clear—I will not vote for final passage of this bill if it comes back from conference if these kind of reforms are missing. I am voting for this legislation because it is a work in progress, and it is making progress towards reform.

Bankruptcy reform is important. I grew up with a father who worked hard to avoid having debts. In recent weeks, I have heard form many small credit unions throughout New York, hard working small lenders whose entire membership suffers when the credit union is faced with covering bankruptcy losses.

One credit union from Hoosick Falls has assets of only $2.5 million, but when one of their members filed a Chapter 7 bankruptcy, this small credit union was left with a bill of thousands, which penalized the entire 1,000 membership with increased fees.

Reform is needed. The right kind of reform is necessary. We're on our way toward that goal, and I hope we can achieve final passage of a good bankruptcy reform bill this year.

Mrs. FEINSTEIN. Mr. President, I rise in support of final passage of the bankruptcy bill.

The Senate has worked on this legislation for over four years. The Judiciary Committee, on which I sit, has debated this issue again and again, and we have even sent a bill to the President although that bill was fatally flawed and was vetoed as a result.

This bill is by no means perfect. However, the bill now before us is better than the Conference Report we were faced with at the end of last year, and it is better and more balanced than the bill presented to us in the Judiciary Committee just a few weeks ago.

I believe that the modifications to the legislation made in Committee and on the Floor merit a ''Yes'' vote on final passage.

Since the bill's introduction, I have consistently supported its underlying goal of promoting personal responsibility—as, I think, has every member of this Senate. Debtors who can pay back what they owe, should pay what they owe or at least part of it.

Moreover, the bankruptcy code should not be a haven for irresponsible individuals who have recklessly accumulated debts by spending freely without regard to the consequences. After all, bankruptcy has a societal cost.

And although much has been made of the big credit card companies and banks, not every creditor is a big business. Many harmed by bankruptcy filings are small businessmen and women dry cleaners, home repair workers, and others.

An empirical review of bankruptcy filings indicates that reform is needed. Despite a recent drop, bankruptcy filings continue to remain at unacceptably high levels.

In 1980, individuals filed 287,000 bankruptcies.

In 1999, more than 1.3 million Americans filed for bankruptcy—an increase of 358 percent over 20 years. Bankruptcy has become so commonplace that more than one in a hundred households will file for bankruptcy this year.

The bill we are voting on today appropriately readjusts our bankruptcy laws so that bankruptcy filers must repay a portion of their debts, if they can do so. At the same time, the bill protects debtors below the median income who are truly in need of a fresh start.

This bill assists single parents with children in collecting child support debt from the bankruptcy estate. Philip Strauss, Principal Attorney of the San Francisco Department of Child Support Services, testified on this issue at a February 8, Judiciary Committee hearing, noting that the Bankruptcy Act of 2001 ''will enhance substantially the enforcement of child support obligations against debtors in bankruptcy.''

Specifically, the Bankruptcy Act of 2001 gives child support the highest priority of unsecured claims in a bankruptcy estate. Moreover, the bill prevents a debtor from confirming a bankruptcy plan if the debtor does not make full payment of any child support becoming due after the petition date.

This bill is significantly improved from the Conference Report I voted against in December. While I voted for the Senate-passed bankruptcy bill in the 106th Congress, I voted against the Conference Report because the shadow conference deleted key Senate-passed amendments and did not strike a fair enough balance between creditors and debtors.

For example, last year, the Conference Report deleted a Senate passed amendment that would prevent anti-abortion extremists from using bankruptcy laws to avoid paying civil judgements against them under the Freedom of Access to Clinic Entrances Act.

The FACE Act has led to successful criminal and civil judgements against groups that use intimidation and outright violence to prevent people from obtaining or providing reproductive health services. This amendment is crucial to protecting a woman's safe access to reproductive services.

This year, however, I am pleased that the Bankruptcy Act of 2001 has incorporated a modified version of the FACE amendment, and now makes ''non-dischargeable'' all debts incurred for harassing, obstructing, or other threatening violence against a person seeking any lawful goods and services, including access to reproductive health clinics. I appreciate the efforts of Senators SCHUMER and HATCH in coming to this agreement.

Additionally, this bill includes the Kohl-Feinstein homestead amendment, which places a nationwide $125,000 cap on the amount of money a bankruptcy filer can shield from creditors simply by buying a home. This amendment closes a loophole in bankruptcy code that permits wealthy bankruptcy filers to hide their assets in multimillion dollar estates.

This bill contains my amendment to curb abuses by bankruptcy mills. These operations, generally under the control of a non-attorney bankruptcy petition preparer, are often linked with price gouging of debtors, incompetent service, and remain a significant source of fraud in the bankruptcy system. California, in particular, has suffered from the abuses of these mill operators.

Bankruptcy courts will now have the authority to fine these mill operators $500 per violation, with triple fines if the mill operator does not tell debtor she was filing for bankruptcy or advises the debtor to hide assets. The amendment empowers the U.S. Trustee to take enforcement actions against the mills, sets maximum fees for petition preparers, and victims can sue for increased damages.

In addition, the Senate bill includes a compromise amendment I forged with Senator SESSIONS and Senator FEINGOLD to balance the needs of landlords and tenants, when a tenant files bankruptcy.

Finally, this legislation contains my amendment directing the Federal Reserve Board to investigate the practice of issuing credit cards indiscriminately, without taking steps to ensure that consumers are capable of repaying

their debt, or in a manner that encourages consumers to accumulate additional debt.

The amendment allows the Federal Reserve Board to issue regulations that would require additional disclosures to consumers, and to take any other actions, consistent with its statutory authority, that the Board finds necessary to ensure responsible industry-wide practices and to prevent resulting consumer debt and insolvency.

It was my hope that we could improve this bill even more—with limits on how credit card companies provide products to minors, and with disclosure and other requirements to give consumers the tools to handle the burdens of credit card debt. I also believe bankruptcy judges should have some discretion in applying the means test. Unfortunately, several such amendments failed.

So I do have concerns about this bill, and I know that I will make some people in my State unhappy by voting for it. I understand their point of view, and by voting for this legislation I am not turning my back on those concerns. I do think we should try this approach. If it turns out that this bill does not appropriately solve the current problems with our nation's bankruptcy laws, I will be on the front lines of the fight to reopen this debate and to fix the glitches.

Nevertheless, this bill is a necessary, reasoned approach to solving some real problems with our bankruptcy laws. Abuses are rampant. For many, bankruptcy has become a financial planning tool, rather than its intended use as an option of last resort. Something must be done, and I will vote for this bill.

Mr. DOMENICI. Mr. President, I rise today in support of the bankruptcy reform bill. We have been working on this reform for several years now. Indeed, we passed this bill last year, only to have it pocket vetoed by President Clinton. It is time we get it passed and signed by the President.

Although there has been a slight decline in bankruptcies recently, the 1990s saw a steady increase, despite a robust economy. There are now more than a million bankruptcies a year. Many people are concerned that bankruptcy is being used as a financial planning tool and the public has become frustrated with many stories of bankruptcy abuse.

This bill goes a long way to curbing the abuse without undercutting the truly needy debtor's right to a fresh start. This legislation accounts for the honest but unfortunate debtor who faces mounting bills as a result of medical expenses, divorce, and other reasonable causes.

However, it prevents a debtor from pursuing a lavish lifestyle and then using bankruptcy to avoid obligations. Debtors must take responsibility for their spending. After all, the money creditors lose in bankruptcy is passed on to consumers in higher prices for consumer goods, services, and credit. This often has the greatest adverse affect on the neediest in our society.

This bill strikes a fair balance between the interests of debtors and creditors. Those who truly need bankruptcy relief will receive a ''fresh start'' under Chapter 7. Those debtors who can afford to repay some of their debt will be required to do so under a Chapter 13 repayment plan. It is just common sense that a debtor who can afford to repay some of their debt should do so.

Here's how the crux of the bill works. The bankruptcy court looks at 100 percent of the debtor's living expenses, priority expenses, and secured debt. If after their review, the debtor can still pay $10,000 or 25 percent of his or her debt, they are required to do so under a Chapter 13 repayment plan. This makes sense.

The legislation also provides a $125,000 homestead exemption cap so that the debtor cannot declare bankruptcy but still retain his million dollar home. Again, this makes sense.

This is reasonable reform that benefits debtors, consumers, and creditors alike and I will again vote for its passage.

Mr. DASCHLE. Mr. President, the bankruptcy bill before us today has come this far because it is needed to address the record number of bankruptcy filings this country has seen in recent years.

The number of personal bankruptcies hit 1.4 million in 1998—a new record. While that number declined slightly last year—to 1.3 million bankruptcy filings—it is still too high. It is still nearly twice the number we saw in 1990, during the depths of a recession.

What accounts for this increase?

It's clear that most people who file for bankruptcy do so only after suffering a serious reversal, such as serious illness, divorce or job loss. And most do so only as a last resort.

But economic conditions clearly are not the only factor. If they were, we would have seen a drop in bankruptcy filings during the 1990s, given the booming economy. Instead, we saw record increases during the 90s.

Clearly, some people are gaming and abusing the bankruptcy system. For them, the old stigma associated with bankruptcy has faded.

The purpose of this bill is to stop those abuses.

Many have asked—fairly—whether the solution it imposes is too tough on ordinary debtors who deserve the protection of bankruptcy court.

Critics of this bill say that it makes it more difficult for people who have incurred overwhelming debts through no fault of their own to get back on their feet.

In many ways, I agree with them.

This bill could have been more balanced. It could have been crafted in a way that would have allowed all consumers to have their problems fully considered in bankruptcy court.

A number of Democratic Senators offered amendments that would have made this bill better. Unfortunately, many of those amendments were rejected.

I am pleased, however, that two key amendments were adopted. Both Senator SCHUMER's amendment on clinic violence, and Senator KOHL's amendment closing the homestead loophole, were needed to address real abuses of the bankruptcy code.

If we are going to insist that consumers repay more of their debts, certainly we should also insist that people who resort to violence at health clinics must repay the debts they incur as a result of their illegal behavior. And certainly we must ensure that people who declare bankruptcy can't squirrel away millions of dollars in fancy homes that creditors can't touch.

These abuses were not addressed in the bill President Clinton refused to sign last year. Their inclusion in this bill is one reason I am able to support it today.

A bigger reason for my support is a basic principle that I grew up with. People who incur debts have a responsibility to repaying them if they can.

That is a fundamental belief in South Dakota. It's part of the fabric of who we are.

The pioneers who settled our state relied on each other during the hard times, the weak harvests, and at planting times. They knew they could trust each other to make good on their debts—because they had to.

Their survival depended on it.

Most people I know still feel that way.

This bill is needed because of the people who do not share that belief—the minority of people who see bankruptcy as an easy out, rather than a last resort. It says to those people: ''Paying your debts isn't a matter of choice. It's a matter of honor. And it is a legal responsibility to which you will be held accountable.''

There are real costs when somebody does not repay their debts. Somebody has to pick up the tab.

Some of those costs fall on lenders. But some are passed on to honest borrowers who do repay their debts. They get stuck with higher interest rates. So there are consumers on both sides of this equation.

Under current law, people can file under Chapter 7 to wipe out their debts, and a judge can throw out a case if he or she determines that the filer can afford to repay some of the debts. But there is no consistent legal standard for determining one's ability to pay.

This bill establishes such a standard. It says that bankruptcy judges must

determine if a filer can pay $10,000—or 25 percent of his debts—over the next five years.

It is important to note: This new standard does not apply to filers who—after deducting food, rent, transportation, education and other expenses—earn less than their state's median income. These people can still file for relief under chapter 7.

Opponents of the bill say it imposes new legal hurdles and paper burdens on consumers that will deny many the protection they deserve. These are serious concerns.

We must monitor implementation of this new standard closely. If this bill is enacted into law—if we see that creditors are abusing the provisions of this law to harass debtors—we have a moral responsibility to revisit this law. And I can tell you, I will be the first Senator on this floor calling for that re-examination.

Time will tell if this bill strikes the right balance.

The Senate has heard good arguments on both sides of this debate.

Because of the improvements that were made in committee and on the floor, and because of the fundamental values with which I was raised, I will vote for it.

At the same time, I urge the conferees who will take it up next to respect and preserve the balance in it, so it can continue to command the broad, bipartisan support it will need to reach the President's desk and be signed into law.

Mr. GRASSLEY. Mr. President, I encourage my colleagues to vote for this important bankruptcy bill. We've been working on bankruptcy reform for a long time, and it's high time that we pass this bill. This bill will be a big step forward in restoring personal responsibility and in cracking down on bankruptcy abuse. It will also be a big step forward in providing key information to credit card customers and helping people manage their debt.

Let me remind my colleagues that the fundamental question we face with this bill is whether or not people should repay their debts. S. 420 provides that when a person can repay his or her debts, then that person won't be able to take the easy way out. The bill will end the free ride for wealthy deadbeats who walk away from their debts and pass the tab on to honest consumers. No more will those freeloaders get off scott free. But the bill does this by preserving the ability for people who truly need to go into bankruptcy and wipe away their debts so they can have a fresh start.

The point I'm trying to make is that we have a good balance in the bill. Contrary to what our critics say, bankruptcy should not be easy. Yes, we need to have a way for people who are in dire straits to be able to start anew. Our bill does not close out the availability of bankruptcy for these people. Yet, it is just and fair for people who can pay their debts to do just that—pay up. I don't know what people think, but the fact is that someone has to pay if people walk away from their debts. It is not only businesses that have to pay—we all pay when people walk away from their debts. Economic losses from bankruptcy cause higher prices for goods and services, so everyone picks up the tab—consumers, small businesses, the economy.

Our bill makes many improvements with the current system. We make it harder for people to commit fraud and abuse. We prioritize certain debts, such as child support and alimony. We include a number of consumer protections, such as more expansive disclosure requirements, credit counseling, and increased penalties for abusive creditors and deceptive advertising. These are all important steps in correcting many problems in the bankruptcy system.

An important provision in the bill is the permanent extension of Chapter 12, which expired last June. Our family farmers need this crucial protection because they can face bankruptcy due to low commodity prices. The bill also provides significant new tax relief when they sell off assets. This is an extra reason to vote for this bill for my colleagues from farm country.

So, let me remind my colleagues again what this bill does. S. 420 reforms the bankruptcy system to require repayment of debts by individuals who have the ability to pay, while protecting the right of debtors to a financial fresh start. S. 420 strengthens protections for child support and alimony payments by making family support obligations a first priority in bankruptcy. S. 420 makes permanent Chapter 12 bankruptcy for family farmers and lessens the capital gains tax burden on financially strapped farmers who declare bankruptcy.

S. 420 also creates new protections for patients when hospitals and nursing homes declare bankruptcy. S. 420 requires credit card companies to disclose the dangers of making only minimum payments and prohibits deceptive advertising of low introductory rates. S. 420 strengthens enforcement and penalties against abusive creditors for predatory debt collection practices.

So the bill is fair and balanced. S. 420 deserves to be passed by an overwhelming vote.

Mr. LEAHY. Mr. President, I have tried over the last several weeks to improve this bankruptcy legislation through the legislative process. We were able to have an informative hearing and a productive Committee markup. Unfortunately, the Committee did not provide a Committee report to inform other Senators of what was good about the bill and what prompted eight members of the committee to vote against it.

This important matter was, instead, rushed to the floor last week. Last Monday we began debating the bill, but on Tuesday, the first day the bill was open to amendment, the Republican leadership abandoned work on the bill. Instead, the Republican leadership chose to shift the Senate's attention to overriding the ergonomics rule that had been developed by the Department of Labor over the past decade.

On Wednesday we returned to the bankruptcy bill but beginning on Thursday and carrying through until Tuesday of this week, the main focus of the debate were the competing budgetary amendment on providing a lockbox for Medicare. That too is an exceedingly important topic and one on which a majority of the Senate voted to adopt the Democratic lockbox proposal.

That proposal is not in the bill because after the vote the Republican side invoked the Budget Act and the chair ruled that the amendment, although supported by a majority of the Senate was not consistent with the technical requirements of the Budget Act. That debate was a major disruption in our efforts to otherwise improve the bankruptcy bill.

Beginning last Wednesday and continuing through today I have offered amendments to improve the bill and urged others with amendments to do the same. There has never been an effort to filibuster this debate or this bill. The only threat of a filibuster I can recall is when the Republican chairman of the Banking Committee spoke against certain amendments.

That threat was overcome and with the commitment of Senator GRASSLEY and the cooperation of Senator HATCH, we were able to obtain votes on the Schumer predatory lending amendment and in relation to the Durbin amendment. I thank both Senator GRASSLEY and Senator HATCH for their cooperation in this regard. In fact, once the Senate had an opportunity to consider it, we voted to adopt the Schumer amendment.

Despite the lack of a filibuster threat or a filibuster, the Republican Senate leadership filed a cloture petition on Monday afternoon. There was no need for cloture then or on Wednesday when, with the support of the Senate leadership, cloture was invoked. I voted against cloture. I voted against it because I reject the use of cloture as a time management tool. I believe that cloture is properly reserved in the Senate to those circumstances where unreasonable delay or a filibuster are interfering with the work of the Senate.

Unfortunately, over the last 6 years the Republican leadership has abused the cloture process to avoid considering amendments and to interfere with the Senate doing its work. In my view, the invocation of cloture this

week on this bill was unnecessary and unfortunate. It signals a retreat from the progress shown by Senate adoption of S. Res. 8 in January and threatens a return to the dark days of the last few Congresses when cloture became a regular instrument, rather than the last resort, of Senate leadership.

Through the legislative process, through our hearing and Judiciary Committee markup and by means of amendments being adopted on the Senate floor, we have made some progress. It is sufficient for me to support the bill.

I had hoped and worked for a more open process. I wanted to be able to moderate the bill, improve it and be able to support it. I supported the bankruptcy bill that passed the Senate 97 to one in the 105th Congress.

I even supported the bankruptcy bill that passed the Senate in the last Congress given the progress we showed during Senate consideration and in hopes that we would be able to continue to improve the bill in cooperation with the House. I vote for this bill in that same spirit—to move the process forward and improve our legislative product. Unfortunately, last year the conference that resulted was under the auspices of the Foreign Relations Committee and not the Judiciary Committee and the product that resulted was changed and tilted too harshly against American consumers and working people. That was the modified bill that I voted against last year, that was the bill the President vetoed, and that was the bill that was the basis for S. 220 and S. 420 this year.

I am encouraged that we have included some privacy protection in the bill. The Leahy-Hatch amendment adopted by the Judiciary Committee to deal with the Toysmart.com-type situation and customer information of bankrupt companies is a good start. It is something I have worked on for some time and thank Senator HATCH for his joining with me in that effort.

I am pleased that we were also able to add some protection today for shielding the identity of children whose names appear in bankruptcy records. By a vote of 99 to none, the Senate agreed to adopt our amendment. I thank Senator HATCH for joining with me in that effort, as well.

I filed amendments to do more to enforce financial privacy laws and protections. Unfortunately, the bill still falls short in this regard.

I am encouraged that we have made progress in assuring access to health clinics. Senator SCHUMER is to be commended for his steadfast efforts in this regard. The Schumer-Leahy amendment that the Senate adopted by a bipartisan vote with 80 Senators in favor last year was dropped in S. 220 and S. 420. I again want to commend Senator HATCH for working with Senator SCHUMER to include a modified version of Senator SCHUMER's amendment in the bill.

I am encouraged that the Senate beat back an attempt to table the Kohl-Feinstein amendment and their sensible cap on the homestead exemption has been included in the bill. Throughout the debate Republican supporters have indicated that a key outstanding issue is the homestead exemption cap. That question was answered today when the Senate adopted the Kohl-Feinstein amendment today.

I was pleased that we adopted the Bingaman LIHEAP amendment, which I cosponsored, and the Carnahan energy cost amendment.

I am pleased that the Leahy amendment on separate spouses to protect battered women was adopted by a bipartisan majority of Senators and I thank them.

I am encouraged that we were able to make other improvements in the measures included in the managers' package. We started work on that package last Friday. Unfortunately Republican delay prevented its adoption before the cloture vote on Wednesday.

I regret that we have not made the progress that we should have, and that we have made in the past, in terms of providing consumers with greater disclosures and protections to help them avoid overextending their credit and consumption.

Early in the debate I took the bill's supporters at face value when they argued that we need this bill to help small businesses. Those claims began this debate and were repeated today. In between I gave them the chance to show that they meant it by voting for a small business amendment that would have allowed small businesses, as already defined in the bill, priority over large corporate creditors. That amendment was unfortunately, and in my view unwisely, rejected.

We have also heard claims from the outset of this debate and through today that the bill is needed to address the $500 a family ''tax'' that bankruptcy abuse loads onto each American family. I have been asking how this bill benefits the average American family and where that ''tax refund'' is achieved. I have heard only silence from the other side. I have noted in this year's debate and in debates past that billions of dollars in benefits that are expected to flow to credit card companies and other large corporate creditors, hundreds of millions to individual companies.

What I have been asking is where this bill or those corporations' practices will pass those benefits on to ordinary Americans. Again, I have heard only silence. In fact, the benefits of this bill will flow to the profits of those large corporate interests. There is no provision in this bill to lower annual fees for credit cards, for example. There is no provision to lower interest rates for consumers. If this bill will benefit creditors to the tune of $5 billion or over the next several years, the why have they made no commitment to pass those benefits through to their customers and American consumers?

Instead, what this bill does is require American taxpayers through our taxpayer-financed bankruptcy courts to assist creditors in their debt collection efforts and requires consumers to do more paperwork and confront more rules and hurdles and government bureaucracy to file for bankruptcy.

I will continue to work in good faith with Chairman HATCH, Senator GRASSLEY, Senator SESSIONS, Senator BIDEN and others who strongly support S. 420.

I will continue to work through the legislative process to improve this measure, to add balance, moderation and fairness. I hope to be able to support the final legislative product after a productive conference. I trust that this Congress, the Senate conferees will support the Senate position where we have made improvements to the bill and not so easily abandon those advancements in our discussions with our House counterparts. Had we done that in the 105th Congress, three years ago, we would already have a reformed bankruptcy law. Unfortunately, that was not the position of Republican Senate conferees in those days.

I commend all Senators on both sides of the aisle who have worked so hard this year to improve this bill. I commend those who have participated in our debates and discussions. I especially appreciate the help I received in managing this bill from Senator SCHUMER, who consented to manage from time to time when I could not and who is the Ranking Democrat on the Judiciary Subcommittee of jurisdiction, and Senator REID, who remains a great help in some many ways on so many matters. I congratulate Senator SCHUMER, Senator KOHL, Senator FEINSTEIN, and Senator FEINGOLD for the improvements they have been able to make. I thank Senator HATCH for his courtesy to Senator DURBIN on his alternative amendment and thank Senator GRASSLEY for his courtesy to Senator SCHUMER with respect to his predatory lending amendment. I thank Senator BIDEN for his support of our efforts to have this matter considered by the Judiciary Committee.

I thank the staffs of all Senators who participated in this debate for their hard work and, in particular, the staffs of Senators KENNEDY, BIDEN, KOHL, FEINSTEIN, FEINGOLD, SCHUMER, DURBIN, DASCHLE, and REID and the staffs of Senators HATCH, GRASSLEY and SESSIONS. In particular, I want to thank the following staff: Makan Delrahaim, Renee Augustine, Rita Lari, Kolan Davis, Ed Haden, Melody Barnes, Jim Greene, Victoria Bassetti, Jeff Miller, David Hantman, Tom Oscherwitz, Jennifer Leach, Bob Schiff, Ben Lawsky,

Natacha Blain, Jim Williams, Perry Lang, Mark Childress, Jonathan Adelstein, Eddie Ayoob, Peter Arapis, Liz McMahon, and Greg Cota. I appreciate the exceptional work of my counsel Ed Pagano, who has labored long and hard to help improve this bill.

Although bankruptcy filing had been going down over the last two years, I have seen recent reports that link this bill with an expected rise in such filings. Unfortunately, the effect of House passage of its bill has been to generate fear in the public that people had better file for bankruptcy now rather than wait for the harsh and onerous new burdens contemplated in that bill and, unfortunately, in the Senate bill. I can understand if bankruptcy lawyers feel an obligation to advise their clients of the possibility that the terms and paperwork and costs of filing for bankruptcy may soon change.

Indeed, a principal reason Senator FEINSTEIN successfully opposed the Wyden-Smith amendment was a similar argument with respect to California utilities—that a prospective change in the law would force them into premature and possibly unnecessary bankruptcies.

In much the same way that the Bush administration's talk about weakness in the economy has served to drive the market down, shatter consumer confidence and contribute to a further weakening, this drive for exacting requirements of those on the brink of insolvency seems to be accelerating bankruptcy filings and contributing to the economic downturn. That is an immediate and unfortunate byproduct of this effort.

Perhaps it is appropriate that we end this phase of the debate today, on March 15. It is on this day that we are reminded to beware the Ides of March. There remains much about this bill that counsels caution. Unless it is further moderated and balanced in discussions between the Houses or at the insistence of the President, enactment of a bill like the one the Senate is voting on today will be the start of a process that will likely consume several years.

Just as the overreaching that occurred in so-called immigration reform and welfare reform and telecommunications reform have required us to revisit those matters and still require corrections, so, too, the bankruptcy bill as currently constituted will result in hardships and consequences that will require us to return to these matters again and again in the days, months and years ahead.

In addition, I expect we will be hearing more about this bill and the lobbying efforts and the contributions by the bill's corporate beneficiaries as soon as next week, when campaign finance reform is debated.

Mr. HATCH. Mr. President, S. 420, the Consumer Bankruptcy Reform Act, is one of the most important legislative efforts to reform the bankruptcy laws in decades.

I want to thank a few of the people who have worked on the bill. Let me first acknowledge the majority leader, who has worked very hard to keep this bill moving forward. Because of his dedication to the important reforms in this bill, we now have legislation that makes enormous strides in eliminating abuse in the bankruptcy system. I am also grateful to the assistant majority Leader, Senator NICKLES, along with Senators DASCHLE and REID for their efforts in trying to work with us to move the legislation forward.

Let me also acknowledge the ranking Democratic member of the Senate Judiciary Committee, Senator LEAHY, who has worked where he can to reach agreement on many of the bill's provisions, and who ably managed the bill for his side of the aisle. I also want to commend my colleagues, Senators GRASSLEY, BIDEN and others for their sponsorship of and leadership on this much needed legislation. I particularly appreciate the dedication they have shown in working with me in making the passage of this bill an inclusive and bipartisan process.

Also, let me express my thanks to Senator SESSIONS who has shown unwavering dedication to accomplishing the important reforms in this bill, to Senator GRAMM for his efforts over the past several years in helping see sensible reform through the Senate, and to the many other members of the Senate for their hard work and cooperation.

At the Committee staff level, let me acknowledge a few people who have worked very hard on this bill. Kolan Davis and Rita Lari Jochun, of Senator GRASSLEY's staff, along with Ed Haden and Brad Harris of Senator SESSIONS' staff, all of whom deserve praise for their impressive efforts on this legislation. In addition, Judiciary Committee Staff Director, Makan Delrahim, who has been lead counsel on this bill, and Judiciary Committee Counsel, René Augustine, who has really been working day and night to make sure this bill stayed on track.

Let me make one observation here. When we started this bankruptcy reform process, René didn't have any children, and by the time this bill becomes effective, she will have two children. Mr. President, I feel like I have given birth twice during this process myself. Thanks as well should be given to the Judiciary Committee's Chief Counsel, Sharon Prost, and all of the other Judiciary Committee staff who have worked hard on this.

On Senator LEAHY's Committee staff, I want to acknowledge Minority Chief Counsel Bruce Cohen, and thank counsel Ed Pagano for his efforts. In addition, I want to recognize the efforts of Jennifer Leach of Senator TORRICELLI's staff, as well as the dedicated work of Jim Greene of Senator BIDEN's staff, as well as the very able Ben Lawsky of Senator SCHUMER's staff.

I also want to commend John Mashburn and Dave Horpe of the majority leader's staff, Stewart Verdery, Eric Ueland, and Matt Kirk of the Assistant Majority Leader's staff, and Eddie Ayoob of the Minority Whip's office for their efforts on this legislation.

Also, my thanks goes to Laura Ayoud, and others in the office of Senate Legislative Counsel, for their extraordinary efforts that have made this legislation possible.

The compelling need for this reform is underscored by the dramatic rise we have seen over the past several years in bankruptcy filings. The Bankruptcy Code was liberalized back in 1978, and since that time, consumer bankruptcy filings have risen at an unprecedented rate.

Mr. President, the bankruptcy system was intended to provide a ''fresh start'' for those who truly need it. We need to preserve the bankruptcy system within limits to allow individuals to emerge from financial hardship. What we do not need is to preserve the elements of the system that allow it to be abused—that allow some debtors to use bankruptcy as a financial planning tool rather than as a last resort. I firmly believe that by allowing people who can repay their debts to avoid their financial obligations, we are doing a disservice to the honest and hardworking people in this country who end up paying for it.

Mr. President, again I would like to applaud the bipartisan efforts of my colleagues who have made S. 420 a broadly-supported bill. The impact of this important legislation not only will be to curb the rampant number of frivolous bankruptcy filings, but also will be to give a boost to our economy.

Thank you. I yield the floor.

Mr. President, I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. HATCH. Mr. President, all time is yielded back.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. All time has been yielded back. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) is necessarily absent.

I further announce that, if present and voting, the Senator from California (Mrs. BOXER) would vote ''nay''.

The result was announced—yeas 83, nays 15, as follows:

[Rollcall Vote No. 36 Leg.]

YEAS—83

Akaka	Dorgan	McCain
Allard	Edwards	McConnell
Allen	Ensign	Mikulski
Baucus	Enzi	Miller
Bayh	Feinstein	Murkowski
Bennett	Frist	Murray
Biden	Graham	Nelson (NE)
Bingaman	Gramm	Nickles
Bond	Grassley	Reid
Breaux	Gregg	Roberts
Bunning	Hagel	Santorum
Burns	Hatch	Schumer
Byrd	Helms	Sessions
Campbell	Hollings	Shelby
Cantwell	Hutchinson	Smith (NH)
Carnahan	Inhofe	Smith (OR)
Carper	Inouye	Snowe
Chafee	Jeffords	Specter
Cleland	Johnson	Stabenow
Clinton	Kohl	Stevens
Cochran	Kyl	Thomas
Collins	Landrieu	Thompson
Conrad	Leahy	Thurmond
Craig	Levin	Torricelli
Crapo	Lieberman	Voinovich
Daschle	Lincoln	Warner
DeWine	Lott	Wyden
Domenici	Lugar	

NAYS—15

Brownback	Feingold	Nelson (FL)
Corzine	Harkin	Reed
Dayton	Hutchison	Rockefeller
Dodd	Kennedy	Sarbanes
Durbin	Kerry	Wellstone

ANSWERED ''PRESENT''

Fitzgerald

NOT VOTING—1

Boxer

The bill (S. 420), as amended, was passed, as follows:

[The bill was not available for printing. It will appear in a future edition of the RECORD.]

Mr. REID. I move to reconsider the vote and move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

BROWNFIELDS REVITALIZATION AND ENVIRONMENTAL RESTORATION ACT

Mr. REID. Mr. President, prior to our going out today, I want to speak on something that is not related to bankruptcy. What I would like to talk about today is the disappointment I have that we are not going to be able to do a bipartisan brownfields bill, S. 350, tomorrow or Monday. I want to talk about this bill which is entitled the Brownfields Revitalization and Environmental Restoration Act. I am sorry we cannot take this up today.

We cannot take it up because there has been objection on the other side. We have worked very hard. We wanted to have a unanimous consent agreement. We have a window with some time on Friday before we get into any heavy lifting on campaign finance reform. We could do it anytime: Early in the morning, late at night tomorrow, or on Monday.

This is a bill blessed with wide support. The bill has almost 60 cosponsors and passed out of our committee last week with a 15–3 vote. We went to tremendous effort to satisfy those three. For example, Senator VOINOVICH, who is a very fine legislator, had some problems. I told him during the markup that we would work with him to try to resolve those differences, and we did that. I know some of my colleagues on the committee voiced their concerns about some specific bill language, including my friend Senator VOINOVICH, at the markup. I am pleased to say that Senator VOINOVICH and all of the others who had problems, we worked night and day, the staff worked night and day to reconcile differences.

The chairman of the committee is BOB SMITH of New Hampshire. I am the ranking member. We have worked extremely hard on this legislation. We wanted to have a bipartisan bill come out of that committee, a 50/50 committee, as are all the committees over here. The President supports this bill. This bill reflects the bipartisan efforts of Senator SMITH and myself on the committee. It also reflects the tremendous staff work of our committee in helping us work out these differences we had, even though the bill was reported out 15–3. We wanted to make sure they were satisfied.

I appreciate the cooperation of my colleagues on both sides of the aisle to address these concerns and others and produce a bill with even more broad support. We have worked closely with Senators INHOFE, BOND, and CRAPO—I have already mentioned Senator VOINOVICH—as well as Senators CLINTON, BOXER, CORZINE, and GRAHAM to accommodate the interests they expressed at our committee hearing. I understand the bill we have before us to date does just that. I am very proud of that.

This bill is truly the best compromise we could reach and is a symbol of our ability to reach across the aisle and enact truly bipartisan legislation.

I understood, when we entered into this historic power-sharing agreement this year, that we would truly work together. I understood that we would truly work to pass thoughtful bipartisan legislation, just like the bill we had before us today.

This brownfields legislation, S. 350, is an issue on which President Bush campaigned. This is a bill his administration has endorsed. Yet we stand here today basically being denied the opportunity to bring up this bill. We know there is a need for this legislation. There are more than 500,000 contaminated, abandoned sites in the United States. They are waiting to be cleaned and to become thriving parts of our communities. It works in urban areas; it works in rural areas.

Redeveloping a site will create almost 600,000 jobs nationally. In the State of Nevada, it would create hundreds of new jobs, millions of dollars in tax revenue, and, on a national level, tax revenues would be increased to as much as $2.5 billion.

This bill is good, and we need it. This bill provides three important things to directly spur cleanup and reuse of these abandoned and contaminated sites.

No. 1, it provides critically needed money to assess and clean up abandoned and underutilized brownfields sites, which will create jobs, increase tax revenues, and preserve and create parks and open space.

No. 2, it encourages cleanup and redevelopment by providing legal protections for innocent parties such as contiguous property owners, prospective purchasers, and innocent landowners.

Every day that goes by that we do not pass this legislation means property owners have problems. One reason I care so strongly about this issue is that we waited for 2 years, the entire last Congress, to get this to the Senate floor, and we were always prevented from doing so.

No. 3, this legislation provides for funding and enhancement of State cleanup programs and a balance between providing certainty for developers, which they want, and others but still ensuring protection of public health.

This legislation has been signed off on by the business community, the development community. It has been signed off on by the environmental community. It is a fine balance, but it is good legislation.

This bill does a number of additional things that are not in the committee report. It clarifies the coordination between the States and EPA. Senator VOINOVICH thought this was important. It provides clarification that cities and others can purchase insurance at brownfields sites. It provides for an additional $50 million per year for addressing abandoned sites which are contaminated by petroleum, such as corner gas stations.

For those of you not familiar with Superfund, it does not cover petroleum, so our original brownfield bill did not cover these sites either. I am pleased, however, that we were able to work out provisions so that these numerous sites can also be addressed.

This was a provision requested by Senators INHOFE and CRAPO, and I am pleased we were able to agree to it. Senator CRAPO felt very intensely about his objections to this bill. He expressed them well. As a result of that, we came back and corrected this problem. I do appreciate the intenstity of his feelings about this.

This legislation also adds provisions so that areas with higher than average instances of cancer and disease and

sites with disproportionate effects on children, minority communities, or other sensitive subpopulations will be given consideration in making grant decisions. This is something that was advocated very well by Senators CLINTON, CORZINE, and BOXER.

This legislation also increases citizen participation by adding to the list of State brownfields program elements the right for citizens to request that a site be considered under the State program.

All these changes have been carefully considered and provide improvements to the bill. We acknowledge that. Moreover, they collectively represent the same delicate balance, as does the underlying bill, in the managers' amendment. We address the different but often complementary needs of the real estate community, environmentalists, States, mayors, and other local government officials, land and conservation groups, and the communities that are most directly affected by these sites. This balance is what makes this bill unique and makes it a success.

As we all know, S. 350 has the support of a wide variety of groups including, as I have already mentioned, environmentalists, mayors, businesses, and the real estate community. This is a bill that reflects a meeting of the minds from all sectors of American society because it is so badly needed. It is also something that is bipartisan in nature. This is not something that either the Democrats or Republicans are trying to cram down our throats. It is a model of how an evenly divided committee can work.

I urge the Senate to recognize how good this legislation is and to prove to Americans that a 50/50 Senate can be productive and we can enact these laws. I am terribly disappointed that we are in a position now where we cannot go forward with this legislation. I am not going to ask unanimous consent that this agreement be effectuated. I will not do that. I understand there is an objection on the other side. I acknowledge that.

I do say, however, that it is too bad we can't move forward on this legislation. It has been signed off on by every Democratic Senator. I hope there will be work done, maybe even during the night, so we can do something about this legislation and move forward on it. It is important legislation. It would be great for America in so many different ways, and I hope that very quickly we can have whatever problems are on the side of the Republicans alleviated and we can move forward on this most timely and important legislation.

The PRESIDING OFFICER. The Senator from Alabama.

MORNING BUSINESS

Mr. SESSIONS. Mr. President, I ask unanimous consent that there now be a period for the transaction of routine morning business with Senators permitted to speak therein for up to 10 minutes each.

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

EXPRESSION OF APPRECIATION

Mr. SESSIONS. Mr. President, I will take one moment to express my appreciation to the people who worked extremely hard to make this bankruptcy bill a success. The 83–15 vote is a strong testament to the wisdom and the balance that this bill maintains. Some said it is not balanced and is unfair but when we had the final full debate and people voted, there was an overwhelming vote.

As the Presiding Officer knows, seldom on legislation of this kind does that large a vote result. I am pleased with that.

I am honored to have worked with Senator HATCH and Senator GRASSLEY in making this a reality. I think it is appropriate that we take just a moment to express appreciation to some people who gave extraordinary effort to make this successful conclusion a reality.

First, I note that in my office Ed Haden, who is with me today, is one of the finest legal minds in this Senate, an exceedingly hard worker, a man of integrity and ability who dedicated himself to reaching the just result of today.

I could not have been successful without Ed's leadership and assistance. Also, Brad Harris on our staff, and Sean Costello, who used to be there; Lloyd Peeples, on our staff previously, now in private practice; Kristi Lee, who preceded Ed, is now a U.S. magistrate judge. They all worked in previous years on this legislation. I know they are happy to see it come to a conclusion. I am, too.

I must note that Makan Delrahim on Senator HATCH's staff has provided tremendous leadership, as did Rene Augustine; Senator GRASSLEY's Rita Lari Jochum and Kolan Davis provided tremendous effort. Senator GRASSLEY was the original sponsor of this legislation. I must also thank Dave Hoppe and John Mashburn of Senator LOTT's office, who also worked on it significantly.

Mr. President, one more thing about this. Senator BIDEN has been a strong leader in this legislation, and he is here to speak. I have thought, from day one, there was a good concept of this bill. I have expressed my overall view of what it is about, what it attempted to do, and why I thought it was important.

I have been somewhat disappointed to see certain people in consumer groups I admire take positions that I thought were unconnected to the reality of this legislation. I am glad that after full and open hearings, now three different times have we voted here, all those issues were aired and people had the chance to have their say. I am very confident that it is good legislation that will improve the administration of justice in the Federal bankruptcy courts of America.

RADIATION EXPOSURE COMPENSATION TRUST FUND

Mr. DOMENICI. Mr. President, today I rise to express my continued dismay with the lack of funding for the Radiation Exposure Compensation Trust Fund. Hundreds of former uranium miners, including many New Mexicans, have recently been mailed IOUs from the Department of Justice. These individuals have had their claims approved, but have been told that there is no money in the Fund to compensate them. These are former miners who are stricken with radiation-related diseases, and unfortunately, many will die soon.

We often pledge that we will never forget our Nation's veterans, who have sacrificed so much in order to secure our freedoms. But, we have forgotten the uranium miners, who also sacrificed for our nation's security while building up our nuclear arsenal. These miners endured long, dark, and dust-filled days underground. Often, the only fresh air that they breathed was what leaked out of the air compressors used to operate their jack-hammers. These miners were not even given protective masks or gloves, and they were never warned about the lethal medical risks until decades later.

These miners are afflicted with cancer and various respiratory diseases, and very few have sufficient money to pay their staggering medical bills. Most of these miners were never given the opportunity to build up a pension because they were continuously moved from one company to another. And now, while our veterans rightfully enjoy a great many benefits, these miners are left with only a depleted compensation fund and a handful of IOUs. Unfortunately, an IOU does not pay their medical bills.

I recently introduced legislation to provide $84 million in emergency supplemental appropriations to pay for those claims that have already been approved, as well as the projected number of claims for FY2001. Because of the urgency of these claims, I will make this promise to our miners: I will introduce this legislation as an amendment to the first appropriate legislative vehicle to ensure our miners are compensated as quickly as possible.

We must replenish the trust fund immediately. Our miners have urgent health care needs and medical bills that will continue to pile up. Many miners have died without receiving any of the compensation that they were promised. Many will die without compensation, if we do not take action

now. We must not break our promise to the miners who sacrificed and suffered to protect our Nation's security.

I promise today to make every effort to ensure that our miners are compensated for their sacrifice. We must make sure that they don't die with only an IOU in their hands.

I ask unanimous consent that an article from the Albuquerque Tribune be printed in the RECORD.

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

[From the Albuquerque Tribune, Mar. 14, 2001]

HALF-LIVES, HALF MEASURES

(By M.E. Sprengelmeyer)

They were promised government compensation, but dying former uranium miners say they get nothing but IOUs.

Richard Leavell doesn't want to die with a government IOU in his pocket.

Like his father, Merle, Leavell helped the United States fight the Cold War from the trenches of the Colorado Plateau. And like his father, he paid a high price.

The Leavells were uranium miners, helping provide the raw material America craved for its nuclear arsenal.

Only years later did the federal government tell miners about the deadly health risks they faced while blasting and digging through the hills of the Four Corners region, breathing radioactive dust that would take its toll as they aged.

After Merle Leavell was left with radiation-related lung damage, the federal government promised $100,000 of ''compassionate compensation'' under a law enacted by Congress in 1990. But the check didn't arrive until after his death in 1995.

Now the same thing could happen to his son because of a funding oversight in Congress last year and a long list of unpaid government IOUs.

At 57, Richard Leavell suffers from pulmonary fibrosis and silicosis of the lungs, which leave him gasping for air and tied to expensive, ever-present bottles of oxygen.

''I can't do anything,'' he said. ''This is no kind of life.''

Last year, the government sent him a notice that he qualifies for $100,000 compensation. ''Regretfully,'' the letter said, there's no money to back it up.

Doctors aren't sure whether Leavell, who lives in Cortez, Colo., will live another six months or several years, but he says government officials don't seem to be in any hurry.

''They told us they accept responsibility, and this was supposed to be some kind of apology,'' Leavell said. ''It's not much of an apology if you don't get it.''

The Radiation Exposure Compensation Act is in a crisis, but even an emergency fix could come too late for many of the 275 aging former miners, nuclear test participants, downwinders or their surviving spouses with unpaid IOUs.

Commonly known as RECA, the program got only $10.8 million this fiscal year but needs at least $84 million on top of that to pay all the claims expected to be approved in 2001.

Although Congress voted to increase each victim's compensation by $50,000, President Bush put that on hold while he reviews virtually every new regulation approved last year. Bush also signaled he is reluctant to approve any supplemental funding requests while he focuses on a proposed $1.6 trillion tax cut.

''Here we've got this huge surplus in Washington, D.C., and the government is sending these IOUs to people who are dying,'' said Rebecca Rockwell, a private investigator from Durango, Colo., who helps miners compile their claims.

''I've lost 10 of my IOU holders since October,'' Rockwell said. ''The problem is people are dying. I've gone to about as many funerals as I can take.''

Republican Sens. Pete Domenici, of Albuquerque, and Orrin Hatch, of Utah, recently introduced legislation asking for $84 million in emergency appropriations. Rep. Scott McInnis, a Republican whose district includes the mining county of western Colorado, plans to introduce a House version of the emergency funding bill.

However, legislative analysts say it's unlikely any new money will be approved before the summer or, more likely, at the end of the fiscal year in October.

The IOUs are worse than an embarrassment or inconvenience, said Ed Brickey, co-chairman of the Western States RECA Reform Coalition, a collection of citizen groups that are advocates for victims covered by the act.

''It has been an injustice to delay any further appropriations or the regulations because the people that have (IOUs) are dying,'' Brickey said.

The RECA program has long been plagued by complaints about a complex application process that often takes victims many tries and several years to clear.

The program got into its current funding mess during the 11th-hour haggling over the budget in late 2000. Ironically, it came just months after Congress amended the law to ease restrictions, cover more medical conditions, add another $50,000 in compensation under a separate program, and allow uranium mill workers and ore transporters to qualify for the first time.

The Justice Department estimated it would take $93 million to cover all the claims expected to be approved in fiscal 2001. But that request came too late, and when the budget was approved in December it included only $10.8 million for the trust fund. The shortfall includes about $23 million for those already waiting for their money.

The waiting has left many victims bitter and hopeless in the small towns of southern and western Colorado, eastern Utah and northwest New Mexico, where uranium once meant a livelihood.

These guys went underground. They would work their butts off, sometimes 10 to 16 hours a day . . . so the government could get their damned uranium,'' said Anna Cox of Montrose, Colo. ''And how do they get repaid? They die for it, with a promissory note that maybe you'll get something . . . after you're dead.''

Her 63-year-old husband, Eugene, has lung cancer. He worked 10 years in the uranium mines outside Grants in New Mexico and Naturita, Slick Rock and Gateway, Colo.

In the early days, before strict radon monitoring, companies and workers gave little regard to the health risks, he said.

''It was work, guaranteed,'' Eugene Cox said. ''You drilled holes with a jackhammer and you shot, blasted out. Then you loaded, either with a slusher or by hand and a scoop shovel.''

Dust filled the air, but workers never wore protective masks. They used gloves only if they brought their own. Some miners remember days when the only ''fresh air'' they breathed was what leaked out of the air compressors that ran the jackhammers.

''I was a young, healthy man,'' Eugene Cox said. ''I did not know. It was a livelihood for me and my three children and my wife.''

It took three years for Eugene Cox to verify his work history and qualify his illness for compensation. Last year, he finally got an approval letter, which explained the lack of funding and told him to wait.

''I stuck it in a box,'' Anna Cox said. ''That's what good it's doing me.''

Uranium left its mark on whole communities throughout the Four Corners region.

In tiny Monticello, Utah, local newspaper editor Bill Boyle has a map stuck with more than 200 pins, one for each local resident who died or is dying of a radiation-related illness.

One pin represents a small, one-story house in the center of town.

There, former miner Joe Torres has turned his family's living room into a medical ward, with a bed propped where the sofa should be. Cancer has spread from his lungs to his liver, and a government IOU is doing him little good when he needs to buy more painkilling patches.

''I'm very shaken,'' he said. ''I can't do a bit of work. And Social Security doesn't give me enough money to pay for my medicines. . . . I'd like to get at least part of my money to get by.''

Combined, he and his wife, Vicenta, get just over $1,000 a month from Social Security. The painkillers alone cost $300 a month, and health insurance is coming due soon, she said.

Torres, 74, started working in the mines in 1951.

''They went in and worked and came back pretty well dusty from head to toe,'' Vicenta remembers. ''But he had no idea that in time it would do something to them.''

Shortly after talking with a reporter, Torres was hospitalized.

Since 1990, the radiation compensation program has relied on year-to-year allocations in the federal budget. Several lawmakers say it should be converted into an entitlement program so payments are guaranteed without a year-to-year budget fight. But they disagree on how to accomplish that.

Regardless of the answer, Rep. Mark Udall, D-Colo., says filling the trust fund's coffers should be a national priority.

''These people, as you know, have been jacked around for a lot of years,'' he said. ''The statement we would make by providing them with this compensation they're due would be more than the money.''

Meanwhile, surviving victims struggle to pay high medical bills and widows wait, not knowing when the government's promise will be kept.

In the northwest New Mexico town of Aztec, 56-year-old miner's widow Helen Story says she works two jobs, a day shift and an overnight shift taking care of elderly hospice patients to get by.

She worked the same jobs while her husband, Jerald, fought the final months against cancer before he died last March at age 59.

Jerald Story started working in the uranium and coal mines as a teen-ager.

He never built up a pension because, like many miners, he bounced from one company to another over several decades. Health problems forced him to retire and go onto Social Security disability in the early 1980s.

''I was having to work as much as I could, which took time away from him,'' Helen Story said. ''Some days you think you just can't take much more.''

The couple first applied for RECA compensation three years ago. The government

IOU came after Jerald Story's death, and his widow has become bitter.

''If they weren't going to stand good with the program, they never should have started it,'' Helen Story scoffs. ''It's for sure that if we owed the government, they wouldn't wait this long on us.''

PEOPLE WHO CARE ABOUT KIDS

Mr. LEVIN. Mr. President, last weekend, I joined members of the Michigan Partnership to Prevent Gun Violence and the Michigan Million Mom March, part of the coalition of People Who Care About Kids to circulate petitions calling for a citizens' referendum on Public Act 381, the ''shall issue'' law.

Passed by the Michigan Legislature in December 2000 and signed by the Governor, the Act takes discretion away from local gun boards and requires that authorities ''shall'' or must issue concealed weapons licenses to any one 21 years or older without a criminal record, with limited exceptions.

People Who Care About Kids is collecting signatures to suspend implementation of the law, which would otherwise go into effect on July 1st of this year. If enough signatures are collected by the deadline, the issue will be put before voters in 2002. Petition organizers need only 151,356 valid signatures by the deadline, March 27th, but are seeking 225,000 signatures in total.

The ''shall issue'' law is opposed by many law enforcement groups, religious leaders, child advocates and community leaders. They oppose the law because they believe if people are able to carry handguns into restaurants, stores, shopping malls, movie theaters, courtrooms, parks or in cars, our communities will be less safe. I also oppose the ''shall issue'' law. Last weekend, I signed the petition to put the issue before the voters and I urge others to sign it as well.

ST. PATRICK'S DAY STATEMENT BY THE FRIENDS OF IRELAND

Mr. KENNEDY. Mr. President, today, the Friends of Ireland in Congress released its annual St. Patrick's Day Statement. The Friends of Ireland is a bipartisan group of Senators and Representatives opposed to violence and terrorism in Northern Ireland and dedicated to a United States policy that promotes a just, lasting and peaceful settlement of the conflict.

I believe this year's Friends of Ireland Statement will be of interest to all of our colleagues who are concerned about this issue, and I ask unanimous consent that it may be printed in the RECORD.

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

FRIENDS OF IRELAND STATEMENT—ST. PATRICK'S DAY 2001

The Friends of Ireland in the Congress join 44 million Irish Americans in celebrating the unique ties between America and the island of Ireland. We welcome the Taoiseach, Bertie Ahern, to the United States, and we send warm greetings to the President of Ireland, Mary McAleese.

We commend President Bush for expressing his willingness to remain involved in the pursuit of peace in Northern Ireland. The active engagement of President Clinton played an instrumental role in advancing the peace process, and it is vital that President Bush remain engaged.

The valuable work carried out by the new institutions set up under the Good Friday Agreement demonstrates the capacity of these institutions to contribute significantly to the welfare of the people of Northern Ireland and throughout Ireland. We call on all political representatives to develop the potential of the new arrangements by operating them to the full, under the rules, and in the spirit of the Agreement and thereby to consolidate the institutions for which the people have voted and which they clearly want to see working for the common benefit. We appeal to all parties to work together to remove the remaining obstacles standing in the way of the full achievement of this goal.

The Good Friday Agreement was endorsed by the people of Ireland and Northern Ireland with majorities from both communities. It provided a mandate to those working on behalf of peace, justice, and the creating of a new beginning in Northern Ireland. Its provisions are interdependent, and to ensure the successful implementation of the Good Friday Agreement, those provisions must be addressed concurrently.

In the past, dangerous political vacuums have been avoided when all parties to the Good Friday Agreement have been willing to make difficult political decisions and implement confidence-building measures. We urge them to do so again.

We believe the Patten recommendations on police reform must be fully implemented. We acknowledge that progress has been made, but further steps must be taken to ensure that the police service will be representative of all people in Northern Ireland and have the support of the community it serves. An inclusive and credible police service, which is supported by nationalists and unionists, is in the interest of everyone in Northern Ireland. Likewise, the criminal justice system must be fair and impartial. It must be responsive to the community's concerns, encourage community involvement wherever possible, and have the confidence of all parts of the community.

We also believe the British Government should scale back its military presence in Northern Ireland, particularly in South Armagh. The dismantlement of watchtowers and military installations in Northern Ireland would represent a significant confidence-building measure that would advance the pursuit of peace.

We welcome the May 5, 2000 statement by the IRA that it ''will initiate a process that will completely and verifiably put IRA arms beyond use . . . in such a way as to avoid risk to the public and misappropriation by others and ensure maximum public confidence,'' and we welcome the IRA's recent decision to reengage with the de Chastelain Commission on decommissioning. The IRA's decision is a welcome first step, and we hope it will pave the way for further action by all parties. We urge the IRA to engage in meaningful dialogue with the Commission and take tangible steps to put weapons beyond use.

We also emphasize the importance of advancing human rights and equality issues under the Good Friday Agreement, including the creation of a Bill of Rights. Similarly, we call for the establishment of independent inquiries into the Finucane, Nelson, and Hamill cases, to demonstrate commitment to human rights and accountability.

We commend the Irish and British Governments for their ongoing efforts to work with the political leaders in Northern Ireland and to advance the peace process in Northern Ireland. On St. Patrick's Day, we urge all the leaders to recognize the danger of delay and redouble efforts to fully implement the Good Friday Agreement.

Friends of Ireland Executive Committee.

House: Dennis J. Hastert, Richard A. Gephardt, James T. Walsh.

Senate: Edward M. Kennedy, Christopher J. Dodd, Susan M. Collins.

HOUSE THE SENATE BUILT

Mr. ALLARD. Mr. President, I will be participating in the Habitat for Humanity ''House the Senate Built.'' We will be breaking ground March 17th at 1:00 p.m. This home will be built for the Portillo family at 1209 Raven Place in Loveland, Colorado. I am especially proud to be working with the Loveland Habitat for Humanity chapter because Loveland is my hometown. In addition, the Loveland chapter has existed for 14 years and, in that time, they have built 41 houses. Forty-one families that may have never been in a position to own a home, are now homeowners thanks to the Loveland chapter of Habitat for Humanity.

This is not my first involvement with Habitat for Humanity. During the Republican Convention last year my wife Joan and I had the opportunity to work on a project with the Philadelphia chapter of Habitat. I have also participated in builds with Colorado affiliates in Fort Morgan and in Loveland. This September Habitat International will be celebrating their Silver Anniversary. Since its inception, Habitat has built a total of 100,000 houses.

When I reflect on my vision of housing assistance, an old saying comes to mind: ''If you give a man a fish, you feed him for a day. If you teach a man to fish, you feed him for a lifetime.'' I am especially supportive of Habitat for Humanity because the way that they operate as an organization, fits this old saying perfectly. While Habitat homes are purchased by the individual homeowner families, corporations, faith groups and others all provide financial support and assistance in building the home, and the work is organized at the local level. Instead of relying solely on perennial handouts from the government, Habitat seeks out both private and community resources to form a partnership that results in homes for people who, otherwise, may not have them. This approach works because people at the local level are best equipped to know who needs assistance and are most familiar with the way that local systems operate. Homeowner families are chosen by the local Habitat affiliate according to their need;

their ability to repay the no-profit, no-interest mortgage; and their willingness to work in partnership with Habitat. Each family is responsible for paying back their loan and participating in the building of their own home. All of this indicates that Habitat is far more interested in helping people to create a new life for themselves than they are in simply putting a roof over their heads. Put quite simply, Habitat is a very effective way to promote the American dream of home ownership.

On this same note, I would also like to talk for a moment about two people that I hold in high esteem. The first person I would like to recognize is someone whom I can say, with very little bias, is one of the most wonderful women in the world: my wife Joan. She is someone who often seems tireless in her willingness to pitch in. This willingness was exemplified again at the House the Senate Built. Now, as I said before, Joan has worked on several of the Habitat projects with me, and this project was no exception. Just before the Senate members departed the building site to return to the Capitol, many of us passed our hammers on to our spouses so that they could continue building into the afternoon. I was proud to be able to hand my hammer over to Joan. She came home exhausted, but pleased with the progress that was made on the home, which I understand was considerable. In fact, I am told that when a crew member was walking back to the building site with several of the ladies Joan warned him that ''now that the men are gone it's time for the real work to begin.'' She then put in several hours in her hard-hat pounding nails, stuffing insulation and lending a hand wherever it was needed.

The second is Colorado's first lady Frances Owens. She has made Habitat for Humanity projects a top priority since her husband was elected several years ago. She has participated in three builds within the last few years and will now be host to a program called Women Building a Legacy. This program will take place May 5–11 in Montbello, a suburb of Denver. Women Building a Legacy will be a blitz build that will result in five houses in seven days. These homes will be a much needed addition to the Montbello neighborhood where they are to be built and I commend Mrs. Owens for her efforts.

Again, I say thank you to Habitat for Humanity for the services that they provide to so many communities throughout America and the world, thank you to Frances Owens for the work that she does on behalf of Habitat and thank you to my wife Joan for always being willing to do what needs to be done for no bigger reason than because it needs to be done.

FOIA TURNS 35

Mr. LEAHY. Mr. President, James Madison said that if men were angels, no government would be necessary. But because people and governments are fallible, he added, ''experience has taught mankind the necessity of auxiliary precautions.'' The Freedom Of Information Act (FOIA), a modern improvement in American government, has proved itself as a vital precaution that has served the people well in defending their right to know what their government is doing—or not doing. Friday is the 250th birthday of James Madison and, appropriately, this is also the day that we commemorate FOIA's 35th anniversary.

I am not sure that we could pass FOIA if it were offered in Congress today, but thank heaven it is firmly etched by now in our national culture. Just this month a unanimous U.S. Supreme Court affirmed FOIA's mandate of broad disclosure, noting that full agency disclosure would ''help ensure an informed citizenry, vital to the functioning of a democratic society.''

FOIA may be an imperfect tool, but as one foreign journalist observed, ''in its klutzy way, it has become one of the slender pillars that make America the most open of modern societies.''

In recent years records released under FOIA have revealed the government's radiation experiments on human guinea pigs during the Cold War, the evidence that the Food and Drug Administration had about heart-valve disease at the time it approved the Fen-Phen diet drug, the Federal Aviation Administration's concerns about ValuJet before the 1996 crash in the Everglades, radiation contamination by a government-run uranium processing plant on nearby recreation and wildlife areas in Kentucky, the government's maltreatment of South Vietnamese commandos who fought in a CIA-sponsored army in the early 1960's, the high salaries paid to independent counsels, and the unsafe lead content of tap water in the nation's capital.

Five years ago we updated FOIA's charter with the Electronic Freedom of Information Act that I proposed as a way to bring the law into the information age, recognizing that technology is dramatically changing the way government handles and stores information. The ''E–FOIA'' law directs federal agencies to make the information in their computer files available to citizens on the same basis as that in conventional paper files. We also took this as an opportunity to encourage agencies to use technology and the Internet to make government more accessible and accountable to its customers, the citizens. For instance, we now have the technology to translate government records into Braille or large print or synthetic speech for people with sight or hearing impairments, and the new law promotes that. Electronic records also make it possible to offer dial-up access to citizens over the Internet so they can have instant direct access to unclassified information stored in government computer banks. This is far easier for Vermonters than having to travel to Washington to visit an agency's public reading room. Information is a valuable commodity, and the federal government is the largest single producer and repository of data on topics ranging from agriculture to geography to labor statistics and the weather. Better and timelier access to this information helps lubricate our economy.

FOIA today is healthy, but only constant vigilance will keep Congress from needlessly whittling away its promise to the American people. We fought back one such effort last year, and new carve-out proposals are already in the air.

FOIA gives each American the power to ask—and the government the obligation to answer—questions about official actions or inaction. We can count on a government agency to tell us when it does something right, but we need FOIA to help tell us when it does something wrong. Of all the laws that fill our law libraries, none better than FOIA breathes life into the first words in our Constitution, ''We the people of the United States'' and into our First Amendment rights to petition our government. This is a law to celebrate, to use, and to defend.

VETERANS EDUCATION AND HEALTH CARE PRIORITIES

Mr. JOHNSON. Mr. President, as I travel my state of South Dakota and meet with veterans, I am reminded of the very core of what the Founding Fathers meant when they talked about America's citizen soldiers who serve as the bulwark of defending our democracy and freedom. The sacrifices of the men and women who served this nation in time of war are a dramatic story that we need to tell to future generations.

We need to remind younger generations of the sacrifice of the quiet heroes who have served our nation in the military service. We need to remind them that freedom isn't really free. Throughout our nation's proud history, people have made profound sacrifices to preserve liberty and democracy.

I have had the privilege this past year of honoring the South Dakotans who so bravely defended the seeds of democracy in the foreign soil of Korea and remember those who fought and died for democracy. In ceremonies across my state, I have had the honor of presenting the Korean War Service Medals as a long-overdue expression of gratitude from the American public and the South Korean government. It may have taken 50 years for us to properly recognize these veterans for their

sacrifices in Korea. But there is no time limit on their patriotism or our country's gratitude.

Unfortunately, it has also taken too long for our government to fully honor the commitment made to our veterans for educational benefits and lifetime health care.

I am pleased to report that Congress has finally begun to honor additional commitments made to veterans nationwide. We all know the history: for decades, men and women who joined the military were promised educational benefits and lifetime health care coverage for themselves and their families. Many of the veterans we honor today were told, in effect, ''If you disrupt your family, if you work for low pay, if you endanger your life and limb, our nation will in turn guarantee an opportunity for an education and lifetime health benefits.''

Those promises have too often not been kept, not only to our veterans but also our military retirees, and that is threatening our national security. Veterans are our nation's most effective recruiters. However, inadequate education benefits and poor health care options make it difficult for these men and women to encourage the younger generation to serve in today's voluntary service. We are blessed to have unprecedented federal budget surpluses, and the only question is whether veterans health care and educational benefits should be a priority instead of an afterthought.

Veterans from around the nation have been calling on Congress to provide the VA with adequate funding to meet the health care needs for all veterans. Without additional funding, VA facilities will be unable to deliver the necessary health care services to our veterans population.

For a number of years, I have worked with veterans to increase flat-line appropriations for veterans' health care. Thanks to the grass roots efforts of veterans, we were successful two years ago in getting a historic $1.7 billion increase for VA medical care. We fought last year for another $1.4 billion increase. While these increases will help relieve some of the VA's budgetary constraints, I believe that more needs to be done to make up for those years of budgetary neglect, as well as to keep pace with rising costs of health care.

Another priority for me this year will be to continue to improve educational benefits for veterans. The Montgomery GI Bill has been one of the most effective tools in recruiting and retaining the best and the brightest in the military. It has also been a critical component in the transition of veterans to civilian life. Unfortunately, the current GI Bill fails to keep pace with the rising costs of higher education. On the first day of this legislative year, I joined Senator SUSAN COLLINS in introducing legislation to bring the GI Bill in the 21st Century by creating a benchmark level of education benefits that automatically covers inflation to meet the increasing costs of higher education. Our concept is a very simple one: at the very least, GI Bill benefits should be equal to the average cost of a commuter student attending a four-year university. Currently, less than one-half of the men and women who contribute $1200 of their pay to qualify for the GI Bill actually use these benefits.

The Veterans' Higher Education Opportunities Act—S. 131—has broad bipartisan support and the support of an unprecedented partnership of veterans groups and higher education organizations.

My bipartisan ''Keep Our Promises to America's Military Retirees Act'' called for the government to fulfill its obligation of lifetime health care for military retirees and their dependents. While I am pleased that last year's enactment of the TRICARE-for-Life program begins to address problems with military retiree health care, there is more work that needs to be done.

In fact, a recent federal court of appeals ruling finally supported what we have been saying all along: that the government has not lived up to its contract with millions of military retirees who were told they would receive lifetime health care in return for 20 years of service in the military. That is why I am once again working with Senator OLYMPIA SNOWE and Senator JEFF BINGAMAN to finish the job we started last year and fulfill our country's commitment. Honoring our commitment to active duty personnel, military retirees, and veterans is of special importance to me for a number of reasons. My oldest son, Brooks, currently serves in the Army and tells me firsthand how broken promises impact the morale of active duty personnel and their families.

Finally, an issue that needs to be addressed this year is concurrent receipt. I find it indefensible that our government forces men and women who fought for our country and are disabled as a result of it to choose between retirement pay and disability compensation. This nickel-and-diming of our country's heroes must stop, and I recently joined Senator HARRY REID in introducing the Retired Pay Restoration Act of 2001, S. 170. I am hopeful that we will be able to continue on the progress made last year on Concurrent Receipt and finally make this long-overdue correction for 437,000 disabled veterans nationwide.

Veterans are our country's heroes, and their selfless actions will inspire generations of Americans yet to come. Our country must honor its commitments to veterans, not only because it's the right thing to do, but also because it's the smart thing to do. I consider myself fortunate to live in our democracy, and I am filled with a sense of patriotism each day as I travel to work and see the United States Capitol come into view. In this city that is filled with monuments to the heroism of our Founding Fathers and the men and women who have served to protect our freedoms, I pledge that I will continue to fight to make veterans issues a priority in Congress.

PRESIDENT BUSH'S NEW JERSEY VISIT

Mr. CORZINE. Mr. President, yesterday, I joined with my distinguished colleague from New Jersey, Senator TORRICELLI, in welcoming the President of the United States to our State of New Jersey.

I was very pleased that the President decided to visit our State, and out of respect for him I decided to go to New Jersey to welcome him personally. In my view, it is critical that members of both parties work together in a positive and constructive way to address our Nation's problems. Although the President and I disagree on a number of issues, I sincerely want to cooperate with him wherever possible to help the people of New Jersey and all Americans, and I appreciated the chance to spend some time with him.

Unfortunately, because I was in New Jersey with the President, I missed a vote on the motion to table the Wyden amendment, No. 78. This amendment would have made nondischargeable certain debts arising from the exchange of electric energy in response to the recent crisis in California. If I had been present, I would have voted ''aye'' on the motion to table. Like Senator FEINSTEIN, I am concerned that by interjecting ourselves into this issue and giving a priority to certain creditors, we could trigger a rush to bankruptcy court that could force California utilities into bankruptcy.

NATIONAL GUARD AND RESERVES TAX CREDIT

Mr. JOHNSON. Mr. President, last week I met with South Dakota National Guard Adjutant General Phil Killey and a group of about 30 men and women from the South Dakota Guard and Reserves. Almost every community in our state benefits from the work of these Guardsmen and Reservists. For example, Guard units helped clean up the debris from last August's windstorm that hit Spearfish and Mitchell. Guard units in Aberdeen and Brookings spearheaded city-wide clean up efforts, and soldiers in Brookings even sponsored underprivileged children during the holiday season. The Guard also was instrumental in fighting the Jasper fire in the Black Hills last summer. The list goes on. From Aberdeen to Yankton, the Guard and Reserves are active members of the South Dakota community.

In addition to the support the Guard and Reserves give to South Dakota, they have also supported overseas operations including those in Central America, the Middle East, Europe, and Asia. The South Dakota Air Guard is currently preparing for its mission later this year, where it will patrol the ''No-Fly Zone'' in Iraq.

Most South Dakotans know at least one of the 4,500 current members of the South Dakota Guard and Reserves or the thousands of former Guardsmen and Reservists. Sometimes, the connection is even more direct. Before joining the Army, my oldest son was a member of the South Dakota Army Guard in Yankton.

General Killey reported that South Dakota ranks third in the nation in the readiness of its Guard and Reserve units. South Dakota's units are also tops in the nation in the quality of its new recruits. I commend the South Dakota Guard and Reserves for their continued excellence. National rankings only confirm the quality that has come to be expected of the Guard and Reserve of a great state.

However, recruiting and keeping the best of the best in the South Dakota National Guard and Reserves is becoming more of a challenge as our military's operations tempo has remained high while the number of active duty military forces has decreased. This tempo places significant pressure on members of the reserve component and those who employ them as they experience greater training and participation demands. That is why I am joining Senator MIKE DEWINE in introducing targeted tax relief for Guardsmen, Reservists, and those who employ them.

The legislation, called the Reserve Component Tax Assistance Act, will allow Guardsmen and Reservists to claim deductions for travel, meals, and lodging when they travel away from home and remain overnight to attend National Guard and Reserve meetings. A significant portion of the Guard and Reserve in South Dakota must travel at least 40 miles for training and meetings.

The second part of this legislation gives their employers a tax credit when the Reservists and Guardsmen are called up for a contingency operation. Often, these men and women will be gone months in support of overseas military efforts, leaving employers in a difficult position. This year the Air Guard will be deployed to Iraq, and members of the Army National Guard will be deployed to Bosnia next year. Our bipartisan legislation helps to minimize the economic impact by giving a maximum tax credit per employee of $2000. Each employer would be eligible for a maximum credit of $7500. This credit will help an estimated 1,100 to 1,300 businesses in our state who employ Guardsmen and Reservists.

Our legislation provides much needed tax relief to Guardsmen and Reservists, and the employers who support them, and I will continue to do all I can to support our National Guard and Reserves.

ADDITIONAL STATEMENTS

NATIONAL GIRL SCOUT WEEK

• Mrs. CARNAHAN. Mr. President, this week marks the 89th anniversary of the founding of the Girl Scouts of America. What began with a single troop of 12 girls in 1912 has grown into a 3.6 million member organization. Missouri alone has nearly 100,000 members. Over the last 89 years Girl Scouts of America has helped to instill in countless girls strong values, a social conscience, and the conviction of their own potential and self-worth.

Earlier this week, I cosponsored a resolution to designate this week as National Girl Scout Week. I thank my colleagues for unanimously passing that resolution. The Girl Scouts of America has become a national institution. The organization has held a Congressional charter for more than 50 years, and spread to nearly every city in the nation. Girl Scouts learn to be, as the Girl Scout Law says, ''considerate, caring, courageous and strong.'' They develop a strong sense of community responsibility along with a sense of self worth. These girls serve as role models in their communities and become tomorrow's leaders.

Community service is a bedrock principal of the Girl Scouts. Every year, each troop conducts a service project to assist their community. The Girl Scout Council of Greater St. Louis is about to start their annual April Showers project. Every year they collect and distribute personal care items like shampoo, toothbrushes, and diapers to families in need throughout the area. Last year they collected nearly one million items, helping countless families.

On the other side of Missouri, Kara Dorsey, a member of Troop 706 in Warrensburg, recently won her Girl Scout Gold Award for creating a library at the new Warrensburg Veteran's Home. Kara organized two fundraising events then purchased books, tapes and magazine subscriptions with the proceeds. Because of Kara's work, the veterans in Warrensburg have a recreational and educational outlet they might not have had otherwise.

Girl Scouts may be most famous for Thin Mints, Samoas and Tagalongs, but those cookies are more than delicious snacks. Cookie sales teach the scouts about money management, selling skills, and give the girls a chance to give back to their community. Junior Girl Scout Troop 59, in Odessa, Missouri, voted to give a percentage of the money it earned in January to the House of Hope, a shelter for victims of domestic violence. When someone asked Rachel Kopp, a member of the troop, why they had donated the money, she said, ''It was the Girl Scout thing to do.'' Indeed it is. That is what makes the Girl Scouts so unique. Girl Scouts provide an environment where girls are challenged and guided to become capable, self-reliant, ethical women who make a difference.

On this, their anniversary, I want to thank the Girl Scouts of America for enriching so many young lives, and once again thank my colleges for unanimously calling for the recognition of National Girl Scout Week.•

50TH WEDDING ANNIVERSARY OF THE REV. AND MRS. BENJAMIN HOOKS

• Mr. FRIST. Mr. President, every day in towns and cities across America, moms and dads, uncles and cousins, gather, in time-honored tradition, to celebrate the milestones of their lives—the births, baptisms, and anniversaries that bind them together and make them one.

Perhaps the most cherished of these is the celebration of marriage because it is marriage, after all, that creates the first and most essential cell of human society—the family.

If they are blessed, Mr. President, these anniversary celebrations of marriage include larger circles of friends and colleagues who recognize not only the value of a special couple's commitment to each other, but also the value of that commitment to all of us as the larger family of God.

On March 24, 2001, in Memphis, Tennessee, Mr. President, such a gathering will occur, and it is in honor of that occasion that I rise today to pay special tribute to a special couple, the Rev. Benjamin Hooks and his bride, Frances, who will celebrate 50 years as husband and wife.

Mr. President, this son of Memphis, is a man whose accomplishments as a pioneer of the civil rights movement, a courageous leader of the Southern Christian Leadership Conference and, more recently, as Director of the NAACP are well-known to most Americans. Less known, perhaps, is his work as a public defender, the first African American judge in Tennessee elected since Reconstruction, an outspoken critic of media portrayals of minority stereotypes, and pastor of the Greater Middle Baptist Church in Memphis where I have been honored to worship, and where both Benjamin and Frances have tirelessly dedicated themselves to bringing the goodwill of the family to all society.

But as important as their public work is and has been, it is the private union of these two remarkable human beings that we honor today—their affection and devotion, their deep and lasting commitment and, most of all,

the love that encompasses not only each other but all who know them.

Mr. President, it is my honor and privilege to join with their daughter, Patricia, their family, and all their many friends, in congratulating the Rev. and Mrs. Benjamin Hooks on 50 years of marriage. May the good Lord continue to bless them all the days of their lives.●

IN MEMORY OF GINA PENNESTRI

● Mrs. BOXER. Mr. President, it is with a combination of great sadness and great joy that I ask the Senate to pause briefly so that I may share a little of the remarkable life of my dear friend and confidante Gina Pennestri.

I first met Gina when she was working for my hero and former boss, Congressman John Burton. When John announced his decision to leave the House in 1982, I decided to run for his seat. I can say without hesitation that without Gina I never would have won my first election to Congress. In fact, it is almost certain that without Gina I would not be here today as a U.S. Senator. After that first election she came to work for me and headed my district office until her retirement in 1989. For these and all her other gifts, I will be forever in her debt.

Gina was born on September 30, 1923 in Washington, DC. In retrospect, this makes perfect sense. She always seemed to have been born into politics. She attended George Washington University and became active locally advocating for voting rights for District residents. She began her long career in public service during World War II conducting employee relations for civilian employees stationed overseas. After the War she assisted with the Berlin Airlift working to assure that medical, food and other supplies got to those who needed them.

Gina moved to San Francisco in 1951, where she began at once to raise a family and more than one ruckus. From her first days in the City until her very last, Gina was known for her community spirit and activism. Over the years she worked to protect open space, to achieve civil rights, to end the war in Vietnam and so much more. Gina could be tough. She believed deeply in the inherent worth of all people, and worked especially hard to protect those less fortunate. She was that all-too-rare person whose depth of compassion was matched by an astute political mind. When it came to fighting for what was right, she let nothing and no one stand in the way. Her example inspires me to this day.

A thorn in the side to a few, she was deeply beloved by countless more. And to those who knew her best she was more than just an ally or friend, she was a member of the family. When Gina let you into her life you were there for keeps. Her loyalty was legendary, and her wisdom helped me navigate many difficulties, both in my professional and private life. My family and I will miss her tremendously. Our thoughts and prayers are with her son Marc, his wife Nancy and their children Laura and Daniel, to all of whom Gina was deeply devoted.

So today, I stand before you full of tremendous sorrow over the loss of a true friend and partner. But through the process of remembering Gina and her time among us, I am also filled with tremendous joy—joy that I was so fortunate to have met her and shared in her generous gifts and spirit. It comforts me to know that although she is gone, these will most assuredly live on in the many lives she touched.●

MESSAGE FROM THE PRESIDENT

A message from the President of the United States was communicated to the Senate by Mr. Williams, one of his secretaries.

EXECUTIVE MESSAGE REFERRED

As in executive session the Presiding Officer laid before the Senate a message from the President of the United States submitting a nomination which was referred to the Committee on Banking, Housing, and Urban Affairs.

(The nomination received today is printed at the end of the Senate proceedings.)

MESSAGE FROM THE HOUSE

At 12:32 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it: requests the concurrence of the Senate:

H.R. 327. An act to amend chapter 35 of title 44, United State Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the ''Majory Williams Scrivens Post Office.''

H.R. 725. An act to direct the Secretary of Commerce to provide for the establishment of a toll-free telephone number to assist consumers in determining whether products are American-made.

H.R. 741. An act to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes.

H.R. 809. An act to make technical corrections to various antitrust laws and to references to such laws.

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the ''W. Joe Trogdon Post Office Building.''

H.R. 860. An act to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of certain multiparty, multiforum civil actions.

H.R. 861. An act to make technical amendments to section 10 of title 9, United States Code.

The message also announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 320. An act to make technical corrections in patent, copyright, and trademark laws.

The message further announced that pursuant to section 4(a) of Public Law 94–118 (22 U.S.C. 2903), the Speaker appoints the following Member of the House of Representatives to the Japan-United States Friendship Commission: Mr. MCDERMOTT.

The message also announced that pursuant to paragraph 8 of section 801(b) of Public Law 100–696, the Minority Leader appoints the following Member of the House of Representatives to the United States Capitol Preservation Commission: Mr. MORAN of Virginia.

MEASURES REFERRED

The following bills were read the first and the second times by unanimous consent, and referred as indicated.

H.R. 327. An act to amend chapter 35 of title 44, United States Code, for the purpose of facilitating compliance by small businesses with certain Federal paperwork requirements and to establish a task force to examine the feasibility of streamlining paperwork requirements applicable to small businesses, to the Committee on Governmental Affairs.

H.R. 364. An act to designate the facility of the United States Postal Service located at 5927 Southwest 70th Street in Miami, Florida, as the ''Marjory Williams Scrivens Post Office'', to the Committee on Governmental Affairs.

H.R. 725. An act to establish a toll free number under the Federal Trade Commission to assist consumers in determining if products are American-made; to the Committee on Commerce, Science, and Transportation.

H.R. 741. An act to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes; to the Committee on the Judiciary.

H.R. 809. An act to make technical corrections to various antitrust laws and to references to such laws; to the Committee on the Judiciary.

H.R. 821. An act to designate the facility of the United States Postal Service located at 1030 South Church Street in Asheboro, North Carolina, as the ''W. Joe Trogdon Post Office Building''; to the Committee on Governmental Affairs.

H.R. 860. An act to amend title 28, United States Code, to allow a judge to whom a case is transferred to retain jurisdiction over certain multidistrict litigation cases for trial, and to provide for Federal jurisdiction of

certain multiparty, multiforum civil actions; to the Committee on the Judiciary.

H.R. 861. An act to make technical amendments to section 10 of title 9, United States Code, to the Committee on Armed Services.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–996. A communication from the Director of the American Forces Information Service, Department of Defense, transmitting a report concerning the consolidation of two field activities located in California and Pennsylvania; to the Committee on Armed Services.

EC–997. A communication from the Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Determination of Nonattainment as of November 15, 1996, and Reclassification of the St. Louis Ozone Nonattainment Area; States of Missouri and Illinois'' (FRL6955-4) received on March 14, 2001; to the Committee on Environment and Public Works.

EC–998. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled ''Final Rule; Official Staff Interpretation'' (Docket No. R-1074) received on March 14, 2001; to the Committee on Banking, Housing, and Urban Affairs.

EC–999. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (North English, IA; Pendleton, SC; Hamilton, TX; Munday, TX)'' (Docket Nos. 00-222, 00-223, 00-224, 00-225) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1000. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b). Table of Allotments, FM Broadcast Stations (Hornbrook, California)'' (Docket No. 00-73) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1001. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Lexington, KY)'' received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1002. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Chattanooga, Tennessee)'' (Docket No. 99-268) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1003. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.622(b), Table of Allotments, DTV Broadcast Stations (Sumter, South Carolina)'' (Docket No. 00-182) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

EC–1004. A communication from the Special Assistant to the Bureau Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''1998 Biennial Regulatory Review—Streamlining of Radio Technical Rules in Parts 73 and 74 of the Commission's Rules, Second Report and Order'' (Docket No. 98-93) received on March 14, 2001; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

From the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 20: A resolution designating March 25, 2001, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committee were submitted:

By Mr. McCAIN, for the Committee on Commerce, Science, and Transportation.

The following named officer for appointment as Commander, Atlantic Area, United States Coast Guard, and to the grade indicated under title 14, U.S.C., section 50:

To be vice admiral

Rear Adm. Thad W. Allen, 3199

(The above nomination was reported with the recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

Mr. McCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation.

The following named officers for appointment in the United States Coast Guard to the grade indicated under title 14, U.S.C., section 271:

To be rear admiral (lower half)

Capt. Harvey E. Johnson Jr., 0186
Capt. Sally Brice-O'Hara, 0516

(The above nominations were reported with the recommendation that they be confirmed.)

Mr. McCAIN. Mr. President, for the Committee on Commerce, Science, and Transportation, I report favorably a nomination list which was printed in the RECORD on the date indicated, and ask unanimous consent, to save the expense of reprinting on the Executive Calendar that this nomination lie at the Secretary's desk for the information of Senators.

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

Coast Guard nominations beginning Timothy Aguirre and ending William J. Ziegler, which nominations were received by the Senate and appeared in the Congressional Record on January 3, 2001.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mrs. FEINSTEIN:

S. 538. A bill to provide for infant crib safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. LEVIN (for himself, Mrs. FEINSTEIN, and Mr. BIDEN):

S. 539. A bill to amend the Truth in Lending Act to prohibit finance charges for on-time payments; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DEWINE (for himself, Mr. WARNER, Mr. LEVIN, Mr. MCCAIN, Mr. LIEBERMAN, Mr. HELMS, Mr. MILLER, Mr. HUTCHINSON, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. ALLARD, Mr. ALLEN, Mr. COCHRAN, Ms. COLLINS, Mr. DURBIN, Mrs. HUTCHISON, Mr. INOUYE, Mr. JOHNSON, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. THURMOND, Mr. VOINOVICH, Mr. SESSIONS, and Mr. LOTT):

S. 540. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes; to the Committee on Finance.

By Mr. COCHRAN:

S. 541. A bill to improve foreign language instruction; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 542. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SPECTER, Mr. KENNEDY, Mr. CHAFEE, Mr. DODD, Mr. COCHRAN, Mr. REED, Mr. REID, Mr. WARNER, Mr. GRASSLEY, Mr. ROBERTS, Mr. DURBIN, and Mr. JOHNSON):

S. 543. A bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BURNS (for himself, Mr. BOND, Mr. CRAIG, and Mr . THOMAS):

S. 544. A bill to amend the Federal Meat Inspection Act to provide that a quality grade label issued by the Secretary of Agriculture may not be used for imported meat and meat food products; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. FRIST:

S. 545. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity credit to small business employees working or living in areas of poverty; to the Committee on Finance.

By Mr. WARNER (for himself, Mr. ALLEN, Mr. GRAHAM, and Mr. NELSON of Florida):

S. 546. A bill to expand the applicability of the increase in the automatic maximum amount of Servicemembers' Group Life Insurance scheduled to take effect on April 1,

2001, to the deaths of certain members of the uniformed services who die before that date; to the Committee on Veterans' Affairs.

By Mr. MCCAIN:

S. 547. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Finance.

By Mr. HARKIN (for himself, Ms. SNOWE, Ms. MIKULSKI, Mr. MURKOWSKI, Mrs. MURRAY, Mr. SCHUMER, and Mr. REID):

S. 548. A bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes; to the Committee on Finance.

By Mr. CRAPO (for himself and Mr. AKAKA):

S. 549. A bill to ensure the availability of spectrum to amateur radio operators; to the Committee on Commerce, Science, and Transportation.

By Mr. DASCHLE (for himself, Mr. MCCAIN, Mr. INOUYE, Mr. BAUCUS, Mr. COCHRAN, and Mrs. FEINSTEIN):

S. 550. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

By Mr. DORGAN (for himself, Mr. GREGG, and Mr. DURBIN):

S. 551. A bill to amend the Internal Revenue Code of 1986 to simplify the individual income tax by providing an election for eligible individuals to only be subject to a 15 percent tax on wage income with a tax return free filing system, to reduce the burdens of the marriage penalty and alternative minimum tax, and for other purposes; to the Committee on Finance.

By Mr. GRAHAM:

S. 552. A bill to provide that no electric utility shall be required to enter into a new contract or obligation to purchase or to sell electricity or capacity under section 210 of the Public Utility Regulatory Policies Act of 1978; to the Committee on Energy and Natural Resources.

By Mr. WELLSTONE:

S. 553. A bill to help establish and enhance early childhood family education programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mrs. MURRAY (for herself, Ms. COLLINS, Ms. MIKULSKI, Ms. CANTWELL, Mr. COCHRAN, and Mr. CHAFEE):

S. 554. A bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals; to the Committee on Finance.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 555. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health and Human Services to establish a tolerance for the presence of methylmercury in seafood, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. SCHUMER, Ms. SNOWE, Mrs. FEINSTEIN, Mr. LEAHY, Mrs. CLINTON, Mr. KERRY, Mr. DODD, Mr. TORRICELLI, Mr. CORZINE, Mr. KENNEDY, Mr. REED, and Mrs. BOXER):

S. 556. A bill to amend the Clean Air Act to reduce emissions from electric powerplants, and for other purposes; to the Committee on Environment and Public Works.

By Mr. DOMENICI (for himself and Mr. BINGAMAN):

S. 557. A bill to clarify the tax treatment of payments made under the Cerro Grande Fire Assistance Act; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. BAUCUS, and Mr. CAMPBELL):

S. 558. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for investment in Indian reservation economic development, and for other purposes; to the Committee on Finance.

By Mr. ALLARD:

S. 559. A bill to reform the financing of Federal elections; to the Committee on Rules and Administration.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. MILLER (for himself and Mr. CLELAND):

S. Con. Res. 25. A concurrent resolution honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they deploy to Bosnia for nine months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States; considered and agreed to.

ADDITIONAL COSPONSORS

S. 22

At the request of Mr. HAGEL, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 22, a bill to amend the Federal Election Campaign Act of 1971 to provide meaningful campaign finance reform through requiring better reporting, decreasing the role of soft money, and increasing individual contribution limits, and for other purposes.

S. 27

At the request of Mr. FEINGOLD, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 27, a bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

S. 128

At the request of Mr. JOHNSON, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 128, a bill to amend the Federal Deposit Insurance Act to require periodic cost of living adjustments to the maximum amount of deposit insurance available under that Act, and for other purposes.

S. 155

At the request of Mr. BINGAMAN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 155, a bill to amend title 5, United States Code, to eliminate an inequity in the applicability of early retirement eligibility requirements to military reserve technicians.

S. 170

At the request of Mr. REID, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 244

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 244, a bill to provide for United States policy toward Libya.

S. 255

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 255, 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. 258

At the request of Ms. SNOWE, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 264

At the request of Ms. SNOWE, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 264, a bill to amend title XVIII of the Social Security Act to expand coverage of bone mass measurements under part B of the medicare program to all individuals at clinical risk for osteoporosis.

S. 281

At the request of Mr. HAGEL, the names of the Senator from Texas (Mrs. HUTCHISON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Maryland (Mr. SARBANES), the Senator from Michigan (Ms. STABENOW), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 281, a bill to authorize the design and construction of a temporary education center at the Vietnam Veterans Memorial.

S. 284

At the request of Mr. MCCAIN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 284, a bill to amend the Internal Revenue Code of 1986 to provide incentives to expand health care coverage for individuals.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to strike the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 350

At the request of Mr. CHAFEE, the names of the Senator from Indiana (Mr. BAYH), the Senator from West Virginia (Mr. BYRD), the Senator from Washington (Ms. CANTWELL), and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 350, a bill to amend the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 to promote the cleanup and reuse of brownfields, to provide financial assistance for brownfields revitalization, to enhance State response programs, and for other purposes.

S. 385

At the request of Mr. THURMOND, the name of the Senator from Texas (Mrs. HUTCHISON) was added as a cosponsor of S. 385, a bill to amend title 10, United States Code, to remove a limitation on the expansion of the Junior Reserve Officers' Training Corps, and for other purposes.

S. 441

At the request of Mr. CAMPBELL, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 441, a bill to provide Capitol-flown flags to the families of law enforcement officers and firefighters killed in the line of duty.

S. 452

At the request of Mr. MURKOWSKI, the names of the Senator from South Carolina (Mr. HOLLINGS) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 461

At the request of Mr. FRIST, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 461, a bill to support educational partnerships, focusing on mathematics, science, and technology, between institutions of higher education and elementary schools and secondary schools, and for other purposes.

S. 466

At the request of Mr. HAGEL, the names of the Senator from Mississippi (Mr. COCHRAN) and the Senator from Maryland (Ms. MIKULSKI) were added as cosponsors of S. 466, a bill to amend the Individuals with Disabilities Education Act to fully fund 40 percent of the average per pupil expenditure for programs under part B of such Act.

S. CON. RES. 23

At the request of Mrs. FEINSTEIN, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. Con. Res. 23, a concurrent resolution expressing the sense of Congress with respect to the involvement of the Government in Libya in the terrorist bombing of Pan Am Flight 103, and for other purposes.

S.J. RES. 4

At the request of Mr. HOLLINGS, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S.J. Res. 4, a joint resolution proposing an amendment to the Constitution of the United States relating to contributions and expenditures intended to affect elections.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from North Carolina (Mr. EDWARDS), the Senator from Kentucky (Mr. BUNNING), the Senator from Arkansas (Mr. HUTCHINSON), and the Senator from Hawaii (Mr. INOUYE) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as ''National Airborne Day.''

S. RES. 20

At the request of Mr. LEAHY, his name was added as a cosponsor of S. Res. 20, a resolution designating March 25, 2001, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

At the request of Mr. FEINGOLD, his name was added as a cosponsor of S. Res. 20, supra.

S. RES. 25

At the request of Mr. CRAIG, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Kansas (Mr. ROBERTS), the Senator from Ohio (Mr. DEWINE), the Senator from Texas (Mrs. HUTCHISON), the Senator from Tennessee (Mr. FRIST), the Senator from Kentucky (Mr. MCCONNELL), the Senator from Tennessee (Mr. THOMPSON), the Senator from Colorado (Mr. CAMPBELL), the Senator from Montana (Mr. BAUCUS), the Senator from California (Mrs. FEINSTEIN), the Senator from Oregon (Mr. WYDEN), the Senator from Washington (Ms. CANTWELL), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Indiana (Mr. LUGAR), the Senator from Maryland (Ms. MIKULSKI), the Senator from South Dakota (Mr. DASCHLE), the Senator from Oklahoma (Mr. NICKLES), the Senator from Missouri (Mr. BOND), the Senator from Louisiana (Mr. BREAUX), the Senator from Kansas (Mr. BROWNBACK), the Senator from Illinois (Mr. DURBIN), and the Senator from Georgia (Mr. MILLER) were added as cosponsors of S. Res. 25, a resolution designating the week beginning March 18, 2001 as ''National Safe Place Week.''

S. RES. 41

At the request of Mr. SHELBY, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Alaska (Mr. MURKOWSKI) were added as cosponsors of S. Res. 41, a resolution designating April 4, 2001, as ''National Murder Awareness Day.''

S. RES. 43

At the request of Mr. MURKOWSKI, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Maryland (Mr. SARBANES), and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. Res. 43, a resolution expressing the sense of the Senate that the President should designate the week of March 18 through March 24, 2001, as ''National Inhalants and Poisons Awareness Week.''

AMENDMENT NO. 51

At the request of Mr. FEINGOLD, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of Amendment No. 51 proposed to S. 420, an original bill to amend title II, United States Code, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN:

S. 538. A bill to provide for infant crib safety, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. FEINSTEIN. Mr. President, today, I am introducing legislation designed to eliminate injuries and deaths that result from crib accidents.

While there are strict guidelines on the manufacture and sale of new cribs, there are still 25 to 30 million unsafe cribs sold throughout the U.S. in ''secondary markets,'' such as thrift stores and resale furniture stores. These cribs should be taken off the market, and either made safe, or destroyed.

There are a number of reasons why unsafe cribs should be taken off the market.

Each year, at least 50 children ages two and under die from injuries sustained in cribs. That is almost one child a week.

The number of deaths from crib incidents exceeds deaths from all other nursery products combined.

Over 12,000 children are hospitalized each year as a result of injuries sustained in cribs.

To illustrate the need for this legislation, I want to share with you the story of Danny Lineweaver.

At the age of 23 months, Danny was injured during an attempt to climb out of his crib. Danny caught his shirt on a decorative knob on the cornerpost of his crib and hanged himself.

Though his mother was able to perform CPR the moment she found him,

Danny lived in a semi-comatose state for nine years and died in 1993. This injury and subsequent death could have been prevented.

Since Danny's accident, we have passed laws mandating safety standards for the manufacture of new cribs. But this is not enough.

There are nearly four million infants born in this country each year, but only one million new cribs sold. As many as half of all infants are placed in secondhand, hand-me-down, or heirloom cribs, cribs that are sold in thrift stores or resale furniture stores. These cribs may be unsafe, and may in fact threaten the life of the infants placed in them.

This legislation requires thrift stores and retail furniture stores to remove decorative knobs on the cornerposts of cribs before selling those cribs.

Additionally, the bill prohibits hotels and motels from providing unsafe cribs to guests, or risk being fined up to $1,000.

The Infant Crib Safety Act makes the sale of used, unsafe cribs illegal. I hope my colleagues will join me in putting a stop to preventable injuries and deaths resulting from unsafe cribs.

By Mr. DEWINE (for himself, Mr. WARNER, Mr. LEVIN, Mr. MCCAIN, Mr. LIEBERMAN, Mr. HELMS, Mr. MILLER, Mr. HUTCHINSON, Mr. CLELAND, Mr. INHOFE, Ms. LANDRIEU, Mr. ALLARD, Mr. ALLEN, Mr. COCHRAN, Ms. COLLINS, Mr. DURBIN, Mrs. HUTCHISON, Mr. INOUYE, Mr. JOHNSON, Mr. SHELBY, Mr. SMITH of New Hampshire, Mr. THURMOND, Mr. VOINOVICH, Mr. SESSIONS, and Mr. LOTT).

S. 540. A bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes; to the Committee on Finance.

Mr. DEWINE. Mr. President, I rise today to join my distinguished colleagues, including Senators WARNER, LEVIN, MCCAIN, LIEBERMAN, HELMS, MILLER, HUTCHINSON from Arkansas, CLELAND, INHOFE, and LANDRIEU, to introduce the ''Reserve Component Tax Assistance Act of 2001.''

We are introducing this bill today because it represents one way we can help retain the brave men and women who serve in our military's Guard and reserve components. Our bill would offer much-needed support for them and their families by restoring a tax deduction to our reservists for travel expenses incurred getting to and from duty assignments. The bill also would provide a tax credit to employers who support employees serving in the reserve component.

As my colleagues are well aware, the security of our nation hinges on all the men and women who serve in uniform, both active duty and reserves. That became very clear a decade ago, when members of our active duty and reserve forces came together to drive Saddam Hussein and the Iraqi Republican Guard out of Kuwait. Operation Desert Storm was one of the largest and most successful military operations since the inception of the all-volunteer force of the early 1970's. Its success was due in large part to the efforts of reserve component personnel. Since then, our reservists and Guardsmen and women have contributed in every U.S. military and humanitarian operation.

This increased reliance on our reserve personnel came at a time when U.S. military forces were downsizing in response to the ''peace dividend'' linked to the collapse of the Soviet Union and the fall of the Berlin Wall. Despite the end of the Cold War, the tempo of our military's operations remains at a steady beat. In fact, the military's dependence on our reservists and Guardsmen and women has remained at near Gulf War levels. The military has placed greater training and participation demands on our reservists, taking them away from family and civilian employment.

This increased demand does not occur without cost, particularly financial costs to our reserve military components and their full time employers. The bill we are introducing today is an attempt to provide some additional compensation for these dedicated men and women. It is a small step, but one that is necessary. I urge my colleagues to support our bill and demonstrate our commitment to supporting the proud and dedicated reservists, Guardsmen and women, and employers who play such a pivotal role in our national defense. I am pleased that this legislation already has the support of the Reserve Officers Association, the National Guard Association, the Military Coalition, and the U.S. Chamber of Commerce.

Mr. President, 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. 540

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 ''Reserve Component Tax Assistance Act of 2001''.

SEC. 2. DEDUCTION OF CERTAIN EXPENSES OF MEMBERS OF THE RESERVE COMPONENT.

(a) DEDUCTION ALLOWED.—Section 162 of the Internal Revenue Code of 1986 (relating to certain trade or business expenses) is amended by redesignating subsection (p) as subsection (q) and inserting after subsection (o) the following new subsection:

''(p) TREATMENT OF EXPENSES OF MEMBERS OF RESERVE COMPONENT OF ARMED FORCES OF THE UNITED STATES.—For purposes of subsection (a), in the case of an individual who performs services as a member of a reserve component of the Armed Forces of the United States at any time during the taxable year, such individual shall be deemed to be away from home in the pursuit of a trade or business during any period for which such individual is away from home in connection with such service.''.

(b) DEDUCTION ALLOWED WHETHER OR NOT TAXPAYER ELECTS TO ITEMIZE.—Section 62(a)(2) of the Internal Revenue Code of 1986 (relating to certain trade and business deductions of employees) is amended by adding at the end the following new subparagraph:

''(D) CERTAIN EXPENSES OF MEMBERS OF RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—The deductions allowed by section 162 which consist of expenses paid or incurred by the taxpayer in connection with the performance of services by such taxpayer as a member of a reserve component of the Armed Forces of the United States.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after December 31, 2001.

SEC. 3. CREDIT FOR EMPLOYMENT OF RESERVE COMPONENT PERSONNEL.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to business-related credits) is amended by adding at the end the following new section:

''SEC. 45E. RESERVE COMPONENT EMPLOYMENT CREDIT.

''(a) GENERAL RULE.—For purposes of section 38, the reserve component employment credit determined under this section is an amount equal to the sum of—

''(1) the employment credit with respect to all qualified employees of the taxpayer, plus

''(2) the self-employment credit of a qualified self-employed taxpayer.

''(b) EMPLOYMENT CREDIT.—For purposes of this section—

''(1) IN GENERAL.—The employment credit with respect to a qualified employee of the taxpayer for any taxable year is equal to 50 percent of the amount of qualified compensation that would have been paid to the employee with respect to all periods during which the employee participates in qualified reserve component duty to the exclusion of normal employment duties, including time spent in a travel status had the employee not been participating in qualified reserve component duty. The employment credit, with respect to all qualified employees, is equal to the sum of the employment credits for each qualified employee under this subsection.

''(2) QUALIFIED COMPENSATION.—When used with respect to the compensation paid or that would have been paid to a qualified employee for any period during which the employee participates in qualified reserve component duty, the term 'qualified compensation' means compensation—

''(A) which is normally contingent on the employee's presence for work and which

would be deductible from the taxpayer's gross income under section 162(a)(1) if the employee were present and receiving such compensation, and

''(B) which is not characterized by the taxpayer as vacation or holiday pay, or as sick leave or pay, or as any other form of pay for a nonspecific leave of absence, and with respect to which the number of days the employee participates in qualified reserve component duty does not result in any reduction in the amount of vacation time, sick leave, or other nonspecific leave previously credited to or earned by the employee.

''(3) QUALIFIED EMPLOYEE.—The term 'qualified employee' means a person who—

''(A) has been an employee of the taxpayer for the 21-day period immediately preceding the period during which the employee participates in qualified reserve component duty, and

''(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States as defined in sections 10142 and 10101 of title 10, United States Code.

''(c) SELF-EMPLOYMENT CREDIT.—

''(1) IN GENERAL.—The self-employment credit of a qualified self-employed taxpayer for any taxable year is equal to 50 percent of the excess, if any, of—

''(A) the self-employed taxpayer's average daily self-employment income for the taxable year over

''(B) the average daily military pay and allowances received by the taxpayer during the taxable year, while participating in qualified reserve component duty to the exclusion of the taxpayer's normal self-employment duties for the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status.

''(2) AVERAGE DAILY SELF-EMPLOYMENT INCOME AND AVERAGE DAILY MILITARY PAY AND ALLOWANCES.—As used with respect to a self-employed taxpayer—

''(A) the term 'average daily self-employment income' means the self-employment income (as defined in section 1402) of the taxpayer for the taxable year divided by the difference between—

''(i) 365, and

''(ii) the number of days the taxpayer participates in qualified reserve component duty during the taxable year, including time spent in a travel status, and

''(B) the term 'average daily military pay and allowances' means—

''(i) the amount paid to the taxpayer during the taxable year as military pay and allowances on account of the taxpayer's participation in qualified reserve component duty, divided by

''(ii) the total number of days the taxpayer participates in qualified reserve component duty, including time spent in travel status.

''(3) QUALIFIED SELF-EMPLOYED TAXPAYER.—The term 'qualified self-employed taxpayer' means a taxpayer who—

''(A) has net earnings from self-employment (as defined in section 1402) for the taxable year, and

''(B) is a member of the Ready Reserve of a reserve component of an Armed Force of the United States.

''(d) CREDIT IN ADDITION TO DEDUCTION.—The employment credit provided in this section is in addition to any deduction otherwise allowable with respect to compensation actually paid to a qualified employee during any period the employee participates in qualified reserve component duty to the exclusion of normal employment duties.

''(e) LIMITATIONS.—

''(1) MAXIMUM CREDIT.—

''(A) IN GENERAL.—The credit allowed by subsection (a) for the taxable year—

''(i) shall not exceed $7,500 in the aggregate, and

''(ii) shall not exceed $2,000 with respect to each qualified employee.

''(B) CONTROLLED GROUPS.—For purposes of applying the limitations in subparagraph (A)—

''(i) all members of a controlled group shall be treated as one taxpayer, and

''(ii) such limitations shall be allocated among the members of such group in such manner as the Secretary may prescribe.

For purposes of this subparagraph, all persons treated as a single employer under subsection (a) or (b) of section 52 or subsection (m) or (o) of section 414 shall be treated as members of a controlled group.

''(2) DISALLOWANCE FOR FAILURE TO COMPLY WITH EMPLOYMENT OR REEMPLOYMENT RIGHTS OF MEMBERS OF THE RESERVE COMPONENTS OF THE ARMED FORCES OF THE UNITED STATES.—No credit shall be allowed under subsection (a) to a taxpayer for—

''(A) any taxable year in which the taxpayer is under a final order, judgment, or other process issued or required by a district court of the United States under section 4323 of title 38 of the United States Code with respect to a violation of chapter 43 of such title, and

''(B) the two succeeding taxable years.

''(3) DISALLOWANCE WITH RESPECT TO PERSONS ORDERED TO ACTIVE DUTY FOR TRAINING.—No credit shall be allowed under subsection (a) to a taxpayer with respect to any period for which the person on whose behalf the credit would otherwise be allowable is called or ordered to active duty for any of the following types of duty:

''(A) active duty for training under any provision of title 10, United States Code,

''(B) training at encampments, maneuvers, outdoor target practice, or other exercises under chapter 5 of title 32, United States Code, or

''(C) full-time National Guard duty, as defined in section 101(d)(5) of title 10, United States Code.

''(f) GENERAL DEFINITIONS AND SPECIAL RULES.—

''(1) MILITARY PAY AND ALLOWANCES.—The term 'military pay' means pay as that term is defined in section 101(21) of title 37, United States Code, and the term 'allowances' means the allowances payable to a member of the Armed Forces of the United States under chapter 7 of that title.

''(2) QUALIFIED RESERVE COMPONENT DUTY.—The term 'qualified reserve component duty' includes only active duty performed, as designated in the reservist's military orders, in support of a contingency operation as defined in section 101(a)(13) of title 10, United States Code.

''(3) NORMAL EMPLOYMENT AND SELF-EMPLOYMENT DUTIES.—A person shall be deemed to be participating in qualified reserve component duty to the exclusion of normal employment or self-employment duties if the person does not engage in or undertake any substantial activity related to the person's normal employment or self-employment duties while participating in qualified reserve component duty unless in an authorized leave status or other authorized absence from military duties. If a person engages in or undertakes any substantial activity related to the person's normal employment or self-employment duties at any time while participating in a period of qualified reserve component duty, unless during a period of authorized leave or other authorized absence from military duties, the person shall be deemed to have engaged in or undertaken such activity for the entire period of qualified reserve component duty.

''(4) CERTAIN RULES TO APPLY.—Rules similar to the rules of subsections (c), (d), and (e) of section 52 shall apply for purposes of this section.''.

(b) CONFORMING AMENDMENT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to general business credit) is amended—

(1) by striking ''plus'' at the end of paragraph (12),

(2) by striking the period at the end of paragraph (13) and inserting '', plus'', and

(3) by adding at the end the following new paragraph:

''(14) the reserve component employment credit determined under section 45E(a).''.

(c) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 45D the following new item:

''Sec. 45E. Reserve component employment credit.''.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. COCHRAN:

S. 541. A bill to improve foreign language instruction; to the Committee on Health, Education, Labor, and Pensions.

Mr. COCHRAN. Mr. President, today I am introducing The Foreign Language Acquisition and Proficiency Improvement Act of 2001. It is a bill which makes changes in the Elementary and Secondary Education Act that encourage and make possible the teaching of a second language to students in elementary and secondary schools, in particular, those schools heavily impacted by the unique problems of educating a high population of disadvantaged students.

My bill also provides schools an incentive to initiate foreign language programs, promotes technology, distance learning, and other innovative activities in the effective instruction of a foreign language.

According to the Center for Applied Linguistics in Washington, D.C., the early study of a second language offers many benefits for students: academic achievement, positive attitudes toward diversity; flexibility in thinking; sensitivity to language; and a better ear for listening and pronunciation. Foreign language study also improves children's understanding of their native language, increases creativity, helps students get better SAT scores, and increases their job opportunities.

The evidence shows that children who learn foreign languages score higher in all academic subjects than those who speak only English. Most developed countries recognize this and, according to the National Foreign Language Center, the United States is alone in not teaching foreign languages routinely before the age of twelve.

In 1999, the Center for Applied Linguistics released the results of a U.S. Department of Education funded survey of foreign language teaching in preschool through twelfth grade in the United States. The results show a rising awareness and increase in the teaching of foreign languages, but in the 31 percent of elementary schools that offered foreign language instruction, only 21 percent had proficiency as the goal of the program. Among the most frequently cited problems facing foreign language programs were inadequate funding, inadequate in-service teacher training, teacher shortages and a lack of sequencing from elementary to secondary school.

This survey is a good snapshot of the state of the teaching of foreign languages K–12 in our country. It can be read as encouraging: that we know we should be teaching languages earlier; that more schools are attempting to teach foreign languages; and, that more languages are being taught. It also clearly shows where we need improvement: that we need to show accomplishment in teaching our students foreign languages; that more schools need to have the resources to offer the necessary course work for attaining this skill; and, that foreign languages should be a priority.

The picture hasn't changed dramatically in the last two years.

Last year, I chaired hearings of the Governmental Affairs Subcommittee on International Security, Proliferation, and Federal Services which examined the relationship between foreign language preparedness and national security.

These are some of the things we learned about foreign language learning at those hearings:

The most attainable skill students can acquire for likely college admission is foreign language proficiency;

The best predictor of foreign language proficiency in college is previous foreign language training, even if in another language;

There are not enough foreign language teachers. For example, Fairfax County, Virginia schools have an agreement with the Education Ministry in Spain, which provided at least five Spanish language teachers last year. In Mississippi, it is not unusual to be taught French or German by distance learning, using live video transmission in classrooms around the state.

The earlier one begins to learn any language, the quicker he or she will become proficient and sound like a native speaker.

And, as to how foreign language acquisition relates to national security, it was clear from the testimony of representatives from the CIA, FBI, Department of Defense, and the State Department, that:

There is a continuing need for highly proficient speakers of many languages for surveillance, reconnaissance, negotiations and other defense and intelligence gathering activities;

The federal government spends up to $70,000 to train one person in a language as common as Spanish;

Recruiting for language specialists includes attracting current teachers;

Language learning, especially in sensitive government positions, best includes experience in the mother tongue country. This enhances cultural understanding, colloquialisms and other language usage that cannot be approximated in a classroom.

Another fact is that America's businesses need foreign language speakers. According to a USA TODAY survey, top executives cited foreign language skills twice as great as any other skill in demand.

The National Foreign Language Center published a 1999 report titled, Language and National Security for the 21st Century: The Federal Role in Supporting National Language Capacity. This report is very compelling in its review of the need for military and civilian personnel with foreign language capability. It explains that the language training business is estimated to be $20 billion internationally. That is money spent by our government, our businesses and individuals to teach adults a skill essential in the global relationships of industry, diplomacy, defense, and higher education.

The evidence of need is great, and yet there is a lack of sufficient foreign language training at the K–12 level. We have one program in the Elementary and Secondary Education Act aimed at providing incentives and giving grants to schools for this purpose.

I am happy that we've been successful in raising the funding for this program from $5 million in 1998 to $14 million in FY 2001. However, the section of this law providing grants to schools that already offer foreign language instruction programs has never been funded. A frustrating aspect of this good program is that the schools in the most need of the assistance can't afford the ante. My amendments establish a 50 percent set-aside for schools serving the most disadvantaged students, and eliminates the matching share requirement for those schools. This bill also increases the annual authorization for the program from $55,000,000 to $75,000,000.

I hope that we will give greater attention to this program when we make funding decisions, so that schools without the advantages of plentiful resources can provide their students with a high quality and competitive education.

The Foreign Language Acquisition and Proficiency Improvement Act will provide new opportunities and encouragement to our school children, teachers, and parents, so we can better meet our global business challenges and national security needs.

By Mr. DODD.

S. 542. A bill to amend the Harmonized Tariff Schedule of the United States to provide separate subheadings for hair clippers used for animals; to the Committee on Finance.

Mr. DODD. Mr. President, I rise to introduce legislation that would make a simple correction to our Harmonized Tariff Schedule creating a separate subheading for hair clippers used for animals.

The United States has been engaged in an on-going dispute with the European Union, EU, over the EU's refusal to import hormone-treated beef from the U.S. In reaction to the EU's failure to comply with a WTO ruling that found that this ban on treated beef has been harmful to the U.S. economy, the United States Trade Representative issued a list of products on which retaliatory duties of 100 percent would be levied. Pursuant to Section 407 of the Trade and Development Act of 2000, the products designated for retaliatory duties must be related to the industries that are affected by the EU's non-compliance with the WTO decision.

One of the many products included on the Trade Representative's list is hair clippers. However, no distinction is made between those clippers used for animals and those used for humans, specifically, beard trimmers. Since both types of clippers are grouped within the same subheading under the Harmonized Tariff Schedule, human beard trimmers could potentially be subject to 100 percent duties. Yet, the personal care industry and beard trimmers have no relationship to the current beef-hormone dispute as is required by Section 407.

In an effort to prevent this inadvertent application of duties on beard trimmers, the bill I am introducing would provide a separate subheading for clippers used by animals. I believe that this simple clarification will ensure the fair application of our trade laws and provide safeguards to U.S. companies and consumers from the unintended consequences resulting from these types of trade disputes. I hope my colleagues will join me in supporting this legislation.

By Mr. DOMENICI (for himself, Mr. WELLSTONE, Mr. SPECTER, Mr. KENNEDY, Mr. CHAFEE, Mr. DODD, Mr. COCHRAN, Mr. REED, Mr. REID, Mr. WARNER, Mr. GRASSLEY, Mr. ROBERTS, Mr. DURBIN, and Mr. JOHNSON):

S. 543. A bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits; to the Committee on Health, Education, Labor, and Pensions.

Mr. DOMENICI. Mr. President, I rise today with great pleasure and excitement to introduce the ''Mental Health

Equitable Treatment Act of 2001.'' I would also like to thank Senator WELLSTONE for once again joining me to cosponsor this important piece of legislation.

The human brain is the organ of the mind and just like the other organs of our body, it is subject to illness.

And just as we must treat illnesses to our other organs, we must also treat illnesses of the brain.

Building upon that, I would ask the following question: what if thirty years ago our nation had decided to exclude heart disease from health insurance coverage?

Think about some of the wonderful things we would not be doing today like angioplasty, bypasses, and valve replacements and the millions of people helped because insurance covers these procedures.

I would submit these medical advances have occurred because insurance dollars have followed the patient through the health care system. The presence of insurance dollars has provided an enticing incentive to treat those individuals suffering from heart disease.

But sadly, those suffering from a mental illness do not enjoy those same benefits of treatment and medical advances because all too often insurance discriminates against illnesses of the brain.

Individuals suffering from a mental illness face this discrimination even though medical science is in an era where we can accurately diagnose mental illnesses and treat those afflicted so they can be productive.

I simply do not understand, why with this evidence would we not cover these individuals and treat their illnesses like any other disease?

There simply should not be a difference in the coverage provided by insurance companies for mental health benefits and medical benefits, merely because an individual suffers from a mental illness.

The introduction of our Bill marks a historic opportunity for us to take the next step towards mental health parity. The timing of our Bill is even more important because the landmark Mental Health Parity Act of 1996 will sunset on September 30 of this year.

As my colleagues know, this is an issue I have a long involvement with and I would like to begin with a few observations.

I believe that we have made great strides in providing parity for the coverage of mental illness. However, mental illness continues to exact a heavy toll on many, many lives.

Even though we know so much more about mental illness, it can still bring devastating consequences to those it touches; their families, their friends, and their loved ones. These individuals and families not only deal with the societal prejudices and suspicions hanging on from the past, but they also must contend with unequal insurance coverage.

I would submit the Mental Health Parity Act of 1996 is a good first start, but the Act is also not working. While there may adherence to the letter of the law, there are certainly violations of the spirit of the law. For instance, ways are being found around the law by placing limits on the number of covered hospital days and outpatient visits.

That is why I believe it is time for a change.

Some will immediately say we cannot afford it or that inclusion of this treatment will cost too much. But, I would first direct them to the results of the Mental Health Parity Act of 1996. That law contains a provision allowing companies to no longer comply if their costs increase by more than one percent.

And do you know how many companies have opted out because their costs have increased by more than one percent? Less than ten companies throughout our entire country.

With that in mind I would like to share a couple of facts about mental illness with my colleagues:

Within the developed world, including the United States, 4 of the 10 leading causes of disability for individuals over the age of five are mental disorders.

In the order of prevalence the disorders are major depression, schizophrenia, bipolar disorder, and obsessive compulsive disorder.

Disability always has a cost and the direct cost to the United States per year for respiratory disease is $99 billion, cardiovascular disease is $160 billion, and finally $148 billion for mental illness.

One in every five people, more than 40 million adults, in this Nation will be afflicted by some type of mental illness.

Nearly 7.5 million children and adolescents, or 12 percent, suffer from one or more mental disorders.

Schizophrenia alone is 50 times more common than cystic fibrosis, 60 times more common than muscular dystrophy and will strike between 2 and 3 million Americans.

Let us also look at the efficacy of treatment for individuals suffering from certain mental illnesses, especially when compared with the success rates of treatments for other physical ailments. For a long time, many who are in this field, especially on the insurance side, have behaved as if you get far better results for angioplasty than you do for treatments for bipolar illness.

Treatment for bipolar disorders, that is, those disorders characterized by extreme lows and extreme highs, have an 80 percent success rate if you get treatment, both medicine and care. Schizophrenia, the most dreaded of mental illnesses, has a 60-percent success rate in the United States today if treated properly. Major depression has a 65 percent success rate.

Lets compare those success rates to several important surgical procedures that everybody thinks we ought to be doing:

Angioplasty has a 41-percent success rate.

Atherectomy has a 52-percent success rate.

I would now like to take a minute to discuss the Mental Health Equitable Treatment Act of 2001. The Bill seeks a very simple goal: provide the same mental health benefits already enjoyed by Federal employees.

The Bill is modeled after the mental health benefits provided through the Federal Employees Health Benefits Program, FEHBP, and expands the Mental Health Parity Act of 1996 to prohibit a group health plan from imposing treatment limitations or financial requirements on the coverage of mental health benefits unless comparable limitations are imposed on medical and surgical benefits.

Our Bill provides full parity for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition, DSM IV, with coverage being contingent on the mental health condition being included in an authorized treatment plan, the treatment plan is in accordance with standard protocols, and the treatment plan meets medical necessity determination criteria.

Like the Mental Health Parity Act of 1996, the Bill does not require a health plan to provide coverage for alcohol and substance abuse benefits. Moreover, the Bill does not mandate the coverage of mental health benefits, rather the Bill only applies if the plan already provides coverage for mental health benefits.

In conclusion, the Bill provides mental heath benefits on par with those already enjoyed by Federal employees and I would urge my colleagues to support this important piece of legislation.

I ask unanimous consent that the text of the bill and a summary of the bill be printed in the RECORD.

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

S. 543

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 ''Mental Health Equitable Treatment Act of 2001''.

SEC. 2. AMENDMENT TO THE EMPLOYEE RETIREMENT INCOME SECURITY ACT OF 1974.

(a) IN GENERAL.—Section 712 of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185a) is amended to read as follows:

"SEC. 712. MENTAL HEALTH PARITY.

''(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health benefits, such plan or coverage shall not impose any treatment limitations or financial requirements with respect to the coverage of benefits for mental illnesses unless comparable treatment limitations or financial requirements are imposed on medical and surgical benefits.

''(b) CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any mental health benefits.

''(c) SMALL EMPLOYER EXEMPTION.—

''(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of any employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year.

''(2) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection—

''(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

''(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

''(C) PREDECESSORS.—Any reference in this paragraph to an employer shall include a reference to any predecessor of such employer.

''(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

''(e) DEFINITIONS.—For purposes of this section—

''(1) FINANCIAL REQUIREMENTS.—The term 'financial requirements' includes deductibles, coinsurance, co-payments, other cost sharing, and limitations on the total amount that may be paid with respect to benefits under the plan or health insurance coverage with respect to an individual or other coverage unit (including annual and lifetime limits).

''(2) MEDICAL OR SURGICAL BENEFITS.—The term 'medical or surgical benefits' means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include mental health benefits.

''(3) MENTAL HEALTH BENEFITS.—The term 'mental health benefits' means benefits with respect to services for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM IV-TR), or the most recent edition if different than the Fourth Edition, as defined under the terms of the plan or coverage (as the case may be), if such services are included as part of an authorized treatment plan that is in accordance with standard protocols and such services meet applicable medical necessity criteria, but does not include benefits with respect to the treatment of substance abuse or chemical dependency.

''(4) TREATMENT LIMITATIONS.—The term 'treatment limitations' means limitations on the frequency of treatment, number of visits or days of coverage, or other limits on the duration or scope of treatment under the plan or coverage.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to plan years beginning on or after January 1, 2002.

SEC. 3. AMENDMENT TO THE PUBLIC HEALTH SERVICE ACT RELATING TO THE GROUP MARKET.

(a) IN GENERAL.—Section 2705 of the Public Health Service Act (42 U.S.C. 300gg–5) is amended to read as follows:

"SEC. 2705. MENTAL HEALTH PARITY.

''(a) IN GENERAL.—In the case of a group health plan (or health insurance coverage offered in connection with such a plan) that provides both medical and surgical benefits and mental health benefits, such plan or coverage shall not impose any treatment limitations or financial requirements with respect to the coverage of benefits for mental illnesses unless comparable treatment limitations or financial requirements are imposed on medical and surgical benefits.

''(b) CONSTRUCTION.—Nothing in this section shall be construed as requiring a group health plan (or health insurance coverage offered in connection with such a plan) to provide any mental health benefits.

''(c) SMALL EMPLOYER EXEMPTION.—

''(1) IN GENERAL.—This section shall not apply to any group health plan (and group health insurance coverage offered in connection with a group health plan) for any plan year of any employer who employed an average of at least 2 but not more than 25 employees on business days during the preceding calendar year.

''(2) APPLICATION OF CERTAIN RULES IN DETERMINATION OF EMPLOYER SIZE.—For purposes of this subsection—

''(A) APPLICATION OF AGGREGATION RULE FOR EMPLOYERS.—Rules similar to the rules under subsections (b), (c), (m), and (o) of section 414 of the Internal Revenue Code of 1986 shall apply for purposes of treating persons as a single employer.

''(B) EMPLOYERS NOT IN EXISTENCE IN PRECEDING YEAR.—In the case of an employer which was not in existence throughout the preceding calendar year, the determination of whether such employer is a small employer shall be based on the average number of employees that it is reasonably expected such employer will employ on business days in the current calendar year.

''(C) PREDECESSORS.—Any reference in this paragraph to an employer shall include a reference to any predecessor of such employer.

''(d) SEPARATE APPLICATION TO EACH OPTION OFFERED.—In the case of a group health plan that offers a participant or beneficiary two or more benefit package options under the plan, the requirements of this section shall be applied separately with respect to each such option.

''(e) DEFINITIONS.—For purposes of this section—

''(1) FINANCIAL REQUIREMENTS.—The term 'financial requirements' includes deductibles, coinsurance, co-payments, other cost sharing, and limitations on the total amount that may be paid with respect to benefits under the plan or health insurance coverage with respect to an individual or other coverage unit (including annual and lifetime limits).

''(2) MEDICAL OR SURGICAL BENEFITS.—The term 'medical or surgical benefits' means benefits with respect to medical or surgical services, as defined under the terms of the plan or coverage (as the case may be), but does not include mental health benefits.

''(3) MENTAL HEALTH BENEFITS.—The term 'mental health benefits' means benefits with respect to services for all categories of mental health conditions listed in the Diagnostic and Statistical Manual of Mental Disorders, Fourth Edition (DSM IV), or the most recent edition if different than the Fourth Edition, as defined under the terms of the plan or coverage (as the case may be), if such services are included as part of an authorized treatment plan that is in accordance with standard protocols and such services meet applicable medical necessity criteria, but does not include benefits with respect to the treatment of substance abuse or chemical dependency.

''(4) TREATMENT LIMITATIONS.—The term 'treatment limitations' means limitations on the frequency of treatment, number of visits or days of coverage, or other limits on the duration or scope of treatment under the plan or coverage.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply with respect to plan years beginning on or after January 1, 2002.

SEC. 4. PREEMPTION.

Nothing in the amendments made by this Act shall be construed to preempt any provision of State law that provides protections to enrollees that are greater than the protections provided under such amendments.

SEC. 5. GENERAL ACCOUNTING OFFICE STUDY.

(a) STUDY.—The Comptroller General shall conduct a study that evaluates the effect of the implementation of the amendments made by this Act on the cost of health insurance coverage, access to health insurance coverage (including the availability of in-network providers), the quality of health care, and other issues as determined appropriate by the Comptroller General.

(b) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall prepare and submit to the appropriate committees of Congress a report containing the results of the study conducted under subsection (a).

MENTAL HEALTH EQUITABLE TREATMENT ACT OF 2001—SUMMARY

The Bill seeks to ensure greater parity in the coverage of mental health benefits by prohibiting a group health plan from treating mental health benefits differently from the coverage of medical and surgical benefits.

The Bill only applies to group health plans already providing mental health benefits and is modeled after the mental health benefits provided through the Federal Employees Health Benefits Program (FEHBP).

FULL PARITY FOR ALL MENTAL ILLNESSES

Expands the Mental Health Parity Act of 1996 (MHPA) to prohibit a group health plan from imposing treatment limitations or financial requirements on the coverage of mental health benefits unless comparable limitations are imposed on medical and surgical benefits.

Provides full parity for all categories of mental health conditions listed in the ''Diagnostic and Statistical Manual of Mental Disorders,'' 4th Edition (DSM IV–TR).

Coverage is also contingent on the mental health condition being included in an authorized treatment plan, the treatment plan

is in accordance with standard protocols, and the treatment plan meets medical necessity determination criteria.

Defines ''treatment limitations'' as limits on the frequency of treatment, the number of visits, the number of covered hospital days, or other limits on the scope and duration of treatment and defines ''financial requirements'' to include deductibles, coinsurance, co-payments, and catastrophic maximums.

REQUIREMENTS AND EXEMPTIONS

Eliminates the September 30, 2001 sunset provision in the MHPA.

Like the MHPA the bill does not require plans to provide coverage for benefits relating to alcohol and drug abuse.

There is a small business exemption for companies with 25 or fewer employees.

Mr. WELLSTONE. Mr. President, I am pleased today to join my colleague from New Mexico once again to introduce a bill for fairness in health coverage for those with mental illness. The Mental Health Equitable Treatment Act of 2001 will take the critical next steps to ensure that private health insurance companies provide the same level of coverage for mental illness as they do for other diseases. This bill will be a major step toward ending the discrimination against people who suffer from mental illness.

In 1996, I was proud to introduce the Mental Health Parity Act, a law which broke new ground, placing mental health alongside other medical and surgical coverage for parity in insurance coverage. Although the 1996 bill was limited to parity in annual and lifetime limits in care, the message was clear: there is no place for discrimination against those with mental illness. Since the Mental Health Parity Act became law, we have seen that the costs have remained low and manageable, but, unfortunately, we have also seen that employers and insurance companies have taken advantage of the gaps that remain in coverage for mental illness. Patients have faced increases in copayment and deductible costs, more problems in gaining access to care, fewer approvals for hospital stays and outpatient days, and refusals to cover care. The suffering of people with mental illness has grown, and the time to end this discrimination is now.

For too long, mental illness has been stigmatized as a character flaw, rather than as the serious disease that it is. As a result, people with mental illness are often ashamed and afraid to seek treatment, for fear that they will lose their jobs or friends; for fear that people will not recognize the suffering that they endure; for fear that they will not be able to receive help. We have all seen portrayals of mentally ill people as somehow different, as dangerous, or as frightening. Such stereotypes only reinforce the biases against people with mental illness. Can you imagine this type of portrayal of someone who has a cardiac problem, or who happens to carry a gene that predisposes them to diabetes? And yet, we have all known someone with a serious mental illness, within our families or our circle of friends, or in public life. Many people have courageously come forward to speak about their personal experiences with their illness, to help us all understand better the effects of this illness on a person's life, the ways in which effective treatments have helped them, or, sadly, the ways in which a loved one died through suicide as a result of untreated mental illness. I commend those who speak out on this issue, for their honesty and courage to come forward about their experiences, to help the world to understand the reality of this disease.

The statistics concerning mental illness, and the state of health care coverage for adults and children with this disease are startling, and disturbing. A watershed in our understanding of the impact of mental disorders is the 1996 Global Burden of Disease, GBD, study, conducted for the World Bank and World Health Organization by experts at Harvard University. The GBD defined a very useful concept, called the Disability Adjusted Life Year, DALY, which refers to healthy years of life lost to either disability or premature mortality. Based on this measure of disease burden, mental disorders—which are prevalent worldwide, often begin early in life, and frequently are characterized by recurrent episodes, as in depression, or chronicity, as in schizophrenia, produce a disproportionate share of DALYs, much of which is due to the disabling nature of mental illness. According to the GBD study, in the U.S. and throughout the developed world, depression is the leading cause of disability, and three other mental disorders are among the top ten causes of disability, bipolar disorder, schizophrenia, and obsessive-compulsive disorder.

The National Institute of Mental Health, a NIH research institute within the U.S. Department of Health and Human Services, describes serious depression as an extremely critical public health problem. More than 18 million people in the United States will suffer from a depressive illness this year, and many will be unnecessarily incapacitated for weeks or months, because their illness goes untreated. The cost to the nation is in the billions of dollars. The suffering of depressed people and their families is immeasurable.

The situation is worse for children. The 1998 Surgeon General's Report on Mental Health estimates that between 5 and 9 percent of those under age 18 have mental disorders so severe that they face overwhelming difficulties in their efforts to function well with their families, friends, and teachers. For children, mental illness carries a double burden: both the suffering of the disorder itself, as well as the lost period of healthy learning and social development needed to help children live up to their potential. The recent tragic episodes of violence in our schools remind us that inadequately treated emotional and behavioral disorders in our children can literally have lethal consequences in terms of suicide and murder.

Our investment in mental health research is paying off well. We know so much more now about brain disease, behavioral and emotional disorders, and treatment. But without access to care, such treatments cannot help those who are suffering from mental illness. We know from NIH-funded research that available medications and psychological treatments, alone or in combination, can help 80 percent of those with depression. But without adequate treatment, future episodes of depression may continue or worsen in severity. Yet, the steady decline in the quality and breadth of health care coverage is truly disturbing.

The inequities related to the status of mental disorders in health insurance is indisputable. The U.S. General Accounting Office issued a report in May, 2000, that verified that despite passage of the 1996 mental health parity law, 14 percent of employers failed to comply with even the limited protections required by that law. Of the 86 percent that did comply, most (87%) continued to limit their mental health benefits, thus violating the spirit, if not the letter, of the law. In other words, the majority of employers who claim to provide mental health benefits restrict actual care through limitations on coverage or access, or by increasing the cost to the patient. And they do this despite the fact that costs are low. According to most reports on parity, including the most recent analysis requested by Congress from the National Advisory Mental Health Council, when mental health coverage is managed appropriately, premium increases can be as low as 1 percent.

Yet inequities in coverage continue, despite the 1996 law and the numerous state laws that have tried without success to finally put an end to this health care discrimination. The discrimination continues despite the fact that there is no biomedical justification for differentiating serious mental illness from other serious and potentially chronic disorders, nor for judging mental disorders to be in any way less real or less deserving of treatment. What does exist and continues to grow is an extensive body of rigorous research that has demonstrated that treatment for mental disorders is both precise and cost-effective.

Although the costs for coverage have been shown to be low, the consequences of untreated mental illness in our society are very serious and far-reaching—especially when one looks at how it affects individuals, families, employers, corporations, social service systems, and criminal justice systems. I have

seen first hand in the juvenile corrections system what happens when mental illness is criminalized, when youth with mental illness are incarcerated for exhibiting symptoms of their illness. To treat ill people as criminals is outrageous and immoral. We must make treatment for this illness as available and as routine as treatment for any other disease. The discrimination must stop.

The Mental Health Equitable Treatment Act of 2001 is modeled after the Federal Employees Health Benefit Plan, and provides full parity for all categories of mental health conditions. Group health plans would be prohibited from imposing treatment limitations, including restricting numbers of visits or covered hospital days, or financial requirements, such as higher copayments, that are different from other medical/surgical benefits. This bill is a major step forward in coverage for mental illness by private health insurers. It does not require that mental health benefits be part of a health benefits package, but establishes a requirement for parity in coverage for those plans that offer mental health benefits. This bill goes a long way toward our bipartisan goal: that mental illness be treated like any other disease in health care coverage.

The Mental Health Equitable Treatment Act of 2001 is designed to take a large step toward ending the suffering of those with mental illness who have been unfairly discriminated against in their health coverage. The time to pass this bill is now.

Mr. KENNEDY. Mr. President, I am pleased today to join Senator DOMENICI and Senator WELLSTONE in introducing the Mental Health Equitable Treatment Act of 2001. This Act is an important step in the fight to end the stigma against mental illness and ensure that those suffering from mental illness receive the services they need. For too long, individuals with mental disorders have faced unfair treatment restrictions and paid more for the services they need than have individuals requiring medical or surgical services.

The groundbreaking report on mental health that the Surgeon General released last year reveals that disproportionate cost-sharing requirements and treatment limitations ''reduce appropriate use, of mental health services,'' and ''leave people to bear catastrophic costs themselves.''

The Mental Health Equitable Treatment Act aims to halt these troubling trends by ensuring that group health plans treat mental health benefits the same way they do medical and surgical benefits.

In 1996, we enacted the Mental Health Parity Act. While this important legislation made progress in advancing the fair treatment of individuals with mental illness, it did not go far enough in providing true protection for all people suffering from mental disorders.

The Mental Health Equitable Treatment Act of 2001 improves upon this earlier legislation by providing full parity for a broad range of mental health disorders. Under the Act, group health plans must limit the treatment restrictions and financial requirements that they impose for mental health benefits to the same level that they set for medical or surgical benefits. Copayments for office visits must be comparable, for example, regardless of whether the office is a physician's or a psychiatrist's. While the Act does not apply to group health plans that do not provide any mental health benefits or that have 25 employees or less, it is a critical step in ending the blatant discrimination that people with mental disorders face in trying to obtain necessary and affordable treatment.

As we have learned more about the brain and the way it works, we have developed promising treatments that can significantly improve the health of individuals with mental illness and help them lead productive lives. Success rates for treating mental illnesses are now as high as 80 percent. Without strong parity legislation, however, these effective treatments will remain elusive for the millions of individuals who need them.

The Mental Health Equitable Treatment Act will finally help these individuals receive the care they need by eliminating one of the biggest barriers to care, cost. I strongly encourage my colleagues to support this groundbreaking piece of legislation.

By Mr. BURNS (for himself, Mr. BOND, Mr. CRAIG, and Mr. THOMAS):

S. 544. A bill to amend the Federal Meat Inspection Act to provide that a quality grade label issued by the Secretary of Agriculture may not be used for imported meat food products; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. BURNS. Mr. President, I rise today to sponsor a bill on an issue of great importance to my state and to the entire livestock industry. The subject is that of restricting the quality USDA Grade Stamp to only U.S. livestock products. It would prohibit foreign meat from coming into America and unfairly receiving the USDA Grade Stamp.

This language offered today, will insure that all meat products imported from foreign countries will not be allowed to use the USDA Grade. For years, other countries have used the USDA Grade Stamp to their advantage, and to the disadvantage of our own producers. Historically, Canada and Mexico have shipped livestock into the United States, and by doing so they have reaped the benefits of the premium given by USDA for our labeled grades.

USDA Prime and USDA Choice grades are given a premium price in the marketplace. By allowing foreign countries to compete using our grade labels, American livestock producers are effectively prevented from receiving a premium for something that should belong solely to them.

Agricultural producers from across our borders ship livestock to the United States, and feed them for a short period of time in order to bypass current restrictions. The animals are then slaughtered here as a United States product. This is not only unfair, but it is a betrayal of trust that our producers have placed in the system. It is one that American producers should not have to tolerate. My bill provides for a 90 day feeding period to prevent this from happening, yet maintains the profits lightweight cattle from foreign countries bring to American feeders.

The huge influx of imports from both Canada and Mexico, that American agricultural producers are currently faced with, has provided an added hardship to the agricultural economy. This is one obstacle that could easily be remedied by this legislation.

When consumers see the USDA Grade Stamp on meat, most assume that they are buying a U.S. raised product. Even though imported carcasses are required to have a ''foreign origin mark,'' it is trimmed off prior to retail sales for marketing purposes. This is very misleading for our consumers.

This bill will protect both the American producer and the American consumer. If the Grade Stamp is reserved exclusively for U.S. products, we eliminate the disadvantage American producers face in competing with imported meats. We would also be ensuring that American consumers know that the meat they purchase, is the top quality American product they have always assumed they were buying. Producers and consumers alike deserve to know that the USDA grade label really means what it says, produced in the U.S.

This bill would also help assure the American consumer that the meat they are eating is disease free, something that our friends in Europe are truly concerned about right now.

I am proud and pleased to sponsor this bill, and I look forward to moving it through the process so we may insure that Americans truly have the opportunity to use what is theirs and theirs alone, the USDA Grade.

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. 544

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 ''USDA Grade Recision Act of 2001''.

SEC. 2. QUALITY GRADE LABELING OF IMPORTED MEAT AND MEAT FOOD PRODUCTS.

Section 1(n) of the Federal Meat Inspection Act (21 U.S.C. 601(n)) is amended—

(1) in paragraph (11), by striking ''or'' at the end;

(2) in paragraph (12), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(13) if it is an imported carcass, part thereof, meat, or meat food product (including any carcass, part thereof, meat, or meat food product produced from any cattle, sheep, or goats that have not been fed in the United States for at least 90 days) and bears a label that indicates a quality grade issued by the Secretary.''.

By Mr. FRIST:

S. 545. A bill to amend the Internal Revenue Code of 1986 to extend the work opportunity credit to small business employees working or living in areas of poverty; to the Committee on Finance

Mr. FRIST. 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. 545

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

SECTION 1. EXPANSION OF WORK OPPORTUNITY TAX CREDIT.

(a) IN GENERAL.—Section 51(d)(1) of the Internal Revenue Code of 1986 (relating to members of targeted groups) is amended by striking ''or'' at the end of subparagraph (G), by striking the period at the end of subparagraph (H) and inserting '', or'', and by adding at the end the following:

''(I) a qualified small business employee.''

(b) QUALIFIED SMALL BUSINESS EMPLOYEE.—Section 51(d) of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (10) through (12) as paragraphs (11) through (13), respectively, and by inserting after paragraph (9) the following:

''(10) QUALIFIED SMALL BUSINESS EMPLOYEE.—

''(A) IN GENERAL.—The term 'qualified small business employee' means any individual—

''(i) hired by a qualified small business located in a population census tract with a poverty rate not less than 20 percent, or

''(ii) hired by a qualified small business and who is certified by the designated local agency as residing in such a population census tract.

''(B) QUALIFIED SMALL BUSINESS.—The term 'qualified small business' has the meaning given the term 'small employer' by section 4980D(d)(2).

''(C) USE OF CENSUS DATA.—The poverty rate for any population census tract shall be determined by the most recent decennial census data available.''.

(c) REPORT.—The Secretary of the Treasury shall report to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate on the date which is 18 months after the date of enactment of this Act on the effect of the expansion of the work opportunity credit under section 51 of the Internal Revenue Code of 1986, as amended by this section.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to individuals who begin work for the employer after the date of enactment of this Act.

By Mr. WARNER (for himself, Mr. ALLEN, Mr. GRAHAM, and Mr. NELSON of Florida):

S. 546. A bill to expand the applicability of the increase in the automatic maximum amount of Servicemembers' Group Life Insurance scheduled to take effect on April 1, 2001, to the deaths of certain members of the uniformed services who die before that date; to the Committee on Veterans' Affairs.

Mr. WARNER. 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. 546

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

SECTION 1. EXPANDED APPLICABILITY OF INCREASE IN AUTOMATIC MAXIMUM COVERAGE UNDER SERVICEMEMBERS' GROUP LIFE INSURANCE.

(a) IN GENERAL.—Notwithstanding section 312(c) of the Veterans Benefits and Health Care Improvement Act of 2000 (Public Law 106–419; 114 Stat. 1854; 38 U.S.C. 1967 note) or any other provision of law, the amount of Servicemembers' Group Life Insurance in force under subchapter III of chapter 19 of title 38, United States Code, for each individual described in subsection (b) at the time of such individual's death as described in that subsection shall be $250,000.

(b) COVERED INDIVIDUALS.—An individual described in this subsection is any individual insured under section 1967 of title 38, United States Code, who—

(1) during the period beginning on October 1, 2000, and ending on March 30, 2001, dies in a manner covered by such insurance; and

(2) at the time of death, had not made an election under that section to be insured in an amount less than automatic maximum amount provided for in that section.

By Mr. MCCAIN:

S. 547. A bill to redesignate the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund as the Federal Old-Age and Survivors Insurance Accounting Fund and the Federal Disability Insurance Accounting Fund, respectively; to the Committee on Finance.

Mr. MCCAIN. Mr. President, today I am introducing a simple, but essential bill that would change the name of the Social Security Trust Funds to the Social Security Accounting Funds. It is my honor to have Congressman DEMINT introducing an identical measure in the House of Representatives today.

It is time for us to talk straight to Americans about the Social Security program. When they see and hear ''Trust Fund'', it makes them believe that their retirement money is sitting in a bank vault safe and sound. However, the truth is precisely the opposite.

Payroll tax revenues for the Social Security program in excess of what is needed to pay Social Security benefits, are deposited into the government's general funds as part of the U.S. Treasury. They are accounted for through the issuance of federal securities to the Social Security ''trust funds''. However, the trust funds themselves do not hold the money; they are simply accounts.

This legislation would accurately designate the Social Security program funds as accounting funds not trust funds.

Additionally, I would like to take this opportunity to once again remind my colleagues of the precarious financial condition of the entire Social Security system and the urgent need for a serious, bipartisan effort to reform and revitalize this cornerstone of many Americans' retirement planning.

The only way to achieve real reform of the Social Security system is to work together in a bipartisan manner. It's time to abandon the irresponsible game of playing partisan politics with Social Security. Democrats will have to stop using the issue to scare seniors into voting against Republicans. Republicans will have to resist using Social Security revenues to finance tax cuts. And both parties must stop raiding the Trust Funds to fund more government spending. We must face up to our responsibilities, not as Republicans or Democrats, but as elected representatives of the American people with a common obligation to protect the generation of today and of tomorrow.

It is time for us to talk straight to Americans about Social Security and begin working together in a bipartisan fashion to make the necessary changes to strengthen and save the nation's retirement program for the seniors of today and tomorrow.

We must work together to develop fair and effective reforms that will preserve and protect the Social Security system for current and future retirees, while allowing all Americans, particularly low- and middle-income individuals, the opportunity to share in the great prosperity that our nation enjoys today.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 547

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

SECTION 1. SHORT TITLE.

The Act may be cited as the ''Straighter Talk on Social Security Act of 2001''.

SEC. 2. REDESIGNATION OF SOCIAL SECURITY TRUST FUNDS.

The Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are hereby redesignated as the ''Federal Old-Age and Survivors

Insurance Accounting Fund'' and the ''Federal Disability Insurance Accounting Fund'', respectively.

SEC. 3. CONFORMING AMENDMENTS TO THE SOCIAL SECURITY ACT.

(a) IN GENERAL.—Sections 201, 202, 206, 215, 217, 221, 222, 228, 229, 703, 706, 709, 710, 1106, 1129, 1131, 1140, 1145, 1147, 1817, and 1840 of the Social Security Act (42 U.S.C. 401, 402, 406, 415, 417, 421, 422, 428, 429, 903, 907, 910, 911, 1306, 1320a–8, 1320b–1, 1320b–10, 1320b–15, 1320b–17, 1395i, and 1395s) are each amended (in the text and in the headings) by striking ''Federal Old-Age and Survivors Insurance Trust Fund'' and ''Federal Disability Insurance Trust Fund'' each place they appear and inserting ''Federal Old-Age and Survivors Insurance Accounting Fund'' and ''Federal Disability Insurance Accounting Fund'', respectively.

(b) CONFORMING AMENDMENTS.—Sections 201, 215, 217, 221, 222, 229, 231, 234, 706, 709, 1110, and 1148 of such Act (42 U.S.C. 401, 415, 417, 421, 422, 429, 431, 434, 907, 910, 1310, and 1320b–18)) are each amended (in the text and in the headings) by striking ''Trust Funds'' and ''trust funds'' each place they appear and inserting ''Funds''.

SEC. 4. OTHER CONFORMING AMENDMENTS.

(a) IN GENERAL.—The following provisions are amended by striking ''Federal Old-Age and Survivors Insurance Trust Fund'' and ''Federal Disability Insurance Trust Fund'' each place they appear and inserting ''Federal Old-Age and Survivors Insurance Accounting Fund'' and ''Federal Disability Insurance Accounting Fund'', respectively:

(1) sections 3121 and 6402 of the Internal Revenue Code of 1986;

(2) section 7 of the Railroad Retirement Act of 1974 (45 U.S.C. 231f);

(3) section 8331 of title 5, United States Code; and

(4) sections 3720A and 3806 of title 31, United States Code.

(b) ADDITIONAL AMENDMENT.—Section 405 of the Congressional Budget Act of 1974 (2 U.S.C. 655) is amended by striking ''the Federal Old-Age and Survivors Insurance and Federal Disability Insurance Trust Funds'' and inserting ''the Federal Old-Age and Survivors Accounting Fund and the Federal Disability Insurance Accounting Fund''.

SEC. 5. RULE OF CONSTRUCTION.

Whenever any reference is made in any provision of law, regulation, rule, record, or document to the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, such reference shall be considered a reference to the Federal Old-Age and Survivors Accounting Fund or the Federal Disability Insurance Accounting Fund, respectively.

By Mr. HARKIN (for himself, Ms. SNOWE, Ms. MIKULSKI, Mr. MURKOWSKI, Mrs. MURRAY, Mr. SCHUMER, and Mr. REID):

S. 548. A bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes; to the Committee on finance.

Mr. HARKIN. Mr. President, I am pleased to be joined today by Senators SNOWE, MIKULSKI, MURKOWSKI, MURRAY, SCHUMER and REID to introduce the ''Assure Access to Mammography Act of 2001.'' This important legislation will help improve access to life-saving breast screenings for millions of women.

I lost both of my sisters to breast cancer. I strongly believe that if they had had access to regular mammography services and today's advanced treatments, they would still be alive today.

Over the past several years, we've made a great deal of progress against breast cancer. In particular, we've been able to secure significant funding increases for research to understand the causes of and find treatments for breast cancer.

Almost a decade ago, when I looked into the issue of breast cancer research, I discovered that barely $90 million was spent on breast cancer research.

That's why, in 1992, I offered an amendment to dedicate $210 million in the Defense Department Budget for breast cancer research. This funding was in addition to the funding for breast cancer research conducted at the National Institutes of Health. My amendment passed and, overnight, it doubled Federal funding for breast cancer.

Since then, funding for breast cancer research has been included in the Defense Department Budget every year.

Today, I am proud to say, between the DoD and NIH, over $600 million is being spent on finding a cure for this disease.

But our success in building our research enterprise will be pointless if breakthroughs in diagnosis, treatment and cures are not available for patients.

That is why, a decade ago, as Chairman of the Senate Labor, Health and Human Services and Education Appropriations Subcommittee, I worked with Senator MIKULSKI to create a program, run by the Centers for Disease Control and Prevention, to provide breast and cervical cancer screening for low-income, uninsured women. And last year, I pushed a new law to provide Medicaid coverage to women diagnosed through this program so they can get the treatment they need.

But we still have a long way to go. Breast cancer is the second-most common form of cancer in the United States, next to skin cancers. Approximately 3 million women are living with cancer today, 2 million who have been diagnosed, and an estimated 1 million who do not yet know they have the disease. If we are going to win the war against breast cancer, we've got to be able to detect it early enough to apply the latest treatments effectively. We can prolong and save the lives of millions of women if the cancer is detected when it is small and has not yet spread to other areas of the body. Although not the perfect solution, screening mammograms are the best known way to diagnose breast cancer and reduce mortality. For example, routine mammograms in clinical trials resulted in a 25–30 percent decrease in breast cancer mortality for women aged 50–70.

In 1990, Congress acted to ensure access to screening by creating a Medicare mammography benefit and provided adequate payment for screening mammography by setting reimbursement for the procedure at $55, indexed to inflation. Today that amount is $69.23. Unfortunately, this payment has not kept pace with the costs of the procedure, and women's access to screening mammography is being curtailed.

Hundreds of facilities across the country are losing money on screening mammography, and since September of 1999, 243 facilities have closed their doors; close to 100 of them in the last 5 months. At the same time, one million additional women each year need regular mammograms.

To compound the problem, there is increasing evidence of a shortage of practicing radiologists and radiology residents willing to conduct mammography screening and receive the necessary specialty training. Radiologists report that mammography is under-reimbursed and has a comparatively higher workload, high malpractice costs and more on-the-job stress.

In addition, this shortage of radiologic technologists appears to be worsening at the same time as the demand for medical imaging escalates. The number of RT trainees who take the certification exams has declined dramatically in the past several years, from 10,330 in 1995 to 7,149 in 2000. Facilities nationwide report an inability to find and keep qualified RTs.

As a result, women in many different parts of the country are having to wait many weeks and months to get a mammogram. These kinds of delays put women at risk for more advanced and less treatable forms of breast cancer.

Some of my colleagues may have read in TIME Magazine recently about Paula Sperling from New York. When she called her local mammography facility, they told her she'd have to wait 5 months for her annual mammogram, even though she has a history of breast cancer in her family. She told TIME, ''Three or four months could mean the difference between a tumor that's localized and one that's spread into the lymph nodes.''

In my home state of Iowa, the situation is less dire, but our mammography facilities are struggling because reimbursement doesn't come anywhere near the costs of providing the service. For example, Mercy Medical Center's Cedar Rapids mobile mammography unit serves thousands of women in 7 rural counties in the surrounding area. Many of these women would find it very difficult, if not impossible, to get their mammograms in any other way. But because of low reimbursements, this mobile unit lost $75,000 last year; losses that simply cannot be sustained. It is a

day to day struggle to keep that mobile unit going.

Congress has a responsibility to make sure our Medicare policy ensures that women have access to timely, quality mammography services. Our legislation would do the following:

Increase the Medicare reimbursement for screening mammograms to $90 for 2002, based on currently available cost data.

Increase Medicare graduate medical education funding for added radiology residency slots, some of whom will choose mammography as a specialty.

Increase funding for allied health profession loan programs to increase the supply of qualified radiologic technicians (RTs) available to conduct mammograms.

In addition, we have included two important studies in our bill. Recent research has suggested that the Medicare reimbursement structure for physician work undervalues services and procedures done primarily in women when compared to similar male-specific procedures. Our bill requires the General Accounting Office to further evaluate this research and make recommendations to Congress on how to make Medicare reimbursement more equitable.

Also, there is evidence that screening services are undervalued in the physician fee schedule relative to other procedures. Given the importance of regular screening to prevent and catch disease in the early stages, from breast cancer to colorectal and prostate cancer, we include a provision in our bill requiring the Medicare Payment Advisory Commission, MedPAC, to study this issue and make recommendations to Congress.

Our legislation has the support of the American Cancer Society, American College of Radiologists, Society of Breast Imaging, and the American Society of Radiologic Technologists. I ask unanimous consent that their letters of endorsement be printed in the CONGRESSIONAL RECORD. And for the sake of women across America and their families and friends, I urge my colleagues to join us in cosponsoring this important bill.

I ask unanimous consent that the text of the bill, be printed in the RECORD.

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

S. 548

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 ''Assure Access to Mammography Act of 2001''.

TITLE I—ENHANCED REIMBURSEMENT FOR SCREENING MAMMOGRAPHY UNDER THE MEDICARE PROGRAM

SEC. 101. ENHANCED REIMBURSEMENT UNDER THE MEDICARE PROGRAM FOR SCREENING MAMMOGRAPHIES FURNISHED IN 2002.

(a) ONE-YEAR DELAY OF INCLUSION OF PAYMENT FOR SCREENING MAMMOGRAPHY IN PHYSICIAN FEE SCHEDULE.—Section 104(c) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554) is amended by striking ''January 1, 2002'' and inserting ''January 1, 2003''.

(b) CHANGE IN PAYMENT AMOUNT.—Section 1834(c)(3)(A) of the Social Security Act (42 U.S.C. 1395m(c)(3)(A)) is amended—

(1) in the heading, by striking ''$55, INDEXED.—'' and inserting ''IN GENERAL.—'';

(2) in clause (i), by striking ''and'' at the end;

(3) in clause (ii)—

(A) by striking ''a subsequent year'' and inserting ''1992 through 2001,''; and

(B) by striking ''that subsequent year.'' and inserting ''that year, and''; and

(4) by adding at the end the following new clause:

''(iii) for screening mammography performed in 2002, is $90.''.

(c) EFFECTIVE DATES.—

(1) BIPA AMENDMENT.—The amendment made by subsection (a) shall take effect as if included in the enactment of section 104 of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554).

(2) MAMMOGRAPHY IN 2002.—The amendments made by subsection (b) shall apply with respect to screening mammographies furnished during 2002.

(d) CONSTRUCTION.—Nothing in this section shall be construed as affecting the provisions of section 104(d) of the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000 (as enacted into law by section 1(a)(6) of Public Law 106–554) (relating to payment for new technologies).

TITLE II—EXPANDED CAPACITY FOR MAMMOGRAPHY SERVICES

SEC. 201. NOT COUNTING CERTAIN RADIOLOGY RESIDENTS AGAINST GRADUATE MEDICAL EDUCATION LIMITATIONS.

For cost reporting periods beginning on or after October 1, 2001, and before October 1, 2006, in applying the limitations regarding the total number of full-time equivalent residents in the field of allopathic or osteopathic medicine under subsections (d)(5)(B)(v) and (h)(4)(F) of section 1886 of the Social Security Act (42 U.S.C. 1395ww) for a hospital, the Secretary of Health and Human Services shall not take into account a maximum of 3 residents in the field of radiology to the extent the hospital increases the number of radiology residents above the number of such residents for the hospital's most recent cost reporting period ending before October 1, 2001.

SEC. 202. ALLIED HEALTH PROFESSIONAL FUNDING.

Section 757 of the Public Health Service Act (42 U.S.C. 294g) is amended—

(1) by striking subsection (a) and inserting the following new subsection:

''(a) IN GENERAL.—There are authorized to be appropriated to carry out this part—

''(1) $55,600,000 for fiscal year 1998;

''(2) such sums as may be necessary for each of the fiscal years 1999 through 2001;

''(3) $70,600,000 for fiscal year 2002; and

''(4) such sums as may be necessary for fiscal year 2003 and each subsequent fiscal year.''; and

(2) in subsection (b)(1)—

(A) in subparagraph (B), by striking ''and'' at the end;

(B) in subparagraph (C), by striking '', 754, and 755.'' and inserting ''and 754; and''; and

(C) by adding at the end the following new subparagraph:

''(D) not less than $15,000,000 for awards of grants and contracts under section 755.''.

TITLE III—STUDIES AND REPORTS ON MEDICARE REIMBURSEMENT FOR GENDER-SPECIFIC AND SCREENING SERVICES

SEC. 301. GAO STUDY AND REPORT ON MEDICARE REIMBURSEMENT FOR GENDER-SPECIFIC SERVICES.

(a) STUDY.—The Comptroller General of the United States shall conduct a study of the relative value units established by the Secretary of Health and Human Services under the medicare physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for physicians' services that are gender-specific.

(b) REPORT.—Not later than December 31, 2001, the Comptroller General shall submit to Congress a report on the study conducted under subsection (a), together with such recommendations regarding the appropriateness of adjusting the relative value units for physicians' services that are gender-specific as the Comptroller General determines appropriate.

SEC. 302. MEDPAC STUDY AND REPORT ON MEDICARE REIMBURSEMENT FOR SCREENING SERVICES.

(a) STUDY.—The Medicare Payment Advisory Commission shall conduct a study of the relative value units established by the Secretary of Health and Human Services under the medicare physician fee schedule under section 1848 of the Social Security Act (42 U.S.C. 1395w–4) for screening services that are reimbursed under such fee schedule.

(b) REPORT.—Not later than March 1, 2002, the Commission shall submit to Congress a report on the study conducted under subsection (a), together with such recommendations regarding the appropriateness of adjusting the relative value units for screening services that are reimbursed under the physician fee schedule as the Comptroller General determines appropriate.

AMERICAN CANCER SOCIETY,
Washington, DC, March 13, 2001.

Hon. TOM HARKIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR TOM: On behalf of the American Cancer Society and its more than 28 million supporters, I am writing to thank you for recognizing the importance of assuring that American women have adequate access to mammography and for drafting legislation aimed at addressing this complex issue. We are most grateful for your leadership and commitment.

As you know, there have been increasing indicators that suggest an erosion in the current capacity to meet the breast imaging needs of American women. We have been troubled by recent reports of problems related to economic pressures, personnel shortages, and a growing disinterest in mammography on the part of practicing radiologists and recent residency program graduates. Unfortunately, we do not yet have much concrete data to illuminate the extent of the problem.

The Society is currently working in collaboration with the Society of Breast Imaging (SBI) and the American College of Radiology (ACR) to gather data to better understanding the underlying systemic problems that are reflected in a growing number of anecdotal reports about problems with mammography. We are also in the process of convening a series of meetings with other breast cancer advocacy groups to try to answer the questions raised by the recent news reports.

The Society strongly believes that continued access to quality mammography must be assured and that this issue must be addressed in a timely fashion. Increasing women's access to high quality breast cancer screening is a goal that has long had strong bi-partisan Congressional support, as evidenced by the enactment of legislation in 1990 to provide a Medicare breast cancer screening benefit and the passage of the ''Mammography Quality Standards Act'' in 1992. Congress has also taken steps to increase access to mammography and breast cancer treatment for the medically underserved by establishing the Breast and Cervical Cancer Early Detection Program and enacting the Breast & Cervical Cancer Treatment Act. In addition, thanks to successful public-private partnerships, many women have gotten the message about the importance of regular mammograms. Your support on these issues has been greatly appreciated.

Now that women are getting the message and seeking out screening services, the country needs to ensure that the capacity to provide mammography services meets the demand. Approximately 40,600 Americans will die this year from breast cancer. We knew that early detection is key to saving lives from breast cancer, and it increases a women's treatment options. Mammography is the only scientifically proven tool currently available to detect breast cancer before the onset of symptoms. The aging of the baby boomer population means that the number of American women requiring regular screening is increasing dramatically at an estimated rate of over one million per year.

Your legislation, the ''Assure Access to Mammography Act,'' is an important step in addressing these issues. We know that increasing the reimbursement rate and raising the number of radiology residents—measures addressed in your legislation—are important components of the mammography capacity issue. We also believe the MedPAC study called for in the bill will lay the groundwork for shoring up future capacity by evaluating whether or not screening services are undervalued in the physician fee schedule.

Once again, we commend you for your leadership on this critical issue. As our data collection and analysis efforts progress, we look forward to sharing this information with you and working together to ensure that women across the country continue to have access to high quality mammography services. If you or your staff have any additional questions, please contact Megan Gordon, Manager of Federal Government Relations (202–661–5716).

Sincerely,

DANIEL E. SMITH,
National Vice President, Federal and State Government Relations.

AMERICAN COLLEGE OF RADIOLOGY,
Reston, VA, March 12, 2001.

Hon. TOM HARKIN,
U.S. Senate, Washington, DC.

DEAR SENATOR HARKIN: On behalf of the American College of Radiology (ACR), I would like to commend you on your efforts to improve women's health by introducing the ''Assure Access to Mammography Act of 2001'' and offer the College's full support for the enactment of this legislation.

As you know, the College has been working closely with you and your staff to address the growing access problem to timely mammography screening. For over a decade, the Congress and the College have recognized screening mammography as an essential element in women's health and have been committed to providing this valuable service. With the enactment of this legislation, that commitment to women's health will continue.

Raising reimbursement for screening mammography, and maintaining that level of reimbursement, will allow radiologists to continue providing this lifesaving service in a timely fashion and help avoid the delays that have been widely reported in the media. The College also fully supports the provisions in your legislation regarding the need for additional radiologists and associated allied health personnel. In addition, your provisions requesting the study of Medicare reimbursement of gender-specific services and Medicare reimbursement for screening services in general are solely needed.

Since the College and you share the common goal of continuing to provide timely access to screening mammography, ACR looks forward to continuing our work together to pass this vital legislation.

Sincerely,

HARVEY L. NEIMAN, M.D.,
Chair, Board of Chancellors.

SOCIETY OF BREAST IMAGING,
Reston, VA, March 12, 2001.

Hon. TOM HARKIN,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: Mammography can have a significant impact on women's lives. When screening mammography detects breast cancer at an early stage, women have a better chance of survival and an improved quality of life. Early detection may also spare many women from mastectomy. The American Cancer Society, the American Medical Association, and many other medical organizations now recommend that women begin annual screening mammography at age 40 years.

The number of screening mammograms performed each year in our country has doubled over the past decade. There are now 56 million American women age 40 or older. About 30 million women have had a mammogram during the past 2 years.

The need for mammography is expected to increase even further in the future. Each year, a greater percentage of women in the breast cancer age group follow the mammography screening guidelines. Also, the population of women age 40 and older will grow by 1 million each year over the next five years.

Today, our medical care system is unable to keep up with this increasing demand for mammography by providing this examination in a timely manner. Waiting time for a mammography appointment has increased. Many facilities now report waits of weeks or even months. The underlying reason for these excessively long waits is inadequate reimbursement rates. At current reimbursement rates, mammography usually loses money. The more mammograms performed, the greater the loss. The current Medicare reimbursement rate of $68.00 for a screening mammogram is less than the cost of performing the examination. Reimbursement rates for other health care plans are based upon the Medicare fee schedule. At current reimbursement rates, many hospitals and clinics have been unable to purchase enough mammography equipment, hire enough radiologists and technologists, and pay for enough office space for breast imaging.

Long waits for a mammography appointment lead to unnecessary anxiety. Some women feel discouraged. Others may even be deterred from having a mammogram. Extremely long waiting times may result in delay in diagnosis and treatment of breast cancer. This can shorten a woman's life.

If the trend in financial loses from the performance of mammography continues, the availability of this study will be further curtailed. Some hospitals and medical facilities may even be forced to stop performing this examination. And, most facilities cannot afford to expand despite the projected increasing need for mammograms.

The Society of Breast Imaging supports your proposed legislation. By bringing reimbursement rates in line with the cost of performing mammography, your bill will ensure that American women will have access to this lifesaving procedure.

Sincerely,

STEPHEN A. FEIG, MD, FACR,
President.

AMERICAN SOCIETY OF RADIOLOGIC TECHNOLOGISTS,
March 9, 2001.

Hon. TOM HARKIN,
U.S. Senate, Hart Senate Office Building, Washington, DC.

DEAR SENATOR HARKIN: On behalf of the American Society of Radiologic Technologists (ASRT), a nationwide organization representing more than 87,000 medical imaging and radiation therapy professionals, we would like to express our strong support for the ''Fairness in Mammography Reimbursement Act of 2001.''

ASRT supports your call for increases in both mammography reimbursement and federal support for allied health professions educational program grants. ASRT recognizes that current reimbursements do not cover costs for performance of these procedures. In addition, shortages of qualified radiologic technologists have had an adverse affect on access to quality mammography services. We appreciate your acknowledgment that the problem of access to quality mammography is both a reimbursement problem, as well as a personnel problem.

In 1991, you were one of the first Senators to recognize the need to improve access to and the quality of mammography services. Your cosponsorship of the Woman's Health Equity Act of 1991—which ultimately became the Mammography Quality Standards Act (MQSA) of 1992—was an important first step towards improving the quality of radiologic imaging services. An important component of that bill was the establishment of minimum federal standards for radiologic technologists performing mammography services.

While considerable progress has been made since 1992 in improving the quality of mammography services, we regret that a similar statement cannot be made with respect to other radiologic imaging services. We would therefore like to take this opportunity to bring to your attention legislation we are promoting entitled the Consumer Assurance of Radiologic Excellence (CARE). This legislation is designed to increase the quality of all radiologic services and reduce medical errors by establishing federal minimum standards for education and credentialing of personnel who perform plan or deliver medical imaging procedures or radiation therapy.

Again, we commend and support your efforts to improve access and availability of quality mammography services and we look forward to working with you on Legislation that will improve the quality of all medical imaging services.

Sincerely,

MICHAEL DELVECCHIO, B.S., R.T. (R),
ASRT President.

Ms. SNOWE. Mr. President, I am pleased to rise today to join Senator HARKIN and Senator MIKULSKI as an original cosponsor of the Assure Access to Mammography Act of 2001. This bill addresses an emerging need in the fight for breast cancer—the need for adequate reimbursement for screening mammography in the Medicare Program and the need to preserve access to mammographies services for women across the country.

Mr. President, we are clearly making small gains in fighting breast cancer, which is one of the most challenging and daunting health problems in America today. There is no question that a diagnosis of breast cancer is something that every woman dreads. But for an estimated 192,200 American women, this is the year their worst fears will be realized. One thousand new cases of breast cancer will be diagnosed among the women in Maine, and 200 women in my home state will die from this tragic disease. The fact is, one in nine women will develop breast cancer during their lifetime, and for women between the ages of 35 and 54, there is no other disease which will claim more lives.

But the fact is that mammograms are the most powerful weapon we have in the fight against breast cancer. They enable us to detect and treat breast cancer at its earliest stage when the tumors are too tiny to be detected by a woman or her doctor, providing a better prognosis. An estimated 30 million mammograms were performed last year at a cost of over $2 billion—a valuable down-payment in our fight against an unmerciful killer. And due to the aging of the baby boom generation it is estimated that more than one million additional women each year will need regular mammograms.

In 1990 we succeeded in making screening mammography the very first preventive benefit available under Part B of the Medicare Program, and we set the reimbursement level in statute. In 1998, the Medicare Program alone provided over 6 million mammography procedures. Unfortunately the Medicare payment, which was indexed to inflation under the statute, has not kept pace with the actual increase in health care costs. Last year the Medicare reimbursement for a screening mammogram was $69.23—well under the mean cost of $90 per procedure.

There is evidence that radiology clinics are closing their doors, and that radiologists are no longer able to provide mammography services due to the simple fact that providers are not reimbursed enough for their work and cannot justify the losses they incur by providing mammography services. Over the past 18 months 243 facilities have closed their doors; close to 100 of them in just the past four months. This is a problem that must be addressed immediately.

The legislation we introduce today would increase Medicare reimbursement for screening mammograms to $90 for 2002, insuring that radiologists across the country are appropriately reimbursed for the valuable service they provide.

On March 7, 2001, the Institute of Medicine (IOM) issued a fascinating report evaluating the new technologies of mammography titled ''Mammography and Beyond: Developing Technologies for the Early Detection of Breast Cancer.''

At the same time, the IOM recommended analyzing current Medicare and Medicaid reimbursement rates for mammography to determine whether they adequately cover the total costs of providing the procedure. The report also recommends that the Health Resources and Services Administration (HRSA) undertake or fund a study to analyze trends in speciality training for breast cancer screening among radiologists and radiologic technologists, and examine factors affecting the decision of practitioners to enter or remain in the field.

We have taken these recommendations very seriously and by introducing this legislation today, we are acting to preserve access to mammography. The truth is we simply cannot risk slipping back in our fight against breast cancer.

I urge my colleagues to join us in supporting this very important bill and work towards passing it this year.

Ms. MIKULSKI. Mr. President, I rise to join my colleagues Senators HARKIN, SNOWE, MURKOWSKI, MURRAY, SCHUMER, and REID in introducing the Assure Access to Mammography Act of 2001. The goal of this bill is to help ensure that women have access to screening mammograms.

Breast cancer mortality has decreased because of early detection, diagnosis, and treatment. Mammography is vital to early detection, yet I have seen press reports about women having to wait weeks or months for a mammogram. In Maryland, waiting times for mammograms at some facilities have increased from one to two weeks to six to eight weeks. In addition, some wait times have increased from one to two days to two weeks for a diagnostic mammogram. In these cases, usually a woman has already had a suspicious finding from a screening mammogram and has to wait longer to get the results of a diagnostic mammogram to determine if she has breast cancer or not.

I have also heard about mammography facilities closing down because they could no longer make ends meet. In fact, a couple mammography facilities in the Baltimore area have closed their doors. This coincides with a national trend. Over the last 18 months, close to 250 mammography facilities have closed down, with almost 100 facilities closing between October 2000 and February 2001. Women living in areas with no or few mammogram facilities are less likely to have mammograms than those living in areas with more facilities.

At the same time, the size of the population requiring annual mammograms is increasing about one million per year. The American population is aging. There will be 70 million Americans aged 65 and over in 2030. Age is also the most important risk factor for breast cancer. A woman's chance of getting breast cancer is 1 out of 2,212 by age 30. This increases to 1 out of 23 by age 60 and 1 out of 10 by age 80. More than 85 percent of breast cancers occur in women over the age of 50. This means that more and more women will be on Medicare and need screening mammograms. Screening mammograms have been shown to reduce breast cancer mortality by 25–30 percent in women age 50–70. About 68 percent of Maryland women age 65 and older had a mammogram within the last year. More women will need this screening at the same time that we are seeing fewer mammography facilities available to provide this valuable service to women.

Eleven years ago, I introduced the Medicare Screening Mammography Amendments of 1990 to provide Medicare coverage of annual screening mammography. This bill set out the conditions under which Medicare would cover screening mammograms and how they would be reimbursed. My legislation was included in the Omnibus Budget Reconciliation Act of 1990. Before that, Medicare did not cover routine annual screening mammograms. The Health Care Financing Administration (HCFA) reimburses screening mammograms at a rate of $55 indexed to inflation. This means that for 2001, Medicare pays $69.23 for screening mammograms. Last year, Congress changed how Medicare pays for screening mammograms. Starting in 2002, screening mammograms will be reimbursed through the Medicare physician fee schedule like diagnostic mammograms and other services.

Mammography is a unique procedure. Screening mammography has been reimbursed differently under Medicare than diagnostic mammography. Mammography is also one of the most technically challenging radiological procedures. Ensuring the quality of the image is difficult and mammograms are the most difficult radiologic images to read. I authored the mammography Quality Standards Act of 1992 to set uniform quality standards for mammography facilities, personnel, and

equipment so that women would have safe and reliable mammograms. These standards are unique to mammography. A study has found that allegation of error in the diagnosis of breast cancer is now the most prevalent reason for medical malpractice lawsuits among all claims against physicians and is associated with the second highest indemnity payment size.

Last week, the Institute of Medicine (IOM) released a report entitled ''Mammography and Beyond: Developing Technologies for the Early Detection of Breast Cancer''. Among the IOM's recommendations is that HCFA should analyze the current Medicare and Medicaid reimbursement rates for mammography, including a comparison with other radiological techniques, to determine whether they adequately cover the total costs of providing the procedure. The cost analysis should include the costs associated with meeting the requirements of the Mammography Quality Standards Act. The bill we are introducing today would delay for one year (until 2003) the inclusion of screening mammography in the Medicare physician fee schedule. This would give time for HCFA to collect data and review Medicare reimbursement rates for screening mammography before moving it into the physician fee schedule and to help ensure a smooth transition into the fee schedule. This is important given the unique characteristics of mammography that I have already outlined. In the meantime, the bill would increase Medicare reimbursement for screening mammograms to $90 in 2002 to help decrease waiting times and the closure of mammography facilities so that women have timely access to screening mammograms.

In addition, there is evidence that fewer numbers of radiologists and technologists are going into mammography. That's why this bill increases Medicare Graduate Medical Education funding for additional radiology residency slots and increases funding for Allied Health Professions programs to increase the supply of radiologic technologists (RTs) able to conduct mammograms. The IOM report last week acknowledges this concern by recommending that the Health Resources and Services Administration (HRSA) should undertake or fund a study that analyzes trends in specialty training for breast cancer screening among radiologists and radiologic technologists and that examines the factors that affect practitioners' decision to enter or remain in the field.

Finally, this bill would require a General Accounting Office study of the Medicare reimbursement structure for gender-specific procedures and require a Medicare Payment Advisory Commission study of Medicare reimbursement for screening services. These studies will provide important information for Congress and HCFA to consider as we look at ways to improve and modernize Medicare.

I'm pleased that this legislation has the support of the American Cancer Society, the American College of Radiology, the American Society of Radiologic Technologists, and the Society of Breast Imaging. I hope this bill will begin a conversation about the adequacy of Medicare reimbursement of screening mammograms. I urge my colleagues to support this bill, and I urge my colleagues on the Finance Committee to consider this bill as they craft Medicare reform legislation. A decade ago Congress provided coverage of annual mammograms to women under Medicare. This legislation will help ensure that the promise we made a decade ago remains a meaningful promise to current and future Medicare beneficiaries. Without it, some women at risk for breast cancer may not have access to screening that could detect cancer earlier and help them live longer.

By Mr. CRAPO (for himself and Mr. AKAKA):

S. 549. A bill to ensure the availability of spectrum to amateur radio operators; to the Committee on Commerce, Science, and Transportation.

Mr. CRAPO. Mr. President, I rise to introduce the Amateur Radio Spectrum Protection Act of 2001. This bill would help preserve the amount of radio spectrum allocated to the Amateur Radio Service during this era of dramatic change in our telecommunications system. I am pleased to be joined today in this bi-partisan effort by Senator DANIEL AKAKA.

Organized radio amateurs, more commonly known as ''ham'' operators, through formal agreements with the Federal Emergency Management Agency, the National Weather Service, the Red Cross, the Salvation Army, and other government and private relief services, provide emergency communication when regular channels are disrupted by disaster. In Idaho, these trained volunteers have performed tasks as various as helping to rescue stranded back-country hikers, organizing cleanup efforts after the Payette River flooded, and helping the Forest Service communicate during major forest fires. In other communities, they may be found monitoring tornado touchdowns in the Midwest, helping authorities reestablish communication after a hurricane in the Gulf or sending ''health and welfare'' messages following an earthquake on the West Coast. Not only do they provide these services using their own equipment and without compensation, but they also give their personal time to participate in regular organized training exercises.

In addition to emergency communication, amateur radio enthusiasts use their spectrum allocations to experiment with and develop new circuitry and techniques for increasing the effectiveness of the precious natural resource of radio spectrum for all Americans. Much of the electronic technology we now take for granted is rooted in amateur radio experimentation. Moreover, amateur radio has long provided the first technical training for youngsters who grow up to be America's scientists and engineers.

The Balanced Budget Act of 1997 requires the Federal Communications Commission, FCC, to conduct spectrum auctions to raise revenues. Some of that revenue may come from the auction of current amateur radio spectrum. This bill simply requires the FCC to provide the Amateur Radio Service with equivalent replacement spectrum if it reallocates and auctions any of the Service's current spectrum.

The Amateur Radio Spectrum Protection Act of 2001 will protect these vital functions while also maintaining the flexibility of the FCC to manage the nation's telecommunications infrastructure effectively. It will not interfere with the ability of commercial telecommunications services to seek the spectrum allocations they require. I ask my colleagues to join the more than 670,000 U.S. licensed radio amateurs in supporting this measure and welcome their co-sponsorship.

I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 549

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 ''Amateur Radio Spectrum Protection Act of 2001''.

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) More than 650,000 radio amateurs in the United States are licensed by the Federal Communications Commission.

(2) Among the basic purposes of the Amateur Radio and Amateur Satellite Services are to provide voluntary, noncommercial radio service, particularly emergency communications.

(3) Emergency communications services by volunteer amateur radio operators have consistently and reliably been provided before, during, and after floods, hurricanes, tornadoes, forest fires, earthquakes, blizzards, train accidents, chemical spills, and other disasters.

(4) The Federal Communications Commission has taken actions which have resulted in the loss of at least 107 MHz of spectrum to radio amateurs.

SEC. 3. FEDERAL POLICY REGARDING REALLOCATION OF AMATEUR RADIO SPECTRUM.

Section 303 of the Communications Act of 1934 (47 U.S.C. 303) is amended by adding at the end the following new subsection:

''(z) Notwithstanding subsection (c), after the date of the enactment of this subsection—

''(1) make no reallocation of primary allocations of bands of frequencies of the amateur radio and amateur satellite services;

''(2) not diminish the secondary allocations of bands of frequencies to the amateur radio or amateur satellite service; and

''(3) make no additional allocations within such bands of frequencies that would substantially reduce the utility thereof to the amateur radio or amateur satellite service;

unless the Commission, at the same time, provides equivalent replacement spectrum to amateur radio and amateur satellite service.''.

Mr. AKAKA. Mr. President, I thank my distinguished colleague from Idaho (Mr. CRAPO) for introducing this very important legislation that will help to protect and preserve the radio spectrum necessary to ensure the continuation of the Amateur Radio Service. The Amateur Radio Spectrum Act of 2001 is a bipartisan effort to secure the amateur radio spectrum as the telecommunications industry continues to change.

Amateur radio operators, more commonly known as ''hams,'' have been around as long as radio itself, and a few pioneers in amateur radio provided valuable insight into the current communications system that we know today. While many people may look at amateur radio operators as radio enthusiasts with a fun hobby, I would like to remind everyone that they also provide a valuable service to communities all over the world.

Mr. President, the Amateur Radio Service was created by the Federal Communications Commission (FCC) to utilize amateur radio operators to provide backup emergency communications. These operators set up and operate organized communications networks locally for governmental and emergency officials.

While television and radio broadcast stations are the more common methods of providing emergency information to the public, these stations may not be in service for weeks after such disasters as tornados and hurricanes. Instead, this valuable emergency service usually is provided by the Amateur Radio Service. Through several networks that are decentralized, with many transceivers and antennas, amateur radio operators are able to transmit safety and health conditions in times of disasters.

In the State of Hawaii, the sole source of information in the immediate aftermath of Hurricane Iniki, which hit the island of Kauai on September 11, 1992, was from amateur radio operators. The devastation to the island was immense; one out of five of the island's power and telephone poles were down, power, cable television, and phone lines were out, cellular phone, microwave dishes, two-way radio antenna boosters, television station translators, and radio station transmitters were damaged. Kauai Electric Company was inoperable and 100 percent of its customers were without power. While the company did have a disaster plan, no one fathomed that a storm would have such a devastating effect. Fortunately, amateur radio operators on Kauai were able to keep state officials informed about the island's condition.

Mr. President, Senator CRAPO and I are here today because the Balanced Budget Act of 1997 requires the FCC to conduct spectrum auctions as a means to increase revenue. While these auctions may not immediately take away from the Amateur Radio Service, there is nothing to prevent the FCC from selling off portions of the spectrum currently utilized by amateur radio operators.

Mr. President, this bill will protect the Amateur Radio Service by requiring the FCC to provide the Service with equivalent spectrum if it reallocates and auctions any of the Service's current spectrum. The Amateur Radio Spectrum Protection Act of 2001 will ensure that the valuable service provided by amateur radio operators will continue.

Mr. President, I am pleased to join Senator CRAPO in this bipartisan effort to protect the Amateur Radio Service and ask my colleagues to support this important measure.

By Mr. DASCHLE (for himself, Mr. MCCAIN, Mr. INOUYE, Mr. BAUCUS, Mr. COCHRAN, and Mrs. FEINSTEIN):

S. 550. A bill to amend part E of title IV of the Social Security Act to provide equitable access for foster care and adoption services for Indian children in tribal areas; to the Committee on Finance.

Mr. DASCHLE. Mr. President, today I am reintroducing legislation to correct an inequity in the laws affecting many Native American children. I am joined by Senators MCCAIN, INOUYE, BAUCUS, FEINSTEIN, and COCHRAN in supporting this important piece of legislation. This effort is also supported by the National Indian Child Welfare Association, American Public Human Services Association, and National Congress of American Indians.

Every year, for a variety of often tragic reasons, thousands of children across the country are placed in foster care. To assist with the cost of food, shelter, clothing, daily supervision and school supplies, foster parents of children who have come to their homes through state court placement receive money through Title IV–E of the Social Security Act. Additionally, states receive funding for administrative training and data collection to support this program. Unfortunately, because of a legislative oversight, many Native American children who are placed in foster care by tribal courts do not receive foster care and adoptive services to which all other income-eligible children are entitled.

Not only are otherwise eligible Native children denied foster care maintenance payments, but this inequity also extends to children who are adopted through tribal placements. Currently, the IV–E program offers limited assistance for expenses associated with adoption and the training of professional staff and parents involved in the adoption. These circumstances, sadly, have meant that many Indian children receive little Federal support in attaining the permanency they need and deserve.

In many instances, these children face insurmountable odds. Many come from abusive homes. Foster parents who open their doors to care for these special children deserve our help. These generous people who take these children into their homes should not have sleepless nights worrying about whether they have the resources to provide nourishing food or a warm coat, or even adequate shelter for these children. This legislation will go a long way to ease their concerns.

Currently, some tribes and states have entered into IV–E agreements, but these arrangements are the exception. They also, by and large, do not include funds to train tribal social workers and foster and adoptive parents. This bill would make it clear that tribes would be treated like States when they run their own programs under the IV–E program. The bill would make funding fair and equitable for all children, Native and non-Native.

The bill I am introducing today would do the following:

Extend the Title IV–E entitlement programs to tribal placements in foster and adoptive homes;

Authorize tribal governments to receive direct funding from the Department of Health and Human Services for administration of IV–E programs (tribes must have HHS-approved programs):

Allow the Secretary flexibility to modify the requirements of the IV–E law for tribes if those requirements are not in the best interest of Native children; and

Allow continuation of tribal-State IV–E agreements.

In a 1994 report, HHS found that the best way to serve this underfunded group is to provide direct assistance to tribal governments and qualified tribal families. I want to emphasize that this bill would not result in reduced funding for the States, as they would continue to be reimbursed for their expenses under the law. I strongly believe Congress should address this oversight and provide equitable benefits to Native American children who are under the jurisdiction of their tribal governments, and I hope my colleagues will join me in supporting this bill.

Mr. MCCAIN. Mr. President, I am pleased to cosponsor legislation with my colleagues, Senators DASCHLE,

INOUYE, BAUCUS, FEINSTEIN and COCHRAN, to amend the Social Security Act and extend eligibility for Indian tribes to fully implement, like states, the Title IV–E Foster Care and Adoption Assistance Act. This important legislation will make certain that Indian children living in tribal areas have the same access to services of the Title IV–E Foster Care and Adoption Assistance Program enjoyed by other children nationwide.

The purpose of the Title IV–E program is to ensure that children receive adequate care when placed in foster care and adoption programs. The Title IV–E program operates as an open-ended entitlement program for eligible state governments with approved plans. State governments receive funding for foster care maintenance payments to cover food, shelter, clothing, school supplies, and liability insurance for income-eligible children placed in foster homes by state courts, and for related administrative and training costs.

While Congress intended that the Title IV–E program should benefit all eligible children, Indian children who are under the jurisdiction of the respective tribal court are generally not considered eligible. When enacted, the Title IV–E law did not properly consider that Indian tribal governments retain sole jurisdiction over the domestic affairs of their own tribal members, particularly Indian children.

State administrators have attempted to meet the intended goals of these programs by extending their efforts to Indian country. However, administrative and jurisdictional hurdles make it nearly impossible to provide these services. As a result, Indian children in need of foster care and child support are not accorded the same level of service as other children nationwide. Tribal governments, who are legally responsible for Indian children in foster care, are not entitled to federal reimbursement for children placed in foster care by a tribal court, unless the tribe, as a public agency, enters into a cooperative agreement with the state.

A cooperative agreement may not sound all that difficult, but in reality, such an agreement can prove impossible. Rather than providing incentives, current law often discourages states from entering into agreements with tribes. For example, a state is accountable for tribal compliance with Title IV–E requirements. If a tribe cannot fulfill a matching requirement, the state must assume the costs on behalf of the tribe in order to retain federal funds. It is entirely possible that states could lose their Title IV–E funds if tribal records were out of compliance.

Unfortunately, State-tribal relations are not always productive, particularly when disputes arise over issues unrelated to child welfare. Providing this direct eligibility for tribal governments, with the same accountability and enforcement requirements, will resolve such problems. State agencies have indicated that direct participation by the tribes would help address an overburden of casework and preclude tension over jurisdictional issues. While direct tribal authority would be authorized by enactment of this legislation, I want to make clear that we have no intention to supplant or discourage State-tribal agreements. Existing agreements will be honored, while allowing Indian tribes to directly access needed resources for further protection for income-eligible Indian children.

The Congressional Budget Office, CBO, estimated that this legislation would cost $236 million over a five-year period, which generally amounts to less than 1 percent of total federal Title IV–E expenditures. While this legislation does not currently include any identified offsets to pay for adding tribal eligibility for this entitlement program, I have been assured by Senator DASCHLE that the inclusion of an offset, prior to final passage, will in no way affect the Social Security Trust Fund or increase the federal debt. We have pledged to work together to find the necessary and agreeable offset for this program.

Enactment of this legislation will bring an end to the disparate treatment of eligible Indian children under Title IV–E programs. I urge my colleagues to correct this unfair oversight and make the benefits of the Title IV–E entitlement program available for all children as intended.

Mr. BAUCUS. Mr. President, I am happy to co-sponsor this legislation with my colleagues, Senators DASCHLE, MCCAIN, INOUYE, FEINSTEIN, and COCHRAN, to extend the Title IV–E Foster Care and Adoption Assistance programs to Indian tribes. This legislation will enhance tribal sovereignty by giving tribes choices when it comes to providing child welfare services to their children.

Hundreds of thousands of children are currently in foster care due to abuse, neglect, or abandonment. The programs authorized under Title IV–E of the Social Security Act play an important role in safeguarding the well-being of these children. The programs provide funding to states to cover the costs of food, shelter, clothing, and other supplies for eligible children that are placed in foster care. States also receive funding for related administrative and training costs.

Unfortunately, thousands of Native American children who meet income eligibility criteria are not automatically eligible to receive this funding if they are placed in foster care or up for adoption by a tribal agency. Under current law, only states can directly benefit from this funding source. In order to receive these monies, tribes must form cooperative agreements with their respective states.

In Montana, all seven of our tribes have developed foster care agreements with the state government, and the agreements reportedly are successful for the parties involved. But we are lucky. Not all tribes or states have been able to form these agreements with each other. Nor should they have to.

This legislation will allow tribes, like states, to submit plans to the Department of Health and Human Services in order to receive Title IV–E payments directly. Or tribes could continue their cooperative state agreements. The point is, this bill will give tribes choices when it comes to their child welfare services. It will enhance tribal sovereignty. And for many tribes, it will give them access to funding sources currently not available to them.

I believe this legislation is important for Indian children and tribal sovereignty. I urge my colleagues to join us in supporting this bill and making Title IV–E programs available to all eligible children.

By Mr. DORGAN (for himself, Mr. GREGG, and Mr. DURBIN):

S. 551. A bill to amend the Internal Revenue Code of 1986 to simplify the individual income tax by providing an election for eligible individuals to only be subject to a 15 percent tax on wage income with a tax return free filing system, to reduce the burdens of the marriage penalty and alternative minimum tax, and for other purposes; to the Committee on Finance.

Mr. DORGAN. Mr. President, there is a great deal of discussion and debate going on right now about cutting taxes. Everyone, it seems, supports a tax cut although there is great disagreement over how big it should be, when it should take effect and who it should benefit.

The American people deserve and need a tax cut, and I hope they will get one.

But there is another part to this discussion that's not getting much attention. The American people also deserve and need tax simplification. There is broad agreement on this question, much broader and much deeper than any consensus on the need for a tax cut.

I think we ought to act to provide it.

Just a few months ago, the press reported several independent studies showing that American families and businesses will spend at least $115 billion trying to comply with federal tax laws this year. That is an enormous amount of money. It represents an enormous amount of time, an enormous amount of effort, and I'm pretty certain, it represents an enormous amount of frustration for tens of millions of American taxpayers.

Lately there has been a lot of talk about lifting tax burdens, and we should be talking about that, but let's also talk about one of the biggest tax burdens of all: the tax compliance burden, the colossal hassle taxpayers face to file their tax returns each year. I think it is simply inexcusable that it is so complex, so difficult, and so expensive for Americans to fulfill this basic civic duty.

I find it even more unacceptable that we should do nothing to lift this burden, even as the nation is focused on lifting the tax burden when it comes to what is owed.

We must do both.

As I mentioned, taxpayers will spend somewhere around $115 billion and more than 3 billion hours this year in the effort to meet their federal income tax obligations. At this very moment, millions of taxpayers are probably just beginning the gut-wrenching process of wading through complex forms and instruction books so they can meet this year's fast-approaching filing deadline. After completing this annual ritual, they will once again start barraging congressional offices with letters imploring us to simplify the tax code. I don't blame them for doing so.

They are right. Each little provision in the tax code has a justification, but together they add up to a big headache for the American taxpayer. We can't blame the IRS for the misery endured this year or in the years ahead. There's no way to truly simplify tax day unless Congress changes the underlying law. Nevertheless, the President and Congress appear ready to move forward with tax relief of possibly historic proportions without addressing the tax compliance burden that most Americans urgently want fixed.

That's why I am pleased to be joined by Senators GREGG and DURBIN in reintroducing a tax reform proposal that we call the ''Fair and Simple Shortcut Tax'', FASST plan. Our plan would give most taxpayers the opportunity to pay their federal income taxes without having to prepare a tax return if they so choose. More than thirty countries already enable their citizens to pay their federal taxes in this way. We believe tax simplification along these lines can work in this country, too.

Our bill is based on a principle that both sides of the aisle generally are eager to espouse, namely, choice. The bill would allow taxpayers to choose to pay their taxes without complexity, paperwork and hassle. Those who prefer to use the current system, with its complexity and expenses, could do so if they wanted. But if they want something simpler, they could choose our approach instead.

Under FASST, most taxpayers could forget about filing a federal tax return on April 15th. Instead, their entire income tax liability would be withheld at work. There would be no more deciphering statements from mutual funds, no more frantic search for records and receipts, and no last minute dash to the Post Office in order to meet the midnight deadline. According to Treasury Department officials who have studied it, the FASST plan could give at least 70 million Americans the opportunity to elect the no-return option.

Specifically, under the FASST plan, most taxpayers could choose the no-filing option by filling out a slightly modified W–4 form at work. Using tables prepared by the IRS, their employers would determine the employee's exact tax obligation at a single rate of 15 percent on wages, after several major adjustments, and withhold that amount. This amount would satisfy the taxpayer's entire federal income tax obligation for the year, absent some unforeseeable changes in circumstances.

The FASST plan would be available for couples earning up to $100,000 in wages and no more than $5,000 in other income such as interest, dividends or capital gains. In the case of individual taxpayers, the wage and non-wage income limits would be $50,000 and $2,500, respectively. Popular deductions would continue under this plan: the standard deduction, personal exemptions, the child credit and Earned Income Tax Credit, along with a deduction for home mortgage interest expenses and property taxes. Our bill would include critical savings incentives for average Americans by exempting up to $5,000 of all interest, dividends and capital gains income from taxation for couples, $2,500 for singles. Moreover, savings contributions made through employers would be excluded from the wage calculations in the beginning.

Consider some of the advantages of this hassle-free plan:

No taxpayers would lose. If a taxpayer prefers to file an ordinary return, he or she would still have that choice, and no one would be forced to lose a tax deduction that he or she wants to keep.

Wages would be taxed at a single, low rate of 15 percent.

A deduction for home mortgage interest expenses, the Earned Income Tax Credit, and other popular parts of our current tax code would be preserved. Other major tax reform plans would eliminate those deductions, which many people count on.

The alternative minimum tax, AMT, and the marriage penalty would be eliminated.

Compliance costs for taxpayers and government alike would fall. If 70 million Americans chose the FASST option, hundreds of millions of dollars now spent on paper pushing could be used in more productive ways.

Those taxpayers who continued to file under the old system would get relief too. The plan would reduce the marriage penalty by making the standard deduction for married couples double the amount available for single filers. Also, it would virtually eliminate the complicated AMT for most sole proprietors, farmers and other small businesses by exempting the first $1 million in self-employment income from the AMT calculations. This legislation also would provide a 50 percent credit for up to $1,000 in expenses that businesses might incur implementing the FASST plan. In addition, it would grant taxpayers who continue to use the current system a 50 percent tax credit for up to $200 in tax preparer expenses, provided they file their returns electronically. Finally, the bill would offer individuals a substantial incentive for savings and investment by exempting up to $500 of dividend and interest income, $1,000 for couples.

Our bill is both simple and fair, and it gives most taxpayers the choice to avoid the annual tax filing nightmare that they have come to dread.

In testimony before a Senate subcommittee last year, IRS Commissioner Rossotti testified that it's ''unquestionable that this bill provides significant tax simplification.'' Imagine how much better life would be if April 15th were just another day. Under the FASST plan, for millions of Americans, that could be true.

I ask unanimous consent that the full text of this bill be printed in the RECORD.

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

S. 551

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 ''Fair and Simple Shortcut Tax Plan''.

(b) AMENDMENT OF 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.

TITLE I—FAIR AND SIMPLE SHORTCUT TAX PLAN

SEC. 101. FAIR AND SIMPLE SHORTCUT TAX PLAN.

(a) IN GENERAL.—Subchapter A of chapter 1 (relating to determination of tax liability) is amended by adding at the end the following:

''PART VIII—FAIR AND SIMPLE SHORTCUT TAX PLAN

''Sec. 60. Tax on individuals electing FASST.

''Sec. 60A. Computation of applicable taxable income.

''Sec. 60B. Credit against tax.

''Sec. 60C. Election.

''Sec. 60D. Liability for tax.

''SEC. 60. TAX ON INDIVIDUALS ELECTING FASST.

''(a) TAX IMPOSED.—If an individual who is an eligible taxpayer has an election in effect

under this part for a taxable year, there is hereby imposed a tax equal to 15 percent of the taxpayer's applicable taxable income.

''(b) COORDINATION WITH OTHER TAXES.—The tax imposed by this section shall be in lieu of any other tax imposed by this subchapter. The preceding sentence shall not apply to taxes described in section 26(b)(2) other than subparagraph (A) thereof.

''SEC. 60A. COMPUTATION OF APPLICABLE TAXABLE INCOME.

''(a) IN GENERAL.—For purposes of this part, the term 'applicable taxable income' means the taxpayer's applicable wage income, minus—

''(1) the standard deduction,

''(2) the deductions for personal exemptions provided in section 151, and

''(3) the homeowner expense deduction allowable under subsection (c).

''(b) APPLICABLE WAGE INCOME.—For purposes of this part—

''(1) IN GENERAL.—The term 'applicable wage income' means, with respect to an individual, wages received by such individual for the taxable year for services performed as an employee of an employer.

''(2) EMPLOYMENT.—The term 'employment' has the meaning given such term in section 3121(b).

''(3) WAGES.—The term 'wages' has the meaning given such term in section 3401(a).

''(c) HOMEOWNER EXPENSE DEDUCTION ALLOWED.—

''(1) IN GENERAL.—For purposes of subsection (a), there shall be allowed as a deduction for the taxable year an amount equal to the product of—

''(A) $5,000, and

''(B) a fraction, the numerator of which is the number of months in such year in which the taxpayer owned and used property as the taxpayer's principal residence (within the meaning of section 121) and the denominator of which is 12.

''(2) SPECIAL RULES.—For purposes of this subsection—

''(A) MARRIED INDIVIDUALS.—In the case of a married individual, the ownership and use requirements of paragraph (1) shall be treated as met for any month if either spouse meets them.

''(B) DIVORCE; COOPERATIVE HOUSING.—Rules similar to the rules of paragraphs (3) and (4) of section 121(d) shall apply.

''(C) OUT-OF-RESIDENCE CARE.—If a taxpayer becomes physically or mentally impaired while owning and using property as a principal residence, then the taxpayer shall be treated as meeting the ownership and use requirements of paragraph (1) during any period the taxpayer owns the property and resides in any facility (including a nursing home) licensed by a State or political subdivision to care for an individual in the taxpayer's condition.

''SEC. 60B. CREDITS AGAINST TAX.

''No credit shall be allowed against the tax imposed by this part other than—

''(1) the credit allowable under section 24 (relating to child tax credit),

''(2) the credit allowable under section 32 (relating to earned income credit), and

''(3) the credit for overpayment of tax under section 6402.

''SEC. 60C. ELECTION.

''(a) ELECTION.—An eligible taxpayer may elect to have this part apply for any taxable year.

''(b) ELIGIBLE TAXPAYER.—

''(1) IN GENERAL.—For purposes of this part, the term 'eligible taxpayer' means, with respect to any taxable year, a taxpayer who receives—

''(A) applicable wage income in an amount not in excess of—

''(i) $100,000, in the case of a taxpayer described in section 1(a), and

''(ii) 50 percent of the amount in effect under clause (i) for the taxable year, in the case of any other taxpayer, and

''(B) gross income (determined without regard to applicable wage income) in an amount not in excess of—

''(i) $5,000, in the case of a taxpayer described in section 1(a), and

''(ii) 50 percent of the amount in effect under clause (i) for the taxable year, in the case of any other taxpayer.

''(2) EXCLUSIONS.—The term 'eligible taxpayer' shall not include—

''(A) a married individual unless the individual and the spouse both have the same taxable year and both make the election,

''(B) a nonresident alien individual, or

''(C) an estate or trust.

''(3) INFLATION ADJUSTMENTS.—In the case of a taxable year beginning after 2002, each dollar amount under paragraph (1) shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 2001' for 'calendar year 1992' in subparagraph (B) thereof.

''(b) FORM OF ELECTION.—

''(1) IN GENERAL.—An individual shall make an election to have this part apply for any taxable year by furnishing an election certificate to such individual's employer not later than the close of the first payroll period after the individual commences work for such employer or January 1 of the taxable year to which such election relates, whichever is later.

''(2) CONTENTS OF CERTIFICATE.—The election certificate furnished under paragraph (1) shall—

''(A) contain such information as the Secretary requires to enable the Secretary to carry out this part and enable the employer to withhold the appropriate amount of wages under section 3402, and

''(B) contain a certification by the employee under penalty of perjury that the information furnished is correct.

''(3) AMENDMENT OF CERTIFICATE.—A new election certificate shall be filed within 30 days after the date of any change in the information required under paragraph (2).

''(4) ELECTION CERTIFICATE.—For purposes of this section, the term 'election certificate' means the withholding exemption certificate used for purposes of chapter 24.

''(5) ADVANCE PAYMENT OF EARNED INCOME AMOUNT.—The Secretary shall prescribe such regulations as may be necessary to allow an eligible taxpayer to treat an election certificate furnished under this section as including an earned income eligibility certificate under section 3507 in the case of an eligible individual claiming the earned income credit under section 32.

''(c) PERIOD ELECTION IN EFFECT.—

''(1) IN GENERAL.—Except as provided in paragraph (2), an election under this section shall be effective for the taxable year for which it is made and all subsequent taxable years.

''(2) TERMINATION.—An election under this part shall terminate with respect to an individual for any taxable year and all subsequent taxable years if at any time during such taxable year such individual—

''(A) is no longer an eligible taxpayer,

''(B) elects to terminate such individual's election, or

''(C) commits fraud with respect to any information required to be provided under this section.

''(d) SAFE HARBOR FOR INELIGIBILITY.—In the case of an individual who has a termination under subsection (c)(2)(A), no addition to tax under section 6654 shall apply to any underpayment attributable to eligible wage income of such individual for such taxable year if such underpayment was not due to fraud, negligence, or disregard of rules or regulations (within the meaning of section 6662).

''(e) MARITAL STATUS.—For purposes of this part, marital status shall be determined under section 7703.

''SEC. 60D. LIABILITY FOR TAX.

''(a) AMOUNT WITHHELD TREATED AS SATISFACTION OF LIABILITY.—Except as provided in this section, any amount withheld as tax under section 3402(t) for an eligible individual with an election in effect under section 60C for the taxable year shall be treated as complete satisfaction of liability for the tax imposed by section 60(a) for such taxable year.

''(b) EXCEPTIONS.—Notwithstanding subsection (a)—

''(1) OVERPAYMENT.—If the amount withheld as tax under section 3402(t) for an eligible taxpayer with an election in effect under section 60C for the taxable year exceeds the tax imposed under section 60(a) for the taxable year, the excess amount shall be treated as an overpayment for purposes of section 6402.

''(2) UNDERPAYMENT.—

''(A) IN GENERAL.—If the Secretary determines that the amount withheld as tax under section 3402(t) for an eligible taxpayer is less than the tax imposed under section 60(a) and such underpayment is not due to fraud, the Secretary may assess and collect such underpayment in the same manner as if such underpayment were on account of a mathematical or clerical error appearing on a return of the individual for the taxable year.

''(B) DE MINIMIS EXCEPTION.—If the amount by which the tax imposed by section 60(a) exceeds the amount withheld as tax under section 3402(t) by less than the lesser of $100 or 10 percent of the tax so imposed, the taxpayer shall be treated as having no underpayment.

''(c) REGULATIONS.—The Secretary shall prescribe such regulations as may be necessary to carry out the provisions of this section, including regulations—

''(1) to allow a refund of an overpayment under subsection (b)(1) to a taxpayer without requiring additional filing of information by the taxpayer, and

''(2) to notify taxpayers of eligibility for credits allowable under section 60B and allow a claim and refund of any credit not claimed by an eligible taxpayer during the taxable year.''.

(b) WITHHOLDING FROM WAGES.—Section 3402 (relating to income tax collected at source) is amended by adding at the end the following new subsection:

''(t) WITHHOLDING UNDER THE FAIR AND SIMPLE SHORTCUT TAX PLAN.—

''(1) IN GENERAL.—An employer making payment of wages to an individual with an election in effect under section 60C shall deduct and withhold upon such wages a tax (in lieu of the tax required to be deducted and withheld under subsection (a)) determined in accordance with tables prescribed by the Secretary in accordance with paragraph (2).

''(2) WITHHOLDING TABLES.—The Secretary shall prescribe 1 or more tables which set

forth amounts of wages and income tax to be deducted and withheld based on information furnished to the employer in the employee's election form and to ensure that the aggregate amount withheld from such employee's wages approximates the tax liability of such individual for the taxable year. Any tables prescribed under this paragraph shall—

''(A) apply with respect to the amount of wages paid during such periods as the Secretary may prescribe, and

''(B) be in such form, and provide for such amounts to be deducted and withheld, as the Secretary determines to be most appropriate to carry out the purposes of this chapter and to reflect the provisions of chapter 1 applicable to such periods, including taking into account any credits allowable under section 24 or 32.

The Secretary shall provide that any other provision of this section shall not apply to the extent such provision is inconsistent with the provisions of this subsection.

''(2) ELECTION CERTIFICATE.—

''(A) IN GENERAL.—In lieu of a withholding exemption certificate, an employee shall furnish the employer with a signed election certificate and any amended election certificate at such time and containing such information as required under section 60C.

''(B) WHEN CERTIFICATE TAKES EFFECT.—

''(i) FIRST CERTIFICATE FURNISHED.—An election certificate furnished to an employer in cases in which no previous such certificate is in effect shall take effect as of the beginning of the first payroll period ending, or the first payment of wages made without regard to a payroll period, on or after the date on which such certificate is so furnished.

''(ii) REPLACEMENT CERTIFICATE.—An election certificate furnished to an employer which replaces an earlier certificate shall take effect as of the beginning of the 1st payroll period ending (or the 1st payment of wages made without regard to a payroll period) on or after the 30th day after the on which the replacement certificate is so furnished.''.

(c) WAIVER OF REQUIREMENT TO FILE RETURN OF INCOME.—Subsection (a)(1)(A) of section 6012 (relating to persons required to make return of income) is amended by striking ''or'' at the end of clause (iii), by striking the period at the end of clause (iv) and inserting '', or'', and by inserting after clause (iv) the following new clause:

''(v) who is an eligible taxpayer with an election in effect for the taxable year under section 60C.''.

(d) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) The table of parts for subchapter A of chapter 1 is amended by adding at the end the following new item:

''Part VIII. Fair and Simple Shortcut Tax Plan.''.

(2) Section 6654(a) is amended by inserting ''and section 60C(d)'' after ''this section''.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 102. TAX CREDIT FOR EMPLOYER FASST PLAN STARTUP COSTS.

(a) IN GENERAL.—Subpart D of part IV of subchapter A of chapter 1 (relating to business related credits) is amended by adding at the end the following new section:

''SEC. 45E. FASST PLAN EMPLOYER START-UP CREDIT.

''(a) CREDIT ALLOWED.—

''(1) IN GENERAL.—For purposes of section 38, the Fair and Simple Shortcut Tax plan start-up credit determined under this section for the taxable year is an amount equal to the lesser of—

''(A) 50 percent of eligible start-up costs of the taxpayer for the taxable year, or

''(B) $1,000.

''(2) MAXIMUM CREDIT.—The maximum credit allowed with respect to a taxpayer under this subsection for all taxable years shall not exceed the amount determined under paragraph (1) for all taxable years.

''(b) ELIGIBLE START-UP COSTS.—For purposes of this section, the term 'eligible start-up costs' means amounts paid or incurred by an employer (or any predecessor) during the 1 year period beginning on the date on which the employer first employs 1 or more employees with an election in effect under section 60C for the taxable year, in connection with carrying out the withholding requirements of section 3402.

''(c) CREDIT AVAILABLE FOR EACH WORKSITE.—If a taxpayer maintains a separate worksite for employees, such person shall be treated as a single employer with respect to such worksite for purposes of the credit allowable under subsection (a).''.

(b) CONFORMING AMENDMENTS.—

(1) Section 38(b) is amended—

(A) by striking ''plus'' at the end of paragraph (12),

(B) by striking the period at the end of paragraph (13), and inserting a comma and ''plus'', and

(C) by adding at the end the following new paragraph:

''(14) the Fair and Simple Shortcut Tax plan start-up credit determined under section 45E.''.

(2) The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 45E. Fair and Simple Shortcut Tax plan start-up credit.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

TITLE II—PROVISIONS TO SIMPLIFY THE TAX CODE

SEC. 201. REDUCTION IN MARRIAGE PENALTY IN STANDARD DEDUCTION.

(a) IN GENERAL.—Section 63(c)(2) (relating to basic standard deduction) is amended to read as follows:

''(2) BASIC STANDARD DEDUCTION.—For purposes of paragraph (1), the basic standard deduction is—

''(A) 200 percent of the amount under subparagraph (C) for the taxable year, in the case of a joint return or a surviving spouse (as defined in section 2(a)),

''(B) 150 percent of such amount, in the case of a head of household (as defined in section 2(b)), and

''(C) $3,000, in the case of an individual who is not married and who is not a surviving spouse or head of household or a married individual filing a separate return.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 202. ALTERNATIVE MINIMUM TAX EXCLUSION OF SELF-EMPLOYMENT INCOME AND CERTAIN ITEMS OF PREFERENCE AND ADJUSTMENTS.

(a) INCREASED EXEMPTION FOR SELF-EMPLOYMENT INCOME.—Section 55(d)(1) (relating to exemption amount for taxpayers other than corporations) is amended to read as follows:

''(1) EXEMPTION AMOUNT FOR TAXPAYERS OTHER THAN CORPORATIONS.—In the case of a taxpayer other than a corporation, the term 'exemption amount' means the sum of—

''(A) an amount equal to—

''(i) $45,000 in the case of—

''(I) a joint return, or

''(II) a surviving spouse,

''(ii) $33,750 in the case of an individual who—

''(I) is not a married individual, or

''(II) is not a surviving spouse, and

''(iii) $22,500 in the case of—

''(I) a married individual who files a separate return, or

''(II) an estate or trust, and

''(B) an amount equal to the lesser of—

''(i) the self employment income (as defined in section 1402(b)) of the taxpayer for the taxable year, or

''(ii) $1,000,000.

For purposes of this paragraph, the term 'surviving spouse' has the meaning given to such term by section 2(a), and marital status shall be determined under section 7703.''.

(b) EXCLUSION OF CERTAIN ITEMS OF PREFERENCE AND ADJUSTMENTS.—Section 55 (relating to alternative minimum tax imposed) is amended by adding at the end the following new subsection:

''(f) SPECIAL RULE FOR SMALL BUSINESSES.—

''(1) IN GENERAL.—For purposes of this part, in computing the alternative minimum taxable income of a taxpayer to which this subsection applies for any taxable year—

''(A) no adjustments provided in section 56 which are attributable to a trade or business of the taxpayer shall be made, and

''(B) taxable income shall not be increased by any item of tax preference described in section 57 which is so attributable.

''(2) APPLICATION.—

''(A) IN GENERAL.—This subsection shall apply to a taxpayer for a taxable year if the taxpayer is not a corporation and the gross receipts of the taxpayer for the taxable year from all trades or businesses do not exceed $1,000,000.

''(B) SPECIAL RULES.—Rules similar to the rules of paragraphs (2), (3)(B), and (3)(C) of section 448(c) shall apply for purposes of this subsection.''.

(c) CONFORMING AMENDMENTS.—Section 55(d)(3) is amended—

(1) by striking ''paragraph (1)(A)'' and inserting ''paragraph (1)(A)(i)'' in subparagraph (A),

(2) by striking ''paragraph (1)(B)'' and inserting ''paragraph (1)(A)(ii)'' in subparagraph (B),

(3) by striking ''paragraph (1)(C)'' and inserting ''paragraph (1)(A)(iii)'' in subparagraph (C), and

(4) by striking ''paragraph (1)(C)(i)'' and inserting ''paragraph (1)(A)(iii)(I)'' in the second sentence.

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 203. NONREFUNDABLE TAX CREDIT FOR TAX PREPARATION EXPENSES.

(a) IN GENERAL.—Subpart A of part IV of subchapter A of chapter 1 (relating to nonrefundable personal credits) is amended by adding at the end the following new section:

''SEC. 25B. TAX PREPARATION EXPENSES.

''(a) ALLOWANCE OF CREDIT.—In the case of an individual, there shall be allowed as a credit against the tax imposed by this chapter for the taxable year an amount equal to the lesser of—

''(1) 50 percent of the qualified tax preparation expenses of the taxpayer for the taxable year, or

''(2) $100.

''(b) QUALIFIED TAX PREPARATION EXPENSES.—For purposes of this section, the

term 'qualified tax preparation expenses' means expenses paid or incurred during the taxable year by an individual in connection with the preparation of the taxpayer's Federal income tax return for such taxable year, but only if such return is electronically filed. Such term shall include any expenses related to an income tax return preparer.

''(c) DENIAL OF DEDUCTION.—No deduction shall be allowed under this chapter for any amount taken into account in determining the credit under this section.''.

(b) CONFORMING AMENDMENT.—The table of sections for subpart A of part IV of subchapter A of chapter 1 is amended by adding at the end the following new item:

''Sec. 25B. Tax preparation expenses.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenses paid or incurred for taxable years beginning after December 31, 2001.

SEC. 204. EXEMPTION OF CERTAIN INTEREST AND DIVIDEND INCOME FROM TAX.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 (relating to amounts specifically excluded from gross income) is amended by inserting after section 115 the following new section:

''SEC. 116. PARTIAL EXCLUSION OF DIVIDENDS AND INTEREST RECEIVED BY INDIVIDUALS.

''(a) EXCLUSION FROM GROSS INCOME.—In the case of an individual who does not have an election in effect under section 60C for the taxable year, gross income does not include dividends and interest otherwise includible in gross income which are received during the taxable year by such individual.

''(b) LIMITATION.—The aggregate amount excluded under subsection (a) for any taxable year shall not exceed $500 ($1,000 in the case of a joint return).

''(c) CERTAIN DIVIDENDS EXCLUDED.—Subsection (a) shall not apply to any dividend from a corporation which, for the taxable year of the corporation in which the distribution is made, or for the next preceding taxable year of the corporation, is a corporation exempt from tax under section 501 (relating to certain charitable, etc., organization) or section 521 (relating to farmers' cooperative associations).

''(d) SPECIAL RULES.—For purposes of this section—

''(1) TREATMENT OF CERTAIN DIVIDENDS.—

''For treatment of dividends received from regulated investment companies and real estate investment trusts, see sections 854(a), 854(b), and 857(c).

''(2) CERTAIN NONRESIDENT ALIENS INELIGIBLE FOR EXCLUSION.—In the case of a nonresident alien individual, subsection (a) shall apply only—

''(A) in determining the tax imposed for the taxable year under section 871(b)(1) and only in respect of dividends which are effectively connected with the conduct of a trade or business within the United States, or

''(B) in determining the tax imposed for the taxable year under section 877(b).

''(3) DIVIDENDS FROM EMPLOYEE STOCK OWNERSHIP PLANS.—Subsection (a) shall not apply to any dividend described in section 404(k).''.

(b) CONFORMING AMENDMENTS.—

(1) Subparagraph (C) of section 32(c)(5) is amended by striking ''or'' at the end of clause (i), by striking the period at the end of clause (ii) and inserting ''; or'', and by inserting after clause (ii) the following new clause:

''(iii) interest and dividends received during the taxable year which are excluded from gross income under section 116.''.

(2) Subparagraph (A) of section 32(i)(2) is amended by inserting ''(determined without regard to section 116)'' before the comma.

(3) Subparagraph (B) of section 86(b)(2) is amended to read as follows:

''(B) increased by the sum of—

''(i) the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax, and

''(ii) the amount of interest and dividends received during the taxable year which are excluded from gross income under section 116.''.

(4) Subsection (d) of section 135 is amended by redesignating paragraph (4) as paragraph (5) and by inserting after paragraph (3) the following new paragraph:

''(4) COORDINATION WITH SECTION 116.—This section shall be applied before section 116.''.

(5)(A) Subsection (a) of section 246A is amended—

(i) by inserting ''or the exclusion from gross income under section 116,'' after ''245(a)'' in the matter preceding paragraph (1), and

(ii) by inserting ''received by a corporation'' after ''dividend'' in paragraph (1).

(B) Subsection (e) of section 246A is amended by inserting ''or the exclusion from gross income under section 116'' after ''245''.

(6) Paragraph (2) of section 265(a) is amended by inserting before the period '', or to purchase or carry obligations or shares, or to make deposits, to the extent the interest thereon is excludable from gross income under section 116''.

(7) Subsection (c) of section 584 is amended by adding at the end the following new flush sentence:

''The proportionate share of each participant in the amount of dividends or interest received by the common trust fund and to which section 116 applies shall be considered for purposes of such section as having been received by such participant.''.

(8) Subsection (a) of section 643 is amended by redesignating paragraph (7) as paragraph (8) and by inserting after paragraph (6) the following new paragraph:

''(7) DIVIDENDS OR INTEREST.—There shall be included the amount of any dividends or interest excluded from gross income under section 116.''.

(9)(A) Subsection (a) of section 854 is amended by inserting ''section 116 (relating to partial exclusion of dividends and interest received by individuals) and'' after ''For purposes of''.

(B) Paragraph (1) of section 854(b) is amended—

(i) by striking ''subparagraph (A)'' in subparagraph (B) and inserting ''subparagraphs (A) and (B)'',

(ii) by redesignating subparagraph (B) as subparagraph (C), and

(iii) by inserting after subparagraph (A) the following new subparagraph:

''(B) EXCLUSION UNDER SECTION 116.—If the aggregate dividends and interest received by a regulated investment company during any taxable year are less than 95 percent of its gross income, then, in computing the exclusion under section 116, rules similar to the rules of subparagraph (A) shall apply.''.

(C) Paragraph (2) of section 854(b) is amended by inserting ''the exclusion under section 116 and'' after ''for purposes of''.

(10) Subsection (c) of section 857 is amended to read as follows:

''(c) RESTRICTIONS APPLICABLE TO DIVIDENDS RECEIVED FROM REAL ESTATE INVESTMENT TRUSTS.—For purposes of section 116 (relating to partial exclusion of dividends and interest received by individuals) and section 243 (relating to deductions for dividends received by corporations), a dividend received from a real estate investment trust which meets the requirements of this part shall not be considered as a dividend.''.

(11) The table of sections for part III of subchapter B of chapter 1 is amended by inserting after the item relating to section 115 the following new item:

''Sec. 116. Partial exclusion of dividends and interest received by individuals.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

By Mr. WELLSTONE:

S. 553. A bill to help establish and enhance early childhood family education programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. WELLSTONE. Mr. President, today I am introducing legislation that creates a competitive grant program modeled on one of Minnesota's greatest successes in education, the Early Childhood and Family Education program. Let me first mention my gratitude to some of the finest educators my home state has to offer—Betty Cooke, Lois Engstrom, Jackie Anderson, and Don Kramlinger. I would like to also thank Ernie Pines for his vision and spirit and former Minnesota State Senator Jerry Hughes, whose vision for early childhood education in the sixties has led to stronger families today. Of course, I must also thank the many early childhood education coordinators, parent educators, teachers and paraprofessionals in our small rural communities for reaching from within to give parents and their children every opportunity to succeed.

The ECFE program, which has broad bipartisan support in Minnesota, is based on the idea that the family provides a child's first and most important learning environment, and parents are a child's first and most significant teachers. ECFE is a voluntary, center-based, parent-child education program that is open to all families in a school district or locality with children under the age of 5 regardless of cost. It provides concurrent or joint classes for parents and children that include training in parenting skills and children's social, emotional, cognitive and physical development. The classes teach ways for parents to foster strong learning environments for their children and ways to help prepare children for kindergarten. They provide activities geared toward enhancing children's social, emotional, cognitive and physical development and school readiness.

ECFE is not a child care program, but rather offers parents a few hours a week to get the support they need to be better parents and teachers for their children through discussion groups, play activities for kids, parent-child interactive activities, home visits,

early screening for health and developmental problems and community resource referrals.

The program addresses the need of all communities and has been successful in all communities and with all types of families, whether it is dealing with the unique needs of immigrant communities, communities of color, suburban communities, first time families, single parent families, families with members with disabilities, families with a history of abuse and families that for whatever reason, want some extra help and support as they try to be the best parents that they can.

The program in Minnesota has been extraordinarily successful. It is the largest early childhood program in Minnesota and is now offered in districts that together encompass 99 percent of the population of infants and toddlers in the state. 44 percent of all young children and their families participate in the program.

Four different studies of outcomes of the ECFE program have all concluded that ECFE is effective with all types of families. Benefits for children include improved social interactions and relationships, improved social skills, increased self confidence and self-esteem, and improvement in language and communication skills. For parents, ECFE increases the ability to know what is important for children's healthy growth and development over time, improves their confidence and leads to far higher participation in parental involvement activities in elementary school.

A recent study by the Office of Educational Research and Improvement at the United States Department of Education has described the Minnesota ECFE program as an example of the type of program that can provide children and families with ''continuity and [can] ease the critical transition to school.''

The words of parents probably tell the story the best. One parent said, ''when my son throws things, I try to keep it in perspective. I no longer yell and slap. I relax and do not push him all the time. I've learned different ways to discipline.'' Another said, ''Raising a child is a wonderful, awesome and sometimes overwhelming experience. It is a shame that a job so important is generally without adequate preparation. ECFE provides some of that preparation, knowledge and support that is vital to being a good parent. It is not a frill, it is a necessity.''

Recently, I had the opportunity to spend a morning at the South Washington County School's ECFE program. There I met with a group of parents who were committed to being the best parents they could be. I met a father who was learning English, a single mother who was learning child raising skills from other mothers in the class, and a new immigrant from Korea who talked of the isolation she felt before meeting other parents in her community. This program was a model as it combined Early Childhood Family Education with Adult Basic Education giving parents the tools to not only be great parents, but to learn English and obtain their GED as well. These parents told me that ECFE was teaching them to better parent their children.

Last year, the Minnesota Early Care and Education Finance Commission, a non-partisan Commission dedicated to improving the lives of young children in Minnesota, issued a report called ''The Action Plan for Early Care and Education in Minnesota.'' That non-partisan Commission, led by Don Fraser, the former Mayor of Minneapolis, and Bob Caddy issued a challenge to the people of my state when they unequivocally concluded that ''without question, the importance of the parent child relationship must be asserted as a fundamental moral value of our state.'' They asked for a ''new covenant between parents and Minnesota.''

Today I ask for the same between parents and the United States. The need is so clearly established. 40 percent of all American children enter kindergarten unprepared for school. This is unacceptable. We know that children need to be in a stimulating environment to spur the brain development that is critical to intelligence. We know the role that parents can play in creating that environment. ECFE will help with this.

We have an obligation to do more for children. The whole debate around the elementary and secondary education act and our desire to close the achievement gap between poor and more affluent students will be moot if we do not intervene early. The achievement gap is greatest when children start school. If we want children to have an equal start, we have to start with our youngest children. ECFE is not the only answer, but it is one way to meet this covenant so aptly called for in Minnesota, that we have with our parents and our children.

By Mrs. MURRAY (for herself, Ms. COLLINS, Ms. MIKULSKI, Ms. CANTWELL, Mr. COCHRAN, and Mr. CHAFEE):

S. 554. A bill to amend title XVIII of the Social Security Act to expand medicare coverage of certain self-injected biologicals; to the Committee on Finance.

Mrs. MURRAY. Mr. President, today I am pleased to be joined by Senators COLLINS, MIKULSKI, CANTWELL, COCHRAN, and CHAFEE in introducing the Access to Innovation for Medicare Patients Act of 2001. This legislation will give Medicare patients access to innovative medical treatments that are convenient and affordable and will remove a bureaucratic burden to promising new drugs.

For many years, patients with diseases like rheumatoid arthritis, multiple sclerosis, hepatitis C and deep vein thrombosis could only get effective treatments in a doctor's office. This method of drug delivery puts a great burden on patients with limited mobility.

Fortunately, in recent years, new medical technologies have created promising drug treatments that patients can use in their own homes. These drugs don't have to be administered by a doctor. Patients can inject the drugs themselves. So instead of traveling to a doctor's office several times a week, patients can now get the same treatments in their own homes. These new treatments, known as self-injectible biologics, mean patients can save time and have a better quality of life.

Biologics are genetically-engineered proteins that must be infused or injected into a patient to be effective. If swallowed orally, biologics simply pass through the body during the digestion process and are not absorbed into the system. These drugs represent a major breakthrough in disease treatment and management.

Today, many patients with private insurance and those on Medicaid have coverage for many self-injectible biologics. Unfortunately, patients on Medicare do not. Today, Medicare discriminates against these effective medical treatments and patients are feeling the impact.

The time has come to remove this unfair burden and give Medicare patients access to self-injectible biologics. As sponsors of this bill, we believe that Medicare should not discriminate against patients who are treated with the same drugs either in a doctor's office or at home. The bill we are introducing today will correct this mistake and ensure that Medicare patients have access to safe, promising drugs.

Our legislation has been endorsed by the Arthritis Foundation, the American Public Health Association, National Association of Retired Federal Employees, National Council on the Aging, National Farmers Union, National Hispanic Council on Aging, Association of Jewish Aging Services and the Visiting Nurses Associations of America.

I want my colleagues to understand that this bill does not address the broader need for prescription drug coverage overall. Congress still must address that hole in the Medicare system. But this bill does correct a clear mistake in Medicare's payment rules for self-injectible biologics.

This unfair policy has several consequences. First, it prevents patients from getting the treatments they need. The FDA has recently approved several new self injected biologics to treat

rheumatoid arthritis, multiple sclerosis, hepatitis C and deep vein thrombosis. Medicare beneficiaries should have immediate access to these new treatments without delay. Many of these diseases hinder a patient's mobility and quality of life. It is difficult to explain to these patients that in order to have treatments covered they must travel to their physicians office once, twice or even three times a week. Many of these patients are disabled and depend on family or friends for transportation. Patients in rural areas are particularly hurt by this policy, where their doctor may be many miles away. These patients might have to drive 50 or 60 miles a week. For individuals living on fixed income, this policy is especially difficult.

This outdated policy hits women the hardest. As many of my colleagues know, more women are covered by Medicare, and women are twice as likely as men to live with a disabling, chronic condition. Women are also twice as likely as men to live in poverty after age 65. Older women or disabled women simply do not have the same economic resources as men. In addition, many of the illnesses that could be treated with self injected biologics strike women in larger numbers. Rheumatoid arthritis and multiple sclerosis most often affect women. Any policy that limits access to new innovative treatments for rheumatoid arthritis and multiple sclerosis places women at a severe disadvantage.

In addition to the impact this policy has on patients, it also affect drug development. This practice discourages drug companies from offering patients new drugs that are self-injectible. That can hinder innovations and developments in biotechnology research. In the future, companies may choose not to develop self injected biologics. Our policies should promote new drug development, not discourage it.

As you know, the U.S. Senate has voted overwhelmingly to doubling NIH funding to encourage more research, it's one of my top priorities, and we are on track. However, I am troubled that patients on Medicare might not benefit from our efforts. It is counterproductive to invest in medical research, but then deny Medicare beneficiaries the fruits of that investment.

I would like to briefly mention one particular new self-injected biologic treatment that has literally changed the lives of hundreds of RA patients. This particular treatment, Enbrel, took well over 10 years to develop and bring to patients. Since its introduction, however, it has dramatically improved the lives of RA suffers. I have heard from many patients about how Enbrel has allowed them to remain productive and how it has dramatically reduced their daily pain and suffering. Since RA can and does lead to disability, preventing or delaying the disabled effects of this disease means huge economic savings for all of us. Medicare should not discriminate against this new, patient-friendly therapy simply because it is self-injected.

I urge my colleagues to carefully review this legislation and to talk to patients and health providers about how an outdated policy hinders access and discourages innovation and how the measure we are introducing today can give Medicare patients access to innovative drugs.

By Mr. LEAHY (for himself and Mr. HARKIN):

S. 555. A bill to amend the Federal Food, Drug, and Cosmetic Act to require the Secretary of Health and Human Services to establish a tolerance for the presence of methylmercury in seafood, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. LEAHY. Mr. President, last month the Food and Drug Administration issued new consumer guidance, warning pregnant women, women of childbearing age, nursing mothers, and young children not to eat shark, swordfish, king mackerel, and tilefish in order to avoid exposure to methylmercury. I commend the FDA for issuing this guidance, which is important information for the most vulnerable members of our population. Unfortunately, despite acknowledging the problem of mercury contamination in large fish, the FDA still has not revised its so-called ''action level,'' which is important data for consumers and local governments, nor do they enforce this level. There is a lot more to be done to protect the public, and after so many years of delays, we should not wait any longer.

That is why Senator HARKIN and I are introducing important legislation today to promote food safety and protect thousands of Americans, especially pregnant women and young children, from the serious risks of methylmercury. The ''Mercury-Safe Seafood Act of 2001'' requires the Food and Drug Administration to establish a formal tolerance for safe methylmercury levels in seafood. It mandates seafood testing to ensure compliance, along with public education and health advisories to inform the public.

Mercury is a dangerous poison that is still not fully regulated in the United States. According to the Environmental Protection Agency, coal-fired power plants, waste incinerators, and other sources spew 150 tons of mercury into the atmosphere each year. Although new and expected EPA rules address much of this pollution, full compliance and large emission reductions are still years away. Much of this mercury returns to earth with rain to pollute our waterways. It accumulates in fish as methylmercury, especially in large predatory species, and is passed on to the humans who eat these fish. Methylmercury is a powerful neurotoxin that affects the human central nervous system. It is especially harmful to pregnant women, infants, and young children, where even small doses can cause permanent damage to their developing brains and nervous systems.

Last year's comprehensive report by the National Academy of Sciences, ''Toxicological Effects of Methylmercury,'' estimates that 60,000 newborns each year may be at risk from prenatal mercury exposure. Two weeks ago, the Centers for Disease Control released preliminary results from an ongoing study showing that 10 percent of American women may have potentially hazardous levels of mercury. This means that a lot more newborns may be at risk. This is a public health problem we cannot ignore.

Certain commercial seafood species—large predators such as swordfish, shark, mackerel, and tuna—can have dangerously high levels of methylmercury contamination. Food and Drug Administration data throughout the 1990's showed numerous fish samples with high mercury levels, exceeding FDA's own action level and presenting a direct hazard to consumers. FDA stopped testing for mercury in 1998, which means they have no way to enforce their action level. Yet recent testing by independent organizations still shows high mercury levels in some fish species.

FDA's action level of 1.0 part per million was established in 1979 using information from the 1970's, without regard for the greater vulnerability of pregnant women, infants, and children. More recent studies have highlighted the damaging effects of mercury, especially for these populations. In 1997, EPA's ''Mercury Study Report to Congress'' recommended a level five times more strict than FDA's action level, and this was confirmed by last year's National Academy of Sciences report. FDA's current action level, even if there were sampling and enforcement, is not stringent enough to protect the most vulnerable American consumers from mercury.

Last month the General Accounting Office released a report on seafood safety, at the request of Senator HARKIN and Senator LUGAR. That report confirms that FDA has not acted vigorously enough to address the issue of mercury in seafood.

This bill seeks to remedy these problems. It amends the Federal Food, Drug, and Cosmetic Act to require a tolerance level for methylmercury in seafood, with special attention to pregnant women, infants, and children. This will replace FDA's outdated and unenforced action level with a formal tolerance that must be enforced. It

mandates ongoing sampling of mercury levels to ensure compliance. This will restart the testing which FDA stopped three years ago. It mandates public education and health advisories to ensure the public is aware of the new standards and of the risks of mercury contamination in seafood. It requires consideration of last year's National Academy of Sciences report, which clearly shows the need for prompt, strong action. Finally, it authorizes modest appropriations to support not only FDA's sampling and public education but also the efforts of our States to protect our citizens from methylmercury in freshwater fish.

I enjoy fishing and I love eating fish. This legislation is not meant to harm the fishing industry—it is meant to help bring the safest fish to market for the American consumer. Most importantly, this bill will protect pregnant women and young children who may now unknowingly be exposed to high levels of mercury. No one can dispute the science that tells us mercury is toxic and unsafe at certain levels in fish. We need to bring those levels down. But, until we do, we also need to keep the food supply safe for all Americans—especially those most at risk.

We have a responsibility to protect the American public, especially our children. Until such time as mercury emissions are drastically reduced and seafood is no longer contaminated, we must take this action to protect Americans from this dangerous pollutant..

The American Public Health Association has endorsed this bill.

I ask unanimous consent that the text of bill be printed in the RECORD.

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

S. 555

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 ''Mercury-Safe Seafood Act of 2001''.

SEC. 2. FINDINGS.

Congress finds that—

(1) mercury pollution from coal-fired power plants, waste incinerators, and other anthropogenic sources continues to contaminate inland waterways and territorial waters of the United States;

(2) mercury accumulates in fish as methylmercury and is passed on to humans that eat those fish;

(3) methylmercury is a potent neurotoxin that, even in small quantities—

(A) can cause serious damage to the human central nervous system and adverse effects on many other systems in the human body;

(B) is especially harmful to pregnant women and young children; and

(C) puts an estimated 60,000 newborns at risk for adverse neurodevelopmental effects each year in the United States from in utero exposure;

(4) certain commercial seafood species can have dangerously high levels of methylmercury, as evidenced by Food and Drug Administration data acquired in the 1990's, up to the time that the agency discontinued domestic sampling in 1998;

(5) the Food and Drug Administration's long-standing action level of 1.0 parts per million for methylmercury in fish—

(A) is out of date; and

(B) according to scientific evidence, does not adequately protect pregnant women and young children;

(6) the comprehensive Mercury Study Report to Congress issued by the Environmental Protection Agency in December 1997 recommended a methylmercury consumption limit of 0.1 micrograms per kilogram of body weight per day, which is 5 times lower than the Food and Drug Administration's current action level;

(7) the report entitled ''Toxicological Effects of Methylmercury'', issued by the National Academy of Sciences in July 2000, confirmed that the Environmental Protection Agency's limit is ''scientifically justifiable for the protection of public health'';

(8) the report entitled ''Food Safety: Federal Oversight of Seafood Does Not Sufficiently Protect Consumers'', issued by the General Accounting Office in February 2001, highlights the inadequacies of Food and Drug Administration guidance regarding methylmercury in commercial seafood;

(9) many States have been forced to issue mercury advisories for inland waterways and health warnings regarding the fish that may be caught in those waterways; and

(10) some States have also issued mercury advisories for commercial seafood.

SEC. 3. TOLERANCE FOR METHYLMERCURY IN SEAFOOD.

Chapter IV of the Federal Food, Drug, and Cosmetic Act (21 U.S.C. 341 et seq.) is amended—

(1) in section 402(a)(2), by inserting after ''section 512; or'' the following: ''(D) if it is seafood that bears or contains methylmercury that is unsafe within the meaning of section 406A(a); or''; and

(2) by inserting after section 406 the following:

''SEC. 406A. TOLERANCE FOR METHYLMERCURY IN SEAFOOD.

''(a) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Secretary shall by regulation establish a tolerance for the presence of methylmercury in seafood.

''(b) REQUIREMENTS.—The tolerance established under subsection (a) shall—

''(1) be based on a scientific analysis of the health risks attributable to methylmercury; and

''(2) be set at a level for which the Secretary determines that there is a reasonable certainty that no harm will result from aggregate exposure to methylmercury in seafood, including all anticipated dietary exposures for which there is reliable information.

''(c) SEAFOOD DEEMED UNSAFE.—Any seafood bearing or containing methylmercury shall be deemed to be unsafe for purposes of section 402(a)(2)(D) unless the quantity of methylmercury is within the limits of the tolerance.

''(d) PREGNANT WOMEN, INFANTS, AND CHILDREN.—In establishing or modifying the tolerance under subsection (a), the Secretary shall ensure that there is a reasonable certainty that no harm will result to pregnant women, infants, and children from aggregate exposure to methylmercury.

''(e) SAMPLING SYSTEM.—

''(1) IN GENERAL.—Not later than 18 months after the date of enactment of this section, the Secretary, after consultation with the Secretary of Agriculture, shall establish a system for the collection and analysis of samples of seafood to determine the extent of compliance with the tolerance under subsection (a).

''(2) MONITORING.—The sampling system shall provide statistically valid monitoring (including market-basket studies) with respect to compliance with the tolerance.

''(3) AVOIDANCE OF DUPLICATION OF EFFORT.—To the extent practicable, the sampling system shall be consistent with, and shall be coordinated with, other seafood sampling systems that are in use, so as to avoid duplication of effort.

''(f) PUBLIC EDUCATION AND ADVISORY SYSTEM.—

''(1) PUBLIC EDUCATION.—The Secretary, in cooperation with private and public organizations (including cooperative extension services and appropriate State entities) shall design and implement a national public education program regarding the presence of methylmercury in seafood.

''(2) FEATURES.—The program shall provide—

''(A) information to the public regarding—

''(i) Federal standards and good practice requirements; and

''(ii) promotion of public awareness, understanding, and acceptance of the standards and requirements;

''(B) information to health professionals so that health professionals may improve diagnosis and treatment of mercury-related illness and advise individuals whose health conditions place those individuals at particular risk; and

''(C) such other information or advice to consumers and other persons as the Secretary determines will promote the purposes of this section.

''(3) HEALTH ADVISORIES.—The Secretary, in consultation with the Secretary of Agriculture and the Administrator of the Environmental Protection Agency, shall work with the States and other appropriate entities to—

''(A) develop and distribute regional and national advisories concerning the presence of methylmercury in seafood;

''(B) develop standardized formats for written and broadcast advisories regarding methylmercury in seafood; and

''(C) incorporate State and local advisories into the national public education program under paragraph (1).''.

SEC. 4. CONSIDERATION OF REPORT OF NATIONAL ACADEMY OF SCIENCES.

In carrying out section 406A(a) of the Federal Food, Drug, and Cosmetic Act (as added by section 3), the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall consider the findings of the National Academy of Sciences regarding the Environmental Protection Agency's recommended level for methylmercury exposure and the presence of methylmercury in seafood, as such findings are described in the report issued by the National Academy of Sciences in July 2000.

SEC. 5. AUTHORIZATION OF APPROPRIATIONS.

(a) SAMPLING.—There is authorized to be appropriated to carry out sampling under section 406A(e) of the Federal Food, Drug, and Cosmetic Act (as added by section 3) $500,000 for each of fiscal years 2002 through 2011.

(b) PUBLIC EDUCATION AND ADVISORY SYSTEM.—There is authorized to be appropriated to develop and implement the public education and advisory system under section 406A(f) of the Federal Food, Drug, and Cosmetic Act (as added by section 3) $500,000 for each of fiscal years 2002 through 2011.

(c) STATE SUPPORT.—

(1) IN GENERAL.—There is authorized to be appropriated to support efforts of the States to sample noncommercial fish and inland waterways for mercury and to produce State-specific health advisories related to mercury $2,000,000 for each of fiscal years 2002 through 2011.

(2) EQUITABLE DISTRIBUTION.—The Administrator of the Environmental Protection Agency shall distribute amounts made available under paragraph (1) equitably among the States through programs in existence on the date of enactment of this Act.

SEC. 6. REPORT.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Health and Human Services, acting through the Commissioner of Food and Drugs, shall submit to Congress a report on the progress of the Secretary in establishing the tolerance required by section 406A of the Federal Food, Drug, and Cosmetic Act (as added by section 3).

(b) CONTENTS.—The report shall include a description of the research that has been conducted or reviewed with respect to the tolerance.

By Mr. JEFFORDS (for himself, Mr. LIEBERMAN, Ms. COLLINS, Mr. SCHUMER, Ms. SNOWE, Mrs. FEINSTEIN, Mr. LEAHY, Mrs. CLINTON, Mr. KERRY, Mr. DODD, Mr. TORRICELLI, Mr. CORZINE, Mr. KENNEDY, Mr. REED, and Mrs. BOXER):

S. 556. A bill to amend the Clean Air Act to reduce emissions from electric powerplants, and for other purposes; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, today I am here to announce the introduction of the Clean Power Act of 2001 which reduces emissions from power plants of the four primary air pollutants. These four pollutants, nitrogen oxides, sulfur dioxide, mercury, and carbon dioxide are the major cause of the nation's most serious public health and environmental problems: smog, soot, acid rain, mercury contamination, and global warming. The Clean Power Act set standards for these four serious pollutants that are both cost-effective and technologically feasible.

The 1970 Clean Air Act, and its subsequent amendments, were enacted to improve the quality of our nation's air. This was a major milestone in environmental legislation. I was proud to be one of the principle negotiators of the 1990 amendments to the Clean Air Act. Those were important steps to take to improve the quality of our Nation's air and since that time we have made significant headway in that direction. Although current legislation sets standards for nitrogen oxides and sulfur dioxide, they are at levels that we now know are far too high to protect us from the devastating effects of resulting smog, acid rain, and increased respiratory disease. Currently, there is no standard for carbon dioxide pollution, the primary greenhouse gas responsible for global warming, and no standard for mercury emissions, a dangerous pollutant linked to cognitive and developmental ailments in children and responsible for fish advisories in forty states. Therefore, there is still much to be done to protect the quality of our nation's air and now is the time to take the next step.

Electric generating power plants are our nation's single largest source of air pollution and greenhouse gas emissions. Annual power plants emissions are responsible for 64 percent of the nation's sulfur dioxide, or 13 million tons, 26 percent of the nitrogen oxides, or 6 million tons, 40 percent of the carbon dioxide, that's over 2 billion tons, and 52 tons of mercury.

Updating electric power plants represent the most cost-effective way to reduce emissions of nitrogen oxides and sulfur dioxide. Many of the most polluting power plants were exempt from stringent controls imposed by the original Clean Air Act and today, after more than 30 years, they are still in use. As a result, these outdated power plants can emit between 10 and 100 times the amount of nitrogen oxides and sulfur dioxide pollution emitted by a modern power plant.

Sulfur dioxide fine particle pollution for U.S. power plants cuts short the lives of over 30,000 people each year. Ground-level ozone smog triggers over 6.2 million asthma attacks each summer in the eastern United States alone; another 160,000 people are sent to the emergency room and 53,000 are hospitalized due to smog induced respiratory distress. The National Academy of Sciences' National Research Council has concluded that over 60,000 children are born in the U.S. each year at risk for adverse neurodevelopmental effects due to in utero exposure to mercury. Over forty states have issued fish consumption advisories to mitigate this threat. Power plants are our nation's largest unregulated source of mercury emissions.

Fortunately, we now have technologies available that will permit power plants to reach the levels set in the Clean Power Act. The nitrogen oxides, sulfur dioxide and mercury reductions are set at levels in the Clean Power Act that are known to be cost effective with available technologies. The Clean Power Act will allow power plants to use market-oriented mechanisms in order to reach these much needed emissions standards for nitrogen oxides, sulfur dioxide and carbon dioxide. Therefore, with new technologies at our disposal and trading mechanisms providing flexibility to the utilities, we no longer need to compromise the health of our great nation; neither it's citizens nor it's environment. We only need the will to act.

By Mr. DOMENICI (for himself and Mr. BINGAMAN).

S. 557. A bill to clarify the tax treatment of payments made under the Cerro Grande Fire Assistance Act; to the Committee on Finance.

Mr. DOMENICI. Mr. President, this is a simple bill that stands for the proposition that when the Federal Government burns your house down it is not a taxable event.

I can't believe any member of this chamber would argue that the Federal Government is so hard up for revenue that it would try to tax the very payment that it makes to someone whose home, business, and community it burned down.

Let me summarize the events:

The Park Service decided to start a fire—a so-called ''controlled burn.''

The Park Service didn't follow its own guidelines regarding when it is safe to conduct a controlled burn.

They lit a fire when the rules were clear that they shouldn't.

The fire raged out of control and burned 48,000 acres.

It burned down hundreds of homes, and businesses.

No dispute that this fire should never have been set.

Congress passed a bill to compensate the victims for their losses.

When Congress passed the Cerro Grande Fire Assistance Act we were assured that the FEMA payments to the victims of the Cerro Grande Fire would not be taxed under current law.

Well, apparently there are some in the IRS who now have a different view.

While it only took Congress 50 days from the day the fire was lit to the day legislation creating the claims process was signed into law, it has taken the IRS at least seven months to answer pretty basic questions, and the best they can offer is that people have extra time to file their income taxes.

These victims should be paid. They should rebuild their lives and the IRS shouldn't be trying to tax the payments that are intended to put them back to the same place they were on the day before the Park Service lit the fire.

I hope my colleagues will support me in expeditiously passing this bill.

By Mr. MCCAIN (for himself, Mr. DASCHLE, Mr. INOUYE, Mr. BAUCUS, and Mr. CAMPBELL):

S. 558. A bill to amend the Internal Revenue Code of 1986 to provide tax credits for investment in Indian reservation economic development, and for other purposes; to the Committee on Finance.

Mr. MCCAIN. Mr. President, I am pleased to introduce legislation, along with my colleagues, Senators DASCHLE, INOUYE, BAUCUS and CAMPBELL, to foster economic investment, development, and growth in Native American communities. This legislation would establish investment tax credits that will serve to attract private sector investments on Indian reservations.

As a nation, the United States ranks third in entrepreneurial activity

among the world's leading economies. The level of entrepreneurial activity in the country remains strong despite recent fluctuations in the market. However, what also remains are deep pockets of poverty in our country that have not substantially improved along with the economic growth that has swept the rest of our Nation, and those areas include Native American reservations.

During my tenure in the Congress, I have worked on various legislative initiatives to help Indian tribes address the problems and barriers they face in attracting private sector activity onto reservation areas. Indian country, both historically and at the present time, cannot successfully compete with other areas in attracting businesses due to the unique issues affecting Indian country, such as jurisdictional complexities, taxation, and infrastructure deficits. Most Indian communities continue to struggle to provide basic jobs, infrastructure, housing and telephone service to tribal members.

Some of my colleagues might only be aware of the handful of Indian tribes that have been successful in generating economic revenues through gaming activities. However, for the majority of Indian tribes, the main economic activity is the kind generated by federal or tribal government employment. I understand why this is the case, but I also believe that free enterprise must be allowed to flow freely on Indian lands as it does in the rest of our nation.

By their very nature, governments, including tribal governments, simply are not good at running businesses. I know this is acknowledged by many tribes, who, consistent with their cultural traditions, have created tribal corporations or cooperative ventures that mix private sector business with tribal principles. I believe that private investment needs to be encouraged on Indian reservations if we are to see a significant improvement in the economies of Indian tribes.

The investment tax credits we are proposing today are geared specifically to Indian reservations where there is economic need. The full credit is available to those reservations whose Indian unemployment rate exceeds the Nation's average unemployment by 300 percent. One-half of the credit is available on reservations where the unemployment rate is 150 to 300 percent of the national average. No investment tax credit is provided where the Indian unemployment rate is less than 150 percent of the national average. The bill is restricted to non-gaming related economic activity, which would prevent the investment from being used for development and/or operation of gaming establishments on Indian reservations.

While this legislation may not be the panacea for all the economic ills afflicting Indian reservations today, I believe that the adoption of a specific program of Indian tax incentives would be a critical step toward the goal of providing Indian tribal governments with the opportunity to strengthen their economies.

In previous Congresses, I have offered amendments to the federal tax code to create incentives for private sector investment on Indian reservations and remove inequities in the tax code so that tribal governments can enjoy the same tax benefits accorded other nontaxable government entities. I have offered these provisions, not to provide an advantage to Indians, but merely to give them the same kind of tax incentives and benefits the Congress has given other economically depressed areas and other units of government. We have been successful in enacting a few measures, but given the extremely underdeveloped economies of Native American communities, I believe we should enact these additional tax incentives.

My colleagues and I are sponsoring this measure today because we believe these investment tax credits are necessary to reach out to those tribal communities that do not have the economic advantage of living near a booming metropolitan area, or do not enjoy the benefits of Indian gaming revenue. We believe that a strategy of tax incentives such as this legislation proposes is the most effective way that the federal government can act to stimulate reservation economic development. Tax incentives do not depend for their effectiveness on the actions of federal bureaucracies that are often slow-moving and unimaginative. The incentives are usable only by viable businesses ready and able to invest in Indian communities, which will consequently foster a strong entrepreneurial environment on Native American reservations.

I look forward to working with my respective colleagues on both sides of the aisle to enact this important legislation. I ask unanimous consent that the text of bill be printed in the RECORD.

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

S. 558

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 ''Indian Reservation Economic Investment Act of 2001''.

SEC. 2. INVESTMENT TAX CREDIT FOR PROPERTY ON INDIAN RESERVATIONS.

(a) ALLOWANCE OF INDIAN RESERVATION CREDIT.—Section 46 of the Internal Revenue Code of 1986 (relating to investment credits) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by adding after paragraph (3) the following new paragraph:

''(4) the Indian reservation credit.''.

(b) AMOUNT OF INDIAN RESERVATION CREDIT.—

(1) IN GENERAL.—Section 48 of such Code (relating to the energy credit and the reforestation credit) is amended by adding after subsection (b) the following new subsection:

''(c) INDIAN RESERVATION CREDIT.—

''(1) IN GENERAL.—For purposes of section 46, the Indian reservation credit for any taxable year is the Indian reservation percentage of the qualified investment in qualified Indian reservation property placed in service during such taxable year, determined in accordance with the following table:

"In the case of qualified Indian reservation property which is—	The Indian reservation percentage is—
Reservation personal property	10
New reservation construction property.	15
Reservation infrastructure investment.	15

''(2) QUALIFIED INVESTMENT IN QUALIFIED INDIAN RESERVATION PROPERTY DEFINED.—For purposes of this subpart—

''(A) IN GENERAL.—The term 'qualified Indian reservation property' means property—

''(i) which is—

''(I) reservation personal property;

''(II) new reservation construction property; or

''(III) reservation infrastructure investment; and

''(ii) not acquired (directly or indirectly) by the taxpayer from a person who is related to the taxpayer (within the meaning of section 465(b)(3)(C)).

The term 'qualified Indian reservation property' does not include any property (or any portion thereof) placed in service for purposes of conducting or housing class I, II, or III gaming (as defined in section 4 of the Indian Gaming Regulatory Act (25 U.S.C. 2703)).

''(B) QUALIFIED INVESTMENT.—The term 'qualified investment' means—

''(i) in the case of reservation infrastructure investment, the amount expended by the taxpayer for the acquisition or construction of the reservation infrastructure investment; and

''(ii) in the case of all other qualified Indian reservation property, the taxpayer's basis for such property.

''(C) RESERVATION PERSONAL PROPERTY.—The term 'reservation personal property' means qualified personal property which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation. Property shall not be treated as 'reservation personal property' if it is used or located outside the Indian reservation on a regular basis.

''(D) QUALIFIED PERSONAL PROPERTY.—The term 'qualified personal property' means property—

''(i) for which depreciation is allowable under section 168;

''(ii) which is not—

''(I) nonresidential real property;

''(II) residential rental property; or

''(III) real property which is not described in subclause (I) or (II) and which has a class life of more than 12.5 years.

For purposes of this subparagraph, the terms 'nonresidential real property', 'residential rental property', and 'class life' have the respective meanings given such terms by section 168.

''(E) NEW RESERVATION CONSTRUCTION PROPERTY.—The term 'new reservation construction property' means qualified real property—

''(i) which is located in an Indian reservation;

''(ii) which is used by the taxpayer predominantly in the active conduct of a trade or business within an Indian reservation; and

''(iii) which is originally placed in service by the taxpayer.

''(F) QUALIFIED REAL PROPERTY.—The term 'qualified real property' means property for which depreciation is allowable under section 168 and which is described in subclause (I), (II), or (III) of subparagraph (D)(ii).

''(G) RESERVATION INFRASTRUCTURE INVESTMENT.—

''(i) IN GENERAL.—The term 'reservation infrastructure investment' means qualified personal property or qualified real property which—

''(I) benefits the tribal infrastructure;

''(II) is available to the general public; and

''(III) is placed in service in connection with the taxpayer's active conduct of a trade or business within an Indian reservation.

''(ii) PROPERTY MAY BE LOCATED OUTSIDE THE RESERVATION.—Qualified personal property and qualified real property used or located outside an Indian reservation shall be reservation infrastructure investment only if its purpose is to connect to existing tribal infrastructure in the reservation, and shall include, but not be limited to, roads, power lines, water systems, railroad spurs, and communications facilities.

''(H) COORDINATION WITH OTHER CREDITS.—The term 'qualified Indian reservation property' shall not include any property with respect to which the energy credit or the rehabilitation credit is allowed.

''(3) REAL ESTATE RENTALS.—For purposes of this section, the rental to others of real property located within an Indian reservation shall be treated as the active conduct of a trade or business in an Indian reservation.

''(4) INDIAN RESERVATION DEFINED.—For purposes of this subpart, the term 'Indian reservation' means—

''(A) a reservation, as defined in section 4(10) of the Indian Child Welfare Act of 1978 (25 U.S.C. 1903(10)), or

''(B) lands held under the provisions of the Alaska Native Claims Settlement Act (43 U.S.C. 1601 et seq.) by a Native corporation as defined in section 3(m) of such Act (43 U.S.C. 1602(m)).

''(5) LIMITATION BASED ON UNEMPLOYMENT.—

''(A) GENERAL RULE.—The Indian reservation credit allowed under section 46 for any taxable year shall equal—

''(i) if the Indian unemployment rate on the applicable Indian reservation for which the credit is sought exceeds 300 percent of the national average unemployment rate at any time during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years, 100 percent of such credit;

''(ii) if such Indian unemployment rate exceeds 150 percent but not 300 percent, 50 percent of such credit; and

''(iii) if such Indian unemployment rate does not exceed 150 percent, 0 percent of such credit.

''(B) SPECIAL RULE FOR LARGE PROJECTS.—In the case of a qualified Indian reservation property which has (or is a component of a project which has) a projected construction period of more than 2 years or a cost of more than $1,000,000, subparagraph (A) shall be applied by substituting 'during the earlier of the calendar year in which the taxpayer enters into a binding agreement to make a qualified investment or the first calendar year in which the taxpayer has expended at least 10 percent of the taxpayer's qualified investment, or the preceding calendar year' for 'during the calendar year in which the property is placed in service or during the immediately preceding 2 calendar years'.

''(C) DETERMINATION OF INDIAN UNEMPLOYMENT.—For purposes of this paragraph, with respect to any Indian reservation, the Indian unemployment rate shall be based upon Indians unemployed and able to work, and shall be certified by the Secretary of the Interior.

''(6) COORDINATION WITH NONREVENUE LAWS.—Any reference in this subsection to a provision not contained in this title shall be treated for purposes of this subsection as a reference to such provision as in effect on the date of the enactment of this paragraph.''.

(2) LODGING TO QUALIFY.—Paragraph (2) of section 50(b) of such Code (relating to property used for lodging) is amended by striking ''and'' at the end of subparagraph (C), by striking the period at the end of subparagraph (D) and inserting ''; and'', and by adding at the end the following subparagraph:

''(E) new reservation construction property.''.

(c) RECAPTURE.—Subsection (a) of section 50 of such Code (relating to recapture in case of dispositions, etc.), is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULES FOR INDIAN RESERVATION PROPERTY.—

''(A) IN GENERAL.—If, during any taxable year, property with respect to which the taxpayer claimed an Indian reservation credit—

''(i) is disposed of; or

''(ii) in the case of reservation personal property—

''(I) otherwise ceases to be investment credit property with respect to the taxpayer; or

''(II) is removed from the Indian reservation, converted, or otherwise ceases to be Indian reservation property,

the tax under this chapter for such taxable year shall be increased by the amount described in subparagraph (B).

''(B) AMOUNT OF INCREASE.—The increase in tax under subparagraph (A) shall equal the aggregate decrease in the credits allowed under section 38 by reason of section 48(c) for all prior taxable years which would have resulted had the qualified investment taken into account with respect to the property been limited to an amount which bears the same ratio to the qualified investment with respect to such property as the period such property was held by the taxpayer bears to the applicable recovery period under section 168(g).

''(C) COORDINATION WITH OTHER RECAPTURE PROVISIONS.—In the case of property to which this paragraph applies, paragraph (1) shall not apply and the rules of paragraphs (3), (4), and (5) shall apply.''.

(d) BASIS ADJUSTMENT TO REFLECT INVESTMENT CREDIT.—Paragraph (3) of section 50(c) of such Code (relating to basis adjustment to investment credit property) is amended by striking ''energy credit or reforestation credit'' and inserting ''energy credit, reforestation credit, or Indian reservation credit other than with respect to any expenditure for new reservation construction property''.

(e) CERTAIN GOVERNMENTAL USE PROPERTY TO QUALIFY.—Paragraph (4) of section 50(b) of such Code (relating to property used by governmental units or foreign persons or entities) is amended by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following new subparagraph:

''(D) EXCEPTION FOR RESERVATION INFRASTRUCTURE INVESTMENT.—This paragraph shall not apply for purposes of determining the Indian reservation credit with respect to reservation infrastructure investment.''.

(f) APPLICATION OF AT-RISK RULES.—Subparagraph (C) of section 49(a)(1) of such Code is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) the qualified investment in qualified Indian reservation property.''.

(g) CLERICAL AMENDMENTS.—

(1) Section 48 of such Code is amended by striking the heading and inserting the following:

"SEC. 48. ENERGY CREDIT; REFORESTATION CREDIT; INDIAN RESERVATION CREDIT.".

(2) The table of sections for subpart E of part IV of subchapter A of chapter 1 is amended by striking the item relating to section 48 and inserting the following:

''Sec. 48. Energy credit; reforestation credit; Indian reservation credit.''.

(h) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service after December 31, 2001.

By Mr. ALLARD:

S. 559. A bill to reform the financing of Federal elections; to the Committee on Rules and Administration.

Mr. ALLARD. Mr. President, I realize that I am not going out on a limb here, but I want to say this: I support Campaign Finance Reform. To that end, today I am introducing the Campaign Finance Integrity Act of 2001.

My bill would:

Require candidates to raise at least 50 percent of their contributions from individuals in the state or district in which they are running.

Equalize contributions from individuals and political action committees, PACs, by raising the individual limit from $1000 to $2500 and reducing the PAC limit from $5000 to $2500.

Index individual and PAC contribution limits for inflation.

Reduce the influence of a candidate's personal wealth by allowing political party committees to match dollar for dollar the personal contribution of a candidate above $5000.

Require corporations and labor organizations to seek separate, voluntary authorization of the use of any dues, initiative fees or payment as a condition of employment for political activity, and requires annual full disclosure of those activities to members and shareholders.

Prohibit depositing an individual contribution by a campaign unless the individual's profession and employer are reported.

Encourage the Federal Election Commission to allow filing of reports by fax machines and other emerging technologies and to make that information accessible to the public on the Internet less than 24 hours of receipt.

Ban the use of taxpayer financed mass mailings.

This is common sense campaign finance reform. It drives the candidate back into his district or state to raise money from individual contributions. It has some of the most open, full and timely disclosure requirements of any other campaign finance bill in either the Senate or the House of Representatives. I strongly believe that sunshine is the best disinfectant.

The right of political parties, groups and individuals to say what they want

in a political campaign is preserved—but the right of the public to know how much they are spending and what they are saying is also recognized. I have great faith that the public can make its own decisions about campaign discourse if it is given full and timely information.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 25—HONORING THE SERVICE OF THE 1,200 SOLDIERS OF THE 48TH INFANTRY BRIGADE OF THE GEORGIA ARMY NATIONAL GUARD AS THEY DEPLOY TO BOSNIA FOR NINE MONTHS, RECOGNIZING THEIR SACRIFICE WHILE AWAY FROM THEIR JOBS AND FAMILIES DURING THAT DEPLOYMENT, AND RECOGNIZING THE IMPORTANT ROLE OF ALL NATIONAL GUARD AND RESERVE PERSONNEL AT HOME AND ABROAD TO THE NATIONAL SECURITY OF THE UNITED STATES

Mr. MILLER (for himself and Mr. CLELAND) submitted the following concurrent resolution; which was considered and agreed to:

S. CON. RES. 25

Whereas on February 2, 2001, 1,200 National Guard citizen-soldiers of the 48th Infantry Brigade of the Georgia Army National Guard were activated at Fort Stewart, Georgia, as one of the last official steps before the brigade departs for a nine-month deployment in Bosnia;

Whereas this brigade of Georgia Guardsmen represents the largest such deployment of National Guard personnel in support of the North Atlantic Treaty Organization peace-keeping mission in Bosnia and is the largest mobilization of Georgia National Guard personnel since Operation Desert Storm in 1991;

Whereas the deploying soldiers have been involved in training for their mission in Bosnia since early December and will depart for Bosnia throughout March, with the last elements scheduled to depart on March 22;

Whereas the Georgia Guardsmen have been ordered to active duty for a period of 270 days and are not expected to return home until October 2001 at the earliest;

Whereas the more than 1,200,000 citizen-soldiers who comprise the National Guard and Reserve components of the Armed Forces nationwide commit significant time and effort in executing their important role in the Armed Forces; and

Whereas these National Guard and Reserve citizen-soldiers serve a critical role as part of the mission of the Armed Forces to protect the freedom of United States citizens and the American ideals of justice, liberty, and freedom, both at home and abroad: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) honors the service and commitment of the 1,200 citizen-soldiers of the 48th Infantry Brigade of the Georgia Army National Guard as they depart for Bosnia for a deployment of nine months;

(2) honors the sacrifices made by the families and employers of these individuals during their time away from home;

(3) recognizes the critical importance of the National Guard and Reserve components to the security of the United States; and

(4) supports providing the necessary resources to ensure the continued readiness of the National Guard and Reserve.

AMENDMENTS SUBMITTED AND PROPOSED

SA 104. Mrs. CLINTON (for herself and Mr. HATCH) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes.

SA 105. Mr. LEAHY proposed an amendment to the bill S. 420, supra.

SA 106. Mr. HATCH (for himself and Mr. LEAHY) proposed an amendment to the bill S. 420, supra.

SA 107. Mr. ENSIGN (for himself and Mr. REID) proposed an amendment to the bill S. 420, supra.

SA 108. Mrs. BOXER proposed an amendment to the bill S. 420, supra.

SA 109. Mr. GRASSLEY proposed an amendment to the bill S. 420, supra.

TEXT OF AMENDMENTS

SA 104. Mrs. CLINTON (for herself and Mr. HATCH) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At page 80, on line 25, after ''resides)'' insert the following: '', land the holder of the claim,''.

SA 105. Mr. LEAHY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 138, line 19, strike ''5-year'' and insert ''3-year''.

SA 106. Mr. HATCH (for himself and Mr. LEAHY) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 187, line 20, strike ''(25)'' and insert ''(24)''.

On page 187, line 21, strike ''(26)'' and insert ''(25)''.

On page 191, strike line 25 and insert the following:

(2) in subsection (i), as so redesignated, by inserting ''and subject to the prior rights of holders of security interests in such goods or the proceeds thereof,'' after ''consent of a creditor,''; and

On page 192, line 1, strike ''(2)'' and insert ''(3)''.

On page 199, line 4, strike ''through (5)'' and insert ''and (4)''.

On page 255, line 8, strike ''(26)'' and insert ''(25)''.

On page 255, line 10, strike ''(27)'' and insert ''(26)''.

On page 278, line 9, strike ''(28)'' and insert ''(27)''.

On page 281, line 23, strike ''(28)'' and insert ''(27)''.

On page 347, line 21, strike ''to, under'' and insert ''to and under''.

On page 347, line 24, strike ''to, under'' and insert ''to and under''.

On page 348, line 13, strike ''to, under'' and insert ''to and under''.

On page 348, line 17, strike ''(27)'' and insert ''(26)''.

On page 348, line 19, strike ''(28)'' and insert ''(27)''.

On page 349, line 8, strike ''to, under'' and insert ''to and under''.

On page 349, line 21, strike ''(28)'' and insert ''(27)''.

On page 361, line 23, strike ''(28)'' and insert ''(27)''.

On page 362, lines 4 and 8, strike ''(28)'' each place it appears and insert ''(27)''.

On page 385, line 10, strike '', including'' and insert ''. If the health care business is a long-term care facility, the trustee may appoint''.

On page 385, line 13, add at the end the following: ''In the event that the trustee does not appoint the State Long-Term Care Ombudsman to monitor the quality of patient care in a long-term care facility, the court shall notify the individual who serves as the State Long-Term Care Ombudsman of the name and address of the individual who is appointed.''.

On page 386, line 12, insert after the first period the following: ''If the individual appointed as ombudsman is a person who is also serving as a State Long-Term Care Ombudsman appointed under title III or title VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq., 3058 et seq.), that person shall have access to patient records, consistent with authority spelled out in the Older Americans Act and State laws governing the State Long-Term Care Ombudsman program.''.

On page 388, line 4, strike ''(28)'' and insert ''(27)''.

On page 388, line 6, strike ''(29)'' and insert ''(28)''.

On page 394, strike lines 9 through 13.

Redesignate sections 1220 through 1223 as sections 1219 through 1222, respectively.

On page 397, strike line 16 and all that follows through page 398, line 12.

On page 405, line 13, strike ''after'' and insert ''prior to''.

On page 406, line 5, strike ''after'' and insert ''prior to''.

Redesignate sections 1225 through 1236 as sections 1223 through 1234, respectively.

Amend the table of contents accordingly.

SA 107. Mr. ENSIGN (for himself and Mr. REID) proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On pase 400, insert between lines 10 and 11 the following:

(T) One additional bankruptcy judgeship for the district of Nevada, and one for the district of Delaware.

SA 108. Mrs. BOXER proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

On page 10, line 14, after ''right'' insert ''or public'' and

On page 10, line 17, after ''necessary'' insert '', and that such expenses are not already accounted for in the Internal Revenue Service Standards referred in section 707(b)(2) of this title.''

SA 109. Mr. GRASSLEY proposed an amendment to the bill S. 420, to amend title II, United States Code, and for other purposes; as follows:

At the end of the bill, add the following:

TITLE XV—MISCELLANEOUS PROVISIONS

SEC. 1501. REIMBURSEMENT OF RESEARCH, DEVELOPMENT, AND MAINTENANCE COSTS.

(a) IN GENERAL.—Not later August 1, 2001, the Federal Crop Insurance Corporation shall promulgate final regulations to carry out section 522(b) of the Federal Crop Insurance Act (7 U.S.C. 522(b)), without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the ''Paperwork Reduction Act'').

(b) CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.—In carrying out this section, the Corporation shall use the authority provided under section 808 of title 5, United States Code.

(c) EFFECTIVE DATE.—The final regulations promulgated under subsection (a) shall take effect on the date of publication of the final regulations.

Amend the table of contents accordingly.

NOTICE OF HEARING

COMMITTEE ON INDIAN AFFAIRS

Mr. CAMPBELL. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, March 22, 2001, at 2 p.m., in room 485 of the Russell Senate Office Building to conduct a hearing to discuss the goals and priorities of the Member Tribes of the National Congress of the American Indians for the 107th Congress.

Those wishing additional information may contact Committee staff at 202/224–2251.

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION, AND RECREATION

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that an oversight hearing has been scheduled before the Subcommittee on National Parks, Historic Preservation, and Recreation of the Committee on Energy and Natural Resources. The purpose of this oversight hearing is to review the National Park Service's implementation of management policies and procedures to comply with the provisions of Titles I, II, III, V, VI, VII, and VIII of the National Parks Omnibus Management Act of 1998.

The hearing will take place on Thursday, March 29, 2001, at 10 a.m., in room SD–628 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SRC–2, Russell Senate Office Building, Washington, DC 20510–6150.

For further information, please contact Jim O'Toole or Shane Perkins of the Committee staff at (202) 224–1219.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON BANKING, HOUSING, AND URBAN AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to conduct a markup of S. 149, the Export Administration Act of 2001.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, March 15, 2001, at 9:30 a.m., pending committee business.

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

COMMITTEE ON ENERGY AND NATIONAL RESOURCES

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Thursday, March 15, at 9 a.m., to conduct a hearing. The committee will receive testimony on S. 26, a bill to amend the Department of Energy Authorization Act to authorize the Secretary of Energy to impose interim limitations on the cost of electric energy to protect consumers from unjust and unreasonable prices in the electric energy market, S. 80, California Electricity Consumers Relief Act of 2001, and S. 287, a bill to direct the Federal Energy Regulatory Commission to impose cost-of-service based rates on sales by public utilities of electric energy at wholesale in the western energy market, and amendment No. 12 to S. 287.

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

COMMITTEE ON FINANCE

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to hear testimony on Preserving and Protecting Family Business Legacies.

Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session of the Senate on Thursday, March 15, 2001, to hear testimony on Living Without Health Insurance: Solution to the Problem.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, March 15, 2001, at 10:30 a.m., and 2 p.m., to hold two hearings.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. HATCH. Mr. President, I ask unanimous consent that the Governmental Affairs Committee be permitted to meet on Thursday, March 15, 2001, at 9:30 a.m., for a hearing regarding High Performance Computer Export Controls.

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

COMMITTEE ON THE JUDICIARY

Mr. HATCH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, March 15, 2001, after the first rollcall vote in the President's Room.

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. HATCH. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure of the Committee on Environment and Public Works be authorized to meet on Thursday, March 15, 2001, at 9:30 a.m., on Army Corps of Engineers management reforms.

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

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Mr. President, I ask unanimous consent that Colleen Hermann of my staff be granted the privilege of the floor for today's debate.

The ACTING PRESIDENT pro tempore. Without objection, it is so ordered.

HONORING THE 48TH INFANTRY BRIGADE OF THE GEORGIA ARMY NATIONAL GUARD

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of S. Con. Res. 25, submitted earlier today by Senators MILLER and CLELAND.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 25) honoring the service of the 1,200 soldiers of the 48th Infantry Brigade of the Georgia National Guard as they deploy to Bosnia for 9 months, recognizing their sacrifice while away from their jobs and families during that deployment, and recognizing the important role of all National Guard and Reserve personnel at home and abroad to the national security of the United States.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to and the motion to reconsider be laid upon the

table and that any statements relating thereto be placed in the RECORD at the appropriate place as if read, with no intervening action or debate.

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

The concurrent resolution (S. Con. Res. 25) was agreed to.

The preamble was agreed to.

(The text of the concurrent resolution is located in today's RECORD under ''Submitted Resolutions.'')

DESIGNATING MARCH 25, 2001, AS ''GREEK INDEPENDENCE DAY: A NATIONAL DAY OF CELEBRATION OF GREEK AND AMERICAN DEMOCRACY''

Mr. SESSIONS. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of S. Res. 20, which was reported by the Judiciary Committee.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 20) designating March 25, 2001, as ''Greek Independence Day: A National Day of Celebration of Greek and American Democracy.''

There being no objection, the Senate proceeded to consider the resolution.

Mr. SESSIONS. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and, finally, that any statements relating to the resolution be printed in the RECORD.

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

The resolution (S. Res. 20) was agreed to.

The preamble was agreed to.

(The text of the resolution is located in the RECORD of February 14, 2001, under ''Submitted Resolutions.'')

ORDERS FOR MONDAY, MARCH 19, 2001

Mr. SESSIONS. On behalf of the leader, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 12 noon on Monday, March 19.

I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business until 1 p.m., with Senators speaking therein for up to 10 minutes each, with the following exceptions: Senator DURBIN, or his designee, 12 noon to 12:30 p.m.; Senator MURKOWSKI, 12:30 to 12:50 p.m.; Senator THOMAS, or his designee, 12:50 to 1 p.m.

I further ask that following morning business, the Senate begin consideration of S. 27, the campaign finance reform bill, as under the previous order.

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

PROGRAM

Mr. SESSIONS. For the information of all Senators, the Senate will convene at 12 noon on Monday and be in a period of morning business until 1 p.m. Following morning business, the Senate will begin consideration of the campaign finance reform bill. Under the previous order, there will be up to 3 hours of debate on all first-degree amendments, with a vote on or in relation to the amendments to occur following the use or yielding back of time. Amendments are possible on Monday, and therefore votes are expected. However, any votes ordered on Monday will be postponed to occur at 5 p.m.

All Members should be aware that the next 2 weeks will be extremely busy, and everyone should expect votes throughout the day and evening.

ORDER FOR ADJOURNMENT

Mr. SESSIONS. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order following the remarks of Senator BIDEN and Senator REID of Nevada.

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

The Senator from Delaware is recognized.

THE BANKRUPTCY BILL WILL NOT DISADVANTAGE WOMEN AND CHILDREN

Mr. BIDEN. Mr. President, I know my colleagues are accustomed to seeing me leave the Chamber 5 minutes after the last vote to catch a train to go home. As a colleague said today when I indicated I was going to speak this evening, they are sorry to see I am not on the train today. They are very happy that I commute every day.

The reason I am speaking at this time is that I did not want to postpone the vote on the bankruptcy bill which, I might add, to state the obvious, passed overwhelmingly, with overwhelming bipartisan support. Only 14 Democrats voted against it and 1 Republican, as I best counted. So this was an overwhelming vindication of the point that this bill is at least thought by the vast majority of the Senate in both parties to be a fair and equitable bill.

But I want to go into some detail on this point, and it will take me somewhere in the range of 10 to 15 minutes to do it. This is the one portion of the bill that particularly Democratic colleagues most asked me about: Are women and children disadvantaged by the new bankruptcy law we passed today, assuming it becomes law after conference and is signed by the President? The resounding answer is: No.

When some in the credit industry came to me and asked for my support for this legislation early on, I indicated I would be unable to support the legislation as initially proposed several years ago. I thought it required some significant changes. And not to my surprise, but to my satisfaction, there was little or no opposition to the proposed changes with which I was most concerned. I want to thank Christian Cabral, who is with me this evening on the floor, for putting together the material I asked for, which I am about to speak to, which will demonstrate just how much better off women receiving alimony or support payments are under the new proposed legislation, which just passed out of here with 83 votes, than they are with the present law.

As I have indicated, I have heard a lot in recent days about how this bill lacks compassion—specifically, that it will hurt women and children who depend on alimony or child support. The critics claim that by making sure more money is paid back to other creditors, this bill will make it harder for women and children to get payments that should be coming to them through alimony and child support.

Mr. President, I am particularly proud of my record in protecting women and children during my 28-year career in the Senate. I am most proud of my work in drafting and passing the Violence Against Women Act, to protect women who are victims of domestic violence and all violence. I am also proud of my work to track down and hold responsible deadbeat dads.

As long ago as 1992, I was on the Senate Democratic task force for child support enforcement. While I was chairman of the Senate Judiciary Committee, we enacted two major child support initiatives. As far as I am concerned, this bill is an extension of years of work on my part and others' to protect and enhance family support enforcement.

I am here today to show that, contrary to a lot of the rhetoric we have heard tossed around on this floor over the last couple weeks, this bill actually improves the situation of women and children who depend upon child support. I specifically would like to speak to how this bill targets the problems they now face under the current bankruptcy law and turns the bankruptcy system into a virtual extension of the current national family support collection system.

S. 420, the bill we just passed, is so far superior to current law that the National Child Support Enforcement Association, representing 60,000 child support professionals, supports it. These are the people from Salt Lake City to Wilmington, DE, in their family courts

or whatever you call them in your respective States, who have the job of collecting support that is ordered by the court or agreed to in a settlement by a father for his children. Sometimes it is a mother, but overwhelmingly it is the father who has a support requirement to take care of the financial needs of the children who are with the mother. These are 60,000 child support professionals, hardly harsh people.

The National Council for Child Support Directors supports the legislation we just passed.

S. 420 is so far superior to current law that the National Association of Attorneys General supports this law. The association's letter of support is personally signed by 27 State attorneys general.

The attorney general of the State of Vermont endorses the family support protection in this legislation.

The attorney general of Minnesota endorses this law, along with the attorneys general of Illinois, Massachusetts, California, Montana, North Carolina, Michigan, Maryland, Iowa, Hawaii, and Washington.

S. 420, the bill we passed tonight, is so far superior to current law that the National District Attorneys Association, representing more than 7,000 local prosecutors, supports this legislation.

In particular, California embraces this bill, the California Family Support Council, whose 2,500 enforcement professionals carry out the child support program in California. The California District Attorneys Association, consisting of elected district attorneys from each and every one of California's 58 counties and over 2,500 deputy district attorneys—they all support this bill that we were told is so heartless to children and women.

Support enforcement professionals west of the Mississippi support this bill. The Western Interstate Child Support Enforcement Council, composed of child support professionals from the private as well as the public sector west of the Mississippi, wanted this bill passed.

Finally, the corporation counsel of the City of New York supports the domestic support provisions. Yes, even New York City loves this bill.

Why has this legislation earned such overwhelming support from professionals who are out in the field, who are in the trenches trying to collect money from regular dads and deadbeat dads who owe child support for their children or alimony to their wives if this is such a compassionless bill? They support it because the system is broken and this bill fixes it.

When a deadbeat dad files for bankruptcy under the current system, what happens to mom and the kids? If the dad is actually making payments, those payments stop. They stop now. That is right, the payments stop cold. Mom then has to find a lawyer or a government advocate, take time off from work, go to the bankruptcy court, and try to get those payments started again.

When she goes to court, her claim may not be heard that day, so she will have to return again. If she is late, she will miss her day in court. In the meantime, the kids are getting no support payments.

This bill changes all that. She will be paid, and her children will get their child support payments while every other creditor has to wait for the bankruptcy court proceedings to unfold. This is a major improvement over current law.

Rather than putting women at a disadvantage, this bill empowers women. It gives them a say in the bankruptcy proceedings relating to her absent spouse. Once a father is under a bankruptcy plan and he fails to make his support payments, a mother can march to bankruptcy court and ask the court to dismiss his bankruptcy plan.

The court will call the dad back to explain himself. He does not want to make payments during the bankruptcy plan: that is what he says. That is how it was before. He did not have to do it before. Fine. He can be thrown out of bankruptcy and find himself back at square one.

Under current law, when the dad's bill collectors show up in the bankruptcy court, mom has to fight with them over the child support.

In asserting her claim, she is not the No. 1 collector in the line, nor No. 2, 3, 4, or 5. She is No. 7 in line, the seventh to be paid. The current code handicaps her at the starting line by permitting other bill collectors to beat her in the race to get dad's assets.

Why is this so important? As a practical matter, she does not have to find room in her hectic schedule to make an appearance in bankruptcy court, an intimidating place for most people. She can go to work without interrupting her day. She can run her errands. She can pick up her kids from school and, under this bill, she will automatically be first in line for her support and alimony claim. She will continue to receive her payments during the bankruptcy proceeding.

When we pass this bill, she does not have to work her way through the bankruptcy system; the system will work its way for her, not against her.

Another provision added to this bill in the managers' package was the moment the husband declares bankruptcy, the bankruptcy court is required to file with and notify, immediately, the spouse. So just in case the old man had not mentioned that he has these payments and there is not a record of it, she knows immediately. The court is required to notify the spouse if he files for bankruptcy.

The system will work for the mother. That is the beauty of the bill. It is self-executing. The provisions to be added to the bankruptcy code will function automatically, and that is vital. Women who do not have a lawyer to help them will be most helped by this aspect of the bill.

Under the current code, they have to get an attorney, go to court and assert their claims, and, again, they are No. 7 when they assert their claims.

There are other important ways in which this bill will remove real obstacles to justice that exist in the current bankruptcy law. This bill not only lifts the stay on support payments in bankruptcy—let me emphasize that.

The husband goes into Delaware and files for bankruptcy. What immediately happens is a stay on all the payments he makes occur. The family court wonders why he ''ain't'' paying. They automatically stay the payment when they get a notice that he has filed for bankruptcy. Bankruptcy can go on for weeks, months—a long time. In the meantime, what does that mother do? How does she feed her children if, in fact, that is her primary source of income for her children?

That is how it works now. That is how it works now in almost every State.

I have an order in my pile of papers. I will refer to the order.

In my home State of Delaware, a woman went to court and requested a restraining order against her abusive husband. He had already filed for bankruptcy. Incredibly, the judge found that under the current bankruptcy code, a proceeding for a domestic abuse restraining order is automatically stayed.

Did my colleagues hear what I just said? This is a woman who says she is being abused. She wants an order to keep her abusive husband away from her. The husband has filed for bankruptcy, and the court finds that under the current bankruptcy code, a proceeding for a domestic abuse restraining order is automatically stayed ''by operation of law.''

All those folks who stand on the floor—and I heard them lecture me about how abusive this law is—do not understand the present system and the part we are trying to correct and what we do correct in this bill. That is right. We have judges out there right now who look at today's bankruptcy code and find that filing bankruptcy stops all other proceedings. They find we have failed to write an exception for proceedings such as those for domestic violence. They find their hands are tied.

Then they send a woman in here to get the bankruptcy court to lift the automatic stay so she can go back into court and get a stay to keep the abusive husband away from her. This bill permits that restraining order to go forward, while the current law does not do that.

If anyone thinks it is fair, if anyone prefers this state of affairs—and I know the Presiding Officer does not—I guess you will think we passed a bad bill. Personally, I am proud of this bill. I am surprised opponents failed to take note of the important improvements this bill has made for women and children. If they have their way in a conference or when it comes back here, women and children in this country depending on alimony and child support will be robbed of real protections we have in this bill. I think that would be a crime.

This is another way the bill provides women with the resources and the influence they now lack under the current bankruptcy code. Section 219 of the bill requires the U.S. bankruptcy trustee to notify a woman of her rights to use the services of her State child support enforcement agency, and gives her the agency's address and phone number the moment the husband files. Better yet, the trustee, likewise, notifies the agency independently of the woman's claim.

That is striking. The bankruptcy judge is now, if we pass this law, required to notify the child support agency of what is going on, in addition to the woman. A woman who needs help will get information they need because the bankruptcy system is charged with reaching out to family support professionals, acting under the family Federal support collection law, which I helped pass, and putting them at the service of women and children who need these services.

This last item needs stressing because so much has been made about what will happen after someone who owes family support payments comes out of bankruptcy. The claim is that ''a more powerful creditor will push women and children aside and strip the dad bare before he can make any payments to his family.'' That makes for a very moving story. However, it is plain, ordinary fiction. As one of our former colleagues used to say, with his great sense of humor, Senator Simpson of Wyoming, how many times through the years I served on this floor with him in the Judiciary Committee, and he turned and said: I understand the gentleman is entitled to his own opinion, but he is not entitled to his own facts. He is not entitled to his own facts.

The facts are, that after the bankruptcy payment is made, after they have worked out if they are in a chapter 7, afterwards, the bankruptcy trustee is required to notify both the woman and the family support collection professionals about the dad's release from bankruptcy, his last known address, the name and address of his employer, and a list naming all of the bill collectors that will still be there trying to collect from dad. This section helps mother both during and after bankruptcy. The new notification procedures will help a mother and the support enforcement agencies keep track of the father, where he is working, and what other bills he is required to pay. Because of this monitoring, which would be put in place by the bankruptcy system under this bill, mothers and collection agencies can more easily go to court and get that portion of the father's wages that now belong to them. Dad may complete his bankruptcy plan, but his obligations to mom will not stop.

These new procedures guarantee that family support claims of women and children will always receive No. 1 priority during and after bankruptcy. The process for obtaining a portion of the father's wages, through a wage attachment, already guarantees priority to women and children over all other collectors, whoever they are.

Under the wage attachment, the money is taken out of his paycheck before he even sees it. He can't be forced ''by powerful creditors'' to choose between them and his alimony or child support. These payments are automatic. Again, the picture of the greedy bill collector, rushing in front, elbowing mom out of line, and the starving children, is a dynamic story-telling device, but it is only that—story telling. It is a plain story. As I said, quoting my friend from Wyoming, everyone is entitled to their own opinion, but not their own facts.

Even if a father does not earn wages, support enforcement agencies still have many tools to ensure that the mother and children get paid. Support enforcement agencies can intercept taxes, unemployment benefits, revoke driver's license, professional recreational licenses, deny passports, institute criminal and contempt proceedings. All of this she is unable to do now because she doesn't know where dad took off to but the bankruptcy court is required, even after he works out a bankruptcy, to tell her, and tell her who the collectors are. That is why, even compared to any imaginary powerful creditor you might be able to conjure up, mother and children have real, tangible, protections and resources at their disposal to bring a first priority claim against father's wages after bankruptcy, or anything else dad has.

Finally, let me conclude where I began, with the enthusiasm for this legislation that we have heard from the folks in the trenches. This is what the National Association of Attorneys General asserts. The bill ''improves the treatment of domestic support obligations,'' and when the current code ''obstacles are removed, as this legislation seeks to accomplish, we believe that our State and local support enforcement offices will continue to be able to collect those moneys effectively, regardless of whether the lower priority creditors remain.''

The National District Attorneys Association, with more than 7,000 local prosecutors in their membership, is convinced that women and children will not be disadvantaged by this bill. ''To the contrary, support collectors have vastly more effective, and meaningful, collection readiness before a bankruptcy case is filed, or after the case is completed, than any other financial institution. It is under the current law, during bankruptcy, that support collectors have the greatest difficulty, because they are in competition with all other creditors for bankruptcy estate assets and because their most effective collection remedies have been stayed. This legislation provides a major improvement to the problems facing child support creditors in bankruptcy proceedings.''

I worked very hard to see that many of these things got in the bill. I support enthusiastically the reform that enforcement professionals call for from New York City to California, from Minnesota to Vermont, from Massachusetts to Michigan. I want to save women and children from having to fight their way through a broken bankruptcy system, and even if they get there, they end up seventh in line. I want to make some system work for them and not against them. I believe all those who voted for this bill today voted to do just that. That is why I so strongly supported the bill.

YUGOSLAV FORCES ENTER THE BUFFER ZONE

Mr. BIDEN. Mr. President, I rise today to discuss the agreement concluded this week under which NATO is allowing limited, selected units of the armed forces of Yugoslavia to reenter a part of the so-called Ground Safety Zone in extreme southern Serbia, opposite the southeastern tip of Kosovo.

This decision, which I consider to be a wise one, was prompted by the escalating violence of three loosely organized ethnic Albanian guerilla groups, which collectively call themselves the ''Liberation Army of Preševo, Medvedja, and Bujanovac'', or UCPMB.

These insurgents have taken advantage of the unintended military vacuum in the GSZ to operate with virtual impunity and take control of much of the small border area.

In this context, it is important to note that NATO's decision was quickly followed by a one-week cease-fire agreement between the rebels and the Yugoslav Government.

The Ground Safety Zone was created in the Preševo Valley as part of the Military-Technical Agreement concluded in June 1999 at the end of Operation Allied Force, the Kosovo Air War. It is a five-kilometer-wide strip, which was intended to separate the NATO-led troops occupying Kosovo from the Yugoslav Army and Serbian police in Serbia proper.

In the last half-year the situation has changed fundamentally. Slobodan Milošević, the authoritarian war-criminal who was responsible for starting four bloody wars in eight years, was deposed last October after he tried to thwart the will of the Yugoslav electorate.

Although some of his successors have extreme nationalist backgrounds of their own and, in the case of Yugoslav President Koštunica, often voice rather other-worldly anti-American pronouncements, they are democrats and represent a significant break with Milošević.

Therefore, NATO believes that the troops under its command in Kosovo no longer must fear attacks from Yugoslav units across the border in Serbia proper. In short, NATO, through this week's agreement, has given an important, if limited, vote of confidence in the new administration in Belgrade.

Again, this ground security zone, which coincidentally, as I know the Presiding Officer knows, is an area of southern Serbia bordering Kosovo which is predominantly Albanian. We did not put that ground security zone there because we were worried about the Albanian extremists, although we worry about them. We put it there so you wouldn't have the Serbian Army under Milošević's command facing off border to border with NATO forces. That is why it was put there.

In the meantime, there is no evidence that the KLA, the Kosovo Liberation Army, and its former leaders, Mr. Hashim Thaci and Mr. Ramush Haradinaj, are involved in these raids going on in that area of the Presevo Valley.

In light of that, when I spoke to Major General George W. Casey, who is in charge of Camp Bondsteel and the KFOR forces in that sector, about a month ago, he proposed two things: One, that the Serbs have to come up with a political solution to deal with the plight of the Albanians living in Serbia who are denied political representation. In the meantime, we had to think about working out an agreement whereby in at least part of the Ground Safety Zone, we would allow patrols by the Serbian military to stop the infiltration of these renegade Albanian guerrilla forces who are seemingly not united, but who could cause the spark for a new war in the region.

Meanwhile, the UCPMB attacks have grown bolder, and small groups of ethnic Albanian gunmen have begun attacks in the Former Yugoslav Republic of Macedonia, just across from southern Kosovo.

This latter outbreak of violence stems from local conditions, not the least of which is common criminality. Although the two insurgencies are fundamentally different—the ethnic Albanians in Macedonia have full rights and are represented in the highest levels of the national government—there has been a steady stream of smuggling of arms between the two areas. Moreover, this smuggling route goes directly through the sector of the GSZ that is to be re-occupied. NATO obviously hopes that one beneficial aspect of this week's agreement will be the interdiction of this smuggling route.

Incidentally, I believe that the Bush Administration made a mistake by refusing to go along with the proposal by our British allies for entry of KFOR troops into the Groud Safety Zone to help pacify the area.

Here I must underscore that the overall plan for the Preševo Valley is not a purely military one. It has an important civilian component, worked out by Serbian Deputy Prime Minister Čović. I will return to that aspect in a few minutes.

Several articles in today's press have given sketchy outlines of what has been agreed upon. I believe, however, that since American troops are directly involved in this new situation, it would be wise to go into greater detail for the benefit of the Members of this chamber and for American citizens.

First of all, the GSZ, Ground Safety Zone, has not been narrowed or otherwise reduced. The Commander of KFOR intends to permit certain forces of the Federal Republic of Yugoslavia, popularly known as the FRY, to enter the small Sector C, East, of the GSZ on specified dates and times.

The presence of FRY forces is subject to the authorization of the KFOR Commander, who retains the right to revoke his authorization in the event of a violation of the specified terms and conditions. Now to the most important specific military conditions in the agreement.

First, no FRY forces or authorities will be permitted to enter Kosovo. The agreement applies only to the GSZ in Serbia proper.

Second, no FRY or Serbian irregular or paramilitary forces are to enter the GSZ. Only regular forces are involved.

I will not take the time, but there is a gigantic difference between the regular FRY forces and the paramilitary forces that were responsible for the horrible damage and the horrible atrocities in Kosovo and other places.

Third, several categories of equipment and weapons systems are prohibited from the sector to be re-occupied by FRY units, and are not to be used to fire into Kosovo.

They include: tanks, helicopters, towed and self-propelled artillery, multiple launch rocket systems, mortars greater than eighty-two millimeters, anti-tank guns and guided missiles, and cannon greater than thirty millimeter caliber, anti-aircraft and air defense weapons systems, and mines and booby-traps of all types.

I am sorry to go into such detail, but it is important that this be in the RECORD.

Fourth and finally, FRY forces and authorities will at all times respect and ensure fundamental human rights and will abide by the provisions of all international humanitarian law conventions and covenants and the Geneva Convention. Monitoring of FRY forces will be conducted by the European Union.

NATO has insisted that the commanding officers of the FRY forces going back into the GSZ must not have been involved in any of the atrocities committed in Kosovo in 1998 and 1999.

Nonetheless, today's New York Times reported that the returning forces included General Pavković, the Chief of the General Staff of the Yugoslav Army, and General Lazarević, the head of the national paramilitary police, both of whom compiled a record of brutality in Kosovo two years ago.

Upon hearing this, my staff contacted U.S. Ambassador William Montgomery, who was on the scene in the Preševo Valley, to ascertain what had happened.

His report illustrates both the progress in democratization that Serbia and Yugoslavia have made, and also how much more there is to do in that regard.

Serbian Deputy Prime Minister Covic—as I said, who I met with for hours and is a democrat and a decent man—had been given authority to set up a special military unit to conduct the reentry of Yugoslav forces into the small southernmost area of the Ground Safety Zone.

He placed in charge a general, with loyal subordinates, all of whom were not associated with the brutality in Kosovo 2 years ago.

And, in fact, as of this morning there has not been any real violations of the cease-fire by either side.

Now comes the intrigue that illustrates the split in the Belgrade Government. Without informing anyone in advance, General Pavkovic went down to the Presevo Valley and went into the Ground Safety Zone in a white jeep—in a white jeep, like some tinhorn dictator—stayed about an hour to assert his authority as Chief of the General Staff of the Army, and then left.

Deputy Prime Minister Covic, a decent man about whom I will shortly speak, was apparently livid. In a press interview he snapped: ''The dogs of war must go, no matter how important the positions they occupy''—obviously referring to the Chief of the General Staff of the Army who rode around in his white jeep like some tinhorn dictator.

We should not kid ourselves. Milosevic is gone from power, but many of his most important henchmen in the military and the police are trying to hang on to their posts.

I hope, and expect, that President Kostunica—who personally emphasized his commitment to constitutional government to me 2 months ago in Belgrade—will shortly dismiss General

Pavkovic, and General Lazarevic, and other military leaders who have Kosovar blood on their hands. President Kostunica must realize that this is a litmus test for Yugoslav democracy.

Mr. President, earlier I mentioned the so-called Covic Plan, drawn up by the Deputy Prime Minister of Serbia.

In January, I had a lengthy meeting with Mr. Covic and his senior advisors. I judge him to be a genuine democrat who can be trusted.

In fact, he already has won the grudging confidence of most ethnic Albanians in the Presevo Valley with whom he has been in negotiations.

The Covic Plan has six fundamental elements, which are intended to create long-term stability, but keep the Presevo Valley as part of Serbia.

First, Serbia and the FRY commit to solving the crisis by political and diplomatic means.

Second, there will be no special status or border changes for Presevo, Medvedja, and Bujanovac. I am getting good at these names, but not good enough, Mr. President.

Third, there will be no constitutional changes. Ethnic Albanians in the area will be integrated into the existing system.

Fourth, representatives of human rights organizations and the media will have free access to the area.

Fifth, both the Serbian and ethnic Albanian sides in the area will demilitarize.

And sixth, and most important, the ethnic Albanians will be integrated into the political, economic, and social systems of the Presevo Valley—in other words, the new government in Belgrade pledges to reverse the shameful discrimination and persecution of ethnic Albanians in the area carried out by Milosevic and his thugs.

Mr. President, NATO's move this week was calculated, and it was a two-part gamble. First, we are betting that the new government in Belgrade has made a clean break with the ruthless, racist, and exploitative policies of Milosevic.

Second—and this is probably more of a stretch—we are hoping that the majority of ethnic Albanian guerillas will permanently lay down their weapons if they see that Covic and his plan are being implemented in good faith and is producing tangible results.

I should add that if the Serbian and Yugoslav authorities meet their part of the bargain, we should be ready to provide economic and humanitarian assistance to the Presevo Valley.

Mr. President, one, or even both of these gambles may not pan out. If that happens, we, in concert with our allies, will have to recalibrate our policies.

But in the highly complex and emotionally charged current situation, this agreement is, I believe, a risk necessary to take.

As I have said innumerable times on this floor and elsewhere, the stakes for the United States in creating stability in the Balkans are too high for us to walk away from this problem.

Either we remain intimately engaged politically, militarily, and economically or, I am firmly convinced, at some future date we will have to go back into a newly devastated Balkan area with a much higher cost.

I thank the Chair, and I thank the pages. I thank the staff. I thank everybody for indulging me until 7:20 at night. But, Mr. President, I think it is vitally important that we all know what we are undertaking in the Presevo Valley and what we are undertaking in Kosovo. I am convinced we have no choice but to proceed as we have.

I thank the Chair and yield the floor.

The PRESIDING OFFICER. I thank the Senator from Delaware.

ADJOURNMENT UNTIL MONDAY, MARCH 19, 2001

The PRESIDING OFFICER. The Senate stands in adjournment until Monday, March 19, 2001, at 12 noon.

Thereupon, the Senate, at 7:26 p.m., adjourned until Monday, March 19, 2001, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate March 15, 2001:

DEPARTMENT OF COMMERCE

KENNETH I. JUSTER, OF THE DISTRICT OF COLUMBIA, TO BE UNDER SECRETARY OF COMMERCE FOR EXPORT ADMINISTRATION, VICE WILLIAM ALAN REINSCH, RESIGNED.

EXTENSIONS OF REMARKS

TRIBUTE TO REBECCA EVERS

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize 18-year-old Rebecca Denise Evers of Bayfield High School. Rebecca is the very first recipient in the school's history to receive the Boettcher Scholarship award. For this, Mr. Speaker, I would like the United States Congress to honor her.

She is one of 40 students statewide to receive this honor. The Boettcher Scholarship is recognized as the most prestigious private scholarship in the state of Colorado. Rebecca is one of 820 applicants and one of 72 finalists. For the honor, Rebecca had to finish in the top five percent of her class and have an ACT score of 27 or a 1,200 SAT score. Selections are based on academics, extracurricular leadership and involvement and character.

According to Rebecca's teachers, she is an energetic, hardworking, and caring young woman as well as an outstanding student, an exceptionally talented athlete, and is dedicated to helping others and contributing to her community. ''She's an excellent student,'' said Paula Carron, her fifth grade teacher. ''She was self motivated, happy, cheerful, and willing to help other people.''

Rebecca is involved in many different activities. She is involved with the National Honor Society, the Future Business Leaders of America, the El Pomar Youth and Community Service Organization, and is her class president.

Rebecca was instrumental in the organization and implementation of Peer Helpers at Bayfield High School. She has dedicated several hours a week during the past two years helping many of her classmates solve personal problems as well as adjusting to high school life. She somehow has also found to time to excel at volleyball, basketball and track.

Mr. Speaker, it is students like Rebecca Evers who take our mind off of all the negative and tragic events in our nation's schools, and focus on all the positives. Rebecca is truly someone who can be looked up to by young people everywhere.

CENTRAL NEW JERSEY RECOGNIZES POLICE CHIEF JAMES T. MALETTO

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of James T. Maletto, retiring Chief of Police in West Long Branch, N.J. Over the last nearly four decades, Chief Maletto has made tremendous contributions to our community through his commitment to law enforcement in this part of New Jersy's 12th Congressional District.

James Maletto's distinguished career with the West Long Branch police department began in 1964, following his honorable discharge from the army one year earlier, when Jim was made a Special Police Officer. Shortly after being promoted to the rank of Sergeant, James, in an act of bravery befitting his office, helped to thwart a May 1972 armed robbery at a local gas station. After wounding one of the perpetrators in a shoot-out and aiding in the successful apprehension of the robbers, Sgt. Maletto received an official Commendation from West Long Branch's mayor, Henry Shaeen, in addition to being awarded the title of Man of the Year by the West Long Branch Chamber of Commerce, and a medal and citation for bravery by P.B.A. Local 141.

After being promoted to Sergeant and then to Lieutenant in 1985, James became Chief of the West Long Branch Police Department in 1991. During his tenure as the town's top law enforcement official, Chief Maletto supervised the institution of West Long Branch's D.A.R.E., Bike, and Explorer programs. Chief Maletto's tenure also saw the hiring of his department's first female officer.

Chief Maletto's other positions and accomplishments have included membership in West Long Branch's Fire Company No. 2, presidency of the P.B.A. Local No. 141, membership in the International and New Jersey state chiefs associations, as well as service as Regional Representative of the New Jersey Traffic Officers Association. Chief Maletto's efforts were also instrumental in the Court sanctioning of the Radar Unit as a reliable tool for gauging motor vehicle speeds.

James Maletto is truly a great asset to both Central New Jersey and our nation. I urge all my colleagues to join me today in recognizing his thirty-six years of dedication to law enforcement and in congratulating him on his upcoming retirement.

HONORING MARGE SHORTWAY

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. ROUKEMA. Mr. Speaker, I rise to call my colleagues' attention to Marge Shortway, a close friend of mine and one of the most prominent political and business figures in Hawthorne, New Jersey. Her dedication as a notable leader of the business community and the civic community has been widely reported throughout the district.

The former Marge Holmes met her future husband, Harry Shortway, in elementary school—she attended the White School House and later Franklin Elementary School. The couple married in March 1936, after both dropped out of high school to take hard-to-find jobs in the middle of the Depression. She went to work in a Hawthorne hosiery mill while her husband worked as an inspector at the Curtiss-Wright Corp. in Wood-Ridge and volunteered as a Hawthorne Borough firefighter. The couple eventually raised 11 children—six boys and five girls—in their Hawthorne home. Marge is the proud grandmother of 39 and great-grandmother to 46.

Marge soon found herself working for her father-in-law, Tunis Shortway, who converted his former horse barn into a bar—appropriately known as ''Shortway's Barn''—in 1933. The Barn was a true tavern in those days, with sawdust on the floor on Friday nights, and turtle races and arm wrestling brought in over the years to attract patrons. Marge was always there, working to help the family as a waitress, cook, bartender and manager.

Harry Shortway and his brother, Anthony ''Tex'' Shortway, took over the business after their father died in 1942. Harry bought out his brother in 1952 and continued to run the Barn as a bar until his death in 1981. At that pointed, Marge took over, adding more dining tables and re-establishing the bar as the family restaurant it is today.

As tavern or restaurant, Shortway's Barn has long been a Hawthorne landmark. Marge, herself, became a landmark and a revered leader in the community. Shortway's is such a prominent fixture of local life that it was the setting for several scenes in Pride and Loyalty, a criminal suspense thriller by local filmmaker Kenneth Del Vecchio.

Life in the large Shortway family centers around the Barn. The family has always held its holiday meals there—there were too many children, wives, husbands and grandchildren to fit into one house—and the staff has always been primarily family members. The tradition continues today with five of Marge's children working at the restaurant.

While best known as the owner of Shortway's Barn, Marge has been active in a variety of roles in the community. She has supported many charities and is a prominent member of the Chamber of Commerce. As a leader of the Hawthorne Republican Club and a member of the Borough Council for the past 12 years, Marge is considered by many to be the matriarch of the local Republican Party.

Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me in thanking Marge Shortway for her many years of hard work and dedication to her community. She has been a leading citizen and a role model. We need more like her.

REINTRODUCTION OF THE BROKEN PROMISES RETIREE HEALTH COVERAGE ACT OF 2001

HON. GERALD D. KLECZKA

OF WISCONSIN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KLECZKA. Mr. Speaker, I am reintroducing legislation today, entitled the Broken Promises Retiree Health Coverage Act, which would assist our nation's retirees who face the unexpected loss of health care benefits promised by a former employer.

Thousands of hard-working retirees have been forced to cope with sudden cancellations and reductions of their health coverage over the past several years. In my hometown of Milwaukee, 750 retirees were left high and dry when the Pabst Brewing Company shut down its operations and cancelled retiree health coverage in 1996. Although they went to court and finally won a nominal prescription drug benefit, the loss of promised health coverage was a serious blow to their financial security. This treatment is not what retirees should get in exchange for many years of loyal service to their employer.

More recent events in Milwaukee underscore the pressing need for this legislation. Earlier this month, a bankruptcy court judge's decision left an additional 490 Milwaukee-area retirees plus their spouses and dependents of bankrupt Outboard Marine Corporation without any employer-promised health insurance.

Unfortunately, reports indicate that this problem will only get worse. Last year, the number of large firms with 500 or more employees offering health coverage for pre-Medicare-eligible retirees fell from 35 percent to 31 percent. This alarming statistic proves that coverage loss is not an isolated incident, but part of a disturbing national trend. As I reintroduce this measure in the 107th Congress, I renew my commitment to providing meaningful support to the retired workers and their families across the nation who have or will experience the tremendous loss of retiree health coverage.

My legislation would establish a safety-net for retirees. First, the bill would require employers to give at least six months notice to retirees about their impending loss of health coverage so retirees may be more prepared to handle the coverage loss, and if possible, seek other insurance options. To ensure the cancellations or reductions are lawful, the U.S. Department of Labor must certify that any changes to retiree health benefits meet the requirements of the collective bargaining agreement. Second, the bill ensures that health care options remain for those retirees over 55 by allowing retirees to either buy into the Medicare program or buy into their former employer's current health coverage plan until they turn 65 and become eligible for Medicare. Lastly, the bill would allow retirees, who did not sign up for Medicare or Medigap when they turned 65 years old, to apply for the programs without late-enrollment penalties.

Mr. Speaker, this legislation is critical to the retirement security of all American workers. I urge my colleagues to show their support for retired workers and their families by cosponsoring this bill.

TRIBUTE TO CHIEF KARL JOHNSON

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I wanted to ask that we all pause for a moment to remember Karl Johnson, a leader in the community of Grand Junction, Colorado who recently passed away at age 86. Karl spent 32 years of his life protecting the citizens of Grand Junction as a police officer. It is this life of service to his community, state and nation that I would now like to honor.

From 1954 to 1974, Karl served as the chief of police. During his 20 years he closed the door on corrupt activities and brought respect back to his police department. "He ran a tight ship and no scandals and that wasn't true of those before him," said Frank Spieker, a former Mesa County district attorney. It was no easy task to keep the department scandal-free for two decades, but according to Bob Evers, he was the leading force in restoring integrity to his department.

At the time Karl was police chief, there wasn't a Police Academy in the state of Colorado. Karl worked with the FBI to put on training sessions of officers in his department and from surrounding agencies. "He was a bit ahead of his time in that respect," said Vincent Jones, the FBI agent based on Grand Junction at the time.

Chief Johnson's yeoman's work in the Police Department was just one of many ways he served his community, said Terry Farina, who worked with him as a district attorney. After his retirement from the police department, Karl went on to win a seat on the city council and spent a year as mayor.

Mr. Speaker, Karl was a man of great character whose leadership and integrity left an impact on the Grand Junction Police Department that can still be felt today. For that, we are grateful.

It is clear, Mr. Speaker, that Grand Junction is a better place because of Karl's service. Though he will be missed greatly, Karl will not soon be forgotten.

CENTRAL NEW JERSEY RECOGNIZES OFFICER JACK BRYDEN

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today in recognition of Police Officer Jack Bryden of the Ewing Township Police Department, who was recently named Police Officer of the Year by the Kiwanis Club of Ewing. Throughout his nearly three decades of service to the people of Central New Jersey, Officer Bryden has made significant contributions to our community through his professional interaction with its many grateful citizens.

After 6 years of distinguished service in the United States Navy, aboard both the U.S.S. *George Washington* and the U.S.S. T.A. *Edison*, Jack Bryden was appointed to the Ewing Township Police Department in 1973. During his career in the Ewing Police Department's Patrol Division, Officer Bryden has served as a firearms instructor. He is now assigned as an information officer and often acts as citizens' first contact with the police department.

Officer Bryden's professionalism and valor above and beyond the call of duty have made him the recipient of volumes of commendation letters for outstanding performance. As a result of his willingness to assist the public in all aspects of his interaction with those he protects, Jack has also received a number of letters of appreciation from community members. One of the crowning achievements of Officer Bryden's illustrious career was his aid in rescuing four people from a smoke-filled apartment and extinguishing of the potential blaze within, actions that demonstrate his courage in the line of duty. Jack was awarded the Ewing Police Department's Valor Award for his great bravery in the face of danger.

Clearly, Officer Jack Bryden is a great asset to both Central New Jersey and our nation. I urge all my colleagues to join me today in recognizing his dedication to law enforcement and to the people of my district.

CONGRATULATING BETTY GALLINGHOUSE

HON. MARGE ROUKEMA

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. ROUKEMA. Mr. Speaker, I rise to congratulate our good friend and a distinguished American, Betty Gallinghouse of Oakland, NJ, on receiving the 2001 Distinguished Service Award from West Bergen Mental Healthcare, Inc., a mental health treatment facility in my hometown of Ridgewood, New Jersey. This award is given each year to an "exceptional community leader," and Betty certainly meets that definition.

Betty has been an outstanding and committed volunteer at West Bergen Mental Healthcare since 1990 and is currently a member of the Board of Directors and chairwoman of the Development Committee. She has given selflessly of her time and effort in order to help West Bergen realize its mission of providing counseling and psychiatric services for individuals and families in distress. Known for her unparalleled efforts to help wherever possible, Betty is the No. 1 cheerleader and advocate for West Bergen and its patients.

Last year, Betty undertook her most ambitious project yet—the House and Garden Color Showhouse at the Havemeyer Mansion in Mahwah. This month-long event raised almost $100,000 for the mental health center and drew more than 10,000 visitors.

In addition to West Bergen, Betty has been actively involved in numerous community organizations, such as the Oakland Library, the Oakland Planning Board, the Oakland Parent-Teachers Organization, the Girl Scouts and many others. She is active at her church, Our Lady of Perpetual Help. She also serves as president of the Bergen County Women's Republican Club.

This is not the first time Betty has been honored for her devotion to others. Last year, she received the prestigious Bergen County Volunteer Center Service Award.

Betty is an officer with Proteus International, a venture banking and consulting firm in Mahwah. She and her husband, Bob, have two sons, two daughters and four grandchildren.

Mr. Speaker, I ask my colleagues in the U.S. House of Representatives to join me in congratulating this dedicated community volunteer for her many years of unparalleled service to her neighbors, our community and our American way of life.

MESQUITE INDEPENDENT SCHOOL DISTRICT

HON. PETE SESSIONS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. SESSIONS. Mr. Speaker, I would like to congratulate the Mesquite Independent School District for their centennial anniversary on March 12. Since 1901, the leaders and educators have strived to create an outstanding record in education. They continue to work tirelessly to ensure academic excellence and accountability for students, teachers, and administrators. Enriching these efforts are the partnerships and strong support of parents and the community.

As a result, the students acquire important learning skills and a foundation of knowledge that will serve them throughout life. Mesquite ISD is one of the largest districts to achieve ''Recognized'' status as a result of President George W. Bush's education initiatives while he was Governor of Texas.

With 42 schools and over 30,000 students, it has exemplified how successful our nation's public school system can be. I congratulate Mesquite ISD for one hundred years of educational excellence.

TRIBUTE TO BILL AND CLAUDIA COLEMAN

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MCINNIS. Mr. Speaker, I would like to take a moment to recognize Bill and Claudia Coleman for their gracious donation to the University of Colorado. On January 16, 2001, University of Colorado president Elizabeth Hoffman accepted their donation, the single largest gift ever given to an American University. The gift, totaling $250 million dollars, will be used to establish the University of Colorado Coleman Institute for Congenative Disabilities. The program will fund advanced research and development of innovative technologies intended to enhance the lives of people with congenative disabilities.

Cognitive disabilities are associated with a number of conditions, such as mental retardation and developmental retardation. ''This will make CU the international center of excellence in developing adaptive assistance technologies, based on advanced biomedical and computer science research and computer science research, for people with congenative disabilities,'' Hoffman said.

Bill is the founder and chairman of BEA Systems of San Jose, California, and his wife Claudia, is a former manager with Hewlett Packard. An Air Force Academy graduate and former executive with Sun Microsystems, Bill said the idea for the donation came from a tour of CU's Center for LifeLong Learning and Design. Bill and Claudia are no strangers to congenative disabilities. They have a niece with the disability, and they understand the benefits and the promise new technologies offer.

The Coleman's plan to play an active role in the institute. They said the ''incredibly strong'' team of researchers at CU played a decisive role in the decision to give the University the endowment. ''We have witnessed the challenges this population faces everyday with problem solving, reasoning skills and understanding and using language,'' Bill said. ''I passionately believe that we as a society have the intelligence and the responsibility to develop technologies that will expand the ability of those with congenative disabilities to learn, to understand and to communicate,'' he added.

Mr. Speaker, this is an unprecedented gift by both Mr. and Mrs. Coleman. Their generosity and vision will help countless Americans now and in the future. For that, they deserve the thanks and praise of this body.

PERSONAL EXPLANATION

HON. XAVIER BECERRA

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. BECERRA. Mr. Speaker, on March 13 and 14, I was unable to cast my votes on rollcall votes: No 46 on motion to suspend the rules and pass H.R. 834; No. 47 on motion to suspend the rules and pass H.R. 223; No. 48 on motion to suspend the rules and pass H.R. 725 as amended; and No. 49 on motion to suspend the rules and pass H.R. 861. Had I been present for the votes, I would have voted ''yea'' on rollcall votes 46, 47, 48, and 49.

TRIBUTE TO CLARISSA WALKER AND DOROTHY WOOLFORK IN CELEBRATION OF WOMEN'S HISTORY MONTH

HON. MARTIN OLAV SABO

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. SABO. Mr. Speaker, as we celebrate the historic achievements of American women this month, I wish to recognize two very special women from my Congressional district—Clarissa Walker and Dorothy Woolfork. For more than three decades, they have selflessly served the African-American community in Minneapolis through their work at Sabathani Community Center.

Ms. Walker—Sabathani's Family Resources Director—and Ms. Woolfork—a Sabathani civil rights activist—have tirelessly aided those in need in the south Minneapolis community that Sabathani Community Center serves. I admire both of these women for their selflessness in reaching out to others to enact true social change.

Mr. Speaker, I would like to tell you a little more about the life experiences that shaped Clarissa Walker and Dorothy Woolfork's beliefs, and helped them become the dedicated women of conviction they are today.

CLARISSA WALKER

A native of Kansas City, Missouri, Clarissa Walker settled in Minneapolis in 1955. Her service to the Twin Cities community began when she worked as an operating room technician at the University of Minneapolis Hospital.

In 1968, Ms. Walker was recruited to work for Sabathani Community Center as a youth supervisor. She quickly moved up the ranks, serving in various positions—social worker/counselor, assistant director, acting executive director, and agency director of the Center. In 1971, she earned a bachelor's degree in sociology. Since then she has done some post-graduate studies in business management, and has become a licensed social worker. Ms. Walker has served in her current position as director of the Family Resource program since 1985.

Through the years, Ms. Walker has worked diligently to enrich the Sabathani community in a number of capacities. She has donated much of her time to several important agencies and causes, including the Minnesota Extension Advisory Committee; the Neighborhood Reinvestment Regional Advisory Committee; the Second Harvest Food Bank Board; the United Way First Call for Help Committee; the First and Secondary Market Loan Committee; the Neighborhood Housing Services of America Board; and the Project for Pride in Living Board. She has also served as President of the Southside Neighborhood Housing Services Board President, and has served on the Central Neighborhood Improvement Association; the United Way Budget and Allocation panel; the Senior Citizen Advisory Committee to the Mayor; and the Lake Street Partners Board.

DOROTHY WOOLFORK

Dorothy Woolfork was born in rural Arkansas in 1916. The daughter of sharecroppers, she was taught the value of hard work and the importance of voting—both values she brought to Minneapolis when she moved there in 1939.

Upon arriving in Minneapolis, Ms. Woolfork learned about a neighbor who was returning to the South to teach, because Minneapolis did not hire black teachers. This experience, along with the prejudices she witnessed growing up in the South, inspired her to learn more about the political process.

Characteristically independent, Ms. Woolfork believes strongly in the collaboration of community involvement and government to make positive societal changes. She has demonstrated this belief by serving on several boards, including the Civil Rights Commission; the Board of Equalization; the Bryant Village Initiative; the Bryant Neighborhood Organization; and South Side Neighborhood Housing, Inc. Furthermore, she served for fifteen years on the Council of

Black Minnesotans and earned the Council's Martin Luther King Award. Ms. Woolfork served as the chairwoman for the Minneapolis NAACP for twenty years, and she has been recognized by the State of Minnesota and the City of Minneapolis for her volunteer work. She has also received the Harriet Tubman Award from the Bryant Neighborhood Organization, and several other accolades.

For over a generation, Clarissa Walker and Dorothy Woolfork have worked to open the ''road less traveled'' to other women seeking to enact positive societal change. Mr. Speaker, as we celebrate Women's History Month, we should salute these two exceptional women—ideal role models for women young and old across this country.

HONORING GULF WAR VETERANS AND THEIR FAMILIES

HON. JACK KINGSTON

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KINGSTON. Mr. Speaker, I am honored today to pay tribute to those brave men who fought in Desert Storm and the families who supported and prayed for them back at home. Families much like the Hart's from my district, who went without a father for almost two years. Steve Hart was not designated to fight in the Gulf Crisis, but rather volunteered to go overseas to protect American values and beliefs. Upon his return, he was welcomed back with a hero's reception as were all of our deserving soldiers. Perhaps the greatest reward was given to him recently, when his son wrote a tribute to him and his colleagues. I would like to submit that tribute, written by Steve's son David. I think it speaks for itself.

THE PRIDE OF AN ARMY SON

As a young adult blessed with the opportunity to have been born and raised in the United States of America, I feel it is essential for every American citizen to reflect on the fact that the many freedoms, which we enjoy, were bought with a price.

The Declaration of independence issued by our forefathers reflected centuries of struggle for freedom from England. From the battlefields at Lexington, Concord, and Yorktown, came our Constitution of the United States and a form of government that provides Americans freedom, opportunity, and justice under the law.

However, neither the victory at Yorktown nor the Constitution would have come about without the perseverance, dedication, and ingenuity of the American soldier.

Millions of Americans have put on this nation's uniform in war and in peace since those brave early Americans who fought for our freedom in the Revolutionary War. While our independence was won more than 220 years ago, it has been secured by those who have stood sentry over those ideals since.

It gives me great pride to acknowledge the fact that my Father is one of the many members of the United States Army who protect the way of life that sets our nation apart from the rest. One incident in particular epitomizes the privilege I celebrate to have been born into the military community.

My mind is drawn to 1990 and 1991 when my family (my Mother, brother and I) was separated for seven months due to my Father's deployment to the Persian Gulf for Operations Desert Shield and Storm. I recall not having my Father around to take me Trick-or-Treating during Halloween. I remember how solemn the normally joyous Thanksgiving and Christmas holidays were in 1990 because our family unit was disrupted. And my thoughts are brought back to how cavalier my friends were about the pending war with Iraq, with seemingly little regard for the death and destruction that accompanies war.

I am proud of my Dad, for he volunteered to go to the Persian Gulf. His section was not scheduled to deploy. Dad's job was supposed to stay at Fort Steward, Georgia and support the soldiers from behind the front lines. I remember him telling me that he ''had to go.'' He likened the call to duty like being on the sports team and not getting playing time. He said he could not live with himself knowing that his friends and comrades were going to fight a war without him. Dad said, ''there's plenty of time to accomplish things in civilian life; right now, my country needs me.''

I remember how much I worried about my Dad being wounded or killed on the battlefield. I would always take refuge in the text of his many letters and his words during the few phone calls he was able to make. He told ''me'' to be brave, that everything would be all right and he would be home soon.

As the deployment wore on, my friends, as did much of America, experienced a renewed sense of patriotism. During the height of the Gulf War, many in my neighborhood would show their support for the soldiers of Fort Steward and Hunter Army Airfield, and the entire country, by displaying flags. I saw flags on people's homes, on kids' lunch boxes, on neckties, and on marquees.

When our soldiers came home, there were marching bands, colorful parades and an admiring public. The people of Coastal Georgia and the nation lavished heartfelt thanks upon its returning soldiers, both for their victory and their sacrifice.

Although most of the men and women from Fort Stewart did return safe-and-sound, many returned severely wounded or with emotional scars. Some did not return at all.

As our nation and its democratic ideals and institutions have evolved since colonial times, so, too, has our flag's message of freedom, equality, justice, and hope evolved to embrace all who choose the American way of life.

Our members of the Armed Forces know the loneliness of separation from family and friends, and the fear of dying in a foreign land, alone, far from home, away from their families. In serving America, they sweat, they bled, and they agonized. They have served for their devotion to duty and their love of this country and its ideals.

This is the sacrifice paid by the military and their families to maintain the way of life enjoyed by every United States citizen. The next time you take for granted your freedom of speech, your civil rights, your academic freedom, religious freedom, and the freedom of the press, remember, those freedoms were bought with a price.

DRAFT LAW ON RELIGION THREATENS FREEDOMS IN KAZAKHSTAN

HON. JOSEPH R. PITTS

OF PENNSYLVANIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. PITTS. Mr. Speaker, I rise to voice concern about attempts underway in Kazakhstan to limit freedom of religion. Currently, several drafts of amendments to that country's 1992 law on religion are under consideration. In the view of the Keston News Service, one of the world's most respected organizations on religious liberty, the passage and implementation of these amendments would move Kazakhstan into the ranks of former Soviet republics with the ''harshest climate for religious freedom.''

Draft amendments to the religion law have surfaced in October 2000, as well as in January and February of this year. Oddly, they lack any indication of origin, which allows government officials to decline to comment on them. It seems clear, however, that the drafts in January and February did not include some of the most onerous and egregious earlier provisions, perhaps in response to criticism. Nevertheless, what remains is more than enough to evoke serious concern.

For example, Amendment 5 of the January and February drafts prohibits ''the activity of religious sects in the Republic of Kazakhstan.'' Amendment 16 bans ''the preparation, preservation and distribution of literature, cine-photo- and video-products and other materials containing ideas of religious extremism and reactionary fundamentalism.'' Amendment 11 of the February version introduces the provision that the charter of all religious organizations ''is subject to registration.''

Furthermore, Amendment 6 of the February draft would permit citizens of Kazakhstan, ''foreign citizens and persons without citizenship'' to conduct missionary activity in Kazakhstan ''only with the permission of the competent state organ.'' The drafts also introduce harsh penalties for conducting missionary activity without permission. January's version stipulates fines ranging between two and five month's wages, or up to one year corrective labor, or up to two months in jail. The February draft strengthens these draconian provisions: those convicted could be sentenced to two years of corrective labor, up to six months arrest, or deprivation of freedom for up to one year.

Amendment 10 of the February draft would give the state enormous power over religious practice by the people of Kazakhastan—the activity of foreign religious organizations on the territory of Kazakhstan, ''as well as the appointment of leaders of religious organizations in the Republic by foreign religious centers must take place with the agreement of the corresponding state organs.'' Moreover, Amendment 11 requires Islamic religious groups to ''present a document confirming their affiliation with the Spiritual Directorate of Muslims of Kazakhstan.''

To quote Keston News Service, ''Any requirement that registration be made compulsory would violate Kazakhstan's international human rights commitments, as would a ban

on missionary activity and a requirement for state involvement in the selection of leaders for any religious group.''

Because these drafts have been ''unofficial,'' even local representatives of the Organization for Security and Cooperation in Europe (OSCE) in Almaty have been unable to obtain any official texts. Nevertheless, on March 6, the head of OSCE center, Herbert Salber, communicated his concerns to the chairman of Kazakhstan's Senate (the upper chamber) of parliament. Mr. Salber described the drafts as having ''masses of shortcomings'' and running ''counter to international legal norms.''

Mr. Speaker, if these draft amendments to the religion law are passed, the effect could be to make only Islam and Russian Orthodoxy the permitted religions in Kazakhstan. Other faiths and religious organizations would be severely restricted if not actually outlawed.

It appears that attempts are being made to pass this legislation on March 16, 2001 without even a public reading. Mr. Speaker, I hope the Bush administration will join me in conveying to the leaders of Kazakhstan that we are deeply concerned by this initiative to turn the clock back and to limit the rights of religious believers in Kazakhstan.

TRIBUTE TO MR. DONALD G. CARLSON

HON. JOHN CULBERSON

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. CULBERSON. Mr. Speaker, our greatest asset as individuals is our good name, and few people in the United States Congress have earned as good a name as Donald G. Carlson. Today marks a very important occasion in the history of this great institution because this is the final day of Don Carlson's thirty four years of public service to the United States House of Representatives.

Don Carlson's work as Chief of Staff for Congressman Bill Archer and for me has established a standard of excellence and integrity and dedication that we should all aspire to maintain. Since 1970, every challenge or problem encountered by the people of Congressional District Seven or their Congressman has been answered by Don Carlson. He has labored tirelessly and quietly to improve the lives of the people of our district and to strengthen the accountability and integrity of the Congress, and he has always worked to achieve these noble goals without any thought of thanks or recognition for himself. His service to his country and to this institution truly exemplify the noble ideal of selfless public service.

On behalf of Congressman Archer and all of the members of the Texas Congressional Delegation and the people of Congressional District Seven, I express here today in the CONGRESSIONAL RECORD our profound and perpetual gratitude to Don Carlson for his unparalleled service to the United States Congress. His good works and his worthy example as a leader and role model will continue to influence the Congress for many years to come because he has touched so many lives here and inspired so many leaders here in so many ways. Don Carlson's good name is a priceless treasure here in the United States Capitol, and all of us who know him and love him will always be uplifted and inspired by the standard of service he established. We thank him from the bottom of our hearts for all he has done for this nation and this institution, and we wish him God Speed and good luck in his new endeavors alongside Chairman Archer.

TRIBUTE TO ANN HOLMES

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize Ann Holmes of La Jara, Colorado for her service to the elderly in her community. For 21 years Ann has dedicated her time to make sure the residents of the Conejos County Long Term Care Unit were comfortable and receiving top care. That is why I would like the 107th Congress to take a moment and recognize Ann for her work.

Ann worked in the district for five and a half years and recently decided it was time to slow down. Her dedication and hard work won her excellent ratings from the State Surveys. And because of these ratings the Conejos County Long Term Care Unit was able to participate in the ResQuip Program, which offers money for specific projects that will enhance the lives of area residents. Ann always put patients first.

The funds that came from the ResQuip Program were used to build a gazebo. One of Ann's goals, which she achieved, was to purchase a lift to transfer residents in comfort.

Ann also formed the Ethics Committee for the Conejos County Hospital. All of her staff members and residents will miss her tremendously. ''It has been a privilege to work under her direction. I will miss her both professionally and personally,'' Julia King-Smith said.

Mr. Speaker, as Ann moves on to new pursuits, I would like to thank her for her remarkable work. In my opinion, Ann will long be remembered as a servant in the medical field, and for giving so much time to make sure that the elderly are comfortable.

For these things, Ann deserves the thanks and praise of this body.

W. JOE TROGDON POST OFFICE BUILDING

SPEECH OF

HON. BOB ETHERIDGE

OF NORTH CAROLINA

IN THE HOUSE OF REPRESENTATIVES

Wednesday, March 14, 2001

Mr. ETHERIDGE. Mr. Speaker, I rise in support of H.R. 821, a bill to designate a facility of the United States Postal Service as the W. Joe Trogdon Post Office Building. This legislation, which was cosponsored by every Member of the North Carolina Delegation, is a worthy and appropriate tribute to one of North Carolina's finest mayors.

Joe Trogdon was born on November 19, 1932 in Asheboro, North Carolina and is a graduate of North Carolina State University in my Congressional District. We honor Mayor Trogdon today because of his unique bond with the city of Asheboro. He grew up in Asheboro, was educated in its city schools, and with the exception of his college years in Raleigh and a brief stint in United States Army, he chose to live his life in the town where he was born.

Mayor Trogdon began his career in public service as a member of the Asheboro Planning Board in 1964 and then was elected to the city council in 1973. After ten years on the council he was elected mayor, a position he would hold for the next 18 years. During his tenure as mayor, he served on the North Carolina League of Municipalities Board of Directors and as chairman of the Piedmont Triad Council of Governments.

Trogdon is more than a mayor or member of the city council. He is an exemplary small businessman and father. As President of S.E. Trogdon & Sons, Inc., Joe continues to run the business his family started in 1928. He married the late Anne Peoples in 1955. Together they raised four children in Asheboro, and their family has now expanded to include six grandchildren. He is also a member of the Asheboro Jaycees, Kiwanis, and Rotary Clubs.

Mr. Speaker, in this age of mobility and change it is refreshing to recognize those who give their entire lives to their community. Joe Trogdon was a fixture in his community and a citizen in the truest sense of the word. He cared deeply for Asheboro. It is his hometown, the place where he was raised and where he chose to raise his own family and he served it well.

It gives me great pleasure to pay this fitting tribute to a great North Carolinian by naming the Post Office in Asheboro after that town's favorite son, W. Joe Trogdon. I ask my colleagues to support H.R. 821.

INTRODUCTION OF THE MEDICAL PRIVACY PROTECTION RESOLUTION

HON. RON PAUL

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. PAUL. Mr. Speaker, I rise to introduce the Medical Privacy Protection Resolution, which uses the Congressional Review Act to repeal the so-called Medical Privacy regulation. Many things in Washington are misnamed, however, this regulation may be the most blatant case of false advertising I have come across in all my years in Congress. Rather than protect an individual right to medical privacy, these regulations empower government officials to determine how much medical privacy an individual ''needs.'' This ''one-size-fits-all'' approach ignores the fact that different people may prefer different levels of privacy. Certain individuals may be willing to exchange a great deal of their personal medical information in order to obtain certain benefits, such as lower-priced care or having information targeted to their medical needs sent to

them in a timely manner. Others may forgo those benefits in order to limit the number of people who have access to their medical history. Federal bureaucrats cannot possibly know, much less meet, the optimal level of privacy for each individual. In contrast, the free market allows individuals to obtain the level of privacy protection they desire.

The so-called ''medical privacy'' regulations not only reduce an individual's ability to determine who has access to their personal medical information, they actually threaten medical privacy and constitutionally-protected liberties. For example, these regulations allow law enforcement and other government officials access to a citizen's private medical record without having to obtain a search warrant.

Allowing government officials to access a private person's medical records without a warrant is a violation of the fourth amendment to the United States Constitution, which protects American citizens from warrantless searches by government officials. The requirement that law enforcement officials obtain a warrant from a judge before searching private documents is one of the fundamental protections against abuse of the government's power to seize an individual's private documents. While the fourth amendment has been interpreted to allow warrantless searches in emergency situations, it is hard to conceive of a situation where law enforcement officials would be unable to obtain a warrant before electronic medical records would be destroyed.

Mr. Speaker, these regulations also require health care providers to give medical records to the federal government for inclusion in a federal health care data system. Such a system would contain all citizens' personal health care information. History shows that when the government collects this type of personal information, the inevitable result is the abuse of citizens' privacy and liberty by unscrupulous government officials. The only fail-safe privacy protection is for the government not to collect and store this type of personal information.

In addition to law enforcement, these so-called ''privacy protection'' regulations create a privileged class of people with a federally-guaranteed right to see an individual's medical records without the individual's consent. For example, medical researchers may access a person's private

Forcing individuals to divulge medical information without their consent also runs afoul of the fifth amendment's prohibition on taking private property for public use without just compensation. After all, people do have a legitimate property interest in their private information. Therefore, restrictions on an individual's ability to control the dissemination of their private information represents a massive regulatory taking. The takings clause is designed to prevent this type of sacrifice of individual property rights for the ''greater good.''

In a free society such as the one envisioned by those who drafted the Constitution, the federal government should never force a citizen to divulge personal information to advance ''important social goals.'' Rather, it should be up to the individuals, not the government, to determine what social goals are important enough to warrant allowing others access to their personal property, including their personal information. To the extent these regulations sacrifice individual rights in the name of a bureaucratically-determined ''common good,'' they are incompatible with a free society and a constitutional government.

The collection and storage of personal medical information ''authorized'' by these regulations may also revive an effort to establish a ''unique health identifier'' for all Americans. The same legislation which authorized these privacy rules also authorized the creation of a ''unique health care identifier'' for every American. However, Congress, in response to a massive public outcry, has included a moratorium on funds for developing such an identifier in HHS budgets for the last three fiscal years.

By now it should be clear to every member of Congress that the American people do not want their health information recorded on a database, and they do not wish to be assigned a unique health identifier. According to a survey by the respected Gallup Company, 91 percent of Americans oppose assigning Americans a ''unique health care identifier'' while 92 percent of the people oppose allowing government agencies the unrestrained power to view private medical records and 88 percent of Americans oppose placing private health care information in a national database. Mr. Speaker, Congress must heed the wishes of the American people and repeal these HHS regulations before they go into effect and become a backdoor means of numbering each American and recording their information in a massive health care database.

The American public is right to oppose these regulations, for they not only endanger privacy but could even endanger health! As an OB-GYN with more than 30 years experience in private practice, I am very concerned by the threat to medical practice posed by these regulations. The confidential physician-patient relationship is the basis of good health care. Oftentimes, effective treatment depends on the patient's ability to place absolute trust in his or her doctor. The legal system has acknowledged the importance of maintaining physician-patient confidentiality by granting physicians a privilege not to divulge confidential patient information.

I ask my colleagues to consider what will happen to that trust between patients and physicians when patients know that any and all information given their doctor may be placed in a government database or seen by medical researchers or handed over to government agents without so much as a simple warrant?

Mr. Speaker, I am sure my colleagues agree that questions regarding who should or should not have access to one's medical privacy are best settled by way of contract between a patient and a provider. However, the government-insurance company complex that governs today's health care industry has deprived individual patients of control over their health care records, as well as over numerous other aspects of their health care. Rather than put the individual back in charge of his or her medical records, the Department of Health and Human Services' privacy regulations give the federal government the authority to decide who will have access to individual medical records. These regulations thus reduce individuals' ability to protect their own medical privacy.

These regulations violate the fundamental principles of a free society by placing the perceived ''societal'' need to advance medical research over the individual's right to privacy. They also violate the fourth and fifth amendments by allowing law enforcement officials and government favored special interests to seize medical records without an individual's consent or a warrant and could facilitate the creation of a federal database containing the health care data of every American citizen. These developments could undermine the doctor-patient relationship and thus worsen the health care of millions of Americans. I, therefore, call on my colleagues to join me in repealing this latest threat to privacy and quality health care by cosponsoring the Medical Privacy Protection Resolution.

TRIBUTE TO THE SACRAMENTO SYMPHONY LEAGUE

HON. ROBERT T. MATSUI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MATSUI. Mr. Speaker, I rise in tribute to the Sacramento Symphony League. On March 14th, 2001, the League will host a luncheon to celebrate its 50th Anniversary. As the members gather to celebrate, I ask all of my colleagues to join me in saluting one of Sacramento's finest organizations.

Fifty years ago, the Sacramento Philharmonic Association asked Mrs. Sheldon Brandenburger to organize a women's group to promote the activities of the orchestra. Thirty charter members entered into an active program of musical and financial support forming the Sacramento Symphony League.

In the ensuing years, the Sacramento Symphony has enjoyed unparalleled success. With the introduction of Harry Newstone as conductor in 1963–1964, the symphony began to draw large audiences. The standing room only crowds helped the symphony gain recognition. In 1965–1966, the Sacramento Symphony was chosen by the Ford foundation to receive a five-year grant, which established a million-dollar endowment.

The orchestra's success continued until the Symphony Association filed for bankruptcy in September of 1996. In the wake of this unfortunate occurrence, the Sacramento Symphony League voted immediately to continue with the broader purpose of supporting classical music and youth education.

Today, the Sacramento Symphony League is once again flourishing. Through its ''Music in the Schools'' programs, the League has made a dramatic difference in Sacramento youth music education and participation.

The Music Ensemble Program provides ensembles to play in schools throughout the area for music education programs. The Docent Program provides teams to visit schools and present an educational puppet show with musical accompaniment. The Classroom Classics Program provides quality CD players and classical CDs for teachers to play in their classrooms. In addition, the League provides scholarships for student musicians and oversees an instrument restoration program for area schools.

Mr. Speaker, as the Sacramento Symphony League gathers to celebrate its 50th Anniversary, I am honored to pay tribute to an invaluable resource to the Sacramento community. The League's commitment to youth music programs has been commendable. I ask all of my colleagues to join with me in wishing the Sacramento Symphony League continued success in all its future endeavors.

A SPECIAL TRIBUTE TO MR. CLARENCE SCHIEFER IN RECOGNITION OF HIS HEROISM

HON. PAUL E. GILLMOR

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. GILLMOR. Mr. Speaker, it is with great pride that I rise today to recognize a true hero, Mr. Clarence Schiefer, who was recently recognized for donating 50 gallons of blood. The recognition will be presented at a reception held in his honor by the Sandusky County Chapter of the American Red Cross.

Mr. Schiefer, from Fremont, OH, began donating blood at Heidelberg College many years ago. This retired school teacher, who served his country in the Navy during World War II, has spent more than 40 days of his life donating blood and platelets. His first 199 donations have been in the form of whole blood. Since then, Mr. Schiefer has been donating apherisis style, where a needle is placed in one arm and blood is processed through a Cobe Spectra Machine. This machine separates out blood platelets and returns the remaining blood to his body which allows him to donate more often because the body is capable of regenerating the donated platelets in about a day.

Mr. Schiefer's act of donating blood is an example of one of the most selfless acts of kindness and goodness. For more than 50 years, the American Red Cross has been a leader in blood collection, safety and development. In that time, their efforts have saved countless lives. This incredible act of kindness allows a stranger to celebrate another birthday, give birth to a child or share another Thanksgiving dinner with family and friends.

It is fitting, during American Red Cross month, to acknowledge not only the selfless efforts of Mr. Schiefer but also the efforts of the Sandusky Chapter of the American Red Cross and Red Cross Chapters across this country. Since 1960, this chapter has collected over 120,000 pints of blood.

Mr. Schiefer, volunteers of the Sandusky County Chapter of the American Red Cross and Red Cross Volunteers across the country, my colleagues of the 107th Congress and I salute you. Your selfless acts of volunteerism are an example for future generations.

TRIBUTE TO VAL ALVARADO

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take a moment to recognize a man of great courage and bravery, a man that this country owes a great debt to. On December 7, 1941, the Japanese attacked a sleeping Pearl Harbor, killing over 2,400 sailors. 60 years later, Val Alvarado of Montrose, Colorado recalls the events that brought the United States of America into the Second World War. Val, who was 18 years old at the time, served aboard the USS *Maryland*. Val's job was to load gun powder into the war ship's 16 inch guns. This was often referred to as the "no warning" tinder box of instant death.

Val and his shipmates were lucky to survive the strike on Pearl Harbor, but those of the neighboring USS *Oklahoma* were not. But if it were not for the fact that the *Oklahoma* was anchored next to them, Val would not be here today. In less than two hours, the United States lost 188 planes, 159 planes and had 18 U.S warships sunk or seriously crippled. But more than that, the U.S. lost over 2,400 service men, and another 1,100 were injured. One of the service men who died was a close boyhood friend of Val's. "On the fifth day we had time to check on our buddies. I found out that my good friend Jimmy Robinson had been killed. . . . We both came from Montrose, we had gone to Morgan School in Montrose. Jimmy was the first man from Montrose to be killed in the war," Val remembered.

After the attack on Pearl Harbor, Val was transferred to the USS *McCalla,* whose war prowess is the stuff of legends. The *McCalla,* with Val in tow, returned to the Pacific where it would earn three battle stars.

During his time in the military, Val took part in the Armed Forces Olympics where he boxed in what the Armed Forces called the Nimitz Bowl. "I won the fight between all the army, marines, and navy in the pacific theatre for my weight. I was pretty proud of that . . . I was pretty happy about that," according to Val.

Mr. Speaker, over 50 million people died in World War II. It took the courage of 18 year olds like Val for America to eventually win the war. That is why I am asking that we take this moment to recognize and honor Val Alvarado for his service to this country, and to wish him good luck in his future endeavors.

Val is the embodiment of the values that characterized the "Greatest Generation". For his service in WWII, America is exceedingly grateful.

MINING CLAIM MAINTENANCE ACT OF 2001

HON. NICK J. RAHALL II

OF WEST VIRGINIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. RAHALL. Mr. Speaker, today I am introducing legislation aimed at giving the appropriate authorizing committee of the House an opportunity to do its job and resolve a matter that has had to be addressed by appropriations measures instead. In this regard, the legislation being introduced today would make permanent two provisions relating to the management of mining claims under the Mining Law of 1872.

First, the "Mining Claim Maintenance Act of 2001" would make permanent a provision first enacted into law on a temporary basis by the Omnibus Budget Reconciliation Act of 1993 and then reauthorized through 2001 by the Omnibus Appropriations Act for fiscal year 1999 requiring that holders of unpatented mining claims, mill and tunnel sites under the Mining Law of 1872 pay the Interior Department a $100 per year maintenance fee in order to hold the claim or site, as well as pay a one-time $25 location fee.

This provision is in lieu of the 1872 requirement that the holder of a claim or site conduct $100 per year of "assessment work" in order to maintain the claim or site and the associated annual filing requirement under the Federal Land Policy and Management Act of 1976.

As with current law, provision is also made in this legislation to waive this requirement for holders of valid oil shale claims who must comply with a different regime as set forth under the Energy Policy Act of 1992, as well as for individuals holding 10 or fewer mining claims.

Since this provision has been in effect, speculation on public domain lands under the guise of the Mining Law of 1872 has been dramatically reduced. Indeed, in the year this requirement went into effect there were over 3 million mining claims located on the public lands. Today, there are about 253,000.

Further, as with the current practice, I would expect that the Appropriations Committee would utilize the receipts from the holding fee for the purpose of offsetting the cost of the Interior Department administering the mining law program.

Second, this legislation would make permanent a provision that was first included in the fiscal year 1995 Interior Appropriations Act placing a moratorium on the issuance of what is known as a "patent" for any mining claim and mill site claim except in those situations where "grandfather" rights may exist. The purpose of this provision is to eliminate the absurd practice embodied in the Mining Law of 1872 that allows corporations to receive a patent, which represents fee simple title, to public domain lands encumbered by valid mining or mill site claims at $2.50 or $5.00 an acre depending on the type of claim involved.

Mr. Speaker, both of these provisions have received overwhelmingly bipartisan support when debated as part of the Interior Appropriations legislation over the past several years. I have wholeheartedly supported these actions, and would hope that the Appropriators will continue to include these provisions in the upcoming budget bills if the Resources Committee fails to act. Nonetheless, it is properly the duty of the authorizing committee, the Resources Committee, to address this issue.

These two provisions—the imposition of a maintenance fee and the end to patenting—are part of a larger issue relating to the need to reform the 1872 Mining Law. Unlike other extractive industries, such as coal, timber or oil and gas development, the hard rock mining industry enjoys a special status, provided under the 1872 Mining Law, that allows access and free use of our Nation's rich public domain lands.

As responsible stewards of the public domain and to meet our responsibilities to the American people, it is incumbent upon us to

rethink and reform the Mining Law of 1872. To that end, in the near future I will again introduce comprehensive mining law reform legislation.

MILITARY MYTHS

HON. BARNEY FRANK

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. FRANK. Mr. Speaker, one of the most thoughtful analysts of the appropriate level for American military spending is Lawrence Korb, a former high ranking Defense Department official in the administration of President Reagan. Unlike many others who served in the Reagan administration and subsequently, Lawrence Korb does not believe that conservatives ought to suspend their skepticism about public spending simply because the requests come from the Pentagon. He has consistently applied his experience with defense matters, his keen intelligence and his knowledge of government to point out that we could fully defend our legitimate interests with a military budget smaller than the current one. Along with Dr. Korb, I am pleased that President Bush is refusing to be pressured into asking for billions of dollars in increased military spending before he and his staff have a chance to study the important issues that are raised by Dr. Korb and others. But I also agree with Dr. Korb that an accurate analysis of the defense budget requires discarding some of the points which President Bush himself made during the campaign.

In a recent article, Lawrence Korb set forward some of the principles that ought to guide such an investigation of our true defense spending needs. Mr. Speaker, I disagree with Mr. Korb's first point, to some extent substantively, and also in the way in which he has phrased it. The fact that most military people aren't on food stamps does not mean that it is acceptable for even a small number of them to be in that situation. We owe the men and women who volunteer to face danger on our behalf better than this, and I am very supportive of proposals to raise the pay levels. Given the disruption of their lives and the danger they face, I do believe that our military personnel are underpaid.

But while I disagree with Dr. Korb's first point, I am an enthusiastic believer in the rest of his essay. I was particularly pleased when he noted the absurdity of trying to fix the relevant amount to spend on defense simply by looking at the percentage which a defense budget represents of the gross domestic product. According to this, if we have significant economic progress, we are required to increase military spending even if the threats against which we deploy our military have deceased. Mindlessness has never been on more graphic display.

Lawrence Korb's clear thinking is a very welcome antidote to the efforts being made by some to panic us into busting the budget on behalf of unnecessary military spending. I ask that his thoughtful article be reprinted here.

[From the Los Angeles Times, Mar. 11, 2001]

BUSH'S FIRST BATTLE: HIS OWN MILITARY MYTHS

(By Lawrence J. Korb)

NEW YORK.—His campaign rhetoric notwithstanding, President George W. Bush has taken a good first step by not increasing the defense budget he inherited from President Bill Clinton until he completes a top-down review of strategy. Such a review will come to naught, however, if the new president does not reject the six oversimplifications about the state of our armed forces that he embraced repeatedly during the campaign.

Military people are not overworked and underpaid and, despite campaign rhetoric, most aren't on food stamps. During the 1990s, an average of 40,000 military people were deployed in various ''operations other than war.'' This represents less than 3% of the active force and less than 2% of the total force, counting reserves. A greater percentage of the active force was stationed in the United States than during the 1980s. Certain units like Army civil affairs battalions, which help restore order in foreign countries torn apart by civil wars, or Air Force search and rescue units were over-utilized. But that is a management problem, not a revenue problem. As for pay, most men and women in the armed services make more than 75% of their civilian counterparts. And, if the compensation levels of military people were adjusted to reflect the fair market value of their housing allowances, fewer than 1% would be eligible for food stamps.

The problem is that the military still uses an anachronistic ''one size fits all'' pay system that rewards longevity rather than performance. Also, the military employs a deferred-benefit retirement system that costs twice as much as a deferred-contribution plan, while providing the wrong incentives for retaining the right people for the appropriate length of time. For example, to justify the training investment, pilots need to be retained for 13 years, but infantrymen only five. Yet, no military person is vested in retirement until he or she serves 20 years.

The military does not need to be rebuilt; it needs to be transformed. In the 1990s, the Pentagon invested more than $1 trillion in developing and procuring new weapons. But much of it was wasted on Cold War relics—$200-million fighter planes, $6-billion aircraft carriers, $2-billion submarines, $400-million artillery pieces—that will be of little use in the conflicts of the 21st century.

The military is more than prepared to fight two wars. In fact, it is becoming more prepared each day as the military power of the likely opponents in these two conflicts, Iraq and North Korea, dwindles. Yet, while the capability of these states declines, the Pentagon has been increasing its estimates of the forces necessary to defeat these enemies. Moreover, the necessity of maintaining the capability to fight two wars simultaneously defies logic and history. During the Korea, Vietnam and Persian Gulf conflicts, no other nation took advantage of the situation by threatening U.S. interests elsewhere.

Calculating the size of the defense budget by measuring it against the gross domestic product is nonsensical. Yes, the U.S. spends a smaller portion of GDP on defense than it did during the Cold War, but the U.S. economy has grown substantially since the collapse of the Soviet Union while spending by adversaries has markedly declined. Even counting inflation, the $325-billion defense budget—which includes the military portion of the Energy Department budget—that Bush inherits from Clinton is about 95% of what this nation spent on average to win the Cold War. In fact, the last Clinton defense budget is higher than the budget that Defense Secretary Donald H. Rumsfeld prepared for the outgoing Ford administration 25 years ago, at the height of the Cold War.

Carrying out peacekeeping missions, like Bosnia and Kosovo, is not undermining readiness. During the 1990s, peacekeeping operations accounted for less than 2% of Pentagon spending, and readiness spending per capita was more than 10% higher in the 1990s than in the 1980s.

In order to meet their recruiting goals, the armed forces have not lowered their quality standards below those of the Reagan years. The force that Bush inherits from Clinton has a higher percentage of quality recruits—that is, high school graduates and individuals scoring average or above on the armed forces' qualification test—than at any time during the Reagan years. Most of the retention problems that the services are having are self-inflicted. For example, 80% of the pilot shortage in the Navy and Air Force is caused by the fact that, in the early 1990s, the military made a serious mistake by reducing the number of pilots it trained. Likewise, the shortage of people on Navy ships is because the people are not in the right place.

If Bush and his national security team abandon these myths, they will have a much better chance of developing a coherent defense program—and may even be able to cut defense spending to an appropriate level.

WE NEED TO KEEP RULES TO PROTECT FOREST ROADLESS AREAS

HON. MARK UDALL

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. UDALL of Colorado. Mr. Speaker, the new Administration is reviewing a number of new rules and regulations proposed or adopted by the Clinton-Gore Administration last year.

I understand why a new Administration would want to undertake such a review. And there may be some areas where a change of course might be appropriate.

But there is definitely one set of new rules that should be retained as they stand—the new rules to protect the remaining roadless areas of our national forests.

Those rules make good sense as a way to protect natural resources, provide more diverse recreational opportunities, and preserve some of the undisturbed landscapes that make Colorado and other western States such special places to live and visit.

That is why the Mayor of Boulder, Colorado, has written to President Bush urging retention of the roadless-area rules. It is why the Boulder City Council has adopted a resolution supporting those rules. And it is why I have written Secretary of Agriculture Anne M. Veneman, urging that the rules be kept in place.

For the information of our colleagues, I am including in the RECORD at this point my letter to the Secretary, the letter to the President from Mayor R. Toor, and the resolution of the Boulder City Council.

CONGRESS OF THE UNITED STATES,
HOUSE OF REPRESENTATIVES,
Washington, DC, March 13, 2001.

Hon. ANN M. VENEMAN,
Secretary of Agriculture, U.S. Department of Agriculture, Washington, DC.

DEAR SECRETARY VENEMAN: I am enclosing a copy of a letter to the President from William R. Toor, Mayor of the City of Boulder, Colorado, regarding the new rules for management of inventoried roadless areas published in the Federal Register in January, 2000, and a resolution regarding those rules that was recently adopted by the Boulder City Council.

As you can see, Mayor Toor's letter and the City Council's resolution support these rules and urge their full implementation.

I join in that recommendation. I am convinced that these rules make good sense as a way to protect natural resources, provide more diverse recreational opportunities and preserve some of the undisturbed landscapes that are such a special part of Colorado and other Western states.

The new rules were developed through an extensive public process. They were the subject of both draft and final environmental impact statements. They were discussed at more than 600 public meetings and were the subject of more than 1.5 million public comments.

In my opinion, these rules reflect the highest standards of science-based public policy. Biologists tell us the inventoried roadless areas of the national forests are valuable for wildlife, and support ecosystem health and the full range of native species. They also are important sources of clean water for many communities like Boulder, in Colorado and other states, and provide a bulwark against the spread of invasive species, such as the many species of weeds that plague ranchers in our state and throughout the west.

And, above all, these special areas ''possess social and ecological values and characteristics that are becoming scarce in an increasingly developed landscape,'' in the words of the final environmental impact statement.

The areas to be covered by the new rules were identified by detailed, on-the-ground studies that have been regularly updated and supplemented through the regular forest-planning process and additional studies focused on threatened and endangered species or other aspects of forest management.

For example, the Forest Service's latest Arapaho-Roosevelt National Forest plan, developed with extensive public involvement, was completed in 1997. It identifies more than 300,000 acres of roadless areas—including some 40,000 acres in Boulder County alone. The new rules will apply to those areas and will simply mean that their roadless characteristics will be maintained. That forest is one of the closest to the Denver-metro area, so it is one of the most heavily used and affected. If we do not begin now to protect the unspoiled lands in that forest—and similar forests throughout Colorado and the West—we will lose forever the natural benefits and special qualities that they provide.

These rules will provide long-overdue protection for some of the most important parts of our federal lands. People in other states may have different reactions, but in view of the importance of the national forests for our state and our country I think they deserve the support of every Coloradan and should be retained by the Bush Administration.

Sincerely,

MARK UDALL.

CITY OF BOULDER,
OFFICE OF THE CITY MANAGER,
Boulder, CO, February 26, 2001.

PRESIDENT GEORGE W. BUSH,
The White House,
Washington, DC.

DEAR PRESIDENT BUSH, I am writing on behalf of the City of Boulder to voice our strong support for full and prompt implementation of the Roadless Area Conservation Rule published in the Federal Register on January 12, 2001 (66 Fed. Reg. 3244).

On February 6, 2001 the Boulder City Council unanimously approved the attached Resolution asking you to reaffirm the commitment to designate more than 58 million acres of inventoried roadless areas. In particular, the City of Boulder has a great interest in the protection of roadless areas in the Arapahoe and Roosevelt National Forests because of their proximity to Boulder and association with other public lands which are vital to protecting high quality native ecosystems and recreational opportunities.

On behalf of the City Council and the people of Boulder Colorado, I respectfully request that you direct the Secretary of Agriculture to initiate the process for protecting the 58 million acres designated in the Roadless Area Conservation Rule.

Thank you for your support in this matter.

Sincerely,

WILLIAM R. TOOR,
Mayor.

RESOLUTION NO. 875

A Resolution of the City Council for the City of Boulder, Colorado, in Support of the Executive Order Designating New Roadless Areas on United States Forest Service Lands.

Whereas, the City of Boulder strongly supports President Clinton's initiative to manage roadless areas on National Forest Land;

Whereas, the City of Boulder has a great interest in the protection of the Arapahoe and Roosevelt National Forests because of their proximity to Boulder and association with other public lands which are vital to protecting high quality native ecosystems and recreational opportunities;

Whereas, the City of Boulder supports the proposal to restrict certain activities in unroaded portions of inventoried roadless areas, as identified in RARE II and existing forest plan inventories;

Whereas, it is well known that road construction and use in wildlife habitat areas can contribute significantly to habitat fragmentation and stress on wildlife species;

Whereas, the initiative restricts road construction and establishes protective criteria for managing roadless areas that will have positive impacts for biodiversity and enhanced plant and wildlife protection;

Whereas, over the course of a 13 month period, the U.S. Forest Service received 1.7 million letters, faxes, e-mails and postcards in support of the Clinton Administration's forest initiative, providing the strongest possible protection to National Forest roadless areas;

Whereas, on November 13, 2000, the Forest Service released its Final Environmental Impact Statement (FEIS) that supported the roadless area designation;

Whereas, on January 5, 2001 President Clinton signed the Record of Decision designating 58 and half million acres of public land as roadless areas;

Whereas, the Record of Decision has been suspended by President Bush;

Therefore, be it resolved that the City of Boulder reaffirms its commitment to full implementation of the Executive Order designating 58 and half million acres of public land as roadless areas in perpetuity; and that the City of Boulder calls upon President Bush to reaffirm the executive order and not delay implementation of the Executive Order; and directs that copies of this Resolution be sent to the elected representatives of the residents of this municipality, including the U.S. Representative(s), U.S. Senators, and the President.

Passed and adopted this 6th day of February, 2001.

WILLIAM R. TOOR,
Mayor.

RECOGNIZING MARGARET M. CARROLL, MILLVILLE, MA, AS THE RECIPIENT OF THE BLACKSTONE RIVER VALLEY NATIONAL HERITAGE CORRIDOR'S JOHN H. CHAFEE AWARD FOR 2000

HON. RICHARD E. NEAL

OF MASSACHUSETTS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. NEAL. Mr. Speaker, I rise today to recognize Ms. Margaret M. Carroll and the announcement of her being named the recipient of the John H. Chafee Award, which was presented to her by the Blackstone River Valley National Heritage Corridor Commission.

Ms. Carroll has given of herself generously over the years for the good of the Blackstone and Millville communities and this award appropriately recognizes her tireless efforts. Ms. Carroll served as a fine educator in the Blackstone-Millville school district for thirty-seven years. The many success stories of the students she taught serves as testament to her teaching ability. The many success stories of the students she taught serves as testament to her teaching ability. Also, Ms. Carroll has familiarized herself with the Blackstone River Valley to a level that is matched by no one. The river valley is forever in Ms. Carroll's debt for the dedicated service she has provided to it over the years. In addition to her efforts related to the river valley, she has volunteered throughout the Blackstone-Millville communities countless times and in various ways.

Mr. Speaker, I can think of no one more fit to receive the John H. Chafee award than Ms. Margaret Carroll. I personally congratulate her and thank her for her dedicated service.

THE GENERATOR TARIFF SUSPENSION ACT

HON. MAC COLLINS

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. COLLINS. Mr. Speaker, today I rise to introduce legislation that would suspend the duty on the importation of replacement steam generators used in nuclear power plants.

Steam generators are necessary for the operation of nuclear power facilities. However, because they are no longer produced in the United States, domestic electric utilities must import replacement nuclear steam generators.

Despite the fact that there is neither a current nor any reasonable likelihood of future domestic manufacturing capability, a tariff is imposed on these imports. Prior to the conclusion of last year's Congress, a reduction in this tariff was included in the Miscellaneous Trade and Technical Corrections Act (H.R. 4868). Because a full repeal would have breached the limitation on revenue impact for the bipartisan miscellaneous trade bill, the original full repeal of the tariff was changed to a reduction to 4.9 percent.

This tariff should be removed. While providing no benefit to any domestic manufacturer, this expensive tax is borne directly by domestic consumers of electricity. The cost of the duty is passed on to the ratepayer through the state public utility commissions in ratemaking proceedings. In short, the consumer pays this unnecessary tax directly and entirely. There is no domestic manufacturing industry to protect and the consumer derives no benefit from this tax. Except for raising a minor amount of revenue for the Treasury, this is a classic case of a tariff that serves no purpose other than to raise costs for consumers.

This tariff repeal legislation has enjoyed strong bipartisan support in both the House of Representatives and the other body. I ask my colleagues to join the effort again this year to eliminate this unneeded tariff by cosponsoring the Generator Tariff Suspension Act.

TRIBUTE TO SALVADOR LOPEZ

HON. SCOTT McINNIS

OF COLORADO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. McINNIS. Mr. Speaker, I would like to take this moment to recognize a very brave man who put his own personal safety at risk to protect the life of another. On March 5th Salvador Lopez saved a young 7 year old boy from serious injury or worse when the Postal Carrier rescued him from behind the wheel of a pickup truck that was fast heading toward a busy intersection. Mr. Lopez's gallant act deserves the recognition of this body. With this in mind, I would like to place in the CONGRESSIONAL RECORD the following article from the Grand Junction Daily Sentinel, written by Alex Taylor.

It was a nice day for delivering the mail. The sun was out and the temperature was mild. Salvador Lopez was having a pretty pleasant day on the job as the postman in the area of North Seventh and Orchard Avenue on Monday afternoon . . . Shortly after 3 p.m., Lopez had to leap off the sidewalk when he saw a car veering toward him traveling in the wrong direction on Orchard.

Behind the wheel were two wide eyes just barely gaping over the dashboard. Apparently 7-year-old Nicholas Reyes thought it was so nice out he'd go for his first-ever drive through the neighborhood. 'I was going down the sidewalk delivering the mail when I heard a noise,' said Lopez. 'I looked up and saw the car coming at me. I could see by the boy's eyes in the car that something was wrong, it was just the look on his face. I jumped out of the way.'

After narrowly missing Lopez, Reyes turned to the right and was driving across Orchard. The vehicle he was driving headed toward a car stopped at the intersection. Lopez dropped his mail and dashed across the street to save the boy. He reached through the window and turned the wheel just before impact.

The car side-swiped the other car in the intersection, and was headed towards another vehicle when Lopez leaped back through the window and yanked on the emergency brake. He stopped the car just in time as it gently hit the next in line and came to a stop. Lopez estimated the boy had been idling along at about 5 mph to 10 mph.

The boy was taken to the hospital minutes later with minor injuries to his face. Lopez injured his ribs when diving through the window, but the injury was not serious . . .

As you can see, Mr. Speaker, Salvador risked his health to save the life of this young boy. He has made us all—particularly his wife Gloria, his children Yma, Sergio, Isabelle, and Mario, and his co-workers at the Post Office—very proud.

AIRBORNE EARLY WARNING SQUADRON 77

HON. BOB BARR

OF GEORGIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. BARR of Georgia. Mr. Speaker, during times of peace, there are unfortunately many who take our nation's armed forces for granted. In the process, not only do they forget the time-tested wisdom that preparing for war is the best way to avoid it, they also forget the contributions that military units make to the functioning of our republic.

One would be hard pressed to find a better example of this principle in action than Airborne Early Warning Squadron 77, or VAW–77.

VAW–77 performs a vital role in our defense structure, by providing the most valuable of all defense commodities: information. Its E–2C Hawkeye aircraft collect and synthesize the information our fighter and attack aircraft depend on to perform their roles. By performing this function, VAW–77's "Nightwolves" serve as the eyes and ears for surface ships and naval aviators during engagements and exercises.

Fortunately for our families, schools, and neighborhoods, the work of the Nightwolves goes beyond simply deterring America's military enemies from attacking our shores and national interests. During its five year existence, the squadron has deployed to the Caribbean ten times.

These deployments have resulted in the confiscation and destruction of several metric tons of cocaine and marijuana. These are drugs that will not be reaching America's streets due directly to the efforts of VAW–77.

We owe the men and women of VAW–77 a great debt for their service in this area, and I encourage others to join in thanking them for their dedication and success.

TRIBUTE TO CHIEF MIKE HARSHBARGER

HON. JERRY WELLER

OF ILLINOIS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. WELLER. Mr. Speaker, I rise today to honor Chief Mike Harshbarger who has retired from the Bourbonnais Fire Protection District after more than 31 years of service. Chief Harshbarger started with the Bourbonnais Fire Protection District on December 29, 1969 and retired on January 1, 2001.

Much has changed in firefighting since Chief Harshbarger started. Firefighting has become more complex and technical. Training levels have escalated and technology keeps changing. When the Chief first started, all he needed was a coat, gloves, and a pair of boots. Today, training is needed to deal with many modern hazards.

Chief Harshbarger has always subscribed to free thinking and is willing to listen to new ideas and suggestions. The Chief ran the fire department with the same philosophy as he ran his business, "Our customers, the people of the district, are first and foremost."

Chief Harshbarger rose to national recognition for his performance as head of the Amtrak rail crossing disaster scene on March 15, 1999. His work was chronicled in the August 2000, Readers Digest.

Chief Harshbarger lives in Bourbonnais Township with his wife Ellie. The Chief is the second generation in his family to serve with the fire department. His father, Lyle, was a long-time member of the fire department. On October 12, 2000, the Kankakee Elks Lodge #627 named the Chief "Citizen of the Year". No one in the 100 years of the Lodge has ever received this award.

Mr. Speaker, I urge this body to identify and recognize other institutions in their own districts whose actions have so greatly benefitted and strengthened America's communities.

IN HONOR OF DAVID OCEGUEDA BRACKER

HON. NANCY PELOSI

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. PELOSI. Mr. Speaker, I rise to pay tribute to David Ocegueda Bracker as he retires from his position as the Executive Director of a non-profit group in my district, Arriba Juntos. For the past three and a half years, David has led this agency through a time of transition and expansion. During his tenure with Arriba Juntos, he has helped low-income residents of San Francisco receive the training they need to find employment or to advance their careers. His inspirational leadership has had a profound effect on our city.

David has dedicated his entire professional life to public service. After receiving his Bachelor's and Master's degrees in social work from San Francisco State University, David began his career by working for four years at the organization from which he is now retiring,

Arriba Juntos. As a Project Manager for the Model Cities program, he implemented an employment training program and directed other social services programs.

After a brief stint as Associate Director of the Mission Neighborhood Health Center, he joined the U.S. Department of the Interior as an Area Director. In this capacity, he founded and led an employment training program in the Western U.S. that became nationally known and emulated for its effectiveness.

In 1980, he began working for the University of California, San Francisco. First in the Office of the Public Programs, then in the Chancellor's Cultural Diversity Task Force, and then in the Office of the Vice Chancellor, David spent twelve years with U.C.S.F. While there, he raised support for their health programs and represented U.C.S.F. in the health care community; he helped to design and implement U.C.S.F.'s plan to achieve full diversity on campus; and he secured corporate and foundation support for many projects, including a joint gerontological research project with Mount Zion Medical Center, a pediatric crack cocaine project, a campus capital improvement project, and the 1990 International Conference on AIDS.

After leaving U.C.S.F., he spent four years as the Executive Director of the Hearing Society for the Bay Area before becoming the Executive Director of Arriba Juntos. At Arriba Juntos he has presided over a time of great transition as the agency has adapted to respond to the nation's welfare reform effort. Where many have been content to reduce the welfare rolls, David has fought to ensure meaningful employment for those losing benefits. He has been concerned not with saving money but with saving lives. David's concern for those around him and his emphasis on helping people better their own lives have earned him the respect and appreciation of the community.

It has been my distinct pleasure to know and to work with David Bracker. He is a caring and able man whose many talents will be missed at Arriba Juntos. I know, however, that he will continue to serve our community in new and creative ways.

I join Arriba Juntos in thanking David for his time there as Executive Director, and wish him, his wife Kathy, and his daughter Megan all the best in their future pursuits.

ECONOMIC GROWTH AND TAX RELIEF ACT OF 2001

SPEECH OF

HON. CHET EDWARDS

OF TEXAS

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 8, 2001

Mr. EDWARDS. Mr. Speaker, I rise in opposition to H.R. 3, because I believe the product is fiscally irresponsible and the process rushed to the point where we are voting on 10-year tax cuts before we even have a 1-year budget in place. Congress is now making budget and tax decisions that will directly affect our families and our nation for the next 10 years and beyond. It is crucial that we make informed, fiscally responsible decisions on the budget and taxes, because the choices we make today could lock in our national priorities for the future.

I will support fiscally responsible tax cuts this year including reducing the estate tax and the marriage penalty as well as expanding child tax credits. I believe we must also fulfill the moral obligation we have to our children to reduce our $5.7 trillion national debt and a responsibility to protect Social Security and Medicare for our seniors. The question is not whether Congress will pass a tax cut this year—we will. The question is how large is the tax cut and will it be fiscally responsible and fair to all families, including middle and low-income working families?

These are difficult questions that must be answered satisfactorily before tax cuts are approved. Perhaps if these questions were asked and answered back in the 1980s, our country could have avoided the huge budget deficits that contributed to the $5.7 trillion national debt.

In 1981, President Reagan and Republicans and Democrats in Congress passed a huge tax cut into law. They predicted the then $55 billion a year deficits would become a surplus in 1984, 3 years later. What actually happened is that instead of having a surplus in 1984, the federal deficit exploded to $185 billion.

As a consequence of that tax cut, the national debt tripled in the 1980s—and now stands at $5.7 trillion. Last year Americans paid $223 billion in taxes, just to pay the interest on the national debt. On average, that would approximately be $800 in taxes for every man, woman and child in America.

Marvin Leath, my predecessor, said that the 1981 tax vote was his ''worst vote'' in 12 years of Congress. In 1990, President George Bush chose to reverse his previous pledge to oppose new taxes. Why? By 1990, the federal deficit had skyrocketed to $220 billion each year, with no end in sight.

President Bush, Republicans, and Democrats passed a tax increase in 1990 and it cost President Bush dearly, but not as much as the budget deficit would cost average Americans. By 1993, projections were that deficits would further explode to over $300

Those lower interest rates made it cheaper to buy a house or car or build a business. That, plus the new high tech economy that increased productivity of American workers, resulted in the longest sustained economic growth period in American history.

And, after 29 straight years of deficits, in 1997, we had the first balanced budget since Neil Armstrong set foot on the moon in 1969. So, we spent the 1990s stopping the deficit binge of the 1980s, but where does that leave us now?

The Congressional Budget Office and other government economists predict we will have a $5.6 trillion federal surplus over the next 10 years. (FY 02–FY 11). The promise of surplus has led President George W. Bush to propose a 10-year, $2.4 trillion tax cut. But do we really have the money needed to provide this tax cut, pay down the debt and protect Social Security and Medicare? Before we take the step of spending a surplus we may not have, let me ask you two questions. One, is there anyone in this chamber that would bet his or her family's entire net worth on the belief that a federal government economist's 10-year projections on the American economy will be 100 percent correct? Two, just how real is the $5.6 trillion surplus projected by 2011?

The projected surplus is $2.2 billion once you subtract the $3.4 trillion held in the Social Security, Medicare, and other trust funds that Congress has pledged not to touch. The proposed tax plan costs $2.4 trillion once you add the additional interest costs, tax break extensions, and the retroactive tax cuts. Over 10 years the country will be looking at a $200 billion budget deficit and that's before other priorities are paid for. The tax cut plan assumes an overly optimistic 3 percent annual economic growth rate over the next 10 years. If the growth rate is off by just 4/10 of 1 percent, then the surplus will be reduced by $1 trillion over 10 years. From 1974 to 1995 the economy grew an average of only 1.5 percent annually—half the rate assumed in the tax cut plan.

What if we proceed and cut taxes at this level and the economists are wrong? First, we'll see a return to budget deficits and interest rates will go up making it more expensive for families to make large purchases such as buying a home or starting a business. A larger national debt means more taxes to pay interest on the debt and less money to provide for priorities such as national defense and veterans, education, prescription drugs and protection Social Security and Medicare. Finally, the true cost of these tax cuts hits just as baby boomers are retiring and the Social Security and Medicare trust funds are running at a deficit.

We have more options than the House leadership would have us believe. The first option is the one we are looking at now: passing a $2.4 trillion, 10-year tax cut and hoping the rosy economic forecasts are correct and that spending cuts can be made.

The second option is to pass a smaller tax cut now, make spending cuts and then see if the surplus is real. Once the surplus is guaranteed, then it will be time to pass more tax cuts.

I will be guided by several principles on the tax cut question. I will do what I believe is right, not just politically popular at the moment. I will listen to the citizens of Central Texas before making a final decision. I will try to look at the numbers honestly—without the hype and false promises.

I will support fiscally responsible tax cuts this year, but we also have a moral obligation to our children to reduce our $5.7 trillion national debt and a responsibility to protect Social Security and Medicare for our seniors.

FEDERAL SUPPORT FOR FAITH BASED ORGANIZATIONS

HON. ZOE LOFGREN

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. LOFGREN. Mr. Speaker, I rise today to commend to my colleagues the following articles by Joan Ryan of the San Francisco Chronicle and Patty Fisher of the San Jose Mercury News. I found these articles to be

thoughtful examinations of the complex question of federal support for faith-based groups.

[From the San Francisco Chronicle]

WITH A HAND ON THE BIBLE

(By Joan Ryan)

Even as a Christian I felt uneasy when George W. Bush said during his campaign that Jesus was the most influential philosopher on his political beliefs.

The feeling returned during Bush's inauguration when he again wandered, either carelessly or purposefully, into the dangerous ground between church and state.

Inaugurations traditionally mention God in the context of a higher power recognized by most of the world's religions. But Bush's hand-picked pastors mentioned Jesus in both the invocation and prayer. one pastor punctuated the point with the unequivocal proclamation, ''Jesus the Christ (is) the name that's above all other names.''

Now comes news that Bush wants to disburse billions in public funds to religious groups that provide social services. The groups would compete for the money, and Bush's new ''Office of Faith-Based and Community-Based Initiatives'' would choose the recipients. All religions would be eligible, Bush said.

Everyone who believes that certain religious groups will be getting significantly more of this money than others, say, ''Amen.''

Bush has already shown that he won't fund groups that don't adhere to his particular set of moral beliefs. In his first full workday as president, he announced he was yanking funds to overseas organizations that use their own money to provide abortions or abortion counseling. These organizations were not breaking the laws of their countries or of ours. Bush's decision was based solely on his own

And Bush's call for a review of the FDA's approval of the abortion pill, RU–486, was not based on science or health but, again, his own brand of morality.

This is the problem with blurring the line between church and state, as Bush is doing. We begin to create a de facto national religion based on the values of those in power. These values might be perfectly respectable ones. They might even have the power to transform lives, as Bush's religious program in a Texas prison has. (Compared to non-participating inmates, inmates in the two-year indoctrination in biblical teachings and Christian behavior have shown a drastically lower recidivism rate once released from prison.)

It's difficult to argue that the world wouldn't be a better place if everyone adhered to so-called Christian values.

But who should interpret how those values will be applied to public policy? Ralph Reed? Jesse Jackson? The pope? All adhere to the same Bible, but each man's vision of government based on the book's teachings would be vastly different—and would feel like a tyranny to those who disagreed.

The infusion of religion into government is at the very heart of the revolution that created America. The colonists rebelled not only against the Church of England but also against the Puritanism and Calvinism that forced the citizenry to conform to particular religious views of face the government's wrath.

What Bush risks doing is establishing the legitimacy of one religion over all others, and this is just what our founding fathers didn't want. Yet there hasn't been much of an outcry. Perhaps people figure it's better to have a president who thinks he's the national deacon than one who thought he was the national Don Juan.

All would agree that the president should be guided by high morals. And one would hope that, if he is deeply religious, he could harness the power of his faith for the public good. But when Bush laid his hand on the Bible two Sundays ago, he didn't promise to uphold the teachings of Jesus.

He promised to uphold the Constitution of the United States.

[From the San Jose (CA) Mercury News, Jan. 28, 2001]

GOD AND GEORGE W. BUSH COULD FACE A FIGHT, EVEN WITH CHRISTIANS, IF HE TRIES TO MAKE RELIGION MORE PUBLIC

(By Patty Fisher)

I can think of only one topic that is controversial even though almost all Americans agree on it.

God.

Of course, when it comes to God, about the only thing we agree on is that God exists. And even proclaiming that publicly makes us nervous.

By many measures, the United States is one of the most religious countries in the world. Not only do 94 percent of those surveyed in a recent Harris poll believe in God, but 89 percent also believe in heaven. The country is also overwhelmingly Christian, with 81 percent describing themselves as Christians and even a greater number—86 percent—professing belief in the resurrection of Christ.

A separate poll taken after the election by Public Agenda, a non-partisan organization, found that 70 percent of Americans want religion to be more influential in society. Concerned about the moral decline in this country, 69 percent of those surveyed said religion is the key to strengthening family values and improving moral behavior.

With those numbers, George W. Bush might expect little opposition to his efforts to expand the presence of religion in

And yet, I suspect Bush is going to encounter stiff opposition to any attempt to make religion more public during his presidency. Not only from Jews, Muslims, Buddhists, atheists and agnostics, but from Christians as well.

I was raised a United Methodist and get to church almost every Sunday. But as I watched a Methodist minister give the benediction at the inauguration, calling on all who believe in Jesus to say ''Amen,'' I cringed. My 11-year-old daughter, who was watching with me, put my thoughts into words.

''What about the Jews who are watching?'' she said. ''What about all the people who don't believe in Jesus? What are they supposed to do?''

A lot of them wrote letters of outrage to newspapers.

One letter writer, Roy Gordon of San Jose, is Jewish and grew up in England. He is disturbed by what seems to be a trend away from the ecumenism that has made him feel comfortable in this country.

''I respect President Bush's religious beliefs and expect that they make him a better person and president, but they are not mine nor are they those of a very large number of other Americans,'' he wrote. ''This occasion was for the whole nation, but I felt left out at the end.''

Gordon went on to say: ''Respecting diversity does not end with a few Cabinet secretaries; it is an inclusive attitude that has to affect every aspect of our relationships with each other.''

Activist attorney Alan Dershowitz put it more bluntly in the Los Angeles Times:

''The plain message conveyed by the new administration is that Bush's America is a Christian nation, and that non-Christians are welcome into the tent so long as they agree to accept their status as a tolerated minority rather than as fully equally citizens.''

I doubt that Bush intended to offend non-Christians at the inauguration. In his speech, he made a point of mentioning synagogues and mosques. But he appears not to understand an important piece of Americans' complex attitude toward religion, which is: Just do it—and please don't talk about it.

A majority of Americans think children should be raised with a religious faith and want politicians to be religious, according to the Public Agenda poll. But they really don't think it's OK to discuss religion at work or at parties. A majority would support a moment of silence in public schools, but not a spoken prayer. More than 60 percent agree that ''deeply religious people are being inconsiderate if they always bring up religion when they deal with other people.'' And nearly three-quarters of those polled said that politicians who talk about their religious faith are ''just saying what they think people want to hear.''

When Bush talked on the campaign trail about how his faith helped him stop drinking, I suspect he was not merely being a fisher of votes. People whose lives are changed by faith like to talk about it. Alcoholics Anonymous began in the Methodist Church.

But now that he is the president, he must be careful not to push his faith on others. He must not make the mistake of thinking that there is such a thing as the ''religious'' position on an issue. Just because I call myself a Christian doesn't mean I agree with Bush on abortion or the death penalty.

One reason religion is so much stronger in the United States than in Europe, I suspect, is our tradition of religious tolerance and separation of church and state. As long as the state is not forcing a particular religious view, faith flourishes.

The president needs to remember that while 94 percent of Americans believe in God, fewer than half voted for George W. Bush. Americans will support his efforts to bring morality back into public life, as long as he doesn't think he has God on his side.

A TRIBUTE TO ROGER LIPELT UPON HIS INDUCTION INTO THE MINNESOTA HIGH SCHOOL FOOTBALL COACHES HALL OF FAME

HON. JIM RAMSTAD

OF MINNESOTA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. RAMSTAD. Mr. Speaker, Roger Lipelt is a teacher and coach who has had a positive influence on generations of Minnesotans, teaching young people the values of hard work, character, leadership and integrity while working toward a common goal.

Mr. Speaker, Roger Lipelt of Wayzata, Minnesota, one of my very best friends, will be inducted into the Minnesota High School Football Coaches Association's "Hall of Fame" on Friday, March 16.

Roger was the highly successful head football coach at Wayzata High School for 22 seasons before retiring in 1998. But if you asked

him what he did during those seasons, he would tell you he was first and foremost a teacher. Roger represents the best and the brightest among educators. He's also one of the most successful high school football coaches in Minnesota history. Roger's legendary coaching career stretched over three and a half decades. His teams captured 17 conference and two section titles. His career record was 209 wins and 107 losses.

Roger Lipelt has been named recipient of virtually every coaching honor possible. Those awards were won not only because of Roger's superior coaching skills but because of his unique ability to motivate his players in a positive, uplifting way. Roger Lipelt has also been highly successful coaching both wrestling and tennis. His Wayzata High School tennis teams won two Minnesota state titles. ''Coach of the Year,'' Minnesota All-Star Football head coach, and Hall of Fame at his alma mater, Hamline University, are just a few of the awards Roger Lipelt has received. But to simply recite Roger's remarkable coaching credentials is to not take the full measure of this great man.

Roger Lipelt truly cares about people and his community. His record of public service is as inspiring as it is long. Besides the countless young people he has helped in immeasurable ways, Roger has reached out to less fortunate people in his own backyard and across the globe in Peru.

Over the past dozen years, Roger has been deeply involved in helping the people of Peru. I have accompanied Roger to Peru twice and have seen, firsthand, the difference he has made in the lives of Peru's most impoverished people. Roger has spent countless hours with young abandoned children at CIMA Orphanage, the teenage youth leaders at Bridge House, and the poorest of the poor at Flores de Villes.

Roger Lipelt has been a friend to many families in Peru. He has facilitated numerous relationships that have been helpful in many ways. Through his efforts, 26 Minnesota families are now supporting 26 Peruvian families of Lima's ''Shantytown,'' or Flores de Villes. Roger's group in Minnesota is known as Amigos del Peru which consists of Minnesotans who are contributing money and other resources to help the most impoverished people of Peru. Through Roger's leadership, a community health clinic has also been established at Flores de Villes.

Just like the young students whose lives Roger impacted at Wayzata High School, Roger Lipelt is now changing lives a continent away.

Mr. Speaker, Roger Lipelt is an amazing humanitarian and a legendary football coach. Please join me in honoring this great Minnesotan on his induction into the Minnesota High School Football Coaches Association's Hall of Fame. Roger is truly most deserving of our special recognition.

HONORING MS. BARBARA MELTON OF WHITE HOUSE, TENNESSEE ON THE OCCASION OF HER RETIREMENT

HON. BOB CLEMENT

OF TENNESSEE

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. CLEMENT. Mr. Speaker, I rise today to honor Ms. Barbara Ann Garland Melton of White House, Tennessee, on the occasion of her retirement after thirteen years as Library Director for the White House Inn Library.

Barbara Melton's foresight and vision as Library Director are to be commended. As the very first Library Director for the City of White House beginning in 1987, Ms. Melton upgraded the library reading selection, computer access catalog, and expanded staff, adding special programs for children, summer reading, adult education and genealogy.

The first library housed 5,500 books. Today, under Melton's direction, the library has 16,000 volumes and circulated more than 55,000 in 2000. With White House as one of the fastest growing cities in Tennessee, Melton's challenge to improve the once small town library was significant. However, she rose to the challenge with excellence and enthusiasm.

Melton also acted as curator for the White House Inn Library museum, which houses numerous artifacts, news articles, and photographs chronicling the history of White House, Tennessee. The museum is located on the upper level of the facility and is often utilized by historians and genealogists thanks to Melton's hard work.

Barbara Melton was certified as a Public Library Manager in 1997, as a graduate of the Tennessee Department of State and the University of Tennessee. Further, she graduated from the University of Tennessee Municipal training program as Municipal Generalist in 1997.

Melton's efforts have not gone unnoticed by her peers. In 1998, the White House Chamber of Commerce named her White House Citizen of the Year. In fact, I was honored to participate in that special presentation recognizing her for all that she has accomplished for the citizens of White House.

In addition to Melton's outstanding work for the City of White House, she is devoted to her husband of 39 years, Ted K. Melton, daughter Paula Eller, son-in-law Christopher Eller, and granddaughter Savannah.

I congratulate Barbara Melton and thank her for laying a successful foundation promoting literacy for all citizens of White House, Tennessee, as Library Director, and wish her the best in her retirement.

INTRODUCTION OF FINANCIAL SERVICES ''CONSUMER BILL OF RIGHTS'' LEGISLATION

HON. JOHN J. LaFALCE

OF NEW YORK

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. LAFALCE. Mr. Speaker, today I and number of my Democratic colleagues are introducing eleven bills that would significantly expand the protections in current law for consumers of financial services. Taken together, our bills provide a ''Consumer Bill of Rights'' in the financial services sector and an aggressive consumer policy agenda for the 107th Congress.

Consumers confront unfair and deceptive practices that can only be described a ''predatory'' in connection with almost every financial decision that affects daily lives. We see predatory practices in connection with the homes we buy, with the automobiles we buy or lease, with the credit cards we use for everyday purchases and with the short-term credit we need to stretch our paychecks. Most disturbing, we are seeing predatory practices in connection with the most intimate and confidential aspects of our personal lives and our financial privacy.

The financial marketplace has changed significantly in recent years, but not all the changes have been positive for consumers. Two broad trends, in particular, greatly concern me. The first involves the growing segmentation of financial services into two separate and unequal financial services structures—one for middle and upper income individuals that involves traditional regulated and insured financial institutions; a second for lower-income households that involves higher cost services from less-regulated finance companies, check cashing firms, payday lenders and other quasi-financial entities. Millions of American families are being relegated to a substructure of subprime credit and high-cost services from which few will escape.

The second trend involves the growing acceptance and adoption by traditional financial institutions of the predatory ethics and abusive practices of what was considered, until recently, the fringe elements of the financial services sector. Where once the local bank epitomized integrity, confidentiality and customer service, today the practices of some of our traditional institutions are nearly inseparable from the non-regulated lender that pushes unaffordable debt and preys on consumers' misfortune. The practices once the province of the loan shark are now common placed in the market for credit cards, second mortgages, auto financing and other short-term debt.

These changes have been gradual, but their effect is unmistakable. Some of our Nation's largest and most respected financial institutions now see few problem in acquiring a widely denounced predatory mortgage company or having their name associated with chains of pawn shops and check cashing outlets.

The growing complexity of today's financial marketplace, by itself, should prompt Congress to consider additional measures to protect consumers. But these trends toward market segregation and predatory ethics now demand that consumers have additional rights and greater protections against unfair and abusive financial practices.

The eleven bills we are introducing today seek to address the most widespread and abusive practices confronting consumers in today's market for consumer credit and basic financial services. I will soon separately introduce with a number of my Democratic colleagues a twelfth bill that addresses a variety

of unaddressed concerns involving financial privacy and commercial use of personal financial information.

Two of the bills we are introducing today deal with abuses in an area that has come to epitomize predatory financial practices—the problems of high cost mortgage refinancing, home equity loans and home improvement loans. We have witnessed the growth of an entire industry of high-cost ''subprime'' commercial lenders that systematically target homeowners with low incomes or damaged credit for deceptive offers of high-cost credit. These practices seek to place borrowers more deeply in debt, strip away their accumulated equity and force many homes into foreclosure. Our bill, the ''Predatory Lending Consumer Protection Act of 2001,'' would expand the protections in current federal law to prevent loan packing, mortgage flipping, excessive fee financing and other practices that make abusive loans profitable. A second bill, the ''Equal Credit Enhancement and Neighborhood Protection Act of 2001,'' addresses the fair lending issues involved in predatory mortgage lending. It would add new federal protections to combat the discriminatory steering of racial groups to high cost loans and reverse redlining in subprime credit, and it would increase mortgage reporting requirements to help identify high-cost loans and patterns of discriminatory lending.

Two of the bills also address another area of widespread abuse—consumer credit cards. U.S. News reported earlier this week that Americans now charge more on credit cards than they spend in cash and that the average cardholder now carriers a balance of more than $4,400. The bill entitled ''Consumer Credit Card Protection Amendments of 2001'' addresses a variety of abuses that are common to most credit cards—inadequate disclosure of interest rates and terms, hidden fees and charges, inappropriate solicitations to minors, and penalties for practically every consumer action, including paying late, not making the minimum payment and even paying off monthly balances in full. The second bill, the ''Credit Card Predatory Practices Prevention Act of 2001'' addresses more systematic fraud in subprime credit card solicitations which target people with low incomes or damaged credit. It provides more specific strict prohibitions than current law against abusive sales practices, bait and switch tactics and billing schemes intended to generate interest and penalty payments.

Another important bill addresses the growing problem of ''payday'' loans, which involved short term extensions of credit at annual interest rates of 450 percent to 600 percent. Since payday lenders use consumers' personal checks to secure credit advances, they hold enormous leverage over the consumer in collecting debts by threatening the loss of check writing privileges and even prosecution for writing bad checks. The ''Payday Loan Consumer Protection Amendments of 2001'' would end this practice by prohibiting any extension of credit based solely on a check or other instruments drawn on federally insured accounts.

Automobile leasing is another area of growing consumer abuse that is addressed by the legislation. The potential abuse in complex lease transactions begins with the misrepresentation of lease payments and terms in lease advertisements. Today's lease advertisements have the single purpose of enticing consumers into dealerships where they can be confined into signing almost any

Additional bills seek to update and modernize two of our nation's most important consumer protection statutes. Key protections of the Truth in Lending Act, stated in dollar amounts in the late 1960s, have not been updated and, consequently, have been eroded by inflation and changing market practices. The ''Truth in Lending Modernization Act of 2001'' updates these provisions and adds new protections to assure that TILA's important rescission and civil liability protections remain available for consumers. The ''Truth in Savings Enhancement Amendments of 2001'' extend the civil liability protections of the Truth in Savings Act, which will sunset on September 30, 2001, and make other changes to strengthen enforcement against deceptive practices in connection with consumer savings accounts.

Let me briefly describe the final three bills we are introducing. The ''Unsolicited Loan Check Consumer Protection Act of 2001'' would prohibit use of negotiable or ''live'' checks in credit solicitations. These solicitations unfairly encourage desperate consumers to take on unaffordable debt and raise unnecessary liability concerns for lost or stolen checks. The ''Consumer Affordable Transaction Account Act of 2001'' would require all insured banks, thrifts and credit unions to advertise and provide low-cost basic checking account services for lower-income consumers without banking accounts. The bill builds upon the basic banking account programs already required by New York and other states. My final bill, the ''Consumer Banking Services Cost Assessment Act of 2001,'' extends authority for the Federal Reserve Board's annual survey of banking service fees and expands the survey to include credit unions and all fees associated with credit cards.

Mr. Speaker, recent reports indicate that American consumers are drowning in a sea of debt. While family income has stagnated, household debt has risen by more than one-third and the equity families hold in their homes is lower than it was a decade ago. These conditions create desperate consumers and encourage abusive credit practices. And the conditions will only worsen if our economy falters.

With the Truth in Lending Act of 1968, Congress recognized that consumers have a basic ''right to know'' the full and accurate costs of all financial services. The complexity of today's financial marketplace now demands that consumers have new rights and greater protections against unfair and abusive practices. The eleven bills that we are introducing today offer a broad program of reform that can restore consumer protection and customer service as the guiding principles of financial services policy.

The meager attention the Congress has given to consumer protection over the last several years has been the result of Democratic prodding. We will continue to prod until these important issues get the attention they deserve. I urge the support of my colleagues for this important legislation.

THE BOY SCOUTS OF AMERICA, REPORT TO THE NATION 2000

HON. ROBERT W. NEY

OF OHIO

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. NEY. Mr. Speaker, yesterday I had the distinct pleasure to join you and a group of young leaders from the Boy Scouts of America as they presented their 2000 report to the U.S. House of Representatives. I was honored to meet with these young leaders and heroes. To further record their visit to the Capitol and efforts of the past year, I am submitting a copy of their report to follow my remarks for printing in the CONGRESSIONAL RECORD.

REPORT TO THE NATION 2000, BOY SCOUTS OF AMERICA

In 2000, the Boy Scouts of America celebrated its 90th anniversary and the addition of its 100-millionth youth member. Nearly five million youth had the opportunity to participate in the programs of the BSA during the past year, thanks to the efforts of more than 1.48 million committed adult volunteers. All of this is made possible through support from tens of thousands of chartered organizations and community groups throughout the nation.

For our youth members and participants, Scouting is about outdoor adventure and having fun with friends. But Scouting is much more. Scouting is a values-based program designed to instill self-discipline, self-confidence, self-reliance, and self-worth—qualities that last a lifetime.

OUR MISSION

The mission of the Boy Scouts of America is to prepare young people to make ethical choices over their lifetimes by instilling in them the values of the Scout Oath and Law.

The Boy Scouts of America has long been recognized as the nation's foremost leader in values-based youth development. Though we tend to view our movement through statistics that highlight our strengths and accomplishments, the real focus of Scouting is the powerful impact it has on a single youth and his or her family. In a time of declining ethics and shifting morals, we remain steadfast in our purpose: to instill positive values in young people that enable them to mature into adults of strong character.

OUR PROGRAMS

Cub Scouting. As a result of a national marketing program, Cub Scouting, for boys ages 7 to 10, served 2,114,420 youth members in 2000. Enhancement of age-appropriate programming has resulted in greater opportunity for youth to participate in Cub Scouting's contemporary family activities. Reflecting the increased emphasis on and expansion of day, resident, pact, and family camping opportunities, more than 41 percent of Cub Scouts participated in an outdoor activity.

Boy Scouting. Membership in Boy Scouting, for 11- to 17-year-olds, reached 1,003,691 in 2000. Eagle Scout, the highest rank a Scout or Venturer can achieve, was attained by 40,029 young men. The number of Scouts who experienced a long-term camping expedition reached its greatest level ever in 2000 with 58.2 percent of all Boy Scouts and Varsity Scouts participating in these educational outdoor adventures.

Venturing. This high-adventure program for young men and women ages 14 to 20 has

enjoyed continuous growth since its introduction in 1998. Built around an advancement program with the Venturing Bronze, Silver, and Gold awards, Venturing grew to 233,858 members—a 15.7 percent increase. The number of Venturing crews increased 12.1 percent in 2000 to 17,684.

Learning for Life. Participation in this classroom- and workplace-based character education program continued to increase in 2000, growing 3.2 percent to 1,589,988 participants. More than 17,000 organizations nationwide used Learning for Life to help young people develop life skills, positive attitudes, values, and career awareness. New Jersey selected Learning for Life as a program of merit to be used in that state's new character education initiative.

Scoutreach. Scouting's coordinated effort to reach out to more urban and rural young people focused on the Hispanic market in 2000. New Spanish marketing materials and training aids were developed along with a number of bilingual publications designed to make Scouting programs more accessible to Hispanic youth and their families. The esteemed Whitney M. Young Jr. Service Award was bestowed upon 148 volunteers—the largest number of recipients in the history of the award.

AWARDS

The National Court of Honor presents the prestigious Silver buffalo Award to distinguished citizens for exemplary national service to youth. In 2000, recipients of Scouting's highest commendation included Charles L. Bowerman; M. Anthony Burns; Robert M. Gates; Roger R. Hemminghaus; Louise Mandrell; C. Dudley Pratt Jr.; Thomas E. Reddin; Frank G. Rubino, M.D.; Alfred S. Warren; Togo D. West Jr.; and Edward E. Whitacre Jr.

The BSA's National Court of Honor awarded the Honor Medal With Crossed Palms to six Scouts and Scouters who demonstrated unusual heroism and extraordinary skill or resourcefulness in saving or attempting to save a life at extreme risk to self. Other awards for lifesaving and meritorious action were presented to 234 Scouts and Scouters.

The Young American Awards recognizes excellence in the achievements of young people ages 15 to 25. The 2000 recipients were Julius D. Jackson, Carl F. Regelmann, Svati Singla, Alison L. Smith, and Christopher K. Sokolov.

AMERICA'S PROMISE—THE ALLIANCE FOR YOUTH

In 1997, the Boy Scouts of America pledged 200 million hours of service to America by our youth membership by the end of 2000. We are pleased to announce that we have surpassed that objective by completing more than 214 million hours. As part of this effort, members of Scouting's national honor society, the Order of the Arrow, performed more than 2,000 hours of service in Yosemite National Park. Scouts in New Orleans participated in Good Turn fairs in which they performed services for the community including removing graffiti and restoring playgrounds. The BSA's involvement in this worthwhile effort represents its commitment of service to our nation as expressed in the Scout Oath and Law.

PREPARING FOR THE FUTURE

Strong leadership has always been a hallmark of Scouting. In this tradition, this past year our National Executive Board selected Roy L. Williams as the Chief Scout Executive. In May, Williams will introduce a strategic plan for 2002–2006 that targets five issues critical to the future of the Scouting movement. Those issues are traditional membership and unit growth, total financial development and stewardship, marketing and strategic positioning, leadership, and Scoutreach. By addressing these key issues, the BSA will ensure that its values-driven programs will be around for generations to come, and will continue to reach out to share America's values with today's youth, tomorrow's leaders.

ROY L. WILLIAMS,
Chief Scout Executive.
MILTON H. WARD,
President.

TRIBUTE TO COMMUNITY HOME HEALTH AND HOSPICE

HON. DALE E. KILDEE

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. KILDEE. Mr. Speaker, I am honored to rise before you today to recognize a group of people committed to protecting and enhancing human dignity. Community Home Health and Hospice, located in my hometown of Flint, Michigan, is a private nonprofit organization that has been serving patients throughout Genesee County and other surrounding communities for 20 years.

Since 1981, Community Home Health and Hospice has been the only local community based program providing health care to homebound patients and home care for those facing the end of life. They provide physicians, nurses, home health aides, social workers, chaplains, and many volunteers who selflessly donate their time and resources to give physical, emotional, and spiritual support to patients as well as their families. They also supply physical, occupational, and speech therapy, dietary counseling, transportation, and bereavement support.

Community Home is licensed by the State of Michigan and is accredited by the Joint Commission on Accreditation for Health Care Organizations. They are also certified by Medicare, Medicaid, and Blue Cross Blue Shield. Their building, a $3.5 million 19,000 square facility, ensures that the terminally ill receive comprehensive, cost-effective healthcare, and that they are granted the opportunity to live the remainder of their lives in a familiar and comfortable home-like setting.

Mr. Speaker, Community Home fully understands the hardships families face when a loved one nears the end of their life. In many situations, patients and their families would prefer to face the end of life at home, and the decision to seek outside care is truly difficult. However, I am happy that there is a place like Community Home Health and Hospice, where they may live in comfort and dignity.

THE HAMMOND SPORTS HALL OF FAME

HON. PETER J. VISCLOSKY

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. VISCLOSKY. Mr. Speaker, it is my distinct pleasure to announce that the Hammond Sports Hall of Fame's 15th Annual Induction Banquet will be held tonight, March 15, 2001, at the Hammond Civic Center, in Hammond, Indiana. Eleven individuals, all of whom attended high school in Hammond, Indiana, will be inducted into the Hammond Sports Hall of Fame. The new members of the Hall of Fame include: Mike Bradburn, Bob Bradtke, Allison Buell, Donald Clark, Ray Cross, Rudy T. Folta, Terry Irk, Hal Morris, Kurt Nondorf, Frank P. Staucet, and Bob Wilson, Sr.

Mike Bradburn, a current resident of Chester, California, graduated from Hammond Morton High School in 1963. While at Morton, Bradburn was an outstanding athlete, participating in football, wrestling, and track and field. In football, what this speedy, hard-driving fullback lacked in size, he made up for in grit and determination. He played on the Governors' 1961 state championship squad and earned all-state honors the following season. He continued his football career at Northwestern University, from where he graduated in 1957.

An outstanding basketball and baseball player at Bishop Noll, Bob Bradtke graduated in 1956. Prior to moving to Lansing, Illinois, where he currently resides, Bradtke coached at Bishop Noll, Whiting and Gavit. As a basketball player at Bishop Noll, he was an all-state guard that teamed up with Oscar Robertson and fellow Hammond Sports Hall of Famer Frank Radovich on the Indiana all-star squad that played the Kentucky all-stars. On the baseball diamond, Bradtke played virtually all positions. He continued his career in college as a basketball player at Notre Dame, where he was a two-year letter winner before graduating in 1960.

Current resident of Hammond, Indiana, Allison Buell, became the first female athlete from a Hammond high school to qualify for the state finals in a field event. Buell was an outstanding high jumper and long jumper at Clark High School, where she graduated in 1988. While in college, Buell competed in the high jump at Cornell University, before transferring to Columbia College, from where she graduated with honors in 1996. As a junior, this Clark valedictorian placed third in the high jump at the state meet, then returned home to help the Lady Pioneers softball team win a sectional title the next day.

The late Donald L. Clark had an outstanding wrestling and football career. After graduating from Clark High School in 1952, Clark attended Purdue University and joined the wrestling team. In 1957, Clark graduated from Purdue with academic honors he then embarked on an outstanding career in education and coaching. As wrestling coach at Hammond High, he directed the Wildcats to back-to-back state championships in 1962 and 1963.

Longtime Hammond, Indiana, resident Ray Cross, will also be inducted into the Hammond Sports Hall of Fame. While at Hammond High, Cross played running back and defensive back on their 1960 state football championship team, earning Chicagoland All-Star Team honors, as well as a scholarship to West New Mexico University. Cross was a versatile player and signed as a free agent with the Atlanta Falcons of the National Football League, but his career was cut short by a knee injury. He then returned home, where he embarked on a

teaching and coaching career, leading Eggers Middle School football, basketball and track teams to numerous city championships.

Rudy Folta, a current resident of Chicago, Illinois, won eight varsity letters as a football quarterback, basketball guard, and baseball shortstop for the Hammond Tech Tigers before graduating in 1957. After graduation, Folta continued his football career at Wabash College, where he captained the Little Giants in 1960.

Current Griffith, Indiana resident Hal Morris enjoyed a school record setting and state championship career as a high school sprinter at Clark High School. After placing fifth in the state track and field finals his sophomore and junior years, he won the 220-yard dash in the state finals in 1946. He also placed second in the state that year in the 100-yard dash.

Terry Irk, currently of Bainbridge, Indiana, was a 1971 Gavit graduate. While at Gavit, he was active in football, basketball and golf. As a versatile football player, Irk played quarterback and safety and his play earned him all-conference and all-area honors, as well as a scholarship to the University of Evansville.

Kurt Nondorf of Houston, Texas, was a standout in football and track at Hammond High School. After graduating from Hammond High, he continued competing in both sports as an Ivy Leaguer at Yale.

Frank Staucet of Slingerlands, New York, graduated from Catholic Central, now Bishop Noll, in 1941. After a season of college baseball at St. Joseph's College and three years representing his nation in the armed forces, he embarked in 1946 on a 10-year professional baseball career. Playing primarily shortstop for Albany, New York of the Eastern League, he compiled a career minor league batting average of .261, including a .300 mark his final season. He was a league all-star in 1948, 1949 and 1950.

While attending Clark High School, current Highland, Indiana resident Bob Wilson, Sr., was an exceptional football, basketball, and baseball player. He went on to achieve prominence in the sport of bowling. Wilson has won numerous titles in various bowling competitions, including the ABC's National Team Championship in 1979.

Mr. Speaker, I ask you and my other distinguished colleagues to join me in congratulating Mike Bradburn, Bob Bradtke, Allison Buell, Donald Clark, Ray Cross, Rudy T. Folta, Terry Irk, Hal Morris, Kurt Nondorf, Frank P. Staucet, and Bob Wilson, Sr. for being inducted into the Hammond Sports Hall of Fame. Their service, dedication, and success have left an indelible mark on Hammond, Indiana and Indiana's First Congressional District.

IN RECOGNITION OF GUAM'S EXEMPLARY JUNIOR ROTC UNITS

HON. ROBERT A. UNDERWOOD

OF GUAM

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. UNDERWOOD. Mr. Speaker, I take this opportunity to offer words of praise and commendation for the three student cadet units of the U.S. Army Junior Reserve Officer Training Corps (ROTC) program on Guam. These deserving units, based at George Washington High School in Mangilao, Southern High School in Santa Rita, and Simon Sanchez High School in Yigo, have all been recently bestowed the designation of "Honor Unit with Distinction" following formal evaluation on the part of senior ROTC officers. This recognition is the third consecutive time that Guam's units have been awarded high marks of excellence from Cadet Command.

As part of the formal tri-annual certification process, officers from the U.S. Army ROTC Cadet Command, Fourth Region Headquarters, in Fort Lewis, Washington, recently conducted thorough on-site inspections of Guam's Junior ROTC units. Rigorous review of several critical areas, including cadet participation and performance, records and administration, public affairs and recruiting, training management, supply and logistics and school support were undertaken during this extensive inspection process. Cadets were responsible for briefing the inspection officers. Their performance was scrutinized and examined based on the Army's standards. The results yielded superior rating for the cadets, indicating that they executed their briefings well and were solid in drill and ceremony, curriculum knowledge, supply room inspection, and management.

This news is further testament to the success of the Junior ROTC program and the positive impact it has on the young men and women who choose to participate. Every year, Mr. Speaker, I am fortunate enough to have the opportunity to meet with the cadets and cadre of Guam's Junior ROTC units here in Washington. They make their annual journey each Fall to visit our Nation's capital city and learn about the legislative process. I have witnessed first-hand their remarkable growth and enjoy engaging in dialogue with them about their educational experiences.

Mr. Speaker, it is with these thoughts in mind and in proud recognition of their accomplishments, that I offer a whole-hearted congratulations to the young men and women of Guam's U.S. Army Junior Reserve Officer Training Corps (JROTC) program. Their accomplishments and efforts are to be lauded and appropriately acknowledged. I am honored to have been invited to speak at their upcoming Military Ball this Saturday, the 17th of March. I accepted their invitation without hesitation and look forward to personally meeting each one of the cadets and cadre to share in celebration of their success.

These distinguished cadets deserve our praise, our thanks, and our continued support. May the Junior ROTC Program continue to motivate young people to be better citizens. Mr. Speaker, I commend the Junior ROTC cadets and cadre on Guam. We on Guam are proud of their achievement. They have set the example for other units throughout the Nation to emulate. I urge them to keep up the good work and always remember the values instilled and skills acquired through participation in this invaluable program.

TRIBUTE TO THE AMERICAN CHEMICAL SOCIETY

HON. ELLEN O. TAUSCHER

OF CALIFORNIA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mrs. TAUSCHER. Mr. Speaker, I would like to congratulate the American Chemical Society and its more than 163,000 members on their remarkable achievements in chemistry throughout history. ACS was founded 125 years ago. In 1937, Congress charged ACS with advancing the chemical sciences and to promote research, education, and high standards of professional ethics. ACS members have played key roles in expanding the frontiers of knowledge, advancing medicine and industry, and creating products—from aspirin to the Hula Hoop.

Advances in the sciences have given us limitless possibilities to increase our knowledge, to share new discoveries, and to make life better for people across our country and around the world. Chemistry contributes to the safety and quality of our food, the fuel-efficiency of our cars, the speed of our computers, and the effectiveness of our medicines and vaccines. Those achievements wouldn't be possible without the vision and innovation of scientists and engineers.

We must do a better job teaching our children science and mathematics and motivating them to choose careers in these fields. The workforce of the future must be ready to tackle the complex challenges of an increasingly global society. ACS members are passionate about their mission to help educate Americans in science and technology and introduce everyone—young and old—to the wonders of scientific discovery.

The members of ACS, the world's largest scientific society, will continue to be in the forefront of research and development and science education in a challenging new century. America will benefit from their new discoveries and advances in technology. I join Americans and all people across the globe in celebrating the extraordinary accomplishments of the American Chemical Society and its members on its 125th anniversary.

IN RECOGNITION OF LA TRIBUNA NEWSPAPER

HON. ROBERT MENENDEZ

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. MENENDEZ. Mr. Speaker, I rise today to recognize a truly special occasion, the 39th anniversary of La Tribuna newspaper. This momentous event in my state's journalism community will be recognized at a gala banquet to be held Friday, March 16, 2001.

In 1962, large numbers of Hispanic immigrants began relocating to New Jersey. At that time, few newspapers were being published in their native language. La Tribuna was one of the first news sources committed to keeping the Spanish-speaking community in touch with its government and the rest of the world.

For thirty-nine years, La Tribuna has shone light on daily events affecting the Hispanic community. Part of the foundation of the United States Constitution is freedom of the press. La Tribuna brings this ideal to life for the Hispanic community on a weekly basis through the paper's commitment to truth and fairness. Whenever and wherever news happens, La Tribuna is at the forefront of articulating events in a concise, non-nonsense manner.

Under the direction of publisher and editor Ruth Molenaar, La Tribuna has grown to be a well-respected member of New Jersey's news community. The people of my District, and New Jersey, are fortunate to have Ms. Molenaar and her staff, including Lionel Rodriquez, providing fair and accurate news coverage. They have been a reliable voice for the Hispanic community for almost two generations.

In recognition of the impact La Tribuna has had on the community, the City of Newark will name a street after the newspaper. The corner of Ferry Street and Niagara Street will be named La Tribuna Street.

It is an honor to have La Tribuna operating in my District. Its efforts have helped our nation's Hispanic community to blossom and flourish. I ask that my colleagues join me in applauding this remarkable organization for all it has done for the Hispanic community.

CELEBRATING CAMP FIRE BOYS' AND GIRLS' ABSOLUTELY INCREDIBLE KID DAY

HON. VERNON J. EHLERS

OF MICHIGAN

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. EHLERS. Mr. Speaker, I ask my colleagues to join me today in recognizing the birthday of the Camp Fire Boys and Girls' Absolutely Incredible Kid Day. Each year, on the third Thursday in March, the day is set aside to help adults communicate better with kids. As part of the celebration, adults are encouraged to send letters of love and appreciation to young people in their lives to show them how much they mean to them. Now in its fifth year, more than 450 million people have been touched by Absolutely Incredible Kid Day.

Absolutely Incredible Kid Day can make a positive impact that will last a lifetime. The campaign has received the critical acclaim of child and family care experts, award winning authors, noted psychologists, and adults and kids everywhere. Celebrities such as Oprah Winfrey, Jim Carrey and Cindy Crawford have also given their support to Absolutely Incredible Kid Day.

In my hometown of Grand Rapids, Michigan the Campfire Boys and Girls West Michigan Council has put an enormous amount of time and effort into this celebration. In addition to having adults write letters to kids they know, the organization is also encouraging adults to write letters for distribution to at-risk youths throughout Grand Rapids. The Council has also organized an extensive public awareness program complete with posters, stickers and stationary to spread the word about this special and important day. I applaud them for making this day a top priority.

Mr. Speaker, I ask that my colleagues, moms and dads, grandparents, aunts and uncles, teachers, mentors and other adults alike take time out of their day today to let a young person know how much they appreciate them. Let them know you care and help make a positive difference in their lives today and everyday by writing a letter of love and support. You'll be glad you did and so will the reader of the letter!

CENTRAL ASIAN REPRESSION AND MISMANAGEMENT ARE THE PROBLEM NOT THE SOLUTION TO COMBATING ISLAMIC EXTREMISM

HON. DAN BURTON

OF INDIANA

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. BURTON of Indiana. Mr. Speaker, those of us who follow events in Central Asia are alarmed by the growing influence of Islamic extremism in Central Asia. As my colleagues are aware, an Islamic insurgency has taken root in the Fergana valley area where the borders of Uzbekistan, Tajikistan, and Kyrgyzstan meet. Reports indicate that this insurgency is being supported and fueled by the fiercely Islamic Taliban in Afghanistan.

So far, Kazakhstan has not been directly affected by this insurgency. However, because of its oil and mineral wealth, Kazakhstan is the crown jewel of the region and is thus another likely target of Islamic extremist groups. Kazakhstan's democratically challenged regime has taken note of the alarming developments in its neighbors to the south and has taken steps to strengthen its defenses. That's the good news. The bad news, however, is that President Nursultan Nazarbayev has apparently stepped up his repression, and it has been reported that he is plundering his oil and mineral rich country by siphoning hundreds of millions of dollars into foreign bank accounts. As a result, President Nazarbayev is said to be the eighth richest person in the world.

The people of Kazakhstan are not as blind. They can easily see that they inhabit a rich country, and they are justifiably beginning to ask why so little of their country's great wealth seems to be trickling down to them. The people are also not blind to sham elections, the stifling of press freedom, and the jailing of opposition leaders that have come to characterize the country's political life. I have been told that more and more people in Kazakhstan are losing hope, and are more willing to give Islamic extremists groups, who claim that they will eliminate the corruption of the current regime, a chance to govern.

In the March 3 issue of the Economist, there is an excellent article on Kazakhstan's security situation. At the end of the article, the author states "Government repression and mismanagement help to nourish extremism and terrorism in Central Asia. An effort to improve social and economic conditions and freedom of expression might make Kazakhstan less fertile ground for militant zealots." I wholeheartedly agree with this premise, and I ask that the full text of the Economist article appear immediately after my remarks.

Mr. Speaker, some people in Washington may be tempted to urge U.S. support for the Nazarbayev regime because it claims to be a bulwark of defense against Islamic extremism. But according to the information that I have been receiving, it is the Nazarbayev regime itself that will likely fuel the growth of Islamic extremism. Democracy, a free press, and respect for human rights are the keys to protecting a country like Kazakhstan from the influence of Islamic extremists groups. The United States must stand with regimes in Central Asia who share these key democratic values, not those regimes and leaders who subvert them.

[From the Economist, Mar. 3, 2001]

IN DEFENCE

When the Soviet Union broke up ten years ago, the leaders of Central Asia's newly independent states felt safe from possible attacks on their region. Their main concern was to promote order, economic reform and the assertion of power for themselves and their families. They were jolted out of their complacency by bomb blasts in Tashkent, the capital of Uzbekistan, in February 1999 and an attack by Islamic militants in Kirgizstan in August. Last year Islamists again attacked both countries.

Although Kazakhstan was not directly affected by these attacks, they have alerted the country to look to its defences. President Nursultan Nazarbaev has set about making Kazakhstan's armed forces capable of dealing with what he believes are the main threats to the state; terrorism as a result of religious extremism, and organized crime.

He is strengthening defences in the south, in the mountainous border regions from which an Islamic incursion might come. He wants his soldiers to be more mobile. Sniper groups are being formed. Villagers with local knowledge of the terrain are being recruited as guides. The country's defence budget has been more than doubled this year to $171m, or 1% of GDP. Soldiers' pay is to go up by 30–40%.

One difficulty is the Kazakhstan's borders were not clearly defined in Soviet times, so it is difficult to decide what is a ''border incursion''. Kazakhstan has 14,000 km (8,750 miles) of borders with neighboring states. It has agreed on its border with China, but it is still negotiating with Russia, Kirgizstan, Uzbekistan and Turkmenistan. Bulat Sultanov, of Kazakhstan's Institute of Strategic Studies, worries that ''our border troops cannot carry out any operations because there is no legal basis for them.''

Last year, Uzbek border guards entered southern Kazakhstan and claimed a stretch of land. Since then, there have been several brushes between Uzbeks and Kazakhs, mostly villagers unclear about which country they are living in. All this is a distraction from the task of making the south of Kazakhstan more secure.

Then there is Afghanistan. Although Kazakhstan is not a direct neighbour, the fiercely Islamic Taliban who control most of Afghanistan are a worry to all of Central Asia. They are believed to provide training for extremists, among them the Islamic Movement of Uzbekistan (IMU), which wants to set up a caliphate in the Fergana valley, where Kirgizstan, Tajikistan and Uzbekistan meet. The IMU was said to be behind the attacks in Kirgizstan and Uzbekistan in the

past two years and is thought to be preparing another assault before long.

Most of Kazakhstan's military equipment dates back to the Soviet period. Replacing, say, old helicopters used in the border areas will be expensive, but necessary. In January a Mi-8 helicopter crashed in the south, injuring the defence minister, Sat Tokpakbaev, who was aboard. Another helicopter crashed near the Chinese border two weeks ago, killing six people.

Kazakhstan will receive arms from Russia worth $20m this year as part of its annual payment for the use of a space-rocket site at Baikonur. It is due to receive over $4m from the United States to improve border security. The government might also consider some nonmilitary measures. Government repression and mismanagement help to nourish extremism and terrorism in Central Asia. An effort to improve social and economic conditions and freedom of expression might make Kazakhstan less fertile ground for militant zealots.

RECOGNIZING MONMOUTH UNIVERSITY FOR WINNING THE NORTHEAST CONFERENCE MEN'S BASKETBALL CHAMPIONSHIP AND GOING TO THE NCAA TOURNAMENT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today to recognize the hard work of the Monmouth University Hawks men's basketball team who won the Northeast Conference basketball title recently with a 67–64 victory over St. Francis of New York. Mr. Speaker, this victory rounds out a "Cinderella" season that saw the Hawks reclaim the top spot in the Northeast Conference and earns them an automatic bid to the "big dance."

The 12th Congressional District of New Jersey has a proud tradition of sending teams into battle during March madness. This is Monmouth University's second NCAA tournament bid. As the field begins to fill out I salute the courage and determination of the Monmouth Hawks and wish them great success and a full dance card.

Men's Basketball 2000–01 Roster

Listed by number, position, height, weight, class, hometown, and highschool/college, as follows:

4 Rahsaan Johnson, G, 6′–0″, 195, Jr., Washington, D.C., Gonzaga/Allegany College.

5 Tom Kaplan, G, 6′–4″, 190, Fr., Tel Aviv, Israel, Elitzur Rishon Le Zion.

10 Jason Kray, G, 6′–5″, 215, Fr., Point Pleasant, N.J., Christian Brothers Academy.

11 Steve Birdgemohan, F, 6′–8″, 225, Jr., North Brunswick, N.J., North Brunswick.

12 Phil Bonczewski, F, 6′–8″, 220, Fr., Plymouth, Pa., Wyoming Valley West.

13 Cameron Milton, G, 6′–3″, 185, Jr., Philadelphia, Pa., Franklin Learning Center.

20 Demitry Courtney, G, 6′–1″, 165, Sr., Trenton, N.J., Notre Dame.

21 Jay Dooley, F, 6′–6″, 210, So., Rumson, N.J., Rumson-Fair Haven.

24 Gerry Crosby, F, 6′–5″, 205, Sr., Twinsburg, Ohio, R.B. Chamberlin/Monroe CC.

25 Kevin Owens, C, 6′–10″, 225, So., Haddonfield, N.J., Camden Catholic.

33 Nick Barnes, C, 6′–9″, 260, Fr., Mount Airy, MD., The Newport School.

45 Russ Anderson, F, 6′–7″, 210, So., Chester, N.Y., Don Bosco Prep.

Head Coach Dave Calloway.

Assistant Coach Mark Calzonetti.

Assistant Coach Ron Kray.

TRIBUTE TO STEVE VOSSMEYER

HON. KAREN McCARTHY

OF MISSOURI

HON. RICHARD A. GEPHARDT

OF MISSOURI

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Ms. MCCARTHY of Missouri. Mr. Speaker, I rise today along with my esteemed colleague from Missouri's 3rd District, the Democratic Leader, Mr. GEPHARDT, to honor a loyal friend, devoted father, remarkable public servant, and esteemed political and civic leader whose love of life will live on in the memory of all those lives he touched. Steve Vossmeyer died march 9, just five days before his 57th birthday. Citizens of the City of St. Louis, his beloved Central West End neighborhood, and the Great State of Missouri mourn his passing.

Steve loved the law and he loved people. He was a popular political figure who used his wit and humor to cajole and prevail upon others to accept his point of view. He was a force to be reckoned with because he researched the situation thoroughly, asked tough questions of opponents, and loved to galvanize those of like mind around a challenge then execute a winning strategy. His love of sports, particularly Cardinals baseball, was legendary and shared enthusiastically with family and friends. An invitation to partake of Steve's culinary skills was a treasured occasion that brought the best minds together around his table and provoked conversations which extended well into the night.

Mr. Vossmeyer served the United States Senate as the legislative Assistant to Missouri Senator Thomas F. Eagleton from 1969 to 1972. Steve accompanied Senator Eagleton and two other Senators on a fact finding mission to Vietnam in 1970. His interrogation of military personnel after their "canned" presentations uncovered significant admissions that the war was not going as well as public pronouncements had indicated. In response he drafted major portions of the War Powers Act. His strongly held beliefs in the democratic process motivated him to serve as an election observer for the first democratically conducted elections in Czechoslovakia after the fall of communism.

Mr. Vossmeyer was elected a Missouri State Representative of the 86th District in 1972, and held that office for ten years. His first election was one of the biggest upsets in the state. He ran against a well known labor union official who outspent him by a margin of more than 4 to 1. His campaign utilized innovative techniques and new technology not previously employed in Missouri elections. At the close of each session, he prepared a comprehensive newsletter on the successes and failures, and those newsletters were quickly imitated almost verbatim—with his approval—by legislative colleagues of both parties. Steve was aided in these elections and constituent communications by Sandy Rothschild, a close friend from Washington University undergraduate days.

During his tenure in the Missouri House he championed a number of measures that benefited women. He sponsored several measures to protect rape victims from spurious attacks by defense attorneys and to balance the playing field for both sides in domestic relations disputes. He sponsored public records reforms and legislation to ratify the Equal Rights Amendment. He helped numerous women in their campaigns for public office. This list includes State Representative Sue Shear, Lt. Governor Harriet Woods and Dee Joyce Hayes, his former wife, whom he helped a decade after their divorce in her successful effort to become St. Louis Circuit Attorney. As Chairman of the House Governmental Review Committee, Steve reformed many of the antiquated and ineffective procedures used by State agencies and modernized the State's mental health laws.

Steve served the City of St. Louis as a Member of the Board of Electors. This body examined a series of problems confronting the St. Louis region, recommending various reforms. In the St. Louis community he remained a political activist fighting for good government and preservation of historic neighborhoods. His opinion on a broad range of issues was sought by numerous federal, state, and local officials, including former Missouri Congressmen Jack Buechner and Alan Wheat, as well as the sponsors of this Congressional Record Statement. He was always very generous with his time and consistently demonstrated concern for issues of public interest. Steve practice law in St. Louis full time with the firm he co-founded in 1979, Newburger and Vossmeyer. His principal partner was David Newburger, whom he met while Mr. Newburger taught law at Washington University. His primary area of practice was civil litigation and domestic relations.

Steve has a son, Robert Stephen Vossmeyer, and a daughter, Rebecca Sarah Vossmeyer. "Becca" is the child of his current marriage with M. Celeste Vossmeyer. He loved his children dearly. They were with him during his last days, as were friends mentioned herein joined by Richard Callow, Betty Neill, and Paul Steinmann. We include an article from the Sunday, March 11 edition of "The St. Louis Post-Dispatch" where a number of his friends reflect with Jo Mannies on their memories of Steve.

Mr. Speaker, please join us in sending condolences to Steve's family in their time of grief. We will honor him by gathering March 19th from 4 p.m. to 8 p.m. in the courtyard at Bar Italia in his neighborhood per his wishes that friends celebrate his life. In Marc Connelly's profound 1930 play, The Green Pastures, has characters suffer as they fight to save their families and countryside from oppressors. They discover God's love through suffering. We are glad that Steve's suffering is over and he has found God's love. We doubt that he will ever stop fighting the good fight.

EX-STATE REPRESENTATIVE STEVE VOSSMEYER, PROMINENT FIGURE IN DEMOCRATIC POLITICS, DIES AT 56

(By Jo Mannies)

Former state Rep. Steve Vossmeyer, a St. Louis lawyer prominent in Democratic politics and local civic affairs, died Saturday of cancer at his home in the Central West End. He was 56.

His close friends included some of the state's top political figures, including former Sen. Thomas F. Eagleton, for whom Mr. Vossmeyer worked in the late 1960s and early '70s; former Rep. Jack Buechner, a Republican who practiced law with Mr. Vossmeyer for several years; and Rep. Karen McCarthy, D–Kansas City, an old ally in the state Legislature.

''He was involved in politics because of his abiding belief in the people and service to the people,'' said his friend and law partner, David Newburger.

Allies said that during his years in the Missouri House, from 1972–83, Mr. Vossmeyer played a key role in reforming Missouri's mental health laws and in changing the state's rape laws so that they treated married women equitably.

''He was one of the state's first feminists,'' McCarthy said Saturday.

Friends said Mr. Vossmeyer's sense of humor was a key reason why he was such a popular political figure. ''He used his wit the way Old West gunfighters used their pistols,'' said political consultant Richard Callow, a close friend.

Mr. Vossmeyer was born March 14, 1944, in St. Louis.

His political involvement began early. After graduating with a bachelor's degree from Washington University, he studied international affairs at George Washington University in Washington.

In 1968, Mr. Vossmeyer joined then-Lt. Gov. Eagleton's campaign for the U.S. Senate. Following Eagleton's election, Mr. Vossmeyer joined Eagleton's congressional staff.

''Steve Vossmeyer was exceedingly bright . . . . He put in more hours per day than anyone else involved in the campaign,'' Eagleton recalled. ''He was strongly against the Vietnam War. He simply couldn't believe the misinformation being put out by the Defense Department. He went with me on a trip to Vietnam in the early '70s. After we'd get the canned briefings by the generals and colonels he'd cross-examine them and turn up facts they'd left out.''

Mr. Vossmeyer's friends said he was most proud of his involvement in Eagleton's successful effort to win congressional passage of the War Powers Act, which requires presidents to obtain congressional approval when waging war.

Mr. Vossmeyer returned to St. Louis to run for the Legislature in 1972. McCarthy said he was part of an alliance on women's issues that included the late Rep. Sue Shear and then-state Sen. Harriett Woods.

'He was one to galvanize those of like minds around an issue,' McCarthy said.

While serving in the state House, he also attended Washington University's School of Law, where he received his degree. In 1979, he co-founded the local law firm Newburger & Vossmeyer.

''I have never known a lawyer more dedicated and devoted to his clients,'' Newburger said.

After leaving the Legislature, Mr. Vossmeyer remained a political activist. A Democratic panel nominated him in 1985 to take over as chairman of the Missouri Democratic Party, but an internal dispute scuttled that plan. In the early 1990s, Mr. Vossmeyer was involved in a now-defunct city-county effort called the Board of Electors, charged with tackling regional issues.

Among survivors are his wife, Mary Celeste Vossmeyer; a son, Robert Stephen Vossmeyer; and a daughter, Rebecca Sarah Vossmeyer, all of St. Louis.

The funeral will be private. A memorial service will be held from 4 to 8 p.m. March 19 at Bar Italia, 4656 Maryland Avenue.

RECOGNIZING PRINCETON UNIVERSITY FOR WINNING THE IVY LEAGUE MEN'S BASKETBALL CHAMPIONSHIP AND GOING TO THE NCAA TOURNAMENT

HON. RUSH D. HOLT

OF NEW JERSEY

IN THE HOUSE OF REPRESENTATIVES

Thursday, March 15, 2001

Mr. HOLT. Mr. Speaker, I rise today to recognize the hard work of the Princeton University Tigers men's basketball team who won the Ivy League basketball title earlier this month with a 68–52 victory over the University of Pennsylvania. Mr. Speaker, this victory gives the Tigers their eight Ivy League Championship in 13 years and an automatic bid to the "big dance."

The 12th Congressional District of New Jersey has a proud tradition of sending teams into battle during "March Madness." This is Princeton University's 23rd Ivy League title. As the field begins to fill out I salute the courage and determination of the Princeton Tigers and wish them great success and a full dance card.

MEN'S BASKETBALL 2001–01 ROSTER

Number, Name, Position, Class, Weight, High School/Hometown:

3, Kyle Wente, G, So., 180, St. Anthony's/Effingham, IL.

10, Ed Persia, G, Fr., 180, Monsignor Kelly/Beaumont, TX.

12, Pete Hegseth, G, So., 170, Forest Lake/Forest Lake, MN.

15, Ahmed El-Nokali, G, Jr., 175, Chartiers Valley/Pittsburgh, PA.

22, C.J. Chapman, G, Sr., 175, Denver East/Aurora, CO.

23, Mike Bechtold, F, Jr., 190, Lebanon/Lebanon, PA.

30, Andre Logan, F, Fr., 210, Polp Prep/Brooklyn, NY.

32, Conor Neu, F, Jr., 200, Monte Vista/Danville, CA.

33, Nate Walton, F/C, Sr., 205, University/San Diego, CA.

34, Konrad Wysocki, F, Fr., 215, Greensboro Day School/Lollar, Germany.

35, Terence Rozier-Byrd, C, Sr., 225, Christian Brothers/Lakewood, NJ.

45, Heath Jones, C, Fr., 230, Pender/Burgaw, NC.

Head Coach John Thompson.

Assistant Coach Mike Brennan.

Assistant Coach Robert Burke.

Assistant Coach Howard Levy.