

3. If a vehicle is a "flood vehicle" under the federal standards, but is a "salvage vehicle" under the state standards (a very common result), do the flood procedures or the salvage procedures apply?

4. If an insurance company leaves a vehicle which meets both the federal salvage standard and the state salvage standard with the owner, which owner-retained procedure is to be followed?

5. Under the federal standard, a nonrepairable vehicle certificate is to be limited to two transfers. Most state laws do not contain a similar limitation. Does the federal standard or the state standard apply?

6. Under Senate 852, it is a crime not to apply for a federal salvage title. Under state laws, it is a crime not to apply for a state salvage title. How does an applicant avoid committing a crime if a vehicle is both a federal salvage vehicle and a state salvage vehicle?

#### ADMINISTRATIVE BURDEN

State departments of motor vehicles would be tasked with implementing many provisions of Senate 852 as amended. They would need to interpret this complex law and apply it consistently. Responsibilities would include determining the proper designations for state and/or federal branded vehicles, retitling the vehicles, explaining the dual designations to citizens, etc.

The burden of interpreting and maintaining two sets of standards could discourage states from even attempting to implement the federal provisions. For the states that do attempt to implement, it will cause a ripple effect of confusion and errors among states that do not implement.

The amended bill would also create a burden upon users of the National Motor Vehicle Title Information System. As additional variations of salvage brand codes increase, the possibility of misinterpretation would increase as well. The bill's provisions would also require modifications to technical system design, which would in turn require expenditures of resources by states, central file providers, service providers, and the system operator to accommodate.

There are dozens of other practical concerns with the federal overlay approach, but the above give a sense for the impracticality of the approach. The more difficult an approach is to administer and to understand, the easier it is for the unscrupulous to again "work the system" and for consumers to be defrauded.

If you would like additional information, please contact Larry Greenberg, Vice President, Vehicle Services, or Linda Lewis, Director, Public and Legislative Affairs, at 703/522-4200.

Sincerely,

KENNETH M. BEAM,  
President & CEO.

Mr. LOTT. The motor vehicle administrators, the real front line experts on this issue, carefully and thoughtfully outlined their practical concerns with the proposed federal overlay approach.

First, the AAMVA letter noted that a federal overlay along with a separate state branding process undercuts the important objective of uniformity in the handling of salvage vehicles.

Second, since participation in the federal standards is entirely voluntary for the states, the federal "overlay" approach serves no useful purpose.

And, third, the letter pointed out that the federal overlay would create an unworkable, unmanageable system.

The AAMVA also cautioned in its letter that "the burden of interpreting

and maintaining two sets of standards could discourage states from even attempting to implement the federal provisions. For the states that do attempt to implement, it will cause a ripple effect of confusion and errors among states that do not implement." In my view, these are compelling arguments against adopting the federal overlay approach that was added when the bill passed the Senate on October 2.

Since the legislation was reported by the Senate Commerce Committee in November of last year, a large number of changes were made to the bill in an effort to address expressed concerns. Again, I would emphasize that the final title branding legislation included a number of significant changes to make the bill even more pro-consumer and to provide states with maximum flexibility. It closed the gaps that exist between conflicting state vehicle titling laws that allow dishonest rebuilders to perpetuate their fraudulent schemes without the need for a complicated, redundant, and burdensome federal overlay framework.

The bipartisan compromise package included:

A salvage threshold that was lowered from 80 percent to 75 percent.

A provision that allows states to cover any vehicle, regardless of age.

A provision that grants state Attorneys General the ability to sue on behalf of citizens who are victimized by rebuilt salvage fraud and recover monetary judgments for damages that citizens may have suffered.

With respect to the bill's "prohibited acts," the Senate bill replaced the House's "knowingly and willfully" standard with a "knowingly" standard.

Two new prohibited acts, one related to making a flood disclosure and the other related to moving a vehicle or title in interstate commerce for the purpose of avoiding the bill's requirements.

Flexibility for the states to provide additional disclosures to their citizens regarding the damage history of vehicles; synonyms of the defined terms that a conforming state could not use in connection with a vehicle were deleted.

A provision that allows a state to establish a lesser percentage threshold for salvage vehicles if it so chooses. In other words, a state could set its threshold below the 75 percent level and still be in compliance with the provisions of the bill. Some consumer groups and some attorneys general advocated that states should be able to set their thresholds lower if they so desire. In the interest of compromise, we agreed to adopt that position.

The package that I just outlined clearly indicates that the supporters of the legislation proceeded in good faith to reach a reasonable compromise for an effective bill. A number of changes were adopted a long the way in effort to protect used car consumers from title laundering. Equally important, the changes preserved the right of the

states to determine what is in the best interests of their citizens.

While I commend my colleagues in both chambers and from both sides of the aisle for passing versions of this important consumer protection legislation, I again want to express my regret that the Administration chose to oppose the National Salvage Motor Vehicle Act.

Now, instead of improving the hodgepodge of state titling laws, the Administration allows unscrupulous auto rebuilders to launder car and truck titles so they bear no indication of a vehicle's damage history. Perpetuating a costly fraud. A \$4 billion annual consumer swindle.

Instead of endorsing this pro-disclosure measure and protecting Americans from title fraud, the Administration has allowed more wrecks on wheels to be put back on our roads and highways.

#### SUPERFUND RECYCLING EQUITY ACT

Mr. LOTT. Mr. President, I would like to express my personal disappointment that S. 2180, the Superfund Recycling Equity Act, was not enacted into law by this Congress.

The Lott-Daschle scrap recycling bill was cosponsored by 64 Senators and over 300 members of the House. It was strongly supported by the Administration, the environmental community and the scrap recycling industry.

Mr. President, the odds for success don't get much better than this.

S. 2180 would have provided much needed liability relief to those who collect scrap metal, paper, glass, plastic and textiles and arrange for it to be recycled. These are people who should not be held responsible for the pollution of a Superfund site. The Administration agrees. A majority in the Congress agrees. The environmental community agrees. This may be the one and only item within the scope of Superfund reform that has the unanimous support of all parties!

That's why, Mr. President, every comprehensive Superfund bill since 1994 has contained virtually the same language as is found in S. 2180. The same agreements, the same exemptions and the same relief.

I believe in recycling and in the American businesses that recycle. My colleagues on both sides of the aisle do too, and that's why we have come as far as we have towards bringing relief to this industry. No one in this Chamber would argue that it's better to make new aluminum cans than to recycle the old ones. No one would say that used cans should go to the county landfill while new resources go towards making new cans.

But that is just what this body is saying by failing to act on this legislation: Recyclers should be held liable for polluting a site because they provided the materials that created a product that someone else misused in

an environmentally damaging way. Is Congress content to let this stand? Should we continue to hold these innocent parties liable simply because the technical legal fix is a stand-alone bill excerpted from a comprehensive context?

Mr. President, I understand the desires of Chairmen CHAFEE, BLILEY and SHUSTER to pass real comprehensive reform. I have always supported their efforts to do so. However, I cannot believe that moving the recycling provisions separately endangers their ability to do a comprehensive bill. The recycling piece has never been the reason for fixing Superfund—and it has certainly never held back progress on a comprehensive bill. Recycling is, given the scope, a very minor part of the total package. Minor, but eminently important to those who continue to be forced into funding cleanups for which they are not responsible.

Mr. President, I am disappointed that some in the business community would rather see no action on Superfund than allow S. 2180's almost 400 Congressional cosponsors to realize a tiny step forward. There are over 2,600 recycling facilities nationwide who suffer because of this "scorch the earth" mentality. It is indeed a tragedy, Mr. President, that we cannot recognize this common ground, agree on a solution and move on.

Mr. President, I hope that in the 106th Congress, we will take a look at Superfund with new eyes. I know we can find ways to provide American businesses—both large and small—some relief. I know we can actually get some clean up done, instead of pouring federal and private sector money into lawyers' pockets. Let's make sure that the parties who mess up are the parties that clean up. That's the bottom line and the goal we all strive towards regardless of philosophy or party.

Mr. President, I would like to thank those members of the House and Senate who have been such an integral part of moving S. 2180 forward. First and foremost, I would like to thank the Minority Leader, Mr. DASCHLE, who has been a great partner and advocate throughout the process of moving this bill. It is good to know that we can team up on issues like these—I hope to continue to do so in the future.

I would also like to thank Congressman TAUZIN, our House sponsor, for all of his efforts. Without a concerted push from both chambers, it is doubtful that we would have come as close as we did.

I would also like to thank the Speaker, the White House and the EPA for their interest and support on this issue.

Finally, Mr. President, I would like to thank the Institute of Scrap Recycling Industries, Inc. (ISRI) for its input. Its membership were instrumental in highlighting the plight of recyclers to their Congressional representatives. I hope that they are willing to join us in putting a shoulder to the grindstone again next Congress.

Thank you.

#### INTERNET DOMAIN NAME REGISTRATION

Mr. LOTT. Mr. President, I am pleased that the Internet Tax Freedom Act was included in the 1998 Omnibus Appropriations bill.

Congress wants a limited moratorium, accompanied by a careful review of all Internet and electronic commerce tax issues. This will give Congress the opportunity to properly evaluate state and local government interstate taxation, federal taxation and trade treatment of the Internet and electronic commerce. By enacting this measure, Congress also declared that the Internet should be free of any new federal taxes during the moratorium.

Mr. President, present federal law imposes no tax specifically on the Internet, including domain name registrations. However, with several of my colleagues, I have become aware of a pertinent U.S. Federal Court case, *Thomas et al v. National Science Foundation et al.* In this case, the Court recently declared that Section 8003—Ratification of Internet Fees—of the Emergency Supplemental Appropriations Act of FY98 did sanction what had been previously found by the Court to be an unconstitutional tax on domain name registrations.

I want to take this opportunity to state for the record that Section 8003 was never intended by Congress to ratify a tax on the Internet, but only to address a fee for the Intellectual Infrastructure Fund. Let me be clear. Section 8003 was not an authorization of any tax, unconstitutional or otherwise.

Mr. President, I am pleased this Congress rightly recognized the importance of the Internet and electronic commerce to America's economy, and the need to eliminate uncertainty and confusion surrounding Internet taxation policies.

Thank you, Mr. President.

#### TRIBUTE TO THE SENATE STAFF OF THE 105TH CONGRESS

Mr. DASCHLE. Mr. President, as the 105th Congress comes to a close, I want to recognize some of the people without whom the Senate simply could not operate—the loyal staff who serve this institution day in and day out with great dedication and pride.

The sacrifices staff make are largely unknown to most people outside the Senate, except perhaps their families. When most of us leave for home after a late night, the Official Reporters of Debates, the Parliamentarians, the Bill Clerks, often face several more hours in the office to finish up that day's legislative work. Staff often work around the clock to finalize important legislative measures, such as the omnibus appropriations bill we just passed.

Anyone who understands the Senate understands the crucial role staff plays. Today, I want to thank all Senate staff for their service to the Senate and to the Nation.

In particular, I want to mention some of the people who are responsible for the daily operations of the Senate. I begin by expressing my gratitude to the office of the Secretary of the Senate. Gary Sisco, Secretary of the Senate, is responsible for some of the most important activities in the Senate such as the Official Reporters of Debates, the Legislative and Bill Clerks, the Disbursing Office, the Information Systems and Computer Staff, the Senate Page School, the Historical Office and many other vital offices in the Senate. He has done a wonderful job of overseeing and improving the delivery and quality of services of those offices. I appreciate the professionalism and even-handedness he has exhibited throughout the 105th Congress. Gary is ably assisted by Jon Lynn Kerchner, Lura Nell Mitchell and Beth Collett.

Gregory Casey, who will be leaving the Senate shortly, has demonstrated tireless dedication to the Senate in the execution of his many responsibilities as Sergeant at Arms of the Senate. I'm thankful he didn't have to arrest any of us during his tenure as Sergeant at Arms and I commend him for his excellent management of a very large and complex operation. We will miss Greg and wish him the very best in the challenges that lay ahead. The Sergeant at Arms has been supported by the capable assistance of the Deputy Sergeant at Arms Loretta Symms and Larry Harris, his Administrative Assistant. The Sergeant's office is also assisted by the work of Becky Daugherty, Laura Parker, Carol Kresge, Mallory McCaskill and Laura Rossi.

I would like to give special thanks for the hard work and consummate professionalism of Jeri Thomson, the executive assistant for the minority, who has provided invaluable assistance to my Democratic colleagues and to me.

I would also like to thank the staff of our Capitol Facilities office, directed by Roy Banks, who keep this building and our offices clean and are always available, often on very short notice, to provide logistical support for the numerous meetings and gatherings we hold in the Capitol.

All Senators, I am sure, are grateful for the counsel and support they receive from the staff who work the Senate floor and cloakrooms. That assistance has become even more valuable to me since I became Democratic Leader.

Our Democratic floor staff works under the excellent leadership of Marty Paone, the Secretary for the Minority. Under great pressure, often with little time and with little margin for error, Marty has time and again provided wise counsel to all Senate Democrats—and even Republican Senators, on occasion. Despite the pressures, Marty always finds time to respond to questions from Senators and staff alike—everything from the routine questions about timing of votes to the most complex analysis of parliamentary procedure. The rare combination of a sharp mind,