United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

Vol. 145 WASHINGTON, THURSDAY, APRIL 15, 1999 No. 52

Senate

The Senate met at 9:30 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

The PRESIDENT pro tempore. This morning's prayer will be delivered by our guest Chaplain, Hiram H. Haywood, Jr.

We are glad to have you with us.

PRAYER

The guest Chaplain, Rev. Hiram H. Haywood, Jr., Archdiocese of Washington, Basilica of the National Shrine of the Immaculate Conception, Washington, DC, offered the following prayer:

Lord our God, Almighty King, Most Gracious Father, we offer You our humble thanks for Your past blessings. We offer You all praise, all honor, and all glory.

Heavenly Father, we humbly ask that we may always prove ourselves a people mindful of Your favor and glad to do Your will. Lord, please bless this great land of ours with honorable endeavor, sound learning, and pure manners.

Almighty and ever living God, may You infuse the women and men of this august body, the Senate of the United States of America, with the wisdom to discern Your will and the courage and fortitude to implement it. Grant them the tenacity, at all times and in every place, to stand steadfast in Your faith. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. CRAPO. Mr. President, I thank the Chair.

SCHEDULE

Mr. CRAPO. This morning the Senate will immediately begin the final 5 hours of debate on the budget resolution conference report. Therefore, Senators can expect a rollcall vote on adoption of the conference report at approximately 2 p.m. or earlier if time is yielded back. Under a previous order, the Senate may also expect a final vote on the House version of S. 767, the uniformed services tax filing fairness bill. That vote is expected to occur immediately following the vote on the budget conference report.

I thank my colleagues for their attention, Mr. President. I note the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. GRAMM. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. CRAPO). Without objection, it is so ordered.

CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000—CONFERENCE REPORT

The Senate resumed consideration of the conference report.

Mr. GRAMM. Mr. President, I rise today in support of the budget that is before the Senate. I am sorry that our dear chairman, Senator DOMENICI, is not here, but I want to say some very strong, positive things about this budget, and I wish he were here to hear it. I want to say it mostly because it is true. It would just be a plus if he were here to hear it.

It has been my great privilege since I first came to Congress to be actively involved in budget debates. In fact, I remember the first debate I ever was involved in as a Member of the House was a debate about raising the debt ceiling, and I remember as if it were yesterday the House majority leader, Congressman Wright from Texas, stood up and said that we had no choice except to raise the debt ceiling of the Government, that we were in a position that a man would be in if his wife went out and ran up all these debts on the credit card and the debt collector was at the door.

Today, in this era of political correctness, no one would ever suggest such a thing. They would say their spouses ran up these bills, and probably the reality would be the man did run up the bills in any case. But the point is that the then-majority leader of the House, in 1979, made the point that these bills had been run up and the bill collector was at the door, and so we didn't have any choice except to pay the bills as any good, honest family would.

And so I stand up and say that the first thing I ever said in debate in the Chamber of the House was, well, it is not really the way it works. It is true that honest families would pay their bills, but what they would do is they would sit down at the kitchen table, they would talk about how they got in this financial mess, they would get out the credit card, they would get out the butcher knife, they would cut up the credit card, they would get an envelope and pencil and they would work out a new budget on the back of an old used envelope, and they would start over again. The problem in Congress was we kept simply spending money, incurring debt, raising the debt ceiling, and nobody ever sat down around the kitchen table, nobody ever got out the butcher knife and cut up the credit cards, and so, as a result, we never changed anything.

So anyway, I opposed raising the debt ceiling. It failed. And then we tried to offer an amendment trying to tie the debt ceiling to the budget and saying you can only raise the debt ceiling if you balance the budget.

Well, to make a long story short, from that time in 1979 until today, I have been involved in debate about every budget that has passed in this Congress or been enforced in this Government since 1979. And let me say

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

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that of all those budgets, this is the best budget that has ever been written by American Government in that period.

Now it is probably not, certainly not the most profound budget. The most profound budget was the Reagan budget that was written in 1981. But in terms of what you want a budget to be, it would be very hard to improve on what this budget does. And it is one of my frustrations that everything is now so focused on the war in Kosovo and on many other issues, and we are not having any kind of adequate debate or focus of attention on the profound nature of the budget that is in front of us and what great promise this budget holds for America if we actually enforce this budget.

So let me begin by just ticking off some things this budget does, and then I want to get into a discussion of a comparison of this budget with what the President proposed. I want to get into some of these areas like Social Security and Medicare that have been talked about a lot and will be talked about again. But let me outline what this budget does.

First of all, this is a 10-year budget that, if enforced, will balance the budget every single year for 10 years. To sort of turn on its head the language of the 1980s, this is a budget that has surpluses as far as the eye can see. And it has those surpluses because it maintains a restriction on spending in a period where revenues are gushing into the Federal Treasury, a period where if we are not very careful we are going to see the launching of a massive new spending spree which could squander the surpluses of today that give us the opportunity to pay down debt, to rebuild Social Security, and do it right this time by basing it on wealth instead of debt, that give us the ability to let working men and women in America keep more of what they earn through a reduction in taxes. If we can keep these spending control measures in place, we can provide adequate Government—in fact, the highest levels of Government spending in American history. And yet by controlling the growth of spending, with the power of the American economy and our competitiveness on the world market and the attractiveness of our capital market with huge amounts of wealth flowing into our equity markets, inflating values, making American families richer, and inducing them to take income and capital gains and pay record levels of taxes on it, we can keep the budget balanced, we can rebuild Social Security based on wealth, and we can cut taxes for working Americans. This budget does all those things.

Now, a budget is like a marriage license. It gets you into the deal, but it doesn't make it successful. The easy part is saying ''I do.'' The hard part of a successful marriage is what comes after the wedding. But you cannot have the successful marriage if you don't have the wedding. We are being brought to the altar here with a document that promises all the right things. It is now going to be up to us to enforce those promises. But the key promise, the linchpin of this budget, the element of this budget on which everything else hinges is it enforces the spending caps. If we do not control spending, we are not going to have the surplus. We are not going to be able to rebuild Social Security based on wealth instead of debt. We are not going to be able to preserve a balanced budget, and we are not going to be able to cut taxes.

Now, the second thing this budget does, which I rejoice in, is it strengthens our ability to do these things. Every Member of Congress, and I wish every American, understood what happened last year. The President stood up really on the opening day of Congress last year in the State of the Union Address and said save Social Security first. Don't spend a penny of the surplus on either Government programs or tax cuts. Save every penny of it for Social Security.

Well, we all know that the President was not telling the truth. We all know that in the end we ended up spending very much of that surplus. We ended up on the last day of Congress taking a third of the surplus that was meant for Social Security and spending it on other programs, and we did it in the name of emergency spending.

One of the most important features in this budget is that we have in this budget an enforcement mechanism that says that if someone wants to designate an emergency in nondefense spending, they are going to have to get 60 votes, if somebody raises a point of order. My basic view is, if something is not important enough or enough of an emergency that 60 out of the 100 Members of the Senate will vote for it, then it is not an emergency.

I say right now that I personally intend, if others don't, to raise a point of order against each and every emergency spending bill that would raid the Social Security trust fund. I give notice right now that anybody who has an idea that we are going to make all these wonderful promises, that we are going to promise to love, cherish, and obey in this little wedding we are having here on the budget, but that we are going to turn around and start cheating in the fall by breaking this budget by claiming all kinds of expenditures are an emergency, that they better be ready to get 60 votes in the Senate if they are going to be successful. They better be ready for a real battle, because I, for one, believe in this budget, and I intend to fight for it very, very hard.

This budget puts a focus on some priorities. It basically says that even in a tight budget not all spending is equal. It puts a focus on veterans' health care, and it does it by, quite simply, taking the position that in a time when you are trying to control spending, you have benefits and you have earned benefits. The basic position of our budget is that those who have served the country, who have preserved its life by wearing with pride its uniform and fighting its wars and by keeping its peace, that even at a time when we have tight budgets, they ought to come first. So this budget provides more money for veterans' health care, and I support it.

This budget provides more money for education. It doesn't create the money magically. It takes it away from other programs, with the basic idea that we ought to let the States decide how to spend money on education rather than the Senate being a huge 100-member school.

This budget calls for an increase in defense. One of the great unknowns now, not knowing what the war in Kosovo is going to cost, is what is this going to do with our budget and where do we go from here. I want everybody to understand that this budget is written in such a way that we contemplate an increase in defense spending. We want to give a pay increase to everybody in the military. We want to try to provide the pay and benefits and recognition that will help us retain in uniform and recruit the finest young men and women who have ever worn the uniform of the country. Today they wear that uniform with pride, but we have grown increasingly concerned that we are falling behind in recruitment, in retention. We are having trouble, especially, keeping pilots. Now that the President has us deployed in some 30 different engagements around the world, where defense spending has been cut by over a third since its peak in real terms, and yet we have massive military deployments, what is happening is, people are beginning to leave the military.

This pay increase that we call for in this budget is vitally important in terms of helping us recruit and retain the best people. Having all these miracle weapons does us no good if we don't have quality people to man those systems. We have the best people in uniform today that we have ever had. We want to keep it that way. That is what this budget does.

That is the choice we have. The choice that is presented to us in this budget is, even though we are in a period of record prosperity, even though the level of revenue flows is a record level, what we call for is to limit the growth of Government spending, put a focus on areas like veterans' health care and education and defense, use the surplus to deal with the looming crisis that faces us in Social Security, and to the extent that we have surpluses flowing from the general budget instead of from Social Security, take the bulk of that money and give it back to working families in tax cuts.

That is what this budget does. I believe that it is an excellent budget. I think looking at the whole package, it is the finest budget presented in America in the 20 years that I have served in Congress.

Talking specifically about several different areas, I want everybody to understand that there is a shell game going on with Social Security. I want to explain, because people have trouble understanding what it is the President is doing on Social Security and what this budget does on Social Security. Let me first explain what this budget does on Social Security, and then explain the fraud that is perpetrated in the President's budget.

What this budget does on Social Security is very, very simple. It says every penny that we collect in Social Security taxes that we don't have to have to pay Social Security benefits should be dedicated to Social Security. It ought to be locked away, and it ought to be available to any effort to rebuild the financial base of Social Security. But we should not spend it on any other Government program, nor should we use it for tax cuts. In fact, Senator DOMENICI, in a proposal that is enshrined in this budget, but we will have to vote on separately, sets up a lockbox where we literally change the lending limits that the Government faces, the debt ceiling, so that we will not be able to spend one penny of the Social Security surplus.

This is vitally important because, as anybody in the Senate knows, and I wish every American knew, our Government has been stealing every penny of money coming in to the Social Security trust fund. We currently have IOUs for this money that are sent to West Virginia and put in a metal filing cabinet, but the Government then takes the money and spends it on everything but Social Security. None of that money is being used for Social Security purposes.

Senator DOMENICI's lockbox would change that permanently and say that this money would be set aside to reduce debt, and it would be available when we can agree with the White House on a way to rebuild the financial base of Social Security. That is a critically important proposal.

If the American people knew the extent that we have been stealing money out of the Social Security trust fund, there would be outrage in the country. That is exactly what is happening. The Domenici lockbox ends that forever, and it is vitally important. I hope every Member will support it.

Now, let me talk about this shell game the administration is playing on Social Security. Let me say, to begin with, that if you have been involved in every budget since 1979, you have seen phony assumptions, smoke and mirrors, shell games, or whatever the words are that we use. But let me say, so that no one is confused, that in Republican and Democrat administrations I have seen people make assumptions that were wildly unrealistic about the future, about what inflation was going to be, about what interest rates were going to be, about what economic growth was going to be, about what spending was going to be; but those were always assumptions about what was going to happen in the future where at least people could say, well, it may be based more on hope than reality, but it could happen.

What the Clinton administration has done is they have brought phoniness, distortion and untruth into the budget at a level which has never existed in the American budget in the history of this country. And no better example exists than under Social Security.

I think I can explain it to you very simply. Here are the facts. In the year 2000, the first year of this budget, we projected a $131 billion surplus in the unified Federal budget. If you take every penny we get from every source, and you take every penny we spend on every program or giveaway, or lose, or forget about, and you bring those two together, we are taking in $131 billion more than we are spending. Now, Social Security is taking in $138 billion more than it is spending. So while we show that we have a $131 billion surplus, the reality is that if you don't count the Social Security trust fund, we are actually spending $7 billion more than we take in.

So let me show it to you this way. We are taking in $138 billion more than we are spending on Social Security alone. We are then spending $7 billion of that money from Social Security on general government. Now, that would leave you with $131 billion of money for Social Security.

What the administration does is it sends to West Virginia this piece of paper that actually prints out on a computer, and it says, ''IOU Social Security $138 billion.'' So they get this piece of paper, they tear it off—and it has actually been on television, and they won't let you photograph the bonds, interestingly—they tear off the perforated edges and they take that $138 billion IOU and put it in the filing cabinet.

Now, what happens is, we then spend $7 billion of it immediately, and that brings us down to $131 billion. Now, the President says, well, let's take 62 percent of that and give it back to Social Security and we will spend 38 percent of it. So we started with $138 billion, we spent $7 billion, and then the President says let's spend 38 percent of what is left and then we will send another IOU to Social Security for $81 billion. So out of the $138 billion that they initially had, they send IOUs to Social Security for $219 billion. Now, they started with $138 billion and then they spent $7 billion, and then of that $131 billion that was left, they spent another $50 billion, and then they give Social Security an IOU for $219 billion.

Now, any freshman accounting student in any accounting class in America would be given an ''F'' if they proposed on an examination paper such an accounting system. Yet, some of the most highly educated people in America—men and women of great stature—stand up in front of God, a television camera, and everybody else in the world and defend this totally phony, fraudulent, embarrassing proposal. I guess we all have our own standards, but I would not do it. I don't admire people who do it. I think it does a terrible injustice and disservice to the American public that this is happening.

I wanted to show this graph to sort of bring the whole thing together. What I have here is plotted between the years 2000 and 2009, the years where this budget is in effect, the Social Security surplus. It starts out at $138 billion and it grows over the period to over $200 billion a year. That is the amount of money that Senator DOMENICI locks away in his lockbox. Now, in addition to the Social Security surplus, because the economy is growing so quickly and because we are controlling spending, if we actually do it, we will get an additional surplus in the rest of the Government in this area that I call ''B'' on this chart.

Interestingly enough, what the President does is, he says let's take 38 percent of this unified budget, Social Security plus non-Social Security budget, and let's spend it and then give the rest to Social Security on top of the Social Security surplus that we have already measured. So that is how they start out with the Social Security surplus and then end up with these huge IOUs that they claim they are giving to Social Security. It is interesting because if you look at the President's plan—and this chart is from the Social Security Administration—if you look at their plan, they claim that under their plan they are building up the assets of Social Security from $864.4 billion to $6,697.8 trillion. Yet, when you look at the Office of Management and Budget figures—and all this is put out by the same administration—when you look at their actual level of paying down the debt, that level turns out to be only $2,183.6 trillion. So the question is, What happened to the $3.6 billion? What happened to it?

The President says that under his system, with all this double counting of money, he was putting $5.8 trillion into Social Security; yet, his budget shows only $2.163 trillion actually saved for Social Security. What happened? Well, what happened is that none of this money ever went to Social Security to begin with. It was all a paper, double-counting bookkeeping. Their own numbers show it. Yet, nobody is embarrassed enough about it to simply say, well, this is phony and we apologize and we should have never tried to perpetrate this fraud on the American people.

Now, I think we can be proud of the fact that in this budget every penny of the Social Security surplus is locked away to be used for Social Security. And when we decide how to save Social Security—and I wish we could decide today; maybe we will tomorrow—those funds will be there for that purpose. I think that is very important and I want to congratulate Senator DOMENICI

for his leadership on this issue. I want to address two other issues and I will speed it up if anybody else comes over and wants to speak. If not, I will give a fairly detailed description of both.

The next issue is tax cuts. The budget before us simply says that every penny of the Social Security surplus will be there for Social Security; that of the surplus that is left, we keep a reserve of money that is available for a contingency use which could be used for one of many purposes, and then after we set aside that contingency, we provide the rest of the money for tax cuts for working Americans. After all, the surplus we have is due to the fact that Americans are working harder, working smarter, working in a more productive way, earning more and paying more taxes.

There have been several proposals to cut taxes. None of them are endorsed in this budget. This budget simply gives to the Finance Committee the ability to cut taxes. And there have been a lot of proposals discussed. But the one that especially our Democrat colleagues have talked the most about is a proposal to cut taxes across the board. This has given rise to a debate in which I love to engage. Obviously, my Democrat colleagues love to engage in it as well. This is the debate that basically takes the view, as our Democrat colleagues often do, that investment is a good thing but investors are somehow bad people; that wealth is a wonderful thing but people who create it, that somehow there is something wrong with them, or that there is something wrong with letting them keep part of it. I don't understand how you can love investment and not love investors.

I view people who are successful as being public benefactors. I never got a job being hired by somebody who made less money than I did. Everybody who ever hired me was richer than I was, which is why they were hiring me rather than me hiring them. And I never resented the fact that people had gotten rich by working in America. But here is what you are going to hear all day today, and here is what you are going to hear as we debate the tax cut.

We have a very, very progressive tax system in America. ''Progressive'' is really a phony word. It is a made-up word that is meant to really cloud the issue so you don't really understand. Under our system, if you make more money, you not only pay more taxes proportionately, but the rate of taxes goes up. So that as you make more money, your taxes don't go up proportionately but they go up exponentially.

Our system of taxes is so progressive that roughly 50 percent of Americans pay virtually no income taxes. And they pay no income taxes because there are many provisions which were adopted when Ronald Reagan was President in terms of changing the Tax Code. We were able to make some changes with the child tax credit and in our tax cut of 2 years ago that further exempted income from taxes. But the bottom line is that about 95 percent of income taxes are paid for by people who are in the upper half of the income distribution in the country.

What our Democrat colleagues have discovered is that we do have a progressive income tax. So that if I pay $5,000 of income taxes, and someone else pays $50,000 of income taxes, and we give a 10-percent tax cut, I get $500 as a tax cut and they get $5,000 as a tax cut. And our Democrat colleagues think that is somehow outrageous.

But the point is, the only way you are getting more of a tax cut is if you are paying more taxes. So that what they are really talking about is that the system is progressive.

Should it be progressive? You know there are many people who believe we ought to have a flat tax and that everybody ought to pay the same rate. But the point is, if we are going to cut taxes and Senator ROCKEFELLER pays 10 times as much in taxes as I do, or 100 times as much in taxes as I do—I don't know, and I hope he pays 100 times as much because then he is better off and so is America. But, whatever it is, the fact that he would get a bigger tax cut than I do from an across-the-board tax cut is the most reasonable thing on Earth to me if he is, in fact, paying more taxes than I am paying.

I believe our No. 1 priority in cutting taxes is we ought to cut everybody's taxes by 10 percent. So, if you do not pay any taxes, you should have learned in the third grade—since I repeated the third grade I remember it—that anything times zero is zero. So with a 10-percent tax cut, if you are not paying any taxes, you don't get a tax cut. You are going to hear our colleagues say, well, 50 percent, or 40 percent, or whatever the number is they choose or make up today, people will get no tax cut under a 10-percent tax cut. The only person in America who will get no cut in income taxes from a 10-percent tax cut by definition is a person who pays no income taxes.

Here is my point. Most Americans don't get Medicaid. Most Americans don't get food stamps. Most Americans don't get welfare. Why don't they get those things? They don't get those things because they are not poor. Tax cuts are for working people. Welfare is for poor people. Medicaid is for poor people who are sick. Medicare is for elderly people for their health care. We have many different programs that do not go to everybody. We have very few programs in America that everybody benefits from directly.

The point is, if not everybody gets welfare, why should we be shocked that if you do not pay income taxes, that when we cut income tax rates you don't get a tax cut? I don't find that to be shocking. I don't have any trouble saying to somebody in my State who says, ''You cut income tax rates by 10 percent and I didn't get a tax cut.'' I know, because I understand arithmetic, that they are not paying any income taxes anyway. So I don't have any problem saying, ''Yes. That is right,'' because tax cuts are for one unique group of Americans, ''wagon pullers,'' I call them—the people who are pulling the wagon in which so many other Americans are riding; the people who are paying for the Medicaid they don't get, for the welfare benefits they don't get, for the food stamps they don't get. Tax cuts are for the people who are pulling the wagon in which all other beneficiaries of Government are riding.

So I don't feel the least bit squeamish about saying that tax cuts are for taxpayers. If you do not pay income taxes, you don't deserve a cut in income taxes, because you are not paying any.

We have a surplus because Americans are working harder and paying more taxes. In fact, they are doing it today, tax day. I want everybody who is going to the post office today to send their taxes to the government—if you happen to be on mountain time, or if you are on Pacific time and you have nothing better to do than to turn on C-SPAN—I want you to remember this when you pay your taxes: I want you to remember, you didn't get food stamps, you didn't get welfare, you didn't get Medicaid, but I believe—and the party I am a member of, the Republican Party believes—that you ought to get a tax cut. Our Democrat colleagues are going to say—you are going to hear it, so pay close attention. They are going to say, yes, you get a tax cut. You—this person working in Los Angeles, CA, on your way to mail your check in right now—you get a tax cut.

Think of these people that don't get a tax cut. How is it fair that Joe Brown and Susie Brown, who make $21,000 a year, pay no income taxes, and get an earned-income tax credit—which is really a welfare benefit—why is it they don't get a tax cut when you do? The answer is, they don't pay any income taxes and you do.

We have this basic viewpoint which our Democrat colleagues find to be radical. That point is, if you don't pay income taxes, you don't get a tax cut; if you do pay income taxes, you do get a tax cut. The more taxes you pay—and God bless you for doing it, because if people are paying record taxes it means they are earning record incomes—I believe, and the great majority of the Republicans in Congress believe, if you pay more taxes, you ought to get a bigger tax cut. That is what an across-the-board, 10-percent tax cut would do.

A final point: This used to be a bipartisan idea. John Kennedy proposed an across-the-board tax cut in 1961 which was adopted and became law. His famous words are, ''A rising tide lifts all boats.'' That is still believed by one-half of the political spectrum in America. It is no longer believed by the other half—and that is the half that he was once a part of.

To conclude, let me talk a little bit about Medicare. There is no more fraudulent portion of the President's

budget than the proposal about Medicare. Let me give Members a tiny bit of history. We, through an act of Congress, signed by the President, set up a Medicare Commission. In a gesture toward bipartisanship, Republicans—who control both Houses of Congress—agreed to appoint a Democrat, Senator BREAUX, as chairman of that Commission. Senator BREAUX did a great job as chairman of the Medicare Commission. It was my privilege to serve on that Commission. I remember as if it were yesterday President Clinton called the whole Commission down to the White House and talked to us about the terrible problems we had in Medicare and challenged each of us not to let the work of the Commission fail because of us. He challenged each of us to find a way to be for the final proposal.

As it turned out, as most people now know, the final work of the Commission did fail. It failed by one vote. Not one single person appointed by President Clinton found a way to be for the final proposal, and they all voted against the Commission proposal. The President, in 3 months, had an opportunity to change American history on Social Security and Medicare, and in both cases he failed.

What did the President do in his budget? What the President did in his budget is literally this: He said we are going to pay off debt—though not as much as the Domenici budget—but we are going to name the debt reduction in honor of various programs. That is in essence what it was. In essence, what the President's budget does is send a little note to Medicare that says: You will be happy to know that Federal debt was reduced by such and such an amount and it was done in your name. It would be sort of like our Presiding Officer having someone send a check to his university saying, ''We made a contribution in your name,'' and then you say, ''When do I get the money?'' You don't ever get the money.

What the President did in Medicare—which was one of the cruelest hoaxes I can imagine in public policy—the President didn't give Medicare a penny over 10 years, provided no additional money to Medicare. In fact, he cut Medicare, cuts that are not in the budget before the Senate. So he cuts Medicare funding over 10 years, and yet by sending this IOU to HCFA, the agency that runs Medicare, he somehow creates the impression that he has given Medicare more money, when none of this IOU can be spent. In fact, the only way we could ever provide money under this is to raise taxes, to cut Medicare or cut other Government programs. Yet the President creates this impression that he has provided this money that could be used for pharmaceutical benefits or all these other wonderful benefits. It is a cruel hoax.

What we do in our budget is set out a procedure where this reserve fund, this reserve money that we didn't use for tax cuts that we kept as a buffer could, in part, be used for Medicare. Our problem in Medicare is we need to adopt the Breaux Commission report. We had a vote on instructing conferees for us to preserve our commitment to that. It is in this budget. We are going to bring that proposal to the Finance Committee. I hope we are going to adopt it.

What that proposal will do, in addition to planting the seeds to save Medicare, for moderate- and low-income retirees it will, for the first time, give them assistance on pharmaceuticals. For middle-income retirees and upper-income retirees, by expanding the options that are available, by literally letting them have the same health insurance that I have as a Member of the Senate, it will allow them for the first time to have an opportunity to buy into a plan that will give them some assistance with their pharmaceuticals.

I have talked a long time and covered a lot of subjects. Let me conclude by simply congratulating Senator DOMENICI. This is a great budget. If we can enforce this budget, America will be richer, freer, and happier. If we can enforce this budget, we will have an opportunity to begin the long process of rebuilding the financial base of Social Security based on wealth and not debt. If we can enforce this budget, we will pay off Government debt. If we can enforce this budget, we will be able to give working Americans tax cuts.

It is one thing to enter the marriage; it is another thing to make it a successful one. This is a very important day, a very important budget. I am very proud to be for it.

I yield the floor.

Mr. HOLLINGS addressed the Chair.

The PRESIDING OFFICER. The Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I just came to the floor to hear my distinguished colleague from Texas say this is the finest budget in 20 years.

The PRESIDING OFFICER. Who yields time?

Mr. CONRAD. I yield 10 minutes to the Senator from South Carolina.

The PRESIDING OFFICER. The Senator from South Carolina is recognized for 10 minutes.

Mr. HOLLINGS. Mr. President, this is the same act, same scene, under different auspices, different rules and regulations, with the manifest intent, in this particular Senator's opinion, that what is on course here is a Milton Friedman-like plan of the distinguished Senator from Texas to privatize Social Security, to establish private savings accounts. The Republicans do this in violation of all the rules and regulations that you can think of that have been put in over the past several years to bring about fiscal discipline.

Let's get right to the point: We, up until now, have been on course with some fiscal discipline. Credit President Clinton and the 1993 Congress that enacted the Balanced Budget Act, which cut spending, increased taxes, increased taxes on Social Security—the very measure that they said was going to end the world and throw us into a depression whereby even the distinguished chairman on the House Budget Committee said he would change parties. I don't know whether he is running today for President as a Democrat or Republican, but to my knowledge Mr. KASICH is still a Republican. He said he would change parties if it worked. It is working. The market is over 10,000, we have housing starts and inflation is down, unemployment is down, and everything else of that kind.

When they reported this budget, trying to continue the fiscal discipline, here is the language:

> In addition to the fiscal policies contained in the budget resolution, I also am troubled by the process the Republican majority wants to use in this year's budget. The reconciliation process have been used sparingly in the past to improve the fiscal health of the budget. It was created to give the Senate a process for making difficult fiscal decisions—decisions that often require cutting popular programs and increasing taxes to balance the budget.
>
> That is not the case this year. The Republicans want to use the reconciliation process to dramatically reduce revenues over the next ten years and impair the progress we have made so far in reducing the deficit and beginning to pay down the debt.
>
> The budget resolution also would modify the pay-go point of order. Pay-go was required to insure the Senate would provide off-sets to reduce taxes or increase spending. The modified budget resolution now will make it possible to cut taxes without a fiscal off-set. By making it easier to use future surpluses to cut taxes instead of paying down the debt, this will eliminate the fiscal discipline that has reduced the deficit and contribute to the fiscal cancer eating away at America.

I say cancer, and I say that advisedly, because when President Johnson last balanced the budget, the interest cost on the national debt was only $16 billion. Today it is just about $1 billion a day. The last estimate of the Congressional Budget Office was $357 billion each year. When President Johnson last balanced the budget, after 200 years of history—the cost of all the wars from the Revolution on up, World War I, World War II, the cost of Vietnam, Korea—the interest cost on the national debt was only $16 billion. Now, since that time, without the cost of a war—we made money on Desert Storm—so, without the cost of a war it is now $1 billion a day, eating away. With that wasted money, the interest cost on the debt, I could give the distinguished Presiding Officer his $80 billion tax cut, I could give our Democratic friends our $80 billion in increased spending, I could give $80 billion to save Social Security, I could give $80 billion to pay down the debt—that is only $320 billion. But we are going to spend at least $357 billion this year on nothing, and if interest costs start going back up we will be to $500 billion.

But, to the original point, read this conference report. Here are the shenanigans that go along and are given dignity by my distinguished colleague

from Texas saying it is the finest budget he's seen. I was sorry to see him do that because I joined him in passing Gramm–Rudman-Hollings for fiscal discipline, and this is the most undisciplined shenanigan that you will ever find.

On page 18, section 202 of the conference report:

> Whenever the Committee on Ways and Means of the House or the Committee on Finance of the Senate reports a bill, or an amendment thereto is offered, or a conference report thereon is submitted that enhances retirement security through structural programmatic reform, the appropriate chairman of the Committee on the Budget may—
>
> (1) increase the appropriate allocations and aggregates of new budget authority and outlays by the amount of new budget authority provided by such measure (and outlays flowing therefrom) for that purpose;
>
> (2) in the Senate, adjust the levels used for determining compliance with the pay-as-you-go requirements of section 207; and
>
> (3) reduce the revenue aggregates by the amount of the revenue loss resulting from that measure for that purpose.

I want the Parliamentarian to listen to that one. I can tell you how he will rule. He will say it means whatever Mr. DOMENICI says it means. What does that gobbledygook mean? Listen to this. I will read it again:

> Whenever the Committee on Ways and Means of the House or the Committee on Finance of the Senate reports a bill or an amendment thereto is offered, or a conference report thereon is submitted that enhances retirement security through structural programmatic reform, the appropriate chairman of the Committee on the Budget may [blah blah blah blah].

He can do away with the pay-go rule, he can cut the revenues, he can do whatever he pleases. And that is what my distinguished colleague from Texas calls the finest budget he has seen, because he doesn't want this crowd to read and understand what is going on.

Bring out the Roth IRA for the rich. Under this budget, pass a law, don't care about the rules, don't care about pay-go, don't care about any available monies. I say that IRA is for the rich because one American—to bring it into focus, Bill Gates, $51 billion—is worth more than 100 million Americans. One man in this society that we are developing is now worth more than 100 million Americans.

So there are a lot of people who do not have anything to say about this. But you sort of enhance your security and retirement—for the idle rich. Whoopee and the dickens with the pay-go rule, Mr. Parliamentarian. You don't have to worry about that. You don't have to worry about the loss of revenue or anything like that, the reconciliation process. It is reserved. Now the Republicans can come on in and privatize Social Security, all under the auspices of saving Social Security.

It is still off on this public debt, as if there is some difference from the national debt. Let me explain one more time. When you pay down your public debt, you increase your Social Security debt. That is where the money comes from. The whole gimmick here is to pay down Wall Street's credit card with the Social Security credit card. It is like having a Visa and a Master and you want to pay down the MasterCard with your Visa card, so you pay down the MasterCard with the Visa card. But it is still your card; it is your debt. All you've done is shift debt from spending column to another. That is why the debt this particular fiscal year, 1999, goes up $100 billion. That is the Congressional Budget Office figure.

Let's sober up here. Everybody is running around saying, ''Surplus, surplus.'' How are we going to do it? They all have different ideas: ''Surplus, surplus.'' The truth of the matter is there is no surplus. There is a deficit. We are spending $100 billion more than we are taking in.

I thank the distinguished Presiding Officer.

Mr. CONRAD addressed the Chair.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, let me thank the Senator from South Carolina. This country could have avoided an awful lot of the pain of the 1980s and 1990s if this country had listened to the Senator from South Carolina on budget matters. There has been no Member of this body who has had a better handle on the budget problems of this country than the Senator from South Carolina. Years ago, if we would have followed the Hollings plan and put in place a budget freeze, we could have avoided the massive deficits that came in the 1980s and the early 1990s, and this country would have been in a far better fiscal position.

He has been an activist and a leader on the Budget Committee of every effort to provide fiscal discipline to this country. I venture to say, in this Chamber there is no single Member who has made a greater contribution moving this country from massive deficits to now surpluses than the Senator from South Carolina. Senator HOLLINGS has been, I think, a model of what a United States Senator should be, in terms of budget discipline for this country. This country owes him a debt of thanks for the leadership he has provided.

Mr. HOLLINGS. If the distinguished Senator will yield, he has been far too generous. Our floor leader, Senator CONRAD of North Dakota, has really been leading the fight for us in the Budget Committee. That is why we are able to get some semblance of some discipline there. I hope, with the conference—maybe I could ask the Senator a question. Did they have a conference? Did the distinguished Senator from North Dakota go to a conference on the budget?

Mr. CONRAD. Yes. I was on the conference committee. It went to the conference.

Mr. HOLLINGS. Oh, they had one.

Mr. CONRAD. They had one, but they did not have a budget there. It is most amazing. As my colleague knows, a conference is the representatives of the Senate and the representatives of the House coming together to work out the differences between the two. We were there, the Members were there.

I think you would have been quite amazed, I say to the Senator from South Carolina, because there was no budget there, there was no document there. There was no discussion about the differences between the House and Senate. What we had was an immaculate conception. What we had was a document that appeared out of nowhere after we had met.

Mr. HOLLINGS. As one big charade, rather than save Social Security, they plan to privatize it. There is no question in this Senator's mind.

Mr. CONRAD. To privatize it or raid it in some other way. We really do not know. I was very interested to listen to the Senator from Texas say—say—that they had reserved every penny of Social Security surplus for Social Security. That is what we said.

Mr. HOLLINGS. That is what he said.

Mr. CONRAD. Unfortunately, that is not what the budget document provides. It is very interesting; the Senator from South Carolina probably knows better than anybody how one can play games with these documents. It is fascinating what they have done here, because on one line, they suggest that they have provided a lockbox for Social Security. That is on one line on page 16 and it runs on to page 17. But then on the bottom of page 17, in the next section, they gut what they did earlier on the page. This is the oldest budget game in the book: ''Now you see it, now you don't.''

Mr. HOLLINGS. It is an old insurance game. I remember that when I was Governor, we were trying to clean up the insurance industry in my State. A new company was looking for a slogan, and we finally came up with the winning slogan: ''Capital Life will surely pay, if the small print on the back don't take it away.''

Now we have it all the way up here 35 years later in the budgetary process of the U.S. Government.

Mr. CONRAD. I wish it were not the case but, unfortunately, it is. We had, I think, hoped—certainly the Senator from South Carolina and I—that we would be at a point where we really would reserve every penny of Social Security surplus for Social Security. We thought that is where we were headed. Unfortunately, what our friends across the aisle have done is indicate that that is what they are doing, but that is not what the budget document says. No, no, no, they have changed it all, and they have made it possible to continue the raid on the Social Security trust fund on a simple majority vote which, of course, their lockbox was intended to protect against.

Unfortunately, what they say they have done and what they have done are two very, very different things.

Mr. HOLLINGS. They gave the key for the lockbox to everybody save the Social Security recipients.

Mr. CONRAD. Social Security is clearly in danger. Clearly, the priority on the other side is a tax cut, a massive tax cut at all costs. That is their priority.

Looking at this budget, the budget that is before us, the major problem with it is that it does not represent the priorities of the American people. I think the best way to understand this is we now have projected a surplus over the next 10 years of $2.6 trillion. Our friends on the other side say all of the non-Social Security surplus—virtually all of it—ought to go for a tax cut. Nothing, not a dime out of that surplus is for Medicare—not a dime—even though it is in greater danger than Social Security. They do not have the resources available for the high-priority domestic concerns of education, health care, defense, because if you look over time, they are going to have massive cuts in those categories. They are disguised, they are hidden, but they are there.

Mr. President, I think perhaps it would be useful to recount a little bit of the budget history, how we got to where we are today and where we are headed.

This chart shows over the last 30 years the budget history of the United States at the Federal Government level. We can see the last time we had a surplus was back in 1969, a little bitty surplus of $3 billion. We bumped along. Then we got into the seventies and the deficits started rising. Then we got into the Reagan years and the deficits exploded.

We then had the Bush years and the deficits got even worse, so that on a unified basis—unified basis simply means all spending, all revenue put in one pot; that is a so-called unified budget—and on a unified basis in 1992, the last year of the Bush administration, we had a $290 billion deficit.

In 1993, President Clinton put before the Congress a 5-year plan to reduce the deficit. We passed that plan. It was done with all votes on this side of the aisle. Not a single Republican voted for that plan. Not one. That plan has reduced the deficit each and every year of the 5 years of the plan. In fact, now we are seeing a slight surplus.

What did that plan contain? It cut spending. It cut spending and it raised income taxes on the wealthiest 1 percent in this country. The Senator from Texas who was talking earlier opposed that plan. He said, as did many on that side of the aisle, that it would not work. In fact, they said it would increase the deficit. They said it would increase unemployment. They said it would increase inflation. They said it would be an economic disaster. They were wrong. They were not just a little bit wrong, they were completely wrong.

The fact is that plan worked and worked extremely well, and the proof is in the pudding. We can see what happened to the deficit after that plan passed in 1993. Each and every year the deficit came down. In this last year, we ran on a unified basis a $70 billion surplus, and we are headed for much larger surpluses if the projections come true.

On a unified basis, we ran a surplus last year. But remember, that counts all revenues and all expenditures. If we take out Social Security, because that is a separate trust fund, we will see we still ran a deficit last year of $29 billion—if we take out Social Security—because it was in surplus by about $100 billion.

The good news is, we are very close to balancing without counting Social Security this year, and in 2001, we anticipate we will balance without counting Social Security. That is an enormous, enormous development and enormous progress.

You can see back in 1992, if we were not counting Social Security, we had a $340 billion deficit. That is the kind of progress that has been made, and it has been made because, as I indicated, we had a 1993 5-year plan that cut spending, raised taxes on the wealthiest 1 percent, raised income taxes on the wealthiest 1 percent, and in 1997, we had a bipartisan deal. In that case, we came together and agreed on a budget plan to finish the job of balancing the budget.

This chart shows what the 1993 plan did and what the 1997 plan did. You can see most of the savings are the result of the 1993 package. Again, our friends on the other side of the aisle—all of them, to a person—voted against it. The bipartisan agreement was 1997, but most of the work has been done by the 1993 5-year plan and that, in combination with the 1997 plan, has put us in this very favorable circumstance we face now.

I thought just for the record we should look back on what the deficits were under each of the last three Presidents.

With President Reagan, from 1981 through 1988, we saw the deficits explode.

They went from $80 billion a year—that is the deficit he inherited—and very quickly he shot it up to $200 billion. Then we, at the end of his term, saw some improvement—back down to about $150 billion.

When President Bush came in, the deficits exploded again, and went from $150 billion, as I indicated, up to $290 billion a year by 1992.

Under President Clinton, as I indicated, in 1993 we passed a 5-year plan; and we can just look at the results. In 1993, the deficit was $255 billion. And you can see each and every year thereafter the deficit went down under that 5-year plan. We almost achieved unified balance under that 5-year plan.

So the proof is in the pudding. Our friends on the other side of the aisle talk about ''sham'' and ''hoaxes,'' and all the rest of it. The proof is in the pudding. My friends, Democrats passed a plan in 1993, without a single Republican vote. Democrats did the heavy lifting to get this country back on a fiscally responsible course. Facts are stubborn things. And the facts show, without question, that the Democrats passed a plan that, in fact, restored fiscal health to this country.

It is true in 1997 we did get together on a bipartisan basis to finish the job. I wish it could have been bipartisan in 1993. But our friends on the other side of the aisle said then that if you pass this plan, you are going to make the deficit worse. They said if you raise taxes, even if it is on just the wealthiest 1 percent, that is going to collapse the economy.

They were wrong. Their economic prescription for this country was wrong. And the facts clearly show that they were wrong. Thank goodness there were people who were willing to stand up and cast very tough votes to cut spending and, yes, to raise taxes on the wealthiest 1 percent so we could get this country back on course. It worked; and it worked splendidly. The results are dramatic. Not only have we reduced the red ink and eliminated it—no more running of deficits—but we also got remarkable economic results.

We now have an unemployment rate that is the lowest in 41 years. The other side said, when we passed the 5-year plan in 1993, if you pass it, unemployment is going to go up. Unemployment went down. Unemployment went way down, the lowest it has been in 41 years.

The other side said, the inflation rate, if you pass this plan, will go up. They were wrong. The inflation rate has gone down. We have the lowest rate of inflation in 33 years.

But the good news does not end there.

In addition, we passed welfare reform. In fairness and in truth, that was done on a bipartisan basis. We came together on welfare reform. And the result, coupled with the good economy that came from the 1993 budget plan, that coupled with welfare reform, has led us to the lowest percentage of our people on welfare in 29 years. Look at this dramatic improvement in terms of the percentage on welfare in this country.

As well, Federal spending has come down because, as I indicated, in 1993, part of that package was to cut the growth of spending in this country. And we did even more in the 1997 bipartisan plan. So the two together, the 1993 plan and the 1997 plan, have brought down Federal spending as a percentage of our national income to its lowest level since 1974. So now we are spending, as a percentage of our national income, the lowest level in 25 years of the Federal Government.

Because we have reduced deficits and gotten our fiscal house back in order, debt held by the public has also declined. We reached a debt, in relationship to our gross domestic product, of

50 percent in 1993. We saw, through the Reagan and Bush years, that the debt was climbing in relationship to the size of our gross domestic product. In 1993, when we passed that plan, we stopped the growth of the debt in relationship to the size of our income and reversed it. So now we have seen the debt come down to a level of 44 percent of our gross domestic product. And we anticipate, if we stay the course that we are currently on, we will get the debt down to only 9 percent of our gross domestic product in 2009.

The budget before us threatens that course. Because the colleagues on the other side of the aisle are so fixated on a massive tax-cut scheme, they would rather do that than to make this progress in reducing our national debt. I think that is precisely wrong. I think what we did in 1993 demonstrates that taking debt burden down gives a greater lift to this economy than any tax-cut scheme that anybody can come up with. That is not to say we should not have tax reduction, because we should.

The question is one of priorities and proportion. Our friends on the other side of the aisle say—we have $2.6 trillion of surpluses projected over the next 10 years—there are only two priorities. Their two priorities are to safeguard $1.8 trillion of that for so-called ''retirement security''—I don't know exactly what that means. That entire $1.8 trillion is generated by Social Security. It should be set aside for Social Security. That is the plan we Democrats offered in the Budget Committee. We offered to safeguard every penny of Social Security surplus for Social Security. That is $1.8 trillion.

In addition, we said we also ought to put about $400 billion aside for Medicare. The budget that is before us does not provide one penny of these projected surpluses for Medicare —not one penny. These are not the priorities of the American people.

Instead, our Republican colleagues say all the non-Social Security surplus, or virtually all of it—because you have about $800 billion of non-Social Security surplus over the next 10 years—they say, use virtually all of it for a tax-cut scheme. And the best description we have of what they do with it is a 10-percent, across-the-board tax cut. That is what the chairman of the Finance Committee has said he thinks should be done. That is what their leadership in the House have said they think should be done.

We have a different view of what the priorities for the American people are. For that $2.6 trillion, we say every penny that comes from the Social Security surplus ought to be reserved for Social Security. Interestingly enough, that is what was passed here in the Senate. But it went to the conference committee, and somewhere in the dead of night they backed away from that commitment; they backed away from that commitment and they came up with this very clever, very complicated little scheme. And this very complicated and very clever scheme says, on one page, yes, we are going to devote the Social Security surpluses to Social Security, but in the very next line they undermine it all—they undermine it all—they create a big loophole so that on a simple majority vote here the Social Security fund can be raided, can be looted, just like it has been done for the last 15 years. That is wrong. That is not the priority of the American people.

The American people want to preserve every penny of Social Security surplus for Social Security. That is what the Democrats offered in the Senate Budget Committee. In addition to that, we said the next $400 billion of surplus ought to be reserved to strengthen and protect Medicare. Our friends on the other side have not provided one penny of the projected surpluses to strengthen Medicare. Instead, they say, let's have this massive tax cut scheme to benefit primarily the richest and wealthiest among us.

Now, the Senator from Texas says, you cannot love investment and not love the investor. That is true. I think we all respect those who invest. We respect those who save. We respect those who are successful. The question is, how do we use Government policy? Who do we benefit when we make decisions? Do we use governmental power to benefit the wealthiest among us? Is that what we do?

That is not what I favor. As I said, I believe the first priority ought to be every penny of Social Security surplus for Social Security; that is, $1.8 trillion of the $2.6 trillion we now estimate will be in surplus over the next 10 years. But the next $400 billion we say ought to be used to strengthen and protect Medicare. That leaves another $400 billion that would be available for high-priority domestic needs under our plan, like education, like health care, and, yes, defense and tax relief for the American people.

Our friends on the other side of the aisle have a different view. They say, yes, reserve the $1.8 trillion, but not just for Social Security, no, not just for Social Security. They call it ''retirement security.'' If they want to reserve every penny for Social Security, why don't they say Social Security? Why have they come up with this new term ''retirement security''? I think most of us know why they have done that—because the Senator from Texas has a scheme to privatize part of Social Security, and he wants the money reserved for his plan. He doesn't want to say reserve every penny of Social Security surplus for Social Security. Instead, he wants to make people believe he is going to do that, but then he provides a big loophole so that later on this year he can come along and raid the Social Security trust fund for his plan to create private accounts. That is what is really going on here.

None of us is fooled. They do not provide anything, not a penny of these projected surpluses, to strengthen and protect Medicare, when we know Medicare is in the most imminent danger of being insolvent. We say the priority ought to be Social Security and ought to be Medicare and, after that, we also ought to have some money for high-priority domestic needs like education and health care, and, yes, tax relief. But it is a matter of priority, and our friends on the other side of the aisle say the priority ought to be a massive tax cut.

This is the comparison for what happens. Let me focus on the 10 years. The blue column represents what the Republicans would do to pay down debt, and the red column shows what we offered as Democrats in the Budget Committee to pay down debt. A lot of people might be as surprised by this, because the Democratic plan paid down more debt than the Republican plan. We paid down more debt over the next 10 years, by nearly $400 billion over and above what is in the Republican plan, because we believe that is a key priority for the country.

Again, our Republican friends think there is a different priority. They want to have this massive tax cut scheme. That is really what is most on their mind. Unfortunately, because of this, they do not have, as I have indicated before, one penny of the surpluses set aside to strengthen Medicare, not a dime. They have what I call ''the Republican broken safe.'' Here it is. You look in it and what do you find? There is nothing there.

Now, with what they have done in the conference committee, we ought to have this up for Social Security, too, because, goodness knows, we could find, after the clever game they have played here in this budget document, that we may go into the Social Security trust fund in the future and open the vault door and find there is nothing there, either. Because they have this set up so that they can raid every penny of the Social Security trust fund surplus and put it over into private accounts. They could do that. They could use it for a tax cut and call it retirement security. Who knows what that means, ''retirement security''? If they wanted to reserve the money for Social Security, why didn't they say it?

Well, I guess if we wanted to be fair to them, they do say it, don't they? On one line they say they are going to reserve the money for Social Security, but they say, by a simple majority vote, you can overturn that. Before it was a supermajority vote. Now in the dead of night they changed it, simple majority vote, and now you can loot Social Security. You can raid it, because in the very next line, section 202, they created another reserve fund. It is clever.

I don't think it is going to work for them, because the American people are too smart. They know the kind of games that get played here in Washington.

This is one of the most cynical games I have seen yet. In the Budget Committee, when we vote and the people

are there watching and the reporters are there watching, we vote to protect every penny of Social Security surplus for Social Security. That is the vote when everybody raised their hands in the Budget Committee. Maybe that is the reason, when we held the conference committee meeting between the House and the Senate, the Members were there, but there was no budget there. How can you have a meeting about a budget and not have the budget there? It was very interesting. There were no TV cameras there. We were there, the Members representing the House and the Senate, but there was no budget document there.

I think I now know why there was no budget document there—because they did not want this little trick revealed. They did not want this little loophole found out. They were hoping they had buried this so deep in the document that nobody would find it in time for this discussion and this debate and this vote. But we are going to vote, and we are going to see who is ready to protect Social Security and who has a mind to raid it later this year. We are going to see, by Members' votes, who is committed to protecting Social Security and who is committed to protecting Medicare and who isn't. We are going to see whose priority is a massive tax cut scheme for the wealthiest among us, because that is really what is afoot here. That is really what is afoot.

What happens if you give a 10-percent across-the-board tax cut? For those in this country who earn less than $38,000 a year, they are going to get $99. That is going to be their tax cut. But for folks who are earning over $300,000, they are going to get $20,000 of a tax cut. The Senator from Texas thinks this is a fair deal. I don't think this is a fair deal. I don't think this represents the priorities of the American people.

The other side is saying the priorities of the American people are to have a massive tax cut that would give a $20,000 check to those earning over $300,000 a year in this country, send $99 to those who have an income of less than $38,000, and not have one penny of the surplus available to strengthen Medicare, and to leave vulnerable the Social Security trust fund that everybody says ought to be inviolable, ought not be touched, that every penny ought to be set aside to redeem the promise made by Social Security.

That is what I thought we were going to do. That is what the Democrats offered in the Senate Budget Committee. We offered a plan that said of the $2.6 trillion of surpluses, take the $1.8 trillion that comes from Social Security and dedicate every penny to Social Security.

Take the next $400 billion and use it to strengthen Medicare. Take the final $400 billion and use it, yes, for tax relief, but also for high-priority domestic needs such as education and health care and, yes, defense. Those are America's priorities.

But that is not what is in this budget resolution. These are not America's priorities. These are the priorities of, frankly, those who are getting ready to get a $20,000 tax break, and they are salivating. Of course, for the very wealthy, it is much more than this. For those who have had good fortune in this country—and we are grateful for that; it is one of the great things about America, that people have had enormous advantages. The priority of this country isn't to make those who have had great success even more comfortable; the priority of the American people is to strengthen Social Security, strengthen and protect Medicare, provide for high-priority domestic needs such as education and health care and, yes, defense, and also to provide tax relief. My Republican friends have just focused on a tax cut scheme. That is what is wrong with this budget at the most fundamental level.

I see that my colleague from the State of Washington is here. How much time would she like?

Mrs. MURRAY. I would like 15 minutes.

Mr. CONRAD. Mr. President, I yield 15 minutes to the Senator from Washington.

The PRESIDING OFFICER. The Senator from Washington is recognized for 15 minutes.

Mrs. MURRAY. Mr. President, I rise today to express my deep disappointment with the budget we are going to be voting on today. And while I applaud the efforts of the Republican leadership to have a budget resolution, I believe that in the haste to get something out by April, we have put together a budget that really lacks any sense of fiscal responsibility.

Mr. President, I urge my colleagues to vote ''no'' on this conference report. This report before us fails our families and it fails our children. This is the first budget for a new century, but it does very little to prepare us for the challenges we are going to face. It ignores key investments in education, health care, environmental protection, and child care. Regrettably, it ignores our obligation to current retirees and those who will retire within the next 20 years.

Mr. President, I have listened to many of my colleagues who talk about returning the people's money to the people, and I could not agree more. We should allocate part of the surplus to saving Social Security and Medicare. Hard-working Americans have paid their FICA and Medicare payroll taxes with the understanding that when they reach the age of 65, or become disabled, they will be guaranteed Social Security benefits and Medicare. Social Security and Medicare allow the elderly independence and dignity in the years spent after a lifetime of work. We must reserve part of today's surplus to honor this commitment, and this budget does not do that.

We all know that Medicare is in real crisis. Yet, the only recommendations this budget offers are vague statements about reform. There is no talk about investing in prevention benefits that ultimately will save Medicare dollars. There is no language to improve the program so that senior citizens and the disabled can take advantage of new advances in biomedical research to improve the quality of their lives and their health. The priority of this budget before us appears to be to simply raid the Federal Treasury for an across-the-board tax cut.

We need to follow the example of working families. We have a budget surplus for the first time in decades because of tough fiscal discipline and wise economic investment. Just like families, we tightened our belt and restored fiscal soundness to the Federal Government. We should now use this surplus to save for and invest in the future. These are simple choices: Invest in our children and save for our retirement. That is the goal of most families.

I also point out to my colleagues the unfortunate fact that the conferees, in the middle of the night, behind closed doors, stripped out important language we had passed in the Senate regarding women and Social Security. Based on my reading of the conference report, it appears that my language was dropped. At the end of the report, there is a listing of all sense-of-the-Senate amendments adopted during consideration of the budget, but there is no explanation from the managers as to the status of these amendments. In addition, these amendments are clearly not part of the conference report pending before us.

Mr. President, an amendment I offered in committee and on the floor put every Senator on the record as being committed to protecting the safety net for women and making real change, to pull more older women out of poverty as we move forward with Social Security reform. My amendments were aimed at expressing our support of maintaining a guaranteed inflation-protected benefit for women and working to reform benefit calculations for Social Security. The amendment I offered on the floor made it clear that, through the process of Social Security reform, we would recognize the sacrifices women make to take care of their families.

I was proud to offer these amendments and had hoped that instead of just talking about taking care of women in the course of Social Security reform, there would be a solid, bipartisan commitment to addressing the unique economic situation faced by most women today. But it seems that, once again, the needs of women have been ignored or forgotten. With no women on the Senate Finance Committee, I wanted a strong statement from the Senate that the real interest of women who depend on Social Security would not be negotiated away. I wanted to be sure that all Members understood the changing dynamics of the workforce and the difficult choices women must make every single day.

Women make decisions in their thirties and forties for the welfare of their families, like raising children, only to find out in their sixties and seventies that this sacrifice has cost them their economic security in old age. A surviving spouse can also face a dramatic change in her standard of living immediately following the loss of her husband.

Women, on the average, give 11 and a half years of their working lives to their families. They jeopardize their long-term economic security and retirement income to meet the immediate needs of children or aging parents. A surviving spouse can see a reduction of as much as 50 percent of her Social Security income following the death of her husband. Is this the reward women deserve for caring for their families? Social Security reform gives us the chance to make things right for working women and protect their guaranteed benefit. We owe this to all families.

Unfortunately, when given the chance to assure women that their interests and real economic situation would not be forgotten, it would appear that the Republicans have now turned their backs. The failure to include my amendments will only make me work harder to educate women and to fight for women during the debate on Social Security reform.

I will not let the administration or Members of the Senate off the hook. There is no greater threat to women and families than a Social Security reform proposal that ignores the economic disadvantages still faced by working women and older women. I hope that all working women and older women are watching the debate on Social Security reform and taking note.

Mr. President, I also want to say again how disappointed I am in this budget process. When I decided to serve on the Budget Committee, I wanted to return some common sense to our fiscal policy. I wanted to bring the voice of working families to the table, and I don't think this budget passes the test. It is seriously flawed when it comes to the issue of education.

When I talk to my constituents about education and the efforts of Congress, most people are very surprised and angered to learn that less than 2 percent of overall Federal spending goes to education. They think education should be a higher priority, that we should improve and increase education spending, and so do I.

Instead, other than an increase for the Individuals with Disabilities in Education Act—an important $500 million increase that I think we all support—we will see cuts in education funding, and cuts in other important areas in social services and job training.

Even with the increase for IDEA, this budget agreement assumes $200 million in other funds—or $700 million if IDEA is included—in cuts below a freeze that would have to come from other discretionary programs in education, social services and job training.

Where will the axe fall? The Senate's budget specifically focused on subfunction 501—K–12 education. But after working with the House, this conference proposal now is silent on K–12 education as a specific subfunction. Can we then assume that our public schools will bear the burden of these cuts? Or will the cuts be in other important areas? The list is long. Will it be Head Start or national service, job training or juvenile justice, student aid or nutritional programs?

The American people in overwhelming numbers support increased funding for education. The Congress of the United States has not yet heard the message. This budget conference agreement does not place education as a high enough priority. Among other things, this budget completely ignores the pressing need to continue in the national effort to help local school districts hire 100,000 new, well-qualified teachers.

In the classroom, when students wonder why their teacher is not prepared to help them learn math and science—they can look to this budget. When they are stuck in an over-crowded classroom, they can look to this budget. When they learn that there will be less student aid this year than last year, they can look to this budget. When the American people see that fewer children are graduating with the skills they need to participate in our fast-changing economy, they can look to this budget and the short-sighted priorities of the 106th Congress.

A small bright spot in this otherwise bleak budget is the important expansion to child care funding. The Senate overwhelmingly supported the Dodd child care amendment to the budget resolution. I cosponsored that amendment, and while only part of it was retained, I think we have the beginnings of real, bipartisan progress on child care funding.

What the Senate supported yesterday in an overwhelming 66–33 vote, was a historic first step that would have increased child care funding by $12.5 billion over 10 years—nearly doubling our federal investment in quality child care.

What the Senate is being asked to support today is not the complete Dodd amendment, but with a $3 billion investment in the child care and development block grant, and $3 billion in tax incentives, we are making a good start.

Child care questions are becoming more and more pressing for more parents every day. With concerns about affordability, quality, and access—and with more low-income parents going into the workforce—the needs are changing and increasing. More child care is needed during ''off hours''—such as evenings and weekends. More child care is needed in rural settings, impacting transportation, work schedules, and the amount of licensed family child care providers.

It is vital that we make improvements for child care; the provisions of this conference agreement are a beginning to real progress.

But Mr. President, the glimmer of hope offered by the language on childcare is not enough reason to support the FY2000 Budget before us and I urge a no vote on the Conference Report. Under the unrealistic limits set under this budget, as a member of the Appropriations Committee, I know we will be unable to protect the real concerns of working families. Our hands will be tied when it comes time for us to invest in important priorities like education, health care, environmental protection, agriculture, biomedical research, and early childhood development.

Mr. President, finally, I commend Senator LAUTENBERG for his leadership in attempting to work for real progress and for a true fiscal plan that will guide us in the new millennium. I know he shares my disappointment in this resolution. But I thank him for the tremendous amount of work and leadership he has given us on the Budget Committee as we move forward.

Thank you, Mr. President.

Mr. President, I suggest the absence of a quorum, and I ask that it be equally divided.

The PRESIDING OFFICER (Mr. ALLARD). Without objection, it is so ordered.

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. GRAMS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered. Who yields time?

Mr. DOMENICI. I will be pleased to yield whatever time the Senator wants.

Mr. GRAMS. Less than 10 minutes.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. GRAMS. Mr. President, I rise this morning to support the budget conference report. Before I speak on the report, I would like to take this opportunity to commend the Senate Majority Leader and Chairman DOMENICI for their outstanding leadership in crafting and delivering this well-balanced budget proposal.

I believe this budget blueprint is a great achievement of this Congress, and it will ensure our continued economic growth and prosperity in the new millennium.

Protecting Social Security, reducing the national debt and reducing taxes are imperative for our economic security and growth. Our strong economy has offered us a historic opportunity to achieve this three-pronged goal.

This budget conference report has showed us how we can provide major tax relief while preserving Social Security and dramatically reducing the national debt, as well as providing sufficient funding for all necessary Government functions.

President Clinton has proposed to spend over $158 billion of the Social Security surplus in his budget over the next five years for unrelated Government programs, instead of protecting Social Security. Remember the phrase, ''Save Social Security first''? That is not in the President's budget.

This budget conference report includes a safe-deposit box to lock in every penny of the $1.8 trillion Social Security surplus earned in the next 10 years to be used exclusively for Social Security.

Stopping the Government from raiding the Social Security Trust Funds is an essential first step to ensure Social Security will be there for current beneficiaries, baby boomers and our children and grandchildren.

I was pleased to join Senator ABRAHAM and others to offer an amendment during the Senate floor consideration that made this our number-one priority under this budget.

It is also notable, that under this budget, the debt held by the public will be reduced dramatically, much more than what President Clinton has proposed in his budget.

This budget conference report reserves nearly $800 billion of the projected non-Social Security surplus—those are the tax overpayments of working Americans—earmarking $800 billion for tax relief. This is the largest tax relief enacted since President Reagan's tax cuts in the early 1980s.

As one who has long championed major tax relief, I am pleased all Senators supported my resolution to protect this tax relief in the Budget Resolution.

My language offers options for middle-income tax relief such as broad-based tax relief, marriage penalty relief, retirement savings incentives, death tax relief, health care-related tax relief, and education-related tax relief.

The purpose of the provision is to assure the American people that we have made a commitment to major tax relief, and that there is room in this budget to fulfill this commitment while protecting Social Security and Medicare, providing debt relief and respecting some new spending priorities.

I am particularly pleased, Mr. President, that this budget conference report has retained my proposal which could allow us to lock in for immediate tax relief any additional on-budget surplus as re-estimated in July by the Congressional Budget Office for fiscal year 2000.

I believe this is solid protection for the American taxpayers. I thank the Senate majority leader and, again, Chairman DOMENICI for retaining this important provision in the budget conference report.

As the economy continues to be strong, we may have more revenue windfalls to come in the next 10 years that are above and beyond the Social Security surplus. We must return these tax overpayments to hard-working Americans. They should benefit from the surpluses they are paying in rather than allowing Washington to stand first in line saying, ''Let's spend your money rather than giving it back.''

The logic for tax relief is fairly simple. Despite a shrinking Federal deficit and a predicted onbudget surplus, the total tax burden on working Americans today is at an all-time high. Americans today have the largest tax burden ever in history—even larger than during World War II—and the tax burden is still growing.

Federal taxes today consume about 21 percent of the total national income. A typical American family now pays about 40 percent in total taxes on everything they earn. That is more than it spends on food, clothing, transportation, and housing combined. So they are spending more to support Uncle Sam than they do on the basic necessities of life. It is still imperative to provide tax relief for working Americans and address our long-term fiscal imbalances.

Not only does this budget fund all the functions of the Government, but it also significantly increases funding for our budget priorities, such as defense, education, Medicare, agriculture, and others.

Although I have reservations about some new spending increases, including this conference report, I think overall the report is well balanced.

This conference report also retains the Senate-passed amendment that Senator GRASSLEY and I offered. This provision would reserve up to $6 billion for crop insurance reform. Including this funding increase in the budget conference report is an important step, I believe, in realizing our goal of real crop insurance reform to help ailing farmers.

One of the promises made during the debate of the 1996 farm bill was that Congress would address the need for a better system for crop insurance. Last year, we witnessed devastating circumstances come together in my home State of Minnesota to create a crisis atmosphere for many of our farmers and for farmers around the country, as well. We also saw the current Federal Crop Insurance Program fail for far too many farmers. Funds for crop insurance reform are the best dollars we can spend to help American agriculture, and this is a far better way to assist farmers than any of the spending that we have included in the emergency spending bills. We need to pass this.

Finally, Mr. President, unlike President Clinton's budget, which, again, has broken the spending caps by over $22 billion, this budget maintains the fiscal discipline by retaining the spending caps. There are those who claim we cannot avoid breaking the caps as we proceed to reconcile this budget. I say if we do our job to oversee Government programs, we will know which areas can be streamlined and which program funding can be shifted to new priorities. Let's make sure we do our job to justify all Government funds are wisely spent.

In closing, cutting taxes, reducing the national debt, and reforming and protecting Social Security and Medicare at the same time are all possible. It is not either/or. It is not either Social Security or giving tax cuts. We can do all with what we have in the budget. This budget conference report has showed us how we can do it.

The bigger challenge facing us now is that we must have the strong political will to follow through on this budget. We must defend the principles and priorities highlighted in this budget blueprint through the entire appropriations and reconciliation processes, as well as in other legislative initiatives during the first session of this Congress.

Mr. President, I look forward to working with my colleagues to achieve the goals set forth in this budget. Again, I commend the Senate majority leader and also committee Chairman DOMENICI for putting this budget together.

Thank you very much, Mr. President. I yield the floor.

Mr. LAUTENBERG. Mr. President, I yield 15 minutes of our time to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, I thank the ranking Democrat on the Senate Budget Committee, Senator FRANK LAUTENBERG, who has announced his retirement. He is headed for the last budget roundup. This is the second to the last stop. I have one more year with FRANK LAUTENBERG as spokesman on that committee who has made an enormous contribution to the committee, his State, to this Nation, and certainly this budget deliberation. We are going to miss him. He has done a great job for America.

I have known for many years the chairman of this committee, Senator DOMENICI of New Mexico. When I was a member of the House Budget Committee, his reputation was well known. He has been a deficit hawk for as long as I have known him. I am sure he has some sense of relief today dealing with a budget that is in much better circumstances than it was a few years ago. That is due in no small measure to his contribution. Though I may disagree with him on this particular budget resolution, it does not diminish my respect for what he has done in this budget process in demanding honesty. I hope he will continue on that pursuit, and I hope we will share goals in the near future. I am looking forward to doing just that.

Mr. DOMENICI. Mr. President, I thank the Senator very much. I appreciate his comments very much.

Mr. DURBIN. Mr. President, having said all these wonderful things about Senator DOMENICI, I am going to tell you what is wrong with his budget resolution, and he is not going to be a bit surprised by all that.

There are a few things where we do disagree. As Senator GRAMS of Minnesota just mentioned, there is overriding concern by all of us about the future of Social Security. I think Senator CONRAD on the Democratic side offered a very novel, imaginative, and positive contribution to this debate when he suggested we lock up the Social Security surplus for Social Security.

This would be done by requiring that an extraordinary vote of 60 votes would be required to spend the Social Security trust fund surplus for anything other than Social Security. We understand Social Security is a solid covenant between generations. Without it, 16 million more Americans would live in poverty, and Social Security is the principal source of income for two-thirds of older Americans and the only source of income for nearly one-fifth of our seniors.

This trust fund will go bankrupt in the year 2034 when people like myself, if we are lucky to be alive, will be part of the huge baby-boom generation looking to a smaller pool of American workers to sustain us. That is why the actions we take today for the future of Social Security are so critically important.

I am afraid the Republican alternative in this budget resolution is not nearly as good as Senator CONRAD's suggestion of a 60-vote lockbox. I am afraid we have fallen short of the mark when coming to guaranteeing the future of Social Security in this budget resolution.

There is another element, though, that is even more mystifying. There is an old poem that goes something like this:

> As I was walking up the stair, I met a man who wasn't there. He wasn't there again today. I wish that man would go away.

The man I am talking about is Medicare. The problem with Medicare will not go away. The Medicare trust fund is expected to go bankrupt in the year 2015. If that is not bad enough, as baby boomers like myself retire, the strain will become even greater. By 2034, the number of Medicare beneficiaries is expected to double to almost 80 million American seniors.

The Democrats had a proposal to deal with that. The Democrats came forward and said we should dedicate a substantial portion of any future surplus to go to Medicare so that in addition to reforming Medicare, we would be putting our surplus funds into it so that it would be strong for many years to come. Our lockbox proposal for Medicare would save $376 billion of the budget surplus for the next 10 years, and it would extend Medicare solvency by 12 years to the year 2027.

By locking these funds away, we make sure the country will have time for a serious debate on the future of Medicare reform while we are certain that it is going to be solvent. Unfortunately and sadly, and almost without explanation, the Republican budget proposal before us today does not put away a single penny—not one cent—for Medicare. It does not extend the life of the trust fund by a single day. That, I think, is an abdication of responsibility, not just to the 40 million seniors who depend on Medicare but to their children who want their parents and grandparents to live in dignity and without worry about medical bills.

If we ignore Medicare, we are ignoring a looming crisis. This budget resolution does not address it. We will be hearing from the other side about how this budget resolution ''fully funds Medicare.'' But a fully funded Medicare is still going to go bankrupt in just 16 years. The truth is, this budget does not do anything substantial for the Medicare system. It could leave it withering on the vine from neglect.

This chart indicates the difference in approach between the Republican side in blue and the Democratic side in red about the dedication of surpluses for Social Security and Medicare.

You can see a substantial difference between the two; in the years 2000 to 2004 composite—the first graph—and then later the 2000 to 2009 composite. It indicates the different dedication of funds to make certain Medicare is included in any plan that is a part of this budget resolution.

Let me speak for a moment about tax cuts, too. As I have said many times, there is just no more appealing phrase for a politician than, ''I favor a tax cut.'' People cheer, ''Oh, we love you. This is great.'' But we have to be honest with the American people. Some politicians in the past have talked about, ''Read my lips: No new taxes.'' The American people learned a lesson there. They want honest talk about taxes. They do not want promises that cannot be kept or promises that we should not keep. The Democratic plan has targeted tax cuts, after we dedicated funds for Social Security, after we dedicated funds for Medicare. We kept a substantial portion aside for tax cuts targeted for the American families truly in need.

That would include USA accounts, the President suggested, so that more working families can save for retirement.

Long-term care tax credits, think of how many people are worried about their parents and grandparents now in nursing homes or in need of special care. This $1,000 tax credit would be a helping hand to literally millions of Americans in that predicament.

The child and dependent care tax credit, we proposed $6.3 billion to help pay for child care. We want Americans to work. But while they work, we want their children to be in safe and loving hands. And that means quality day care and stepping in to help low-income families so they can pay for that day care. And a tax credit for work-related expenses for people with disabilities. This will defray special employment-related costs incurred by those people with disabilities, such as transportation and technology costs.

Our tax cuts are geared to make certain that we meet our obligations first to Social Security and Medicare, and then to the American working families who most deserve them. It is still a mystery as to what the Republican tax cut will be. I am not sure. Perhaps we will have an explanation of it sometime later today before we vote on this budget resolution.

But, in fact, we have heard one proposal from JOHN KASICH, the chairman of the House Budget Committee, about a 10-percent, across-the-board tax cut. What would that tax cut mean? It is a good day to ask the question—on April 15.

For those with incomes under $38,000 a year, the Republican tax cut of Mr. KASICH is $99 a year. That is almost $8.25 a month that people will have to spend under the Republican tax cut, if they happen to be among the 60 percent of working Americans who make less than $38,000 a year. Think of it—a Republican tax cut that might pay half of your cable TV bill each month. Isn't that something to look forward to?

But if you happen to be in an income category in the stratosphere—over $300,000 a year—a 10-percent tax cut is $20,697.

So the people with the money are given the tax cuts. The folks who are working to raise their families and pay their bills, under this Republican tax-cut plan, get $99 a year. I do not think that is fair. April 15 is a good time to talk about taxes. I want to remind my wife to get the forms in the mail before midnight back home. We want to make sure we do file our taxes on time, as all Americans should. But I hope that we will take a minute to reflect on the tax burden in America and what has happened to it.

The median family income in America—that is the average—is $54,000. If you look at the tax burden on working families in America over the last 22 years, you will see an interesting thing has occurred. The taxes had gone up in the early 1980s, and then started coming down; and then look where they have dropped by 1999—the lowest tax burden in 23 years.

Anyone writing a check today will say, ''I wish it was even lower,'' but the fact is it has been coming down. The U.S. Treasury reports a family of four, with the median income of $54,900, will pay the lowest percentage of its income in taxes since 1976. It shows that many families with half the median income—these are folks making about $27,000 a year—let me show this chart here—some of our hardest working families, I might add—will actually pay no income tax at all or get a check back from the government. They have an average income tax burden of a negative 1 percent. Their overall tax burden is the lowest in more than 30 years. This chart indicates it is the lowest in 35 years. A family of four can make up to as much as $28,000 and not owe a dime in taxes.

Incidentally, one of the reasons many of these family tax burdens are lower is

because of our expansion of the earned income tax credit in 1993. This tax credit focuses on helping working families.

What a contrast: A Republican proposal by a Congressman from Ohio for a tax cut to benefit the wealthiest; the earned income tax credit designed to help working families. It really tells a world of difference in philosophy when it comes to tax cuts.

The interesting thing is if you look at those who are doing pretty well in America, those making twice the median income; that would be over $109,000 a year. Their tax burden is also declining. The average Federal tax burden of a family of four with twice the median income is the lowest it has been since 1988, and the second lowest since 1977.

We back these figures up by an analysis, not from some Democratic Party organ but, rather, the accounting firm Deloitte and Touche, a group recognized as reputable in the field. Their analysis shows that the average Federal tax rate is lower today than it was 20 years ago for virtually every type of taxpayer.

We want to continue that, target the tax cuts to the families that need it the most, but it is not in this budget resolution—an approach which is so general as to suggest we would be giving tax cuts to the wealthiest among us instead of those who work the hardest, the working families struggling to put their kids through school.

We are going to face a crisis here on this budget debate, and it will come soon. I am afraid when we take a look at the Republican budget resolution, with tax cuts for wealthy people, we are going to find ourselves cutting back on a lot of spending. Some on the Republican side have stood up and very honestly said that is OK, ''We believe that cutting back on Federal spending is good at any cost.'' I have second thoughts about that, because some of the programs which we will cut with this budget resolution are critically important to many American families.

As a result of this resolution, as many as 100,000 fewer American kids would have access to Head Start—Head Start— that early childhood development program where kids get a chance to prepare themselves for kindergarten and first grade. One-hundred thousand more kids in America would be off the program as a result of this budget resolution.

Another program, that is near and dear to my heart, the WIC Program—Women, Infants, and Children Program—brings in pregnant mothers, mothers with young children, and helps them with nutritional assistance during the pregnancy and after the children are born. One out of four American babies is in this program. Lower-income families need this helping hand to make sure their kids get nutritious food and so that the mother is healthy when she delivers the baby.

Is there any better investment of money in this country than doing what we can to make sure that our pregnant mothers and their children, at their earliest age, are off to a healthy, nutritious start? This Republican budget resolution will cut over 1.2 million low-income women, children, and infants from the WIC Program. How can that make this a better country?

And when it comes to some basic things, we all abhor drugs in America and drug crimes, and yet with this budget we will be forced to cut the number of Border Patrol agents who are trying to ferret out those smuggling narcotics into America. So 1,350 fewer Border Patrol agents, 780 fewer drug enforcement agency personnel out there fighting the war on drugs—think about that for a second. Does that make any sense? More drugs in America, so we would have more people ultimately committing crimes and going to prison because we give a tax cut to the wealthiest people in this country. This is upside down thinking and a reason why many of us question its wisdom.

Funding eliminated for 21 Superfund sites; 73,000 summer jobs and training opportunities cut.

The list goes on.

Cuts in food safety. You ask the American people, what do you expect of your Federal Government? In the State of Iowa a poll said: The first thing is to make sure the food we eat is safe to eat. People are concerned about that. They hear about scandals where children eat tainted food, or the elderly do, and get seriously ill, if not die, and yet we cut back in the Department of Agriculture in areas of food safety. How can we possibly rationalize and explain that in the name of giving greater tax cuts to wealthy Americans?

Let me close by saying that I respect the hard work that has gone into this budget. I respect the serious difference of opinion between the Republican side and the Democratic side.

I think ours is a more balanced and rational approach. It takes care of the future of Social Security. It provides help for Medicare where the Republican budget resolution provides none. It provides tax cuts for families that really need it and doesn't give tax cuts to the wealthiest among us. It also provides that we will have the money available to meet the basic needs of America when it comes to educating kids, feeding pregnant mothers and children, providing for the kind of law enforcement that is essential for the security of this country.

I hope that before this is all said and done, President Clinton can bring the leaders on Capitol Hill, the Republican leaders in the Senate and the House, together and that we can work out some reasonable bipartisan compromise. I am afraid this budget resolution does not reflect that, and that is why I am going to respectfully oppose it and vote against it.

I yield back the remainder of my time.

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself as much time as I use.

First, let me speak to those who are wondering what the time sequencing is and when we might vote. We know of only one additional Senator on our side who wants to speak, and that will be Senator SLADE GORTON. I understand that we know, in fact, where he is. He is at a committee hearing, but as soon as he comes, he will be our last speaker. We are anxiously waiting to see how many more there are on the other side, and we are hoping that in all events we will be through debating this budget resolution within an hour or less. That will set a time certain that is accommodating to the leaderships in terms of when we vote.

Having said that, let me just comment a bit with respect to a few things that have been said by the distinguished Senator from Illinois.

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. DOMENICI. 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. DOMENICI. Mr. President, I rise to speak a few words to the Senate and anybody interested with reference to some of the comments made by my good friend from Illinois, Senator DURBIN. I do mean that. He is a very new member of our committee, and I find him to be a very dedicated and hard-working Senator. I reciprocate with my compliments to his work and effort.

I do believe we have a propensity on the floor to argue and, in many cases, to exaggerate so as to prove our point. Let me make sure that the American people understand the tax cut we are talking about.

It is projected that in the next decade we will have $2.5 trillion in surplus money coming into the Federal Government. Let's for a moment understand basically what that means, $2.5 trillion. The entire budget of the United States for everything is about $1.8 trillion a year. We will have a surplus that dramatically and extensively exceeds the total amount we are spending annually for all programs of government.

Where did that $2.5 trillion come from? It did not drop on us from outer space, nor did a big rain cloud come over and rain came down and it was full of dollars and that is where the $2.5 trillion in surplus came from. I think most people, if given three or four things they could choose from, would choose the right answer—the taxpayers paid it in. The taxpayers pay $2.5 trillion more in the next decade in taxes than we need to run government based upon a reasonable program.

Obviously, if you believe there is a never-ending need for government spending, then you can whisk away that $2.5 trillion and say, let's spend it. Frankly, for all of the desires of the American people, they are not crazy. In fact, they understand implicitly what is going on. When, in fact, you have this kind of excess taxes being paid in, there is a difference, dramatic difference, between the two parties. The Republicans say don't grow government, give the money back to the taxpayer.

That is what all this argument is about. What do you do with that excess, which is more money per year and per the next decade from the taxpayers, all taxpayers, than we need for our current budget plans?

You could invent new budget plans, I say to the occupant of the Chair, and spend every cent of it. Or you can do something as wild as the President has recommended, which not even the Senate believes is responsible—indeed, both sides. You can take a huge chunk of that money and put it into the Medicare trust fund without reforming or changing Medicare, just put it in there and put out, as the President did, 15 percent of that surplus in IOUs. The IOUs have value, because what are the IOUs? The IOUs are postdated checks which are going to come due at some point.

Who is going to pay for them? It is the American taxpayer who is going to have to redeem them in 10, 15, or 20 years, because it is just a postdated check. You understand that, but if they understood it, they would say: What is this all about? We thought we were fixing Medicare, reforming it and making it more efficient. Sometime out there in the future, those IOUs are going to come due, and we are going to have to pay them. New taxes are going to have to be imposed.

What do the Republicans think? Republicans think that during the next decade you ought to take every single solitary penny of Social Security surplus, which is part of that $2.5 trillion that I have been talking about, and put it in a position in the budget where it can't be spent for anything other than senior needs.

There are arguments that isn't enough for Medicare, that we don't provide for Medicare in this budget. Let me just tell you what we do provide. We provide $462 billion more in that trust fund than the President did, and he heralded his budget as being responsive to the proposition that every single penny of trust fund money would be deposited in the trust fund for Social Security, excepting he had a nice little funny thing in there. That was over 15 years—we never have budgeted like that—which meant that he only put 62 percent of the Social Security surplus into a Social Security accumulating trust fund, and then he did this IOU business with Medicare. Essentially, it is as if there is a plan, an intentional approach to say to the American people: Don't worry about the taxes you are paying in and the excess; we have it all taken care of; we are going to spend it.

As a matter of fact, it is most interesting; the President of the United States spent in the first 10 years $158 billion of the Social Security surplus for programs.

Unequivocal. Nobody denies it. The President's OMB people don't deny it. They say that doesn't matter because over many years we are going to save the money for Social Security, but we will spend some of it in the first decade. In fact, that $158 billion is in the first 5 years of the budget—it is going to be spent.

Having said that, the other issue that seems to always come up is, if you are going to give tax cuts, it just has to be that the Republicans are going to take care of the rich people and not the middle income and family people, because there have been various Senators and House Members speaking about what they might want. I will remind everybody listening to that kind of stuff on the floor, you should know that that budget resolution, by operation of law, does not say how the taxes will be cut. It says how much. And in the processes of the Congress, later on—in fact, under this budget, it is in July of this year—the tax-writing committees, after hearings, after citizen input, after talking with Senators from both sides of the aisle, will produce the tax bill. That will be the time to decide what is in it. And it is actually a red herring to talk about what is in that tax bill—because we don't know—as a justification for not having any tax cuts. But that doesn't sound right, does it? Well, it is right.

Those who use the argument that it is going to be a bad tax bill, so don't have any tax cut, are essentially saying we don't want to give you a tax cut because we don't know what will be in it. But I will tell you what the budget resolution says. That is the best I can do. It recommends that such tax relief could include any or all of the following: an expansion of the 15-percent bracket, marginal rate reductions, a significant reduction or elimination of the marriage tax penalty, retirement savings incentives, estate tax relief, an above-the-line income tax reduction for Social Security payroll taxes, tax incentives for education, parity between the self-employed and corporations with respect to tax treatment of health insurance premiums, capital gains taxes, and fairness for family farmers.

Now, that is what we are discussing. Do we want to allow some or all of that to be debated and looked at? That is why we have a tax provision in this budget resolution.

Let me just quickly go through one other thing and then summarize what we have done. First, in the Medicare program, by virtue of a good economy, meaning high unemployment, a lot of people paying into these trust funds, we have extended the life of Medicare, Part A—that is the hospitalization part in the trust fund—for 8 years without Congress doing a thing. The current program lives for 8 years longer than expected just 6 months ago because the economy is powerful.

Now, almost everyone knows we have to reform, change, make better, make more efficient the Medicare program. There are some who would like to deposit $400 billion in the trust fund of Medicare and let it sit there as IOUs for the future, without first determining what does Medicare need or, to put it another way, without any reform or changes in Medicare. None. That is what it contemplates. And an extension of the trust fund is contemplated by just pouring that money in and taking IOUs. It isn't spent. It extends the life of Medicare some 8 or 9 years, and it doesn't contemplate or envision reform. It doesn't pay for prescription drugs. And, incidentally, as an aside, anybody who would like to ask the OMB of the United States, the Office of Management and Budget, the Congressional Budget Office, the Comptroller General, ask them if the President paid for prescription drugs in his budget—zero. He suggests we might want to do that sometime as part of reform.

Now, one Democrat Senator said, ''Republicans want to raid the Federal tax treasury for a tax cut.'' Now, isn't that an interesting concept? Raiding the Federal Treasury for a tax cut. What is the Federal Treasury? What is the Federal Treasury into which the taxpayers are paying $2.5 trillion more than you need for Government? What is the Federal Treasury?

My friends, the Federal Treasury belongs to the American people. It does not belong to the Government. If we reduce the size of Government and there is money left over and we say let's give it back to the public, are we raiding the Treasury of the United States, or are we giving back to our citizens the overpayment they have paid in income taxes that is lodged temporarily, or housed in the U.S. Government?

I wonder how the people who are hurrying today to the post offices trying to get their tax returns in would feel if they knew that over the next 10 years as they file their returns, they are overpaying the Government; and, as a matter of fact, if you add it all up, they are paying $2.5 trillion over current expenditures. I think they would be wondering, what is the U.S. Treasury? We thought maybe it was ours.

In summary, we think we have a very good plan to enter the millennium. If the President would like to enter that millennium with us, that would be great. Everybody listening and everybody who follows budgets should know that there has not been a vote in this Congress, or in our Committee on the Budget, on a Democratic budget. They don't have to produce one. When I was in the minority, I didn't produce a budget every year. So everybody will know, we didn't vote on a Democrat

budget; we voted on the President's budget. While there was a lot of argument about whether we were voting on it or not, that is what it said—that we were voting on it. Now it will be interesting to know what results from that vote: No, every member of the committee; Yes, zero members of the committee.

Now, if in fact it was a great budget on Social Security, a great budget on Medicare—just those two—if it was great on those, Democrats would have voted for it because, after all, it is pretty clear that is what they believe to be the biggest issue going. They didn't vote for it.

Now, what this budget does is save Social Security and puts in a trust fund $462 billion more than the President put in, and the number is $1.8 trillion. You can't spend it. It is there. You can't use it for tax cuts, that is for sure. As a matter of fact, we will soon vote on legislation to lock it up so that it can't be used without 60 votes.

Save the Social Security trust fund first. That is the No. 1 plank, the No. 1 priority in the budget. Second, make sure we have done everything we can to promote Medicare reform and see to it that we do have the resources for it. We have done that. I am not going to repeat the three or four things in the budget and just say those were No. 1 and No. 2. Three, we have dramatically increased national defense. Everybody understands that. If they didn't understand it 2 weeks ago, they ought to understand it now. The costs that we are incurring in Kosovo now, over and above defense spending we contemplated year by year, are astronomical. We soon may have to add to that, in an emergency, as much as $5 billion. And if we went on for a whole year, depending upon which kind of activity we have had, the number could be more than twice or three times that amount. So we have increased it substantially.

In our prioritizing, in our setting forth what we think should be paid for first, we have increased education $3.8 billion in the first year, $38 billion over the next 5, beyond that requested by the President. Our only hope is that none of that money will be used unless we have a new approach to public education funding, and that we would send the money down to the locales with ''flexibility and accountability.'' Those are the two new words we want to attach—to give them flexibility and make them accountable. Don't tell them how to use it because one shoe doesn't fit everything in the school districts from East to West and North to South in this great land.

We have sustained and added to all of our criminal justice activities, and we have added $1.7 billion to veterans' hospital care, substantially more than the President, because we think that is one of our real values in this country—to take care of veterans' health benefits.

I may have missed one thing or two. But I will summarize the effect of all of that.

We will have cut the national debt in half by creating that surplus and setting it there. We have reduced the national debt in half, substantially more than the President reduced the national debt. We think that is very, very good for our future.

I might say it is obvious that a number of our domestic accounts, aside from those that we treat with priority and that I have just stated, will go up. It will be very difficult to do all of the things Government is currently doing and meet this budget. In the appropriated accounts of our Government, between defense and nondefense, it is now about 30 percent of the budget, and it is going to be hard for those accounts to fit within this very tightly and stick to the balanced budget numbers. But it was my opinion, with the Senate of the United States, with one Democrat supporting us and the rest of us on our side unanimously voting for this, that we thought the best way to approach a successful American economy was to stick to the balanced budget plan in terms of people believing we meant what we said—that we were going to ''ratchet down'' Government and make sure we had a credible plan to do it.

Having said that, if Senator GORTON does not arrive shortly, I will be able to tell Senator LAUTENBERG that we don't have any other speakers. We will check with him right now so I can inform the Senator.

Mr. LAUTENBERG. Will the Senator yield for a few minutes so that the Senator from California can have 10 minutes now while we are waiting for Senator GORTON?

Mr. DOMENICI. Sure. Of course.

Mr. LAUTENBERG. I yield 10 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I thank my chairman, Senator DOMENICI, and my ranking member, Senator LAUTENBERG, for yielding me 10 minutes of time.

Mr. President, I have served on the Budget Committee since I came to the Senate. That was almost 7 years ago. In the House I served for the maximum period allowable on the House Budget Committee, 6 years. So I have seen budgets come; I have seen budgets go. I have seen good ones, bad ones, middle-of-the-road ones. And I have to say that my heart is heavy as I look at this budget. My heart is heavy because I think it is not a good roadmap for our future.

I say that because I think this budget fixates on tax cuts to the wealthy, to the exclusion of other important critical priorities such as Social Security, Medicare solvency, and the environment. Under this proposal, virtually all of the onbudget surplus would be used for tax cuts. Tax cuts are good and I certainly do support targeted tax cuts to people who need it, such as the kind of program we unveiled yesterday at the White House with the President, the USA accounts, the Universal Savings Accounts that will go to people with $100,000 a year and less, and give them incentive to save by having matching funds from the Federal Government. It will make life good for our people. That is the kind of tax cut we ought to be talking about.

But that is not an across-the-board tax cut that we hear talked about. And my friend from New Mexico says it is premature to criticize the tax cut portion of this; we don't know what it will look like.

I have listened to Congressman KASICH and others wax eloquent about the importance of an across-the-board cut, and we know what that means. It will mean $99 back for most of the people earning approximately $40,000 a year or less. But for those in the very high brackets, those who earn $800,000, we are talking about $20,000 a year back.

Mr. President, $20,000 back to some who earn more than $300,000, the top 1 percent, is that something that we can truly say is going to bring the American dream to the people who do not have it? I don't get it. That is more than people make on a minimum wage, who sweat and toil every day—at the minimum wage. And we have had great objection every time we tried to raise the minimum wage.

I don't even get into the people who make $1 million a year. High-wage earners are good people. They have worked hard. But I don't find when I talk to them that they are saying to me, ''Senator, you have to give us more money back.'' They are doing well. They are doing well in the stock market. They understand that this country does well when you bring everyone along.

So I have a problem.

Let me give you another clue as to why I believe these tax cuts will go to those at the very, very top of the ladder. If you look carefully in this budget proposal and they talk about taxes, they go out of their way to mention cuts in estate taxes—taxes that are paid when someone dies. Mr. President, almost ninety-nine percent of the people in this country will never have to pay an estate tax. In other words, we have exempted much income from the estate tax. Here we see the Republican majority fighting again for the top 1 percent of income earners.

Mr. President, I offered a very simple amendment in the committee. Do you know what it said? If there are going to be tax cuts, the substantial benefit should go to the first 90 percent of income earners. The Republicans didn't want to vote on that. As a matter of fact, my chairman, whom I respect and like and admire, said, you know, last year that was a good idea; this year it is not a good idea. They wouldn't take that. They substituted some other language. Then when we got to the floor of the Senate, guess what. They didn't want to vote on it. They accepted it only to drop it in the conference.

So this budget fixates on tax breaks for the people who do not need them.

And even bipartisan votes were dropped in the conference. It is hard for me to understand how this is a good roadmap for our future. Education, yes there is a good increase needed in education. But every single amendment that was moved forward, such as the one from our ranking member on school modernization, was dropped in the conference.

My language on after school, which we know works for our children—and we have so many local districts that want that program—was dropped in the conference. Why? The new thing: We don't want to tell local districts what to do. Mr. President, these programs don't tell local districts what to do. We simply make funding available if they believe after school is a priority, if they believe school modernization is a priority, if they believe putting more teachers in the classroom is a priority.

The new words are ''flexibility'' and ''accountability.'' How is it holding anyone accountable if you give them money and you don't even tell them you think they ought to look at after school, or you think they ought to look at lowering the number of children in the classroom? We were elected because we have views on these subject matters, not just to simply write a blank check and say, ''Oh, take the money. We don't care.'' Do with it what you will: Put a new carpet in the administrator's office, have him hire a new assistant, put a shower in his office. I don't think that is the way we ought to legislate. We ran on these issues. We understand them. If we don't, we don't belong here.

I am not going to give a blank check to some school administrator. I am going to say, look, this is what we have available for you if you feel these are your priorities. Do Members know who set that standard, that kind of model? Dwight David Eisenhower, Republican President in the 1950s who authored the National Defense Education Act, who said there is a shortage of math teachers and science teachers; the Federal Government will help you pay to train those teachers—a Republican President. He didn't say, ''Here, take the money, we don't care what you use it for.'' He said there is a national problem here, let's address it.

We know there is a national problem, as the Senator from New Jersey knows, fixing up the schools. We know there is a national problem, no afterschool programs, our kids get in trouble. We know there is a national problem, too many children in the classroom. We simply try to put some language in and it gets dropped in the conference.

Yes, my chairman is right: There is a huge difference between Democrats and Republicans. More and more I realize this. All you need to do is look at this budget to find it. They don't save Social Security. They put it in a lockbox for 1 year. They have language that mandates that the Social Security surplus be used only for the payment of Social Security benefits, retirement security, or to reduce the Federal debt.

What does retirement security mean? It could mean anything. You could argue you give a tax cut to someone earning over $300,000, that will help him with his retirement. Not only that, if we want to break out of the lockbox, it looks to me like they only need 51 votes to do it. They don't save Social Security. They do nothing for Medicare.

I was surprised to hear my chairman say, ''Without doing anything, the economy is good, Medicare is doing great.'' Medicare needs attention. We are living longer—that is the good news; the bad news is there are strains on Medicare. We should have put money into that program.

My chairman was right, we never offered a Democratic alternative budget. We had amendments on every one of these issues. My ranking member offered them on every one of these issues. We know where we stand. We said we want Medicare funding from the surplus put into a lockbox, too, because we think Medicare, as well as Social Security, are safety net issues that need to be addressed.

The point is they don't do in this budget what they should do for Social Security and Medicare. They don't do in this budget what they should do for working men and women. They don't do anything for the environment.

Senator CHAFEE, a Republican Senator, had his language dropped. Yes, they put $200 million in from one account to another but the language that directing that the money be used for land and water conservation stateside spending was dropped. There is no instruction here.

Senator JOHNSON, who will be speaking shortly, and I worked together on a very important amendment to set up mandatory spending for the environment, for a land and water conservation fund, for the purchase of open space. It was bipartisan, adopted in the committee and was dropped in the conference.

I point out Senator MURKOWSKI has a bill on this matter, I have a bill on this matter, several other Republicans and Democrats have bills on this matter. We were simply making room for the environment in this budget and it is gone. This is a roadmap that I do not think is a good roadmap for America today. I am very sorry to stand here and say that because I believed we had an opportunity to do some very good things because we are on such strong fiscal ground. We had a chance to do some important things. We are going to see huge cuts in domestic spending as these numbers go over to appropriations. They are hidden in this budget right now, but as soon as you get over to appropriations it is going to be very, very difficult. There will be cuts in domestic priorities.

I will vote against this budget. We had an opportunity to work together; we didn't do it. We didn't save Social Security, we didn't save Medicare, we didn't talk about the real needs in education, we turned our back on the environment. This is a budget that I do not believe the American people will support.

I don't hear the American people saying give tax breaks to the people who earn over $300,000, $500,000 or $1 million a year. I don't hear them saying that. Do you know what I hear them saying—keep up fiscal responsibility and give help to the people who really need that help so they can climb up that economic ladder and this country can truly be all it can be.

I yield back my time to Senator LAUTENBERG.

The PRESIDING OFFICER. The Senator from New Jersey.

UNANIMOUS-CONSENT AGREEMENT

Mr. LAUTENBERG. Mr. President, I have a unanimous consent request that the list of those who are going to speak on the budget be identified as follows: Senator WELLSTONE, Senator GORTON, Senator HUTCHISON, Senator JOHNSON, and Senator LAUTENBERG.

Once these Senators have spoken, I ask unanimous consent that all debate time on the pending conference report be yielded back. I ask further consent that the vote occur on adoption of the conference report at 2 p.m. today. I include in that unanimous consent request that after those Senators have spoken, the request then include a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

Mr. LAUTENBERG. I yield such time as needed to the Senator from South Dakota, up to a maximum of 15 minutes.

Mr. JOHNSON. Mr. President, I thank Senator LAUTENBERG for his leadership on this budget resolution. As a member of the Senate Budget Committee, it has been an honor and, I have to say, also, unfortunately, somewhat of a frustration to have participated in this process in the committee and to see now what has come to the floor.

I am saddened that what could have been a watershed opportunity for the American people—to lay out a budget that makes sense, which establishes the proper priorities for the coming years—apparently is going to be missed and profoundly missed in a very unfortunate way.

It is remarkable how we arrived at this point. When I first came to the Congress as a Member of the other body some 12 or 13 years ago, I had some doubts that I would ever see the collapse of the Soviet Union, the fall of the Berlin Wall, or debate how to utilize a Federal budget surplus, but here we are. We do have that opportunity, last year having been a surplus year, at least under a unified budget. And this year, which ends September 30, the projections are that we will be at least $130 billion in the black for this coming fiscal year. Again, let me be clear that in the unified budget, all of those surplus dollars are attributable to Social

Security, lest anyone gets too carried away about spending the surpluses that are here in the near term.

It seems to me that throughout this debate that there are four principles that ought to be followed as we craft a roadmap for where we go from here, from this fork in the road that we thankfully have come to. This crossroads follows on the heels of the 1993 budget agreement and was supplemented by the 1997 budget agreement, both of which I voted for. It seems to me we ought first protect Social Security and Medicare—not just Social Security, but protect them both.

It seems to me that a significant portion of resources that we come into ought to be used to pay down already-existing debt. When Jimmy Carter concluded his Presidency, this Nation had an accumulated debt of around $1 trillion. That exploded to $5.5 trillion, mostly through the borrow-and-spend policies of the 1980s. Now we have an obligation to pay that debt down, reduce debt service, reduce the cost of money, and free up resources for the private sector so buying a house, buying a car, sending a kid to college, and expanding a business become more affordable.

Third, we do need to look at tax relief, but we need to do so in a careful manner. We should not commit dollars that we do not have, those that are only projected far, far into the future. There is talk on this floor about how we are going to spend surpluses available to us 15 years down the road, surpluses of massive proportions. We have seen in the past what has happened with budget projections from both the OMB and CBO. We know the availability of those dollars may or may not occur. It seems to me a great deal of restraint ought to be used on the part of both political parties, for both spending and tax relief, when making plans premised on dollars that may or may not be available in the future.

But I do believe over the near term we ought to try to design a budget package that will provide some level of tax relief for people in this country, primarily for middle-class and working families. There is a very legitimate role to be played for a tax relief package, but it can only be part of an overall strategy.

Last of the four items that I think we need to take into consideration are the key investments that need to be made. I think the American people feel the same way. The American people want some tax relief, but they also want to see Social Security and Medicare protected. They also want to do some things for our schools, environment, kids, and communities. It is that kind of balanced agenda that makes some sense. To repudiate the ability to make the key investments that need to be made, I think, reflects an ideological orientation to this budget that is far away from where the American people are.

There is little wonder in my mind, frankly, why poll after poll shows the American people overwhelmingly rejecting what has become the Republican budget agenda in the House and the Senate. The Republican agenda is lopsided—not balanced, thoughtful, or progressive—and it does not do the things the American people want to see happen. All of the money essentially goes toward tax relief, aside from an increase in defense and a couple of other assorted very narrow increases. Because of this budgeting, we are going to wind up by the year 2004, which is only 5 years down the road, with cuts growing from 11 percent this year to some 27 percent. These are, in effect, shutdown types of cuts for programs like Head Start and Meals on Wheels and toxic waste cleanup and for Women, Infants, and Children, and Border Patrol, not to mention community health clinics, environmental initiatives, funding for our national parks and rural development. All of these programs are at tremendous jeopardy because of the very one-sided, very lopsided, and, I think, unthoughtful approach that we are being presented on the floor of the Senate today.

On top of that, while there is some provision for an increase in education funding in this budget resolution, it is far smaller than that included in the Senate budget resolution; the increase of $2.6 billion is now only $259 million for fiscal year 2000. This budget puts out of reach our ability to deal constructively with the need to renovate and build new schools, to provide the numbers of new teachers we need, and to supply the technology we need in our schools.

In my State of South Dakota we are seeing bond issue after bond issue go down all across the State because people find they simply do not have the resources to make the investments in school facilities that need to be made. Yet we are walking away from what could be a very constructive and commonsense partnership—where the decisionmaking is left at the local school level but the financial partnership is among Federal, State, and local governments—that could make quality educational opportunities for our kids a realistic possibility in the next century.

The situation is similar for child care. While the Senate accepted the amendment of Senators DODD and JEFFORDS that provided an additional $12.5 billion over 10 years for existing childcare and development block grants, the conference report cuts that by $9.5 billion. So, again, we are denied the ability over the long haul to make the investments needed, even in a block grant fashion. It leaves the decisionmaking and flexibility to the States to invest in the kinds of programs that I think every American sees need to be made for our kids—afterschool programs, day-care programs. These are the things we need to do if we are going to invest in the minds of children so they can go on to have successful lives and take care of their own needs.

I am pleased because the amendment that Senator WELLSTONE and I offered on the Senate floor, which would have resulted in a total increase of $3 billion in VA health care funding and which was accepted here, has been, for the most part, retained. This conference report calls for a $2 billion level of increase. That is not as much as I would like to see or Senator WELLSTONE would like to see. It is not what our veterans' groups would like to see. It is an improvement, however, over where this body was earlier. It will make a significant positive difference. We will come back and see what we can do in future years to augment funding for veterans' health care. But I think getting $2 out of $3 billion when we started with zero is progress. It is a step in the right direction, I would have to say.

I want to share with Senator BOXER my profound disappointment at the deletion of the Land and Water Conservation Fund Reserve Fund. This was an opportunity we had. We had bipartisan support in the Budget Committee and bipartisan support on the floor of the Senate to have the opportunity to set aside offshore drilling resources to be utilized for the benefit of the environment and our National Park System in this country. Yet we are going to be denied that opportunity because of the deletion of that provision from this budget resolution. No matter how we come together in future debates, authorizing legislation about reinvigorating our park system with some additional resources from oil revenues, we are not going to have the opportunity to be as effective as we could have been. So I am disappointed about that portion of the conference report as well.

It is remarkable that we arrived at this point where we can talk about surpluses. There are many people who are no longer with us because they voted, with courage and with integrity, for past budget-balancing legislation—most notably the 1993 budget agreement that passed with no support from any Republican in either the House or the Senate. A great many Democrats lost their seats because of that vote. Yet now we find ourselves not with the $292 billion annual deficit that this country had 6 years ago but with a $131 billion surplus.

President Bush, to his credit, supported the 1990 budget agreement. I have to say, in all candor, a contributing factor to his loss of the Presidency was the fact that he supported the precursor to our 1993 budget agreement. Again, in politics sometimes, no good deed goes unpunished, and that has been the case with some of our past budget legislation.

I will have to say now we are at this watershed opportunity. There are some positive provisions in the budget resolution, and I applaud the sponsors for that. I applaud Senator DOMENICI for that. But there are so many missed opportunities; a roadmap to where the

American people want to go simply is not there. This is not a Republican or Democrat issue. I think commonsense, moderate, mainstream Americans know where they want to go—providing some tax relief but also paying down some debt; making key investments in our kids, our communities, and our schools. Those opportunities, unfortunately, in this roadmap are lost.

I yield such time as I may have.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Mr. President, I yield myself such time as the majority has as I may utilize.

Mr. President, here in the Congress of the United States, this April 15 can be a day for modest congratulations for us. We will have passed a budget resolution on the day mandated by the Budget Act for only the second time in more than 2 decades.

Moreover, we will be adopting a budget resolution that balances the budget not only for the 1 year in which it is firmly binding, fiscal year 2000, but we hope for at least a decade to come.

We will be adopting a budget resolution that does more to secure the future of our Social Security safety net than has any budget resolution since the Budget Act itself was passed, first, by assuring that the entire Social Security surplus is used to pay down the debt and not to be spent on a wide range of other matters, as was recommended by the President's budget itself and, second, by calling for a lockbox to see to it that the condition of preventing the Social Security surplus being used for any other purpose is permanent and not temporary only.

Second, this budget resolution offers real tax relief to the American people. In that connection, it is especially appropriate that we will be adopting this budget resolution on time.

Today, of course, is tax day. April 15 is the day that the complexity and incomprehensibility of our mammoth Federal Tax Code hits home to almost every American. Today, my constituents in Washington State and, of course, citizens all across the United States rush to the post office, as I did myself this morning, to get their income tax postmarked on time.

I think it is appropriate to address my own hopes and the intentions of this budget resolution that this Congress will act on tax relief and perhaps begin to look forward to an even more fundamental tax reform.

Families whom I represent in the Northwest deserve a rebate from the Federal budget surplus in the form of tax relief, allowing them to decide how best to use their hard-earned dollars. I also believe that it is time to scrap the current Federal income tax code as being far too complicated, too burdensome, and too unfair.

Let me discuss for a few moments the reasons for providing tax relief to American taxpayers. I would like to share with the Senate a few telling facts about the nature of that tax burden today.

A recent Congressional Research Service study found that an average American family will pay $5,370 more in taxes over the course of the next 10 years than the Federal Government needs to operate under the budget resolution that we adopted just a year ago and this even after assuring that all our obligations to Social Security and Medicare have been met.

Next, the Independent Tax Foundation found that this year Americans on average will work 129 days to pay off their total tax bill imposed at Federal, State, and local levels, while my Washington State taxpayers will have to work even longer, 132 days on average.

Third, American workers now pay more in Federal, State, and local taxes than for food, clothing, and shelter combined.

And fourth, the Federal Government collects more in taxes than ever before, currently nearly 21 percent of America's gross domestic product, the highest percentage since World War II.

These are simply facts, not arguments. Reasonable people can agree that Americans are having to turn over too much of their hard-earned dollars in taxes. Tax relief is not a question of need, it is a question of justice. Is it right and just for citizens from Wenatchee to Woodinville to Walla Walla to work more than a third of the year just to pay their taxes? I think not.

Unfortunately, President Clinton and his Vice President GORE proposed in their budget to increase—that is right, a net increase in taxes of $96 billion over the next 10 years. You might wonder why a President and Vice President want to raise taxes when we already have the highest burden since World War II. Why do they want to raise taxes when the Federal budget is operating in a surplus? It should be no surprise considering that ever since they were sworn into office in 1993, they have not proposed a net tax cut. In spite of the fact that President Clinton and Vice President GORE campaigned in 1992 on the promise of a middle-class tax cut, they ignored that promise and promptly increased taxes by as much as any administration in the history of the United States.

Why? It is very simple. In his State of the Union Address, President Clinton proposed 77 new Federal programs. Why does this administration believe that the Government needs to spend more money on so many new programs? Because the President and the Vice President do not trust the American people to spend their own money wisely. They believe that they can spend it better.

I disagree. To the taxpayers in towns across my State and across the United States, I say that the Republicans who are adopting this budget do so because they trust you and your family and your neighbors better to spend your own money on your own needs and priorities than bureaucrats in Washington, DC, will ever be able to do.

This is one reason that I so strongly favor this budget. This budget sets aside every penny of the Federal budget surplus generated from Social Security into a lockbox for the purpose of strengthening that Social Security system for the future, but it provides that we will return any additional surpluses in the form of tax reductions, up to $142 billion over the next 5 years and $778 billion over ten years, to the people who have paid those taxes.

What form of tax relief are we talking about? I must confess that I do not know. Congress will debate that later this year. Four major proposals, however, are: eliminating the marriage tax penalty, ending or reducing the death tax, reducing capital gains taxes, and an across-the-board cut in income tax rates.

While I certainly am not able to predict what the final tax relief bill will look like, I hope that it will include some elements of all four of these proposals. But the important point is that this budget resolution allows that debate to take place, allows the Congress to permit the American people to spend their own money, return it to them in the form of tax relief, as against the proposal of the President and the Vice President to increase taxes so that they can determine where that money is spent.

I must also say, incidentally, at least that I am every bit as committed to replacing our current Federal income tax code as I am to reducing that tax burden. It is time to scrap it. It is too complicated, too burdensome, too unfair. We need to focus our attention in Congress on developing an alternative. That alternative needs to be fair, simple, uniform and consistent. It is that support on my part that has led me to cosponsor the Tax Code Termination Act. The bill would sunset the current income tax code, except for those funding mechanisms for Social Security and Medicare, by December 31 of the year 2002. It would require a simple majority vote by Congress to reinstate the current code if agreement on a replacement code cannot be reached. But the real points are two: It makes absolutely certain the need to scrap the current Tax Code, and it will act as a catalyst to jump-start debate on a new one.

Mr. President, Americans deserve a Tax Code they can understand and predict. Today, about the only thing Americans can predict about the Tax Code is that they will send a big check off to Uncle Sam by April 15, and about the only thing they understand is that the IRS will find them if they do not.

This should change, and it is why I am working to help pass a tax relief bill and why I will be working in favor of a new Federal Tax Code that is fair, simple, uniform, and consistent. But a true debate on tax relief, a chance to

say exactly what it is we want, depends on a budget resolution which calls for or requires it.

This budget resolution does so, Mr. President. This budget resolution is on time. This budget resolution says to the American people: We will secure Social Security for you; we will balance the budget so the economy can keep growing; but the money that is not needed to meet the requirements of the agreements that we made a year ago or 2 years ago is going to be returned to you in the form of tax relief.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, I thank you.

I think what I will do is pick up on the comments of my colleague from Washington because otherwise you just come to the floor and you have something that is well rehearsed; and it is better, I think, to respond to what other Senators have said. That makes for more of a debate, though I find it frustrating to speak on the floor of the Senate because it is sometimes hard to engage in debate.

On the question of spending money more wisely, the tax cuts that my colleague talks about, he mentioned the first 5 years, $143 billion over 5 years. It will be $778 billion over 10 years. It is backloaded. It is really not what I would actually call fiscally responsible or very conservative.

The theory is to get the money back to the people. ''You can spend it more wisely.'' Here is my question. I do not know about Illinois, but in the State of Minnesota, only 35 percent of senior citizens, 35 percent of Medicare recipients—there are probably close to 700,000 Medicare recipients in our State—have any prescription drug benefit coverage at all, only 35 percent.

It is not uncommon to talk to an elderly woman or a couple and find that they are spending up to 30, 40 percent of their monthly budget just on prescription drugs. They cannot afford it. So we have a budget resolution here that says to the senior citizens in Minnesota, ''Spend your money more wisely. If you can't afford prescription drug costs, spend your money more wisely.'' There is a disconnect here. This is why this Republican budget resolution is going to be in big-time trouble with people in this country. It does not make any sense to people.

To senior citizens in Minnesota, this budget resolution says, ''When it comes to prescription drug costs that put you under, spend your money more wisely.'' When it comes to family farmers who have been buffeted about, and many of them destroyed by the ''freedom to fail'' bill—a great bill for multinational corporations, a terrible bill for family farmers—when we come to the floor and say we have to get farm income up, we have to take the cap off the loan rate, and then it gets scored by CBO, we are told we cannot afford to do it. The Republican response to the family farmers in Minnesota who are going under is, ''Spend your money more wisely, because we're going to give you a tax cut that will enable you to spend your money more wisely,'' while people go under.

Mr. President, I meet families in Minnesota and families all across the country when I get a chance to travel. And one of their top issues, one of the most important issues they have, is affordable child care. It is a huge issue, not just for low-income, not just working-income; I am talking middle-income families. He is 30; she is 28; they have two children. It costs them $12,000, $13,000 a year for child care—not to mention the fact that way too high a percentage of these child-care centers really are not that great. Some of them are downright dangerous. The care is not necessarily developmental child care, and the people who work there are severely underpaid.

So what are we saying to working families in our country, in Minnesota, in New Jersey, or in Illinois, who can't afford child care? We are saying, ''Spend your money more wisely.'' I have news for you: For a typical family, a young couple making $35,000 a year, with $12,000 child care expenses, this does not work.

What about for the children? What about for the children? I am glad to hear of my colleague's concern for Social Security. And I am glad to hear that the Democrats are also focused on Medicare, unlike my colleagues on the other side of the aisle. But in all due respect, it is our children who are going to be in the next century. The next millennium is going to belong to our children. And we have close to one out of every four children under the age of 3 growing up poor in our country, and one out of two children of color under the age of 3 growing up poor in our country today; and because of this budget resolution, with all of these tax cuts and all of these caps, we are going to see a lot of these domestic programs taking a hit of about $43 billion.

So what are we saying? We are going to cut Head Start? We are going to cut child nutrition programs? We are going to cut the Women, Infants, and Children Program? Where are we going to cut? I do not understand the distorted priorities of this budget resolution. There is an old Yiddish proverb that says: ''You can't dance at two weddings at the same time.'' You can't have all of these backloaded tax cuts, the vast majority of which are going to flow to people with very high incomes—that has always been the record of my Republican colleagues—and make your investment in the Pentagon, and do what you say you are going to do for Social Security, and at the same time make any investment in the health and skills and intellect and character of children. We are going to cut programs for children.

By the way, as to ''Spend your money wisely,'' do not tell some child who is poor—the poverty being involuntary—that he or she should spend their money more wisely. They do not have any money to spend wisely. I doubt whether we are going to cut the National Institutes of Health budget, but we are certainly not going to increase it.

So to my colleague, who is no longer on the floor, talking about ''Spend your money wisely,'' you say to people who are struggling with Alzheimer's or breast cancer or Parkinson's disease or diabetes—and I can list many other illnesses as well—all sorts of people come to Washington, and they try to get more money spent for research for the cure to these diseases, to the point where we have one group of people struggling with an illness pitted against another group of people struggling with an illness. It is just horrible. And we are saying to these people, we are going to have these backloaded tax cuts over the next 10 years—''Spend your money more wisely.''

In all due respect, I think, even though the Chair of the Budget Committee is one of the Senators whom I have the most respect for—he is really kind of my working partner when it comes to the mental health work—this budget resolution and the priorities of this budget resolution are not consistent with what I would call the sort of basic core values of the American people, of people in this country, of people in Minnesota.

People want to see some investment in children. They do not want to see Head Start cut. They do not want to see WIC cut. They do not want to see backloaded tax cuts over the next 10 years, most of it going to high-income, wealthy people. And people get it; they know that we have to be fiscally responsible. They want the deficits gone. They want to see us focus on Social Security to make sure it is solvent. We know we absolutely should be committed to Medicare. And then with what we have, we ought to make the kind of investments that make sense for our Nation.

Where do we want to be in the year 2050? If you want to have a solvent Social Security system, then you want to have the children who are small today as adults who are independent, productive, highly trained, morally caring men and women. And you are not going to get there if you are going to leave one-fourth of the children of America behind.

Where is the investment in these children? Where is the investment in these families? Where do we want to be in the year 2050? On every single issue I can think of, Social Security, Medicare, our country doing well in the international economy, economic performance, economic growth, reducing crime, reducing violence, you would want to make sure that we do our very best by all of our children in the United States of America. And you know what? This budget resolution fails that test, and therefore I will vote against it.

I yield the floor and 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. CRAIG. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. VOINOVICH). Without objection, it is so ordered.

Mr. CRAIG. Mr. President, understanding the order, I ask unanimous consent to speak on the budget for up to 10 minutes.

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

Mr. CRAIG. Mr. President, today I rise in support of the conference report on the budget resolution. I extend my sincere congratulations to the chairman of our Budget Committee for the work that he and that committee have so successfully completed in the last number of weeks. In fact, I am extremely pleased with where we are as a Senate at this moment in time.

Many of our constituents around the country were frustrated as the Senate convened this year to start with an impeachment process of the President, fearing that we would be so bogged down in that that we would not get to the work of our people and get to the work of Government and to processes like the budget resolution.

Quite the opposite has happened. The Senate responded in a timely and constitutionally proper manner to the impeachment issue and then moved rapidly into its work. As a result, we are here today voting on a budget resolution which will be adopted as a conference report. It will be the second earliest date of adoption of a budget resolution in the 23 years of the Budget Act. That is why I think the chairman of our Budget Committee deserves the congratulations of the Senate and why the American people ought to at least be assured that we are here and at work and doing what we should be doing in behalf of them to make sure their Government responds appropriately to the needs of all of our taxpayers.

This budget demonstrates that we can and should have a balanced fiscal program that addresses our Nation's major priorities. If we and future Congresses and the President follow the plan that is now laid before us in this budget resolution, we will pay down the public debt. There will be $463 billion more in debt reduction than the President's budget offered us over the next 10 years.

I have had the privilege of serving in Congress for a number of years. I tell my colleagues, I have watched the debt grow, and I voted against most of that growth. Today to be able to vote for debt reduction is a very positive move for this Congress and laying the course for future Congresses to do the same. One-half of the debt held by the public can be paid off in the next decade if we follow the general outlines of the budget that Senator DOMENICI has put before us. We will make sure Social Security revenues are reserved exclusively for Social Security benefits. We will safeguard the current Social Security system for today's seniors and for those who plan to retire in the near future.

Mr. President, I, like you, have just returned from my State and from the Easter recess. While I was there, I held what I think is the beginning of a series of town meetings that I will hold across the State on Social Security and its need for modernization. I invited seniors in high school and senior citizens to attend, and they did in large numbers. I was extremely pleased not only by their turnout but by their willingness to listen and react and give me ideas about what they see the Social Security system being and what it ought to be.

I told them that we, by our budget here and by balancing the budget and producing surpluses, are providing the country with a generational opportunity to maintain a strong Social Security system while at the same time offering a modernization package that can take young people entering the workforce and paying Social Security through a lifetime of developing an annuity program that would be much like a positive retirement program that they could take with them when they retired and would be substantially more than if they were in the current Social Security system. More importantly, it would not have to address substantial tax increases in Social Security in the outyears beyond 2034 and 2035.

So for the first time since 1960, the budget will be balanced without counting Social Security surpluses. We will provide a reasonable and necessary amount for tax relief for working Americans and their families. You heard the Senator from Washington and others in just the last few hours talk about an American taxpayer that is paying his or her taxes today, being taxed at the highest level ever in the history of our country. We are turning that around.

I am pleased to be able to be here on the floor today, on a day when most people are going to the post office to pay their taxes, or at least to file their tax returns, to say that we are going to change some of that. While this is a tax cut, I also agree with my colleague from Washington, Senator GORTON, that we ought to be looking at tax reform in the near future that will simplify the Tax Code and make it much less intimidating than it is today to all of us; those who are relatively sophisticated and those who are less sophisticated find it all very intimidating and difficult to comply with.

All tax relief will be provided out of the onbudget surplus, that is, the non-Social Security surplus. And $778 billion over 10 years sounds like a lot of tax relief, but it is a tax reduction of less than 3.5 percent. So when some of our colleagues come running to the floor wringing their hands about giving tax breaks when we ought to be spending all this money, as the President wants to do for new programs, let me say to them that we are only offering a 3.5-percent tax reduction against the highest taxes in the history of our country, and we are offering it over a 10-year period. Frankly, it is nowhere near what I hoped it would be, but it clearly moves us in the right direction.

This budget continues. The American people demanded fiscal discipline and responsibility in 1994 when they changed the character and culture of the Congress and they said quit building deficits and get your fiscal house in order and control the size of Government. So we abide by the budget caps adopted in 1997 in a bipartisan balanced budget agreement. It continues the spending restraints we began in 1995, a product of that 1994 election and the 1994 Congress—the first Republican Congress in 40 years, which has helped produce the balanced budget and the projected surpluses.

This budget fully funds and protects the solvency of Medicare. In that respect, it stands in clear contrast to what the President has proposed, which actually proposed to cut Medicare funding and promised only General Treasury IOUs for the future. I am amazed that that has missed the attention of the press and a lot of the American people since our President proposed it. But it really was a first-class shell game, probably one of the best I have seen produced by this administration, when they said they were doing one thing when, in fact, they were actually doing another.

To hand this next generation a whole fist full of IOUs after mounting the hugest debt in the history of our country just doesn't make a lot of sense. So we are not doing that in this budget. We won't do that. It would not be fair, and most important, it would not be responsible. Of course, Medicare still needs the attention in the long term, and Senators—Republicans and Democrats alike—have stepped up and said we ought to do so. Democrat Senator KERREY of Nebraska and Democrat Senator BREAUX of Louisiana worked hard to work with us on a bipartisan, long-term Medicare plan, and it is necessary. Congress ought not to go home this year without doing it. But my guess is that we will because of the politics of it. That should not happen.

The fact that a bipartisan Medicare Commission broke down because the President's appointees would not walk up to the line and do what was right—I am not sure why, but my guess is they would like to perpetrate another ''medi-scare'' as a tactic going into the next political cycle. It is pretty unconscionable that anybody would want to do that. But there is really no other explanation for why they failed to do what had to be done because those of us who face the electorate and understand the complications of Medicare

stepped to that line and said reform is necessary and offered a reform package, Democrat and Republican alike. I have mentioned several of those Democrats. So that work is yet to be done. Medicare reform is yet to be dealt with, and I hope we can do it because it is necessary.

This budget strengthens America's defense forces too long neglected under this administration. Yet, this is an administration that has used our defense forces more than nearly any other President in a peacetime era. It is time that we make sure that America's sons and daughters who put themselves in harm's way in the protection of our Nation have their interests served. When I speak of their interests being served, I mean making sure that we back them up with equipment and technology, compensate them adequately, and give them the dignified quality of life that anybody in that service deserves. This budget meets the challenges of the 21st century with positive initiatives in agriculture, child care, and education.

What I am telling you, Mr. President, is I think this is a pretty darn good budget. It is sound and it is a conservative budget. It recognizes the value of balancing, and it recognizes the reward to the taxpayers that a balanced budget ought to offer. It is good for the economic security of the American family by recognizing that we are going to let them keep some of their hard-earned dollars instead of cycling them to Washington and try to get them back.

All of the money that we spend here comes from somebody's hard work, somebody who gets up every morning bright and early and goes to work and works hard for 8, 10, 12 hours a day. They willingly pay a very large chunk of their income to Government. Now that we have balanced the budget, why should we be chasing new Government programs, or bigger Government programs, or programs that ultimately take freedom away from people and their choice? Why should we not be rewarding the taxpayer by saying that we have enough and we are going to send some of it back to you, and we are not going to take it away from you in the future, unless we come to you and ask you for it because there truly is a national need. That is the way good Government works and, very frankly, I think this is a pretty good Government budget. I strongly support it.

I urge my colleagues to vote with us for it, and I urge my colleagues to work with the Finance Committee and with the Senate to devise a tax package that is fair and equitable across the board, that recognizes issues such as the marriage penalty, that recognizes an issue such as small family business owners who grow too old to operate their business and want to pass it through to their children and are being denied that because the children would have to sell it to pay the taxes on it.

That is a great tragedy in the American dream—how our Government ever got crosswise with the idea of a family being able to pass down through the generations a business that they have built and has grown over the years and now have to sell to pay the inheritance tax, the death tax.

Now, I am not suggesting that if it doesn't move in the family and it is simply sold at the end of a generation, it ought not to receive some tax. But when we are talking small, privately held businesses, farms and ranches, Main Street small businesses that make our country work so well, and then find out that mom and dad can't hand it to a son or daughter without the Government taking nearly all of it, or the son and daughter then spending their lifetime to buy it back, frankly, that is wrong. I and others have worked a long time to reduce the death tax. We have been able to do some of that. Why don't we just eliminate it, or deal with it in a way which says that if that asset moves out to be sold in the marketplace as an asset for sale then it comes under the normal tax of the income of an individual with the proper considerations against depreciation and all of that? That would be fair. That would be just. We should deal with our countrymen in a way that says we recognize that those who work for the American dream ought to be allowed to pass that dream forward to the next generation. That is one of those kinds of tax reforms I hope we can get at this year.

There are a good many others that our colleagues are working on and that will be embodied in the tax relief package that is placed in this to this budget resolution.

Once again, let me praise the chairman of our Budget Committee, and that committee and the will of the Republican Congress that says that a balanced budget is something we will keep and continue to work for and that surpluses should be handed back as rewards to the American taxpayer instead of spent. That is what this budget does. I am proud to have been a part of it.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant 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 believe everyone knows that today is tax day in America. I think we have been talking about it. And I think it is very appropriate that we have a budget resolution on the floor today that we can say will give tax relief because that is set aside in this budget.

The tax burden on Americans is too high. The average American family pays 38 percent of its income in taxes to some government—the Federal Government, the State government, and the local government. As a percentage of gross domestic product, taxes are higher today than they were at any time in this country since World War II.

That is why the budget resolution that we are going to pass is significant. The American people should know that on April 15 this Congress is going to pass a plan that provides a $770 billion tax cut over the next 10 years. There couldn't be a clearer message from this Congress about what our priorities are, and that is tax relief for hard-working American families.

There are some, including the President, who oppose our plan. They say that Washington will save money for working Americans. But we know that is not going to happen. We have heard that before. And we know that we haven't had a budget surplus nor tax cut in this country—until this Republican Congress was elected—for 40 years. So we know who cares about tax cuts for the American family.

I think we have chosen the right course. Giving the extra money to the Government would not ever get it back to the people. But we believe that people who earn the money have the right to it. And that is why we will have a tax bill when this budget is passed.

There are many tax proposals that come before the Senate, many of which I support. Certainly reducing capital gains taxes would be good for our country. Reducing or eliminating the estate taxes would be good for this country; and across-the-board tax relief, 10 percent across the board, so that when you are writing your check today, you can just take 10 percent of the check you wrote and know that would not be in your tax bill next year and you would be able to spend that money the way you think it is best for your family.

But there is one that is my priority, and it is to eliminate what I think is the worst transgression we have in our Tax Code. That is the marriage tax penalty. Right now, 21 million American families pay up to $1,400 on average more just because they are married. So we say to people, you have to choose between love and money in our country.

If you want to get married, start a family, and build up your savings to make a downpayment on a new home, we will make you $1,400 less able to do that. That is a lot of money to the hard-working couples who are hardest hit by this tax.

I have introduced legislation to eliminate this penalty. We could allow couples to split their incomes evenly or we could double the standard exemption to widen the tax brackets for married couples so they match those of single filers. We could also let people choose if it is better for them to file as singles or as married couples. That way, no one would pay a penalty for getting married. I hope it will be our highest priority with the tax cuts that are provided in this budget.

I read in USA Today an op-ed piece this morning on the marriage tax penalty. Their contention is that this only affects the higher-income couples. They say that the bulk of those suffering this marriage tax penalty are dual-income families at the middle-income level, $50,000. I have a legislative correspondent in my office and his combined family income is $50,000. He makes about $25,000 and his wife must work for them to be able to make ends meet. She makes about $25,000. They are a young couple. I don't think that people who make $25,000 a year are wealthy, and I most certainly think if they have to have two incomes in order to make ends meet that we are not increasing the standard of living in this country. To go forward and say two people who make $25,000 a year should owe Uncle Sam $1,400 more, I think is absolutely wrong, particularly a young couple that is trying to get started, to make a downpayment to buy a home.

I hope we can correct this inequity. I think two-income earners at the $25,000 level deserve some help. I am going to try to get it for them.

This is a red letter day. This is the day that we see how much it costs for us to support government. All of us want to do our fair share. I would never say we should have no taxes because we do enjoy good service—hopefully—for the taxes that we pay. However, 38 percent of a person's income in taxes is hard to explain. It is hard to explain that you are getting that much service for your dollars. I think you could get a lot less service and a lot more choice if we lower the taxes for everyone in this country so that hard-working Americans could see the benefits of working harder and doing better. That is the American dream. That is what made this country great—that we would say to people, if you work harder you can do better and you can give a little more to your family or your children. That is why adding on some of these taxes is so important.

Today, we are going to pass a budget resolution that will do that, that will say to the hard-working American that help is on the way. I just hope we can come to terms with the President so that we will be able to pass a tax bill that really will go to the hard-working American who is struggling to make ends meet.

I appreciate the leadership of Senator DOMENICI and Senator LAUTENBERG for putting this budget resolution forth. I think it is a good one. It is a responsible spending of our hard-earned tax dollars. Most important, on tax day, I hope people realize that we are going to try to cut that burden. This budget resolution is a start in the right direction.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. LAUTENBERG. 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. LAUTENBERG. Mr. President, we are coming to ''H'' hour here. That is not happy hour, as far as I am concerned. I can think of other words that start with an H—like horrific, horrendous, horrible, hurtful—but I won't use that vocabulary. I will just infer it.

The occupant of the Chair has been in government for some time, and I am sure he has seen it from a different perspective. We see good people sincerely believing in what they are doing at odds with one another, in such contrasting views that it is hard to reconcile the difference of what is and what isn't the reality. This is no suggestion of prevarication or fabrication. I am not talking about that. I know there is genuine belief.

I differ sharply with my friends and colleagues on the other side regarding this budget. Few people have I more respect for than the chairman of the Budget Committee, Senator DOMENICI. Boy, we have some scraps. They are really good ones. The fact of the matter is, he is a bright guy. He understands a budget as few here do. He is one of the few Senators who has to teach his staff what it is all about. That is intended to be a joke.

The rest of us do it differently. I hope the public doesn't take that too seriously, Mr. President.

The fact of the matter is Senator DOMENICI very well knows ''budgeteering,'' but I think in this case it is fair to say there is an error in the approach. I think the policy as proposed by the budget conference report is fiscally dangerous. I think if we go the way it appears that we will go, we could be approaching in the not-too-distant future a shutdown of the Government. Everybody who has been around for any length of time remembers how painful the last shutdown was: People were not getting Social Security checks, veterans' benefits were not being paid, services people count on for their everyday existence were just unavailable. Other matters that seemed to be routine, such as entrances to national parks, families planning for a year to visit one of our national parks and finding out they were closed. Became important. Airplanes, trains, buses, cars—all that planning, gone.

I predict we are going to be playing Russian roulette to see who pulls the trigger on whether or not we have a Government shutdown because this budget ''ain't for real,'' to use the language, when we look at what happens as a result of the intent to give a tax cut across the board—a lot of it to wealthy people—and we know that some time ago Senator DOMENICI said we were taking people's word for what the intention is without seeing it clearly spelled out.

Few people have as much authority around here as the distinguished Senator of the Finance Committee, Senator ROTH. He was speaking to Reuters and he said he was very much in favor of using bigger than expected budget surpluses to fund an across-the-board income tax of 10 percent or more. That is what Reuters reported:

> ''I don't think it is too big,'' the Delaware Republican said of the 10 percent income tax cut. ''If anything, I would like to have it bigger.''

That is a pretty good indicator of where we are going. We are not protecting Social Security in the way that we proposed here on the floor of the Senate 2 days ago. We had a vote. I offered the amendment. I said no Social Security surplus shall be used for anything other than Social Security, pure and simple.

The language is very direct. Mr. President, 98 people voted for it. We had zero opposition, 98–0. It went to conference with the House. For those who don't understand the arcane process here, the House and the Senate get together and have a conference to decide on what the various legislative programs will be, we agree between us on a conference report, and that is what we are voting on today.

As it happens, there is a Republican majority in the Senate. There is a Republican majority in the House. As was noted, we, the Democrats, do not participate. That is the game. It is understood. Next year, when we are in the majority, I expect to be more forgiving and perhaps we will even invite one of the Republicans to the conference meeting.

But the fact is, the product that came out is one that is a Republican delivery. Make no mistake about it. And the consequence of that is the bill we have in front of us with huge tax breaks for wealthy people. If you make $800,000, you will get a $20,000 tax break. If you make $800,000, you get $20,000 worth of extra spending money. That can buy, perhaps, a nice little boat or a downpayment on a summer home or something of that nature. But the person who makes $38,000: $99, that is what he or she is going to get in terms of a tax break, $99. Don't spend it all in one night, friends, because it is supposed to last for a whole year. That is a tax cut: $99.

So when we look at it, it is obvious that we are not dealing with the needs of the average working person, the hard-working person, a family making $38,000. We have heard the distinguished Senator from Texas talk about a person working in her office who, with his spouse, put together an income of $50,000. That is not a lot of money today. Those are the kinds of folks to whom we have to be sensitive, to target tax cuts for them and make sure the woman who wants to work can get some decent child care and get some credit on her taxes for it. If you have an elderly parent who needs long-term care, get a tax credit for that; a

tax credit for education; those are the kinds of tax credits or tax breaks I think we ought to be giving. That is what the Democrats are proposing.

One of the things we are doing is proposing a tax cut that, in the course of 10 years, will be three-quarters of a trillion dollars—$750 billion in round terms. The consequence of that, the result of that, is going to be that we will not have sufficient funds to pay for Government services. We will not have enough funds to pay for full staff for the FBI. We will not have enough funds to pay for full staffing of drug enforcement agents. We will not have enough funds to include 800,000 low-income women, infants, and children in programs for nutrition assistance.

We are not talking about extra money to take a trip to Europe; we are talking about food. Mr. President, 800,000 of those people are going to lose assistance from the Government. The number of students in work/study programs decreases by 12,000 people. Head Start is designed to take children who come from poverty-ridden homes to start to learn—Head Start. It is preschool. It is before they get to kindergarten or first grade. We are going to take away services for 100,000 children. For those who need energy assistance, 600,000 low-income families could lose that energy assistance.

The FBI, the cut to the FBI could result in the reduction of 2,700 FBI agents. Mr. President, 73,000 summer jobs lost. And the list goes on: More than 2,200 air traffic controller positions would be cut. I am very active in air transportation matters and very concerned about where we go. Y2K, will we have the right kind of personnel to handle the shift? Here we are, getting a budget in front of us. It is there in print for everybody to see. It is designed by the majority. We are saying that more than 2,200 air traffic controller positions would be cut and $255 million.

The IRS customer service: Today everybody is probably as angry at the IRS as can be, but when they see what it is we are paying for, we are paying for a country designed to give everybody opportunity. We are doing better at it. Jobs are more available, there is low unemployment, our national health is better than it has ever been. That is what you pay your taxes for. You do not pay it for some idle bureaucrat sitting in a chair. We pay for services. Do we get 100 cents on a dollar? Probably not. I ran a big corporation and it was a successful corporation. We didn't get 100 cents' worth of value on every dollar that we spent, but that's life.

Mr. President, we now are preparing ourselves to vote for a budget that I think is shameful, that could be called a sham. Again, there is no accusation here of dishonesty or skullduggery. What it is is a misinterpretation of what things are about. It is playing dice with our national economy. It says if you give tax cuts, it is going to generate something else and it will be good for us. Baloney.

What happened under President Reagan's regime, when we gave tax cuts? I will tell you what we got for it. Some of the biggest debt this country ever had, and it grew by leaps and bounds. When President Clinton took over, there was a $290 billion deficit in front of us, and this year we are looking at a surplus of about $100 billion. Things have changed materially in the 7 years that have passed.

So I am hoping we will get a vote that reflects what is best for the American people, and that would be to deny acceptance of this budget report that is in front of us. I hope we will perhaps be able to convince some of our Republican friends to come over, take another look at the budget and see what we can do to improve the situation, because right now we are headed for a potential fiscal disaster just when things are really going good.

I want to say something in response to an earlier argument I heard from the other side when it was said there is going to be more money put into Social Security than the Democrats are proposing. It is not true, because hidden in there is some arcane language that says ''retirement security.'' They want to put the money away that can be used for retirement security—not Social Security. They are both two words but they have different significance. One is a Government program established for people who are dependent on the Government for their retirement and their pension. The other could be Heaven knows what.

So I caution everybody, as we prepare to vote, which is imminent, that the American public ought to be looking very closely at what it is we are going to do. I hope they will respond as they see it, to those Senators who are casting a vote at this moment. I hope the vote will wind up with a majority saying no.

Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. LAUTENBERG. I yield the floor.

LAND AND WATER CONSERVATION FUND

Mr. CHAFEE. Mr. President, I would like to engage my distinguished colleagues, Senator SMITH of New Hampshire and Senator DOMENICI, in a colloquy, with their indulgence. As my colleagues are aware, the Land and Water Conservation Fund is the primary vehicle through which the Federal Government funds the acquisition of land and water resources throughout the Nation. It does so through two programs, one allowing for Federal land acquisitions and one providing for matching grants by State and local governments. However, funding for the LWCF has been sporadic, and for the State-side program, funding has been non-existent since 1995.

Mr. SMITH of New Hampshire. I would like to emphasize that the State-side program of the LWCF receives widespread support across the Nation, particularly from State and local governments.

Mr. CHAFEE. I would like to bring to my colleagues' attention an amendment I offered, with great assistance by Senator SMITH of New Hampshire, as well as Senators LEAHY and FEINGOLD, that increased Function 300 by $200 million, with a commensurate decrease from Function 370. The amendment included language that this increase was to fund the State-side program of LWCF.

Mr. SMITH of New Hampshire. Accompanying the amendment were floor statements expressing our intent that the offset be derived from within the Department of Commerce, and specifically within Function 370. After negotiations with Senators LEAHY and FEINGOLD and other Democratic colleagues who cosponsored the amendment, we reached a bipartisan agreement that the $200 million would come from within the Commerce Department.

Mr. CHAFEE. I would like to ask the distinguished manager of the budget resolution whether these assumptions still apply, even if they do not appear in the resolution?

Mr. DOMENICI. As far as the Senate is concerned, these assumptions are still valid. Although the conference report is silent with respect to the $200 million being directed to the State-side program, there is nothing to assume that the money is not for the State-side program. Indeed, the best indication of the Senate's intent with respect to the LWCF is the Senate-approved resolution.

Mr. SMITH of New Hampshire. Is the same true with respect to the offset?

Mr. DOMENICI. Yes. In fact, as my friends, the Senators from New Hampshire and Rhode Island may have already noted, the House receded in its disagreement with the Senate numbers for function 370. The Senate numbers were $200 million lower in both budget authority and outlays for this function than the House.

Mr. CHAFEE. Is there a presumption that the Senate, in accepting the House-passed, higher funding level for Function 300, is also adopting the assumptions that may have been used by the House in reaching its Function 300 spending levels?

Mr. DOMENICI. There is no such presumption. The Senate assumptions are as equally valid as the House assumptions. The real challenge lies ahead when the Appropriations Subcommittees begin marking up their separate appropriations bills. Since our budget assumptions are just that—assumptions—and do not bind appropriators to specified funding levels for individual programs, Senators must vigorously continue to make their case for funding favored programs with the relevant Appropriations Subcommittee. I do

know that the State-side land acquisition program could not have better advocates than the Senators from Rhode Island and New Hampshire.

Mr. CHAFEE. I thank my colleague from New Hampshire, as well as the distinguished manager of the budget resolution, for engaging in this colloquy. I also wish to wholeheartedly thank the manager for his support on this issue throughout the consideration of the budget resolution.

Mr. DOMENICI. I thank the Senator from Rhode Island for his kind remarks. I would add that the inevitable challenges of moving a budget resolution through the Senate to final passage were made far less difficult by the hard work of Senator CHAFEE and his staff, whose understanding and accommodation allowed us to complete our work in a timely fashion. It is a great pleasure to work with him again on the conference version of the resolution.

TECHNICAL CORRECTION TO SECTION 104 OF THE BUDGET RESOLUTION

Mr. DOMENICI. Mr. President, I rise today to alert my colleagues in the Senate to a technical error which occurred during the drafting of section 104 of the Conference Report to accompany H. Con. Res. 68—the Concurrent Resolution on the Budget for Fiscal Year 2000.

Section 104 of the resolution sets out the reconciliation instructions for the Committee on Finance in the Senate. This instruction calls for a net reduction in revenues over the 10-year period of fiscal years 2000 through 2009. As is always the case with a reconciled revenue reduction, the amounts contained in the instructions to both the Senate Finance and the House Ways and Means committees are intended to be the same. However, due to a technical drafting error with respect to the instruction to the Finance Committee, the amounts are not the same. Three ''zeros'' were omitted from the instruction such that the amount for fiscal years 2000 through 2009 is $777.868 million instead of $777.868 billion.

If my colleagues look to other sections of the budget resolution and the statement of managers which accompanies it they will see that the conferees clearly intended the amount in the instruction to the Finance Committee be $777.868 billion not $777.868 million. In addition to the language found in the statement of managers, this intent is evidenced by the figures set out in section 101(1)(B) of the resolution (which states on a year-by-year basis, the amount by which the aggregate levels of Federal revenues should be changed—the sum of these figures is $777.868 billion) and the figures set out in section 101(5) of the resolution (which displays the appropriate levels of the public debt).

Moreover, I have consulted with the Parliamentarian of the Senate and have been assured that for the purpose of determining whether or not the legislation reported by the Senate Committee on Finance complies with the reconciliation instruction contained in section 104 of the budget resolution the Parliamentarian will honor the intent of the conferees—that the 10-year figure is $777.868 billion, not $777.868 million. I am gratified that the Parliamentarian will support a rational result.

CORRECTIONS TO FY 2000 BUDGET RESOLUTION SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS AND RECONCILIATION INSTRUCTIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent to submit for the RECORD corrections of typographical errors on tables that originally appeared in the April 13, 1999 CONGRESSIONAL RECORD on pages H1963 and H1964 in the Statement of Managers to accompany the FY 2000 Congressional Budget Resolution, H. Con. Res. 68. I further ask that these corrected tables be considered to be the allocations required by section 302 (a) of the Congressional Budget Act of 1974.

On the table titled ''Senate Committee Budget Authority and Outlay Allocations Pursuant to Section 302 of the Congressional Budget Act, Budget Year Total 2000 (in millions of dollars),'' the figure for Appropriations Outlays, General Purpose Discretionary should be $536,701. Appropriations Outlays, Total should be $875,243.

Direct spending jurisdiction, Budget Authority for the Finance Committee should be $683,102. Direct spending jurisdiction, Outlays for the Finance Committee should be $676,153.

Direct spending jurisdiction, Budget Authority Total should be $1,426,720. Direct spending jurisdiction, Outlays Total should be $1,408,082.

On the table titled ''Senate Committee Budget Authority and Outlay Allocations Pursuant to Section 302 of the Congressional Budget Act, 5–Year Total: 2000–2004 (in millions of dollars),'' the figure for Direct spending jurisdiction, Budget Authority for the Finance Committee should be $3,389,039.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. DOMENICI. Mr. President, I further ask unanimous consent that the corrected tables, which I now send to the desk, be printed in their entirety in the RECORD.

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations act	
	Budget authority	Outlays	Budget authority	Outlays
BUDGET YEAR TOTAL: 2000				
Appropriations			0	0
General Purpose Discretionary	531,771	536,701	0	0
Violent Crime Reduction Trust Fund	4,500	5,554	0	0
Highways	0	24,574		
Mass Transit	0	4,117		

SENATE COMMITTEE BUDGET AUTHORITY AND OUTLAY ALLOCATIONS PURSUANT TO SECTION 302 OF THE CONGRESSIONAL BUDGET ACT—Continued

[In millions of dollars]

Committee	Direct spending jurisdiction		Entitlements funded in annual appropriations act	
	Budget authority	Outlays	Budget authority	Outlays
Mandatory	321,502	304,297	0	0
Total	857,773	875,243	0	0
Agriculture, Nutrition, and Forestry	10,843	7,940	26,696	9,419
Armed Services	49,327	49,433	0	0
Banking, Housing, and Urban Affairs	4,676	(1,843)	0	0
Commerce, Science, and Transportation	8,420	5,774	721	717
Energy and Natural Resources	2,336	2,258	40	63
Environment and Public Works	36,532	2,041	0	0
Finance	683,102	676,153	156,910	157,096
Foreign Relations	9,354	11,976	0	0
Governmental Affairs	59,501	57,941	0	0
Judiciary	4,759	4,235	234	234
Labor and Human Resources	9,023	8,363	1,309	1,309
Rule and Administration	114	289	0	0
Veterans' Affairs	1,106	1,381	23,667	23,540
Indian Affairs	151	150	0	0
Small Business	0	(155)	0	0
Unassigned to Committee	(310,297)	(293,097)	0	0
Total	1,426,720	1,408,082	209,577	192,378
5-YEAR TOTAL: 2000–2004				
Agriculture, Nutrition and Forest	40,012	24,704	100,467	52,240
Armed Services	263,769	263,577	0	0
Banking, Housing, and Urbran Affairs	31,606	(2,459)	0	0
Commerce, Science,and Transportation	64,653	50,445	3,887	3,868
Energy and Natural Resources	11,023	11,009	200	236
Environment and Public Works	179,132	8,214	0	0
Finance	3,589,039	3,569,977	905,958	909,007
Foreign Relations	42,596	52,913	0	0
Governmental Affairs	317,701	309,374	0	0
Judiciary	23,791	22,792	1,170	1,170
Labor and Human Resources	48,269	45,687	6,784	6,784
Rules and Administration	488	660	0	0
Veterans' Affairs	5,097	7,108	125,438	125,110
Indian Affairs	716	717	0	0
Small Business	0	(625)	0	0

Mr. DOMENICI. Mr. President, I also ask unanimous consent that for the purpose of executing and enforcing the Senate's reconciliation instruction set out in section 104 of the conference report to accompany H. Con. Res. 68—the fiscal year 2000 budget resolution —that the dollar amount of the revenue reduction for the period of fiscal years 2000 through 2009 be considered to be $777,868,000,000 rather than $777,868,000.

This corrects a technical drafting error (three ''zeros'' were omitted) in the resolution and conforms with the instruction for the House of Representatives and the description of section 104 that is contained in the statement of managers which accompanies the budget resolution.

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

Mr. JEFFORDS. Mr. President, I congratulate the Chairman of the Budget Committee, Senator DOMENICI, for producing an on-time budget for only the second time in the 24-plus-year history of the Budget Act.

I rise today to support the fiscal year 2000 budget resolution now before the Senate. I am pleased that this budget will pay down the Federal debt, boost

education spending, and increase veterans health care spending. I am disappointed that budget conferees could only fund $6 billion of the $10 billion proposed by myself and Senator DODD in child care grants for low-income families and child care tax cuts. However, I appreciate the hard work Senator DOMENICI and others put into getting these funds.

While I realize that our amendment would not have guaranteed an increase in child care spending, Congress needs to face up to the reality that low-income mothers need to work, and to make work pay they need child care assistance. As Chairman of the Health, Education, Labor, and Pensions Committee, I can assure supporters of child care subsidies that this will not be the last word on this issue during the 106th Congress.

On a more positive note, this budget adheres to the historic Balanced Budget Act of 1997, while at the same time, over the next ten years, pays down $1.8 trillion of the $3.6 trillion in publicly held debt and provides for modest tax cuts until larger on-budget surpluses emerge.

Additionally the Republican budget will fence off the portion of the surplus generated through Social Security payroll taxes. I would like to reassure all Vermonters that not a dollar of these funds will be used to fund tax cuts. Instead, Social Security payroll taxes will go towards shoring up the program and possibly go toward providing capital for an overhaul plan. While this alone will not ensure the long-term financial health of the program, it will have the effect of reducing Federal debt and extending the solvency of the program.

Mr. President, the budget before the Senate also protects Medicare for our Nation's seniors. Funding for Medicare is increased significantly, but like Social Security, the long-term health of the program is dependent not on providing additional funds, but on enacting needed structural changes. As the resolution indicates, Medicare beneficiaries must have access to high-quality skilled nursing services, home health care services and inpatient and outpatient hospital services in rural areas. The availability of these services is at risk, especially for rural populations, and I will do all I can to ensure that they are addressed as a part of any Medicare legislation. I am particularly pleased that the resolution includes a Medicare drug benefit reserve fund. The availability of a drug benefit for seniors is one of my highest priorities, and I plan to work with other members of the Finance Committee to have it included as a part of any Medicare reform effort.

Mr. President, I am very pleased that the budget resolution adopts my Senate-passed language that will provide funding to foster the employment and independence of individuals with disabilities. I am also pleased that the resolution contains Senator COLLINS' and my Sense of the Senate in support of increased funding for the Pell grant program, the campus based programs, LEAP and TRIO. These programs have helped make the dream of college a reality for many of our Nation's neediest students. Providing an increase in funding for these tested and proven programs will open the doors of higher education to more educationally motivated young people, specifically those who have the most financial need.

Lastly, Mr. President, given world events and the ever-increasing demands we place on our military, I am pleased that this budget calls for an increase in military pay. We need to do more to alleviate the quality of life concerns of our men and women in uniform. However, I am concerned that some of the military increases in this budget are not going to the things that the military needs most, as evidenced by the current crisis in Kosovo.

This budget, like all budgets passed by Congress, is an expression of political intent and a starting point for bargaining. Much work remains to be done to pass the 13 appropriations bills that actually fund the government. In areas where I disagree with the budget resolution, I plan to work hard with appropriators to adjust spending levels and turn this budget into reality.

Mrs. FEINSTEIN. Mr. President, it is with some degree of regret that I rise to oppose this budget resolution conference report.

Thanks to continued economic growth and the tough choices we made on the budget in 1993, this year, for the first time in a generation, we have been given the opportunity to structure a budget which is balanced, fiscally responsible, and makes important investment in America's domestic priorities.

When I first came to the Senate some 6 years ago, we faced $200 billion annual deficits as far as the eye could see. Now, thanks to the tough choices we made in 1993, then fiscal discipline we imposed on the budget, and a vibrant economy, we are able to reap the benefits of the difficult choices. Now we are running surpluses—projected to be as much as $4.7 trillion over the next 15 years by the Office of Management and Budget.

Thanks to these surpluses we have an unparalleled opportunity to set our budgetary house in order and meet the challenges of the future.

We have the opportunity to save Social Security and Medicare. To invest in education, environment, and health care. To provide for a strong national defense.

And I also believe that we have an important opportunity to provide responsible tax relief for working families—and I intend to introduce legislation to provide just such a tax cut with my colleague from Iowa, Senator GRASSLEY.

But this conference report ignores these opportunities. It fails to meet the test of saving Medicare. It fails to make the important investments in health care, education, and child care. And it endangers other programs vital for law enforcement, environment, and continued economic growth.

This conference report does not do anything to meet Medicare's solvency crisis or extend the life of this vital program beyond the projected 2015 bankruptcy. I agree with those who say that we must reform Medicare, but we also must provide it with the additional funds it needs. The President has proposed allocating 15 percent of the surplus for Medicare to add 12 years to life of program. This budget rejects that initiative, creates some vague ''reserve'' which may or may not help Medicare, but really uses the money that should go to Medicare for tax cuts instead.

This budget does not do enough to extend Social Security. Again, I would agree with those who say we need to adopt Social Security reform to strengthen the Social Security system and assure it is on sound footing. But this budget allows some of the Social Security surpluses to be used for purposes other than Social Security, and, frankly, I do not think that that is wise.

Yesterday, the Senate voted by 98–0 to instruct our conferees to use all Social Security surplus funds for Social Security. This conference report, however, creates a ''lockbox'' for Social Security, but then proceeds to remove the lock by allowing any legislation that ''enhances retirement security'' to raid Social Security surplus funds..

Finally, although this conference report protects some important domestic priorities, such as transportation, it cuts other essential but ''unprotected'' programs, such as the border patrol, the Federal Bureau of Investigation, job training programs, child care assistance, head start, and on and on. The strictures of this budget—driven by an overlarge tax cut—may necessitate cuts of 11 percent in many of these important programs.

Mr. President, I think our current economic strength has presented us with a unique opportunity—we can save Social Security and Medicare, make important investments in domestic priorities, provide for a strong national defense, and also provide the American people with tax relief.

Unfortunately, this conference report, by adopting unrealistic tax cuts, puts at risk all these goals, and may well set us down a path of fiscal irresponsibility that will endanger all our gains of the past few years. I urge my colleague to oppose this conference report.

Ms. SNOWE. Mr. President, I rise to speak in favor of the FY2000 budget conference report we are now considering and to urge for its adoption.

I would first like to thank the Chairman of the Senate Budget Committee, PETE DOMENICI, for his unwavering commitment to a balanced budget and fiscally responsible decision-making

over the years. Thanks, in part, to his leadership and efforts, the turbulent waves of annual deficits and mounting debt have been temporarily calmed. And, by maintaining these principles in the House-Senate budget conference report, we may be able to maintain the current budgetary calm for many years in the future.

The conference report not only maintains fiscal discipline, but it also ensures that critical priorities are protected and addressed in fiscal year 2000 and beyond.

Specifically, the conference report contains the following key provisions:

First, it sets-aside every penny of the Social Security surplus, unlike the President's budget proposal.

Second, by retaining an amendment I offered to the Senate budget resolution, it provides monies from the on-budget surplus for a new Medicare prescription drug benefit—something that President Clinton failed to include in his own budget proposal after touting the need for this benefit in his State of the Union address.

Third, it adheres to the spending levels established just two years ago in the Balanced Budget Act of 1997, while increasing funding for critically needed priorities including education and defense.

Fourth, it provides tax relief for Americans at a time when the typical family's tax burden exceeds the cost of food, clothing, and shelter combined. And by retaining language from an amendment I offered to the Senate budget resolution, it highlights marriage penalty relief as being one of the forms of tax relief that could be accommodated in any forthcoming tax cut package. When considering that 42 percent of all married couples incurred a marriage tax penalty averaging $1,400 in 1996, I think of no tax cut that would be more appropriate in any upcoming tax package.

Collectively, I believe these principles and priorities reflect those of most Americans—especially the protection of Social Security's monies. Accordingly, I believe this conference report deserves broad bipartisan support by the entire Congress.

Mr. President, to appreciate the provisions in this conference report, I believe it is appropriate to compare it to the only other major budget proposal on the table: the budget proposal put forth by President Clinton on February 1. In particular, I believe the manner in which these proposals treat the Social Security surplus should be carefully compared.

As mentioned, the first priority that is protected in the Republican conference report is Social Security and the annual surpluses it is currently accruing.

As my colleagues are aware, the Social Security surplus was responsible for the unified budget surplus of $70 billion we accrued in FY98. In fact, without the Social Security surplus, the federal government actually ran an on-budget deficit of $29 billion last year.

By the same token, Social Security's surpluses will account for the bulk of our unified budget surpluses in coming years as well. Specifically, over the coming 5 years, Social Security surpluses will total $769 billion and account for 82 percent of CBO's projected unified surpluses—and over 10 years, they will total $1.7 trillion and account for 69 percent of unified surpluses.

To protect Social Security's surpluses, the budget resolution sets the stage for ''lock-box'' legislation that will accomplish what many of us have desired for years: a bonafide means of taking Social Security off-budget. Put simply, this resolution ensures that Social Security surpluses are set aside and not raided to pay for other federal programs.

In contrast, President Clinton's budget offers no protection for the Social Security surplus and, in fact, proposes that it be spent on other federal programs in upcoming years.

Specifically, over the coming 5 years, the President proposes we take a $158 billion ''bite'' out of Social Security surpluses and spend these monies on other federal programs. That means that, under the President's budget, fully 21 percent of Social Security's upcoming surpluses would be spent on other programs over the next 5 years.

Although the President has proposed that we spend a portion of the Social Security surplus on other programs, I was pleased that an overwhelming majority of my Democratic colleagues on the Senate Budget Committee voted for an amendment I offered during markup of the Senate resolution that rejected the President's proposed use of Social Security's surpluses.

Specifically, my amendment outlined the fact that the President's budget would spend $40 billion of the Social Security surplus in FY2000; $41 billion in FY01; $24 billion in FY02; $34 billion in FY03; and $20 billion in FY04. Furthermore, the amendment called on Congress to reject any budget proposal that spent Social Security surplus monies on other federal programs. Appropriately, after my amendment was adopted by a vote of 21 to 1, the President's budget proposal—which spends Social Security's surplus monies—was unanimously rejected by the Budget Committee when offered as an amendment later in the markup, and by a vote of 97 to 2 by the full Senate later on the floor.

Mr. President, the manner in which Social Security surpluses are treated is but one of the ways in which these two proposals could be compared, but the bottom line is that the House-Senate conference report is simply superior to the Clinton plan. By maintaining fiscal discipline, protecting Social Security surpluses, providing funds for a Medicare prescription drug benefit, and enhancing funding for shared priorities such as education, I believe this conference report deserves strong support by the full Senate.

Ultimately, while members from either side of the aisle may disagree with specific provisions in the resolution that has been crafted, the simple fact is that this is a budget framework—or ''blueprint''—that establishes parameters and priorities, but is not the final word on these individual decisions. Rather, specific spending and tax decisions will initially be made in the Appropriations and Finance Committees, and ultimately by members on the floor.

Therefore, I urge that my colleagues support this carefully crafted and fiscally responsible FY2000 conference budget report —and work to ensure that the parameters it establishes are used to protect and advance the priorities we share.

Thank you, Mr. President. I yield the floor.

Mr. SARBANES. Mr. President, I rise in opposition to the conference report now before us on the budget resolution.

The Congressional budget process as we know it is 25 years old this year. Silver anniversaries such as this one are important milestones, but this year's budget resolution provides no cause for celebration. For a number of reasons, I am deeply disappointed in the resolution that my Republican colleagues appear determined to adopt today.

First are issues of process. As a member of the Budget Committee, I have been disappointed in the amount of time that we have had available to study the budget proposals before us. Consideration in committee, on the Senate floor, and now in relation to this conference report has been marked by the absence of detailed, written proposals that would provide the basis for sound decisions.

Indeed, I understand that at the conference on this resolution, there was not even a draft resolution to which members could react. After less than 6 hours of consideration, and with no text available, the conference committee hurriedly approved this report early Wednesday morning. The Senate has not had the chance to give the measure a proper review, yet here we are the very next day asked to approve a $1.4 trillion budget. It is troubling that the majority's desire to beat today's statutory April 15 deadline has prevailed over thoughtful consideration and debate. The result of this haste and the deficient policy making process will be quite clear to the American people once they understand this budget's real implications.

Mr. President, I believe that this budget will take the country in the wrong direction. We are now in the 96th month of the longest peacetime economic expansion in U.S. history. We are truly in a virtuous economic cycle, as growth reached 6.1 percent in the last quarter of 1998, and 3.9 percent for the year. 1998 was the sixth year of such steady growth, a pattern of robust increases that many economists once thought unsustainable over such long periods.

I am proud to have been a part of the effort in 1993 that helped to create this

positive economic climate. Working together, President Clinton and congressional Democrats crafted a package that finally brought the federal deficit under control. By making difficult but critical decisions to cut federal programs and raise revenues, we tamed the deficits that plagued the Nation throughout the 1980s, placed enormous pressure on important federal initiatives, and hampered our economic growth. Most Republicans argued at the time that this responsible package would ruin the economy and send markets tumbling. They were dead wrong.

Thanks to the strong economy and the fiscal discipline begun in 1993, the country is in a fiscal position no one dreamed possible even two years ago. In 1997, the Congressional Budget Office, the Office of Management and Budget, and nearly everyone else were predicting substantial budget deficits far into the next decade—as high as $159 billion in fiscal year 2000, $153 billion in fiscal year 2002, and continuing for the foreseeable future. Earlier in the decade, OMB estimates for the 2002 deficit ran as high as $576 billion. This year, those forecasts have been turned upside down. CBO's recent projections call for unified budget surpluses rising from $131 billion in fiscal year 2000 to $381 billion if fiscal year 2009.

The budget resolution before us will seriously endanger this hard-won progress, and will short-change national priorities that the American people have clearly indicated they want to see addressed. Depending upon one's point of view, this is either the last budget of the old millennium, or the first of the new. In either case, it is an opportunity for us to think seriously about our Nation's needs and priorities as we look into the next century, and chart an appropriate course for the future. This budget, however, is less a forward-looking policy blueprint than a political document aimed at short-term gain.

This is unfortunate, because as we look toward the future we face some very real challenges, the most significant of which will come in Medicare and Social Security. Together, these are two of the crowning achievements of American government, and have lifted literally millions of older Americans out of poverty. These programs have worked, and continue to work every day for our senior citizens and their families.

To prepare the country for the future, any budget that we pass must meet several criteria. It must extend the solvency of Social Security and Medicare. It must recognize the magnitude of these obligations in a forthright way, and include a mechanism to boost national savings and economic growth, so that we are in a better position to meet them. It should be designed to reduce, not increase, the growing income disparities that can fray our social fabric. Finally, it should protect other important national priorities. Support for communities, scientific research, veterans benefit, education, environmental protection, and the like should not be sacrificed for tax breaks for the well-to-do.

This proposal fails to meet any of these criteria. Instead, it appears tailor-made to accommodate the majority's priority of huge tax cuts for the wealthy. While the total available for tax cuts starts off at $15 billion in fiscal year 2000, that mushrooms to $142 billion over 5 years and $778 billion over the next 10 years. Who will benefit from these tax cuts? If past is prologue, lower and middle income Americans will not. Capital gains cuts, repeal of estate taxes, and more corporate loopholes all give tax relief where it is least needed—to those already at the top of the income scale. These have been part and parcel of previous Republican tax cut packages, and there is no reason to suspect that this year will be any different.

The Republican budget would require devastating, unsustainable cuts in critical programs that serve millions of Americans. In order to provide massive increases in defense outlays while trying to stay under the discretionary caps passed 2 years ago, this plan makes dramatic cuts in almost every other area of government. According to estimates from the Office of Management and Budget, the combination of defense increases, protection of a select few programs, and retention of the budget caps would force spending reductions in non-defense discretionary programs of $26.9 billion in fiscal year 2000 alone. This would require an unprecedented across-the-board cut of over 11 percent in real terms from fiscal year 1999 levels across a broad array of important government functions.

On top of these huge cuts, this budget will cripple important programs far into the future in order to fund the majority's tax cuts. After the current spending caps expire, any future increases would be held to well under the rate of inflation. This means that every year, important functions will continue to suffer real cutbacks amounting to billions of dollars. Incredibly, discretionary levels in 2009—10 years from now—will be just 2.6 percent over those enacted this fiscal year, 1999. This will not even begin to make up for losses to inflation, to say nothing of increased needs caused by a growing population.

I also must note that the conference report does not specifically call for continuation of the traditional parity in pay increases between military and civilian government employees. I successfully sponsored an amendment to maintain this parity in S. 4, the military pay increase bill passed by the Senate earlier this session, and I urge the Senate to continue its support for this principle as the appropriations process moves forward.

Mr. President, this budget proposal falls far short of the mark in almost every important respect. It would harm important programs ranging from Head Start to the FBI, from air traffic control to food safety inspections, while providing a huge tax cut for the wealthy.

The plan utterly fails to meet the most fundamental tests—it does not extend the solvency of Social Security in any way, and does nothing meaningful to address the more immediate problems in Medicare. When Democrats introduced amendments in the Budget Committee and on the floor that would specifically put saving Social Security and Medicare ahead of the Republican tax cut, the measures were defeated. Republicans opposed Social Security and Medicare at their inception, and this budget resolution shows that they still do not see how important these programs are to millions of individuals. The Republican priorities evident in this resolution simply are not shared by most of the American people.

I strongly oppose this resolution, and I urge my colleagues to reject it.

AVIATION BUDGETING

Mr. HOLLINGS. Mr. President, I wish to draw my colleagues' attention to an opinion piece in today's Washington Post on air safety. The article, titled ''Yes to Air Safety'' by Congressman SHUSTER, Chairman of the House Transportation and Infrastructure Committee, talks about the critical need to fully fund our air traffic control system and to build our nation's airports. It is a simple proposition that is being put to Congress—if you take money from airline passengers, you must use that money to build and sustain the system.

We all leave here every weekend, journeying across the country. Each of us encounters delays at Reagan National. Right now, the FAA operates the safest air transportation system in the world. Maintaining this high standard requires money—plain and simple. We can underfund the agency and we can take the airline passenger money and give people a tax cut. If we do this, then we can not complain about delays—it is our fault for the short-change. If we take the Trust Fund money and use it for a tax cut or other purposes, it is our fault, not Jane Garvey or Rodney Slater's, but ours alone.

We have an opportunity to restore the ''Trust'' in the Airport and Airways Trust Fund, and to give to our constituents what they need and have paid for—a safe, and efficient air transportation system. We should not let it pass us by. Congressman SHUSTER has got it right.

Here are the facts:

From Fiscal Year (FY) 1982 through 1999, Congress appropriated more than $27 billion for the modernization program. FAA estimates that the effort will need an additional $14 billion for FY 2000–2004. The FAA requested $2.3 billion for FY 2000, which represents an increase of 11 percent over the FY 1999 appropriation level of $2.1 billion. But it is not enough to fully modernize the national air system (NAS).

Accident rates for the U.S. air transportation system, compared to other areas of the world or other modes of transportation, all indicate that the U.S. aviation system remains the safest in the world. For example, aircraft hull loss rates for the U.S. and Canada are 0.5 per million departures, compared to 3.8 per million for Asia and the Pacific islands. For 1998, there were no commercial passenger fatalities within the U.S.

As the FAA aviation forecast information, released just a few weeks ago, indicates, there will be almost 1 billion passengers (up from 607 million in 1998) and an increase in the total number of flights from 65 million to about 82 million by 2010. Today, the FAA, in many instances, is using outdated equipment that must be replaced in order to meet the expected demand.

In 1997, the Congressionally created National Civil Aviation Review Commission (NCARC) found that gridlock in the skies is a certainty in the near future unless the ATC system is modernized. According to the report, an increase in delays of just a few minutes per flight would seriously inhibit the ability of carriers to operate hub and spoke systems. I must note that one DOT study suggests that adding 48 more flights at Reagan National would create approximately 3 to 4 minute more delays per aircraft. This report was further supported by an American Airlines study detailing how a four minute increase in delays would seriously impact the ability of carriers to operate hubs. The FAA estimates that if demand increases as expected, no new runways are added to major airports, and no advances are made in air traffic control, then 15 of the U.S.'s major airports will be severely congested by 2006. In January 1997, the White House Commission on Aviation Security and Safety recommended that we expedite the modernization of the ATC system and complete the project by 2005, ten years earlier than originally planned.

If we do manage to fix the air traffic control system to make it more efficient, we still need to have more runways and terminals to accommodate the expected growth. Again, it is simple, if one has too many planes trying to land on one runway, one will have delays. Runways do not come cheap. The runway in Seattle, which we agree is sorely needed, will cost more than $830 million. A new runway in Atlanta, Chicago, or Dallas likewise will cost hundreds of millions of dollars. Without that added capacity, delays will increase. We know this. No one disputes this. It gets back to money—we have a Trust Fund which will have $79 billion by 2008 just sitting there. The General Accounting Office has also told us of the looming funding crises for airports. We simply can not ignore our duty—we can not use that $79 billion for anything other than funding our air transportation system.

I ask unanimous consent that the editorial be printed in the RECORD.

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

YES TO AIR SAFETY

(By Bud Shuster)

Although the safest in the world today, America's aviation system is hurtling toward gridlock and potential catastrophes in the sky. Unfortunately, The Post's April 2 editorial ''A No to Mr. Shuster'' did not accurately describe the efforts of the House Transportation and Infrastructure Committee during the budget debate to unlock the ticket taxes paid by airline passengers into the Aviation Trust Fund so they could be used for their intended purpose of improving America's aviation system.

Contrary to the editorial's assertions, our bipartisan proposal would not cut one penny from other federal programs. Rather, it would provide that the ticket taxes be used for aviation improvements instead of being used to pay for a small part of the $800 billion tax reduction proposed over the next 10 years. In fact, we provide for an open debate and floor vote on whether the money going into the trust fund should be used for aviation improvements (which we support) or for a reduction in the aviation ticket tax. It is grossly unfair to take airline passenger ticket taxes and then give them away as part of a general tax cut.

The Post was absolutely correct, however, in acknowledging that ''no one disputes a need to increase aviation spending.'' Since airline deregulation, passenger travel has increased from 230 million annually to 600 million last year and is projected to be 660 million this year and more than a billion annually in the first decade of the next century. A 30 percent increase in aircraft operations is forecast for our top 100 airports in the next decade, with a 50 percent increase in the number of commercial jets in our skies. Air cargo, which increased 74 percent in the last 10 years, is growing even faster.

Airport congestion is already skyrocketing. The FAA reports that our 27 largest airports each are experiencing more than 20,000 hours of recorded flight delays annually, costing the airlines $2.5 billion and the American people more than $7 billion in lost productivity. But that's only the tip of the iceberg. Airlines are building delays into their schedules. For example, Washington to New York should be only a 45-minute flight, but it's scheduled for an hour. The actual cost of congestion may be approaching $20 billion annually. One study estimates that we need a 60 percent increase in airport infrastructure investment just to maintain the current levels of delay.

The General Accounting Office states that $17 billion will be needed during the next five years just for air traffic control modernization. Last year our air traffic control system experienced more than 100 significant system failures. Dulles went down for more than 10 hours just a few weeks ago. The National Civil Aviation Review Commission states that ''without prompt action, the United States' aviation system is headed toward gridlock . . . [and] a deterioration of aviation safety [which would] harm the efficiencies and growth of our domestic economy, and hurt our position in the global market place.'' Last month, two jet cargo planes came within a hundred feet of a midair collision over Kansas because the Kansas City Air Traffic Control Center lost radio contact with them.

The good news, however, is that the ticket taxes flowing into the Aviation Trust Fund can provide a substantial increase for aviation improvements. Specifically, more than $10 billion is going into the trust fund annually, while spending is around $7 billion. If nothing changes, during the next 10 years more than $90 billion will accumulate in the Aviation Trust Fund.

The speaker has agreed to bring our ''Aviation Investment and Reform Act for the 21st Century''(AIR 21), which passed our committee unanimously; to the floor for a fair and open debate. It will unlock the Aviation Trust Fund so the ticket taxes paid into it can be used for aviation improvements, provide for increased capacity at our airports, modernize our air traffic control system and ensure continued safety for the world's best aviation system. Increased airport capacity will mean more airline competition, which is part of the long-term solution to better customer service.

The Post can't have it both ways, saying we should spend more on aviation while opposing using the money paid into the trust fund for that purpose. But I'm beginning to get it: The Post thinks it's good government to spend $900 million out of the Highway Trust Fund for one Woodrow Wilson Bridge in the Washington area but bad to use the Aviation Trust Fund to improve aviation across America.

Mr. McCAIN. Mr. President, I will vote today, somewhat reluctantly, in support of the Fiscal Year 2000 Budget Resolution. I say reluctantly because I am very concerned about the inadequate level of funding provided in this resolution for national defense.

On the positive side, this budget resolution establishes a road map for this Congress to enact the largest tax cut since the Reagan Administration, lock up the Social Security surplus, shore up Medicare, substantially reduce the public debt, and still keep spending within the limits established in the 1997 bipartisan budget agreement. It also provides the largest increase in history, $1.8 billion above the President's budget, for veterans' health care, which has been consistently underfunded for years.

Most important, the resolution takes an important step toward preserving Social Security for current and future recipients. It reaffirms the 1990 law, now expired, that prohibited using the Social Security Trust Fund surpluses to offset other spending, and it establishes a new point of order against spending any of the Social Security surplus on anything other than payment of Social Security benefits or reforming the system. This resolution walls off the Social Security Trust Fund so that money paid in by taxpayers for their retirement cannot be stolen by spendthrift politicians to pay for their favorite pork-barrel projects or new government programs of dubious merit.

Saving Social Security and providing greater retirement security for our citizens should be our first priority. We must find a viable solution to the impending bankruptcy of Social Security which restructures the system in a manner which provides working Americans with the opportunity, choices, and flexibility necessary to ensure their future retirement needs are fully met. Everyone who has worked and invested in the Social Security system must be guaranteed to receive the benefits they were promised, but reform must not

place an unfair burden on today's workers. Until we find that solution, however, it is imperative that we shore up the system to ensure payment of benefits will continue, on time and in full, to everyone who has earned them.

To do this, we must not only protect the existing Social Security surplus, as this resolution does, but ensure that additional funds are available, if needed, to shore up the system in the absence of meaningful reforms. The President's ''smoke and mirrors'' budget promised to save 62 percent of the non-Social Security surplus to shore up Social Security, but that has been shown to be a baseless claim when his budget is carefully analyzed. Unfortunately, this budget resolution did not dedicate additional funds to save Social Security either. I believe we should set aside a significant portion of the additional surplus to extend the fiscal viability of the system and ease the fears of our senior citizens, and I intend to work to see that happen.

Locking up the Social Security Trust Fund surplus and setting aside a significant portion of the non-Social Security surplus does not mean we cannot also provide significant tax relief to those who need it most—lower- and middle-income Americans and their families. The Budget Resolution provides for $142.3 billion in tax relief over the next five years, amounting to $779.9 billion over ten years. The tax cuts are appropriately targeted toward eliminating the marriage penalty, expanding the lowest 15% tax bracket, estate tax relief, more favorable tax treatment of health insurance cost for the self-employed, and capital gains tax fairness for farmers.

But Americans need and deserve an even bigger tax cut. Federal taxes consume nearly 21% of America's gross domestic product, the highest level since World War II. A recent Congressional Research Service study found that, over the next ten years, an average American family will pay $5,307 in taxes over and above what the government needs to operate. Congress did not balance the budget so Washington spending and government bureaucracy could continue to grow at the taxpayers expense. Letting the American people keep more of their own money to spend on their priorities will continue to fuel the economy and help create more small business jobs and other employment opportunities.

The tax cuts in this Budget Resolution are significant, but I think we should return even more of the surplus back to the taxpayers. I believe we should reserve part of the non-Social Security surplus to shore up the system and give a bigger tax cut to American families, which would be paid for partially by closing tax loopholes and eliminating inequitable corporate subsidies to offset the cost.

Saving Social Security, cutting taxes, providing for our veterans, and many other aspects of this Budget Resolution are sufficient reason to vote for it. However, the shortfall in defense spending in this budget raises very serious concerns.

It is no secret that there are serious readiness, retention and recruiting problems throughout the military. The Service Chiefs testified before the Senate Armed Services Committee in September last year, and again in January, that they require an additional $20 billion over the fiscal year 1999 budget in fiscal year 2000 to stop declining force readiness. The President, after promising an additional $12 billion, only added $4 billion in his budget request. Then, during this year's budget hearings, the Service Secretaries and Chiefs confirmed that readiness unfunded requirements still exist and submitted lists to meet their readiness requirements. Yet the Budget Resolution does not provide sufficient funding to meet the minimum requirements of the Joint Chiefs of Staff to adequately fund critical readiness, personnel and modernization programs.

The Conference Report veils its underfunding of vital defense programs by putting an additional $8.3 billion for Fiscal Year 2000 in the Pentagon's bank in the form of increased budget authority, but because of the arcane scorekeeping rules of the Congressional Budget Office, the Services would not be able to actually spend that money because it would exceed the outlay cap. Fortunately, the conference agreement provides $2 billion more in outlays than the Senate version, but the spending limit is still $6.7 billion less than the President's budget when estimated by the Congressional Budget Office. And the resolution shortchanges defense next year and every year thereafter.

Earlier this year, the Senate passed legislation of which I was a primary architect, along with Senator ROBERTS, Majority Leader LOTT and Senator WARNER. This legislation, the ''Soldiers', Sailors', Airmen's, and Marines' Bill of Rights Act of 1999'', would restore military retirement benefits to a full 50 percent of base pay for 20-year retirees, includes a 4.8 percent pay raise effective January 1, 2000, pay table reform, Thrift Savings Plan proposals, and a Special Subsistence Allowance to help the neediest families in the Armed Forces who now require federal food stamp assistance. This Budget Resolution puts all these recruitment and retention tools in jeopardy because it does not provide the dollars needed to fulfill these promises to our service members and their families.

Mr. President, the nuclear carrier U.S.S. *Enterprise* (CVN–65) is currently deployed in the Persian Gulf, undermanned by some 800 sailors. We are losing pilots to the commercial airlines faster than we can train them. The Navy has one-half the F/A–18 pilots, one-third of the S–3 pilots, and only one-quarter of the EA–6B pilots it needs. Only 26 percent of the Air Force pilots have committed to stay beyond their current service agreement. The Army says that five of its ten divisions lack enough majors, captains, senior enlisted personnel, tankers and gunners.

The military's problems do not stop at recruiting and retention issues. For example, the Army's number one modernization program, the Comanche helicopter, is undergoing flight testing with just one asset. If that helicopter has a serious malfunction or is lost, who knows how long the program will be delayed. The Army has another test platform but has testified that they simply cannot afford to fly it.

With the recent deployment in the Balkans, the world watched night after night as the Air Force's main bomber, the B–52, was once again called to duty to deliver air launched cruise missiles in combat. How many times has the Air Force called upon this 40-year old workhorse to deliver devastating firepower? The B–52 bomber was already old when I saw it fly in Vietnam, and yet the Air Force plan will carry the current bomber fleet through the next 40 years, with a replacement to the B–52 tentatively planned in 2037.

The Navy is struggling to maintain a fleet of 300 ships, down from over 500 in the early 1990s. The fiscal year 2000 budget will not support a Navy of even 200 ships. The Marine Corps saves money in spare parts by retreading light trucks and Humvees, so as to afford small arms ammunition for forward deployed Marines.

The list goes on and on, but what we must recognize is that it illustrates very serious readiness problems that continue to grow and must be stopped if we hope to preserve the world's finest military and continue to support the men and women in uniform, many of whom are in harm's way in Operation Allied Force in Kosovo today.

Mr. President, I could go on, but suffice it to say that the military needs more money to redress the serious problems caused by more than a decade of declining defense budgets. Those of us who have been criticized for sounding alarm bells about military readiness now have the empty satisfaction of seeing that there is more to maintaining a strong defense than a politician's history of falsely promising to do so. What is at risk, without exaggeration, are the lives of our military personnel and the national security of the United States.

Mr. President, for many years, the Services have struggled to make do with the funding we provide to them, as Congress persists in draining away resources for low-priority, wasteful, pork-barrel spending projects. After hearing from the Service Chiefs in testimony this year, I hope my colleagues are prepared to halt the long-standing practice of earmarking funds for home-state programs and special interest items. If not, we will exacerbate the dangers of failing to provide the resources necessary to maintain military readiness and our war-fighting capability.

Mr. President, I will vote for this Budget Resolution because it provides a measure of tax relief, additional veterans funding, and, most important, locks up the Social Security Trust Fund for Social Security. But I am gravely concerned about the defense spending levels in this budget, and I intend to do everything I can to ensure that every dollar in the Defense and Military Construction Appropriations bills is used for high-priority defense requirements, like recruiting and retention incentives, operations and training, and urgent modernization programs. I urge my colleagues to put aside their parochial interests and join me in that effort.

Mr. DASCHLE. Mr. President, it is an unfortunate fact around here that budget resolutions are frequently seen as little more than meaningless manipulations of numbers. They are perceived by some to have no real impact on Congress and even less on the American people. Whether you agree or disagree with this perception of previous budget resolutions, I think we can all agree that the budget resolution before us is different.

What we have been debating and are about to vote on, is our nation's first budget of the 21st century. The FY 2000 budget resolution represents a blueprint for our future. The decisions made on this resolution could determine how we live—not just next year—but for a generation—maybe longer.

Before getting into the specifics of the budget proposals before us, let me say a few words about what a budget resolution should do. In my view, a budget resolution should be visionary. It should look at today's circumstances, assess where improvements are needed and apply the appropriate amount of resources.

A budget resolution must be fiscally responsible. Prior to 1993, previous Presidents and Congresses have frequently failed to live within their means. The result was large annual deficits and a $4 trillion national debt. Since 1993, we have reduced the deficits 7 years in a row. Future budget resolutions must continue this pattern.

A budget resolution must save money to keep promises we've already made. The federal government has legally binding commitments on Medicare, Social Security, child nutrition and student loans to name a few. A budget resolution must live up to the federal government's legal obligations in these areas.

Finally, Mr. President, a budget resolution must invest in the future—in things like education, transportation, technology, and health care—so we can pass the promise of America onto our children.

Unfortunately, the budget resolution before the Senate today does none of these things. This resolution is deceptive and fiscally irresponsible in the extreme. It claims to protect Social Security and Medicare. It claims to live within our means. In reality, this budget fails on both scores. It does not adequately lock away Social Security trust funds and fails to add any resources to Medicare. It also includes hundreds of billions of exploding tax cuts that are paid for with projected surpluses. There is a huge problem with this approach. The tax cuts come and keep on coming whether or not the surpluses ever appear.

This approach adopted by my Republican colleagues represents a radical departure from the policies that lifted America out of recession in the late 1980s and early 1990s and created the strongest economy in a generation. After a decade of massive deficits caused primarily by ballooning tax breaks, President Clinton and a then Democratic Congress embarked on a new path, a path that coupled spending cuts with targeted investments and tax cuts for working families. This budget abandons that successful approach and will return this country to the large deficits of the 1980s.

Even more distressing to me, if we follow this plan, we will squander the best opportunity—perhaps in our lifetimes—to keep our commitments on Medicare and Social Security and effectively deal with some of the most serious social and economic needs facing our country—now, before they become crises.

It is my impression that debate on this year's resolution has been short, indeed, perhaps the shortest in my memory. The reason may well be that there are not a lot of small details to debate. Instead, we face a single major question: What should we do with the $4.6 trillion in surpluses projected over next 15 years? Without a doubt, this is the most important fiscal decision confronted by Congress in generations. With this budget resolution we face real choices with real consequences. Every family, every business, in America will be profoundly affected by how we answer this one question.

Unfortunately, the Republican budget resolution conference agreement makes too many wrong choices. It is wrong on Social Security and Medicare. It is wrong on debt reduction. It is wrong on tax relief with its emphasis on tax breaks that favor the wealthiest over working families. It is wrong on education, health care, and other critical investments. Therefore, I've concluded this resolution is wrong for America. And I will vote against it.

I would like to say a few words about the choices we face in the future. However, first, I think it's important to take a brief look back. When President Clinton took office in 1993, the budget deficit was a whopping $290 billion—the highest level in this nation's history. And, it was projected to grow to more than $500 billion by this year. In that year, 1993, President and Democratic Congress—without a single Republican vote—took action; together we passed the largest deficit reduction package in our nation's history.

Our political opponents condemned our plan; they predicted economic ruin. They said it would destroy our economy and trigger a second Great Depression. Many who made those predictions are still here today. Many who bravely voted for our plan are not. They knew they were risking their careers when they voted for our plan. But they did it anyway, because they believed we could not continue the ruinous economic policies of past.

Today, the results of Democrats' 1993 economic plan should be clear to all. The deficit has declined 7 years in a row—the first time that's happened in our nation's history. Last year, this nation enjoyed the first unified balanced budget in 30 years. This year, we expect a $111 billion unified surplus. In addition, we are experiencing the strongest economy in a generation. Eighteen million new jobs have been created since 1993. We have the lowest unemployment rate in nearly 30 years—4.5 percent. We have the lowest core inflation rate in more than 2 decades—2.5 percent. We have witnessed a 2.5 percent rise in wages—the fastest growth in wages in more than 20 years. We are living during the longest peacetime economic expansion in our history. Largely as a result of this string of economic good news, the Congressional Budget Office is now projecting budget surpluses for as long as the eye can see—a total of $4.6 trillion over the next 15 years.

So Mr. President, we faced the tough questions in 1993. The question facing Congress this year ought to be easy. Then the question was: how do we reduce the deficits? How do we get America working again. Now, the question is: what should we do with the surplus? How do we keep America working?

We've already proved tough decisions don't have to be cruel decisions. We can continue to make economic progress today, without sacrificing our economic future. With the plan we offered this year, Democrats balanced the budget—and cut taxes on working families—without gutting our investments in our children's education. We balanced the budget—and cut taxes on working families—without raiding Social Security and Medicare. We balanced the budget—and cut taxes on working families—without sacrificing our ability to protect our environment. We balanced the budget—and cut taxes on working families—without adding more Americans to the rolls of the uninsured. In fact, we found a way to help parents who work full-time, but don't have insurance, to provide health insurance for their children.

Our budget plan builds on our past success. We make tough decisions. But we also make smart decisions. We honor the commitments our nation made in the past, and we invest in the future. The Democratic vision for our fiscal future is based on 4 principles. First, we protect and preserve Social Security and Medicare. The Democratic plan locks away every penny of the $2.9 trillion Social Security surplus, plus an additional $700 billion for

Medicare. We are first to admit: our plan doesn't solve all the issues facing these two important programs. We know we also need to make structural reforms. But, by locking away every penny of Social Security and saving 15 percent of the unified surplus for Medicare, we can avoid a crisis—which dramatically reduces chance of having to make radical changes.

Second, our plan pays down the national debt. In 10 years, we can reduce our public debt from $3.5 trillion, to $1.6 billion. In 18 years, under our plan, we can eliminate the debt entirely. By 2018, America could be debt-free. Debt reduction keeps interest rates down. This means lower mortgage rates, lower rates on car loans, lower monthly credit card bills, and lower student loan bills. It also means more investments for businesses, more economic growth, more jobs, and more opportunity for the future.

Third, our plan cuts taxes for America's working families. Our plan provides $400 billion in targeted tax relief to help families save for retirement and pay for child care. Our plan also includes a $1,000-a-year tax credit for elderly and disabled Americans who need long-term care—or the family members who provide that care. It cuts the marriage penalty tax. And, it provides tax credits for research and experimentation.

Fourth, our plan invests in America's future—over $400 billion in key priorities. These resources can be used to provide for more teachers for our kids, more pay and better housing for our troops, and more law enforcement agents. It provides more for job training, more for safe drinking water and clean air quality. It will result in better roads and safer airports and rail lines.

The Republicans are offering a very different plan. It makes very different choices. Their plan sets aside nothing for Medicare. As I said earlier, we save 15 percent of the surplus—$700 billion—for Medicare. We put it in a real lockbox; these funds can't be used for anything but Medicare. Their plan does not save one penny specifically for Medicare. Moreover, when Senate Republicans introduced their budget resolution, they said they were setting aside $133 billion for Medicare. Later, they revised that figure down to $100 billion. In the conference agreement before us today, there's nothing to preserve the existing Medicare program. The truth is Republicans are not setting aside any money specifically for Medicare. Their budget resolution recommends we extend the solvency of Medicare through benefit cuts alone.

If we act as this resolution proposes and fail to set aside real money for Medicare now, and fail to enact real reforms soon, the Medicare trust fund will go broke. That would be an emergency of staggering proportions. And the Republican budget does nothing—nothing—to prevent it.

Their plan does not guarantee one additional day of solvency for Social Security. Under the Democratic plan, Social Security's solvency is extended until at least 2055—23 years longer than what's now projected.

Now, Republicans say they will set aside 62 percent of the surplus for Social Security—the same as our plan. But nowhere in their plan do they say what they intend to do with that money. While they say they will put every dime of Social Security taxes in the Social Security trust fund, nowhere in their plan do they promise to keep the funds there. Nowhere do they guarantee that Social Security will continue to provide a monthly benefit. Nowhere do they commit to preserve unemployment benefits workers now get, or death benefits for their survivors. In fact, the conference report before us specifically allows Republicans to divert Social Security resources out of Social Security and use them to pay for private retirement accounts or additional tax cuts.

If the Republican majority believes the federal government should keep the commitments it has made, they should say so, clearly, in writing. Social Security taxes for Social Security benefits is not a difficult concept to grasp, and an even easier one to say. Despite all their rhetoric during the budget debate, the Republican budget resolution chooses not to say it. And even worse, it does not do it. Instead, the Republican resolution treats Social Security as just another piggy bank to pay for their tax breaks or private retirement accounts. That is its second major failing.

The third major problem with Republican budget resolution is the choice it makes about who gets tax relief. Our budget targets tax cuts to the needs of working families. Republicans say their plan is better because it contains tax cuts for everyone. That's not true! Under the 10 percent across-the-board tax cut endorsed by many in their party, nearly two-thirds of benefits would go to the wealthiest 10 percent of Americans. If you earn $800,000 a year, you save $20,000 a year in taxes. But if you earn $38,000 a year or less—like 60 percent of American families—you'll save $99 a year—27 cents a day. That's if you're lucky. According to the Joint Tax Committee, Congress's official tax-estimating body, 48 million middle-class families would get nothing under a 10 percent tax cut. Not a nickel!

What would that 27 cents cost America's families? It means there will be nothing left over to protect and preserve Medicare. It also means crippling cuts in education, health care, environment, agriculture, food safety and countless other critical areas. According to an analysis by the Office of Management and Budget, the Republican budget will cut domestic investments by 11 percent across-the-board this year. By 2004, these cuts will grow to 27 percent. The Republican budget resolution would eventually force the federal government to cut more than one out of every four dollars it now spends on critical domestic priorities. Frankly, it's amazing to me that some of the same people who only weeks ago said Congress would be forced to break budget caps this year can now claim, with a straight face, that they can cut federal spending by 27 percent over next five years.

Their tax cut plan is unfair and unworkable, and we all know it. The last time we tried their tax plan—the last time we tried to grow the economy by cutting trillions of dollars in taxes and giving most of the money to wealthiest Americans—we quadrupled the national debt and ran the economy into the ground.

In conclusion, Mr. President, there are terrible problems with the Republican budget resolution. Democrats tried to correct these problems in the Budget Committee. We tried to make adjustments on the Senate floor. In both places, we were defeated on party-line votes. So, we will pass this conference agreement in a few minutes.

And while we may disagree on its merits, we all know, Democrats and Republicans alike, this plan will never become law. So, we have a lot of work ahead of us in the next several months. Democrats will listen to any reasonable, responsible plan anyone wants to propose. We're willing to negotiate across the aisle, and make compromises, to come up with budget proposals that can be signed by the President. However, we will not compromise on our commitments. We will not repeat mistakes of the past. We cannot squander this opportunity.

THE DISCRETIONARY CAPS

Mr. DOMENICI. Mr. President, I want to add one response to those who criticize this budget resolution as necessary resulting in all manner of dreamed-up, horror-story kind of cuts in federal border agents, food safety inspections, and other programs selected for the maximum scare value.

Here is the truth instead. In 1997, just 2 years ago, the bipartisan budget agreement, and the law that implemented it, set out caps on discretionary spending for 1998 through 2002. And yes those caps were expected even then to be tight as they were encountered each year. In his budget request for 2000, the President appeared to pledge fealty to those caps for 2000, claiming that the caps could be complied with even as CBO demonstrated the President could not deliver on all his spending promises without exceeding the caps by at least $17 billion.

Further, the respective minority leaders of both the House and the Senate castigated the congressional majority for even exploring the idea of increasing the caps in this resolution and instead the minority leaders reiterated their devotion to the caps set 2 years ago. So this budget resolution does comply with the caps, just as the President and the Democratic congressional leadership insist it should.

But a fair question would be: how do we fund all the discretionary appropriation needs while complying with the discretionary cap discipline? As always, that will be up to the appropriations process. The budget resolution never dictates to the appropriations committee how individual programs or bills should be funded. What the budget resolution does do is suggest in broad categories what some spending priorities ought to be, and in some cases, it suggests, as sort of a menu, some spending reductions or other offsets that the appropriators could consider in constructing the 13 appropriation bills. For example, the Senate-passed resolution indicated that repeal of the Davis-Bacon Act and the Service Contract Act would save significant construction and contract dollars that could be applied to increases in education or defense. Other sources of savings mentioned include food safety inspection fees and spectrum lease fees to encourage more efficient use of spectrum by both private and government users. And in certain specific budget functions, to offset discretionary spending, some functions call for the sale of certain federal assets and other assume specific savings amounts in mandatory programs, which include requiring securities registration for five government-sponsored enterprises and other incentives to encourage competition and rededication to their missions. Other functions call for reducing excessive flood insurance subsidies and imply reactions in certain grants to local governments that are often misdirected to those not the most financial needy. If the appropriations fairly consider these as well as many other savings items contemplated in this budget resolution, they will have opportunities to provide the increases demanded by some and avoid the decreases in vital programs imagined by others, while still complying with the caps.

The PRESIDING OFFICER. The question is on agreeing to the conference report. The yeas and nays have been ordered.

The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is absent due to surgery.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote ''no.''

The PRESIDING OFFICER. Are there any other Senators in the Chamber who desire to vote?

The result was announced, yeas 54, nays 44, as follows:

[Rollcall Vote No. 86 Leg.]

YEAS—54

Abraham	Brownback	Cochran
Allard	Bunning	Collins
Ashcroft	Burns	Coverdell
Bennett	Campbell	Craig
Bond	Chafee	Crapo
DeWine	Hutchison	Santorum
Domenici	Inhofe	Sessions
Enzi	Jeffords	Shelby
Fitzgerald	Kyl	Smith (NH)
Frist	Lott	Smith (OR)
Gorton	Lugar	Snowe
Gramm	Mack	Specter
Grams	McCain	Stevens
Grassley	McConnell	Thomas
Gregg	Murkowski	Thompson
Hagel	Nickles	Thurmond
Hatch	Roberts	Voinovich
Helms	Roth	Warner

NAYS—44

Akaka	Edwards	Levin
Baucus	Feingold	Lieberman
Bayh	Feinstein	Lincoln
Biden	Graham	Mikulski
Bingaman	Harkin	Murray
Boxer	Hollings	Reed
Breaux	Inouye	Reid
Bryan	Johnson	Robb
Byrd	Kennedy	Rockefeller
Cleland	Kerrey	Sarbanes
Conrad	Kerry	Schumer
Daschle	Kohl	Torricelli
Dodd	Landrieu	Wellstone
Dorgan	Lautenberg	Wyden
Durbin	Leahy	

NOT VOTING—2

Hutchinson	Moynihan

The conference report was agreed to.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I believe that completes our work. I want to thank everyone, whether they were with the budget that I prepared or whether they were against it, for their cooperation. And I thank our leadership for getting that budget down here, and the minority leader and the majority leader for helping expedite it.

This is the 15th. We know it is a very ominous day out there in America. It is tax day. But on a smaller scale, the Budget Act of the United States says the budget shall be finished in both Houses on this date. I do not think it had anything to do with tax day, but they occur together every year. Only twice in the 25-year history of the Budget Act have we produced budgets in both Houses, the blueprints.

They are congressional in nature. They are not Presidential budgets, nor does he sign them. It is historic and significant that as we attempt to get our work done this year and make sure that the American people understand that we are on target for the issues they are concerned about—Social Security, Medicare, tax reduction, defense spending, education and the like—we want them to know that the budget is ready to lead us into a new approach for the next millennium.

Everyone doesn't agree, but a very large percentage of the Senators here have voted in favor of this new approach, which I believe will add significantly to the economic future, economic growth and jobs, and at the same time set a pretty good priority for the American Government's expenditures.

This does have a philosophical bent to it; that is, if you have excess revenues, you pay down the debt. We have done that. We have almost paid down one-half of the national debt in the next decade—rather significant, good for the economy. We believe when you have even more excess than that, some of it ought to go back to the American people by way of tax reductions, tax reform measures and the like.

I regret to say that I believe when the American people have understood all of this, and when they understand these surpluses are not Social Security surpluses, they are over and above that, I think they will agree with us that some of that ought to go back to the American taxpayer. I think it is a good balance between the Government's needs and the taxpayers' rights and the taxpayers' needs.

I thank the staff, minority and majority, for the very dedicated service in getting this complicated resolution to the floor.

With that, I yield the floor and thank everyone for helping.

The PRESIDING OFFICER. The Senator from Georgia.

ORDER OF PROCEDURE

Mr. COVERDELL. Mr. President, in just a few minutes, in the order of a previous unanimous consent agreement, we are going to move to S. 767, but the two distinguished Senators from Connecticut have a very important resolution relating to their State. It will take a few minutes. I ask unanimous consent that they be allotted up to 5 minutes, beginning immediately, to present their resolution.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Connecticut.

CONGRATULATING THE 1999 UNIVERSITY OF CONNECTICUT MEN'S BASKETBALL TEAM

Mr. DODD. Mr. President, on behalf of myself and my distinguished colleague from Connecticut, Senator LIEBERMAN, I send to the desk S. Res. 77 and ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A resolution (S. Res. 77) commending and congratulating the University of Connecticut Huskies for winning the 1999 NCAA Men's Basketball Championship.

There being no objection, the Senate proceeded to consider the resolution.

Mr. DODD. Mr. President, it is somewhat appropriate, I say to my friend and colleague from Connecticut, that the Presiding Officer is from Ohio. But for Ohio, we would not have made it to the Final Four, the final game.

This is a moment of great joy for my colleague and I and for the people of Connecticut. We express our condolences to the delegation from North Carolina, the home of Duke University. It is a fine university with a fine basketball team that led the Nation ranked number one for a good part of the season. But, unfortunately, on that night of March 29 in St. Petersburg, FL, the Blue Devils met the Husky team from Connecticut in what many have described as one of the best national championship finals in collegiate basketball history. Ultimately,

our team from the University of Connecticut prevailed. To say that there is a great sense of pride in Connecticut and enthusiasm and joy over this victory is to understate the case by a considerable margin. We are a State that, over many years, has had to export our allegiances in athletics. We have had a hockey team and a women's professional basketball team, both of which have left our State. There is a good possibility we will be the home of the New England Patriots in the not-too-distant future. In the meantime, it has been our men and women's basketball teams at UCONN that have captured the attention of everybody in our State, and I might say, as well, beyond our State's borders. I think a good part of the Nation was rooting for this 9½ point underdog on March 29 as they prevailed in this great victory.

I want to mention a couple of people if I can. First of all is Jim Calhoun, the Head Coach of the UCONN men's basketball team. He has been with the team for 13 years and has had a wonderful, wonderful record, including capturing the 1988 NIT title and appearing in six ''Sweet 16's,'' and three ''Elite 8'' rounds. And he has now led the team to victory in the national championship. He is not only a outstanding coach, but also a wonderful human being with great dedication to his team, his players, the university, and our State. As well, his coaching staff is a fine group of people who have also dedicated so much energy and time to making this team the success it has been.

I would also like to mention some of our UCONN players and commend a couple of the fine athletes who made such significant contributions in the championship game.

Our sophomore guard is Khalid El-Amin. We thank the State of Minnesota because he was a native and decided to make the University of Connecticut his home for basketball purposes. He has been a sparkplug for our team and has done a tremendous job. As many will recall, he made two free throws in that final game with only 5.2 seconds left, which absolutely iced the victory for UCONN.

Richard Hamilton has become one of the great players in collegiate history. He was the Most Valuable Player of the NCAA tournament, the Most Valuable Player in the Big East tournament this year, and is truly one of the great, great players not only at the University of Connecticut, but also throughout the Nation.

Other players like Ricky Moore, Kevin Freeman, and Jake Voskuhl did a great job as well, all contributing when it counted most. Moore and Freeman, I think, deserve special recognition for proving that defense is valuable. It is not just who can score the most points, but who can be a great defensive player. Both of them did a terrific job in proving the value of that element of this wonderful, unique game now played worldwide. Basketball is a game that began in Springfield, MA, something that we in America take pride in as it is a sport that is homegrown.

Lastly, Mr. President, the fans, the student body, the administration, Phillip Austin, President of the university, the Board of Trustees, and the faithful alumni were all in that arena to watch the Ohio State game, and then the final game on Monday. They were both great games. I know the former Governor of that State, the occupant of the Chair, takes great pride in Ohio State. The coach of your team was an assistant coach at the University of Connecticut. He was in Florida and rooting for Connecticut, I can tell you, during that final game. I am sure he would have liked to have been coaching that game instead, but despite not being there himself, and given his former relationship with the University of Connecticut, it is understandable how he felt a special affection for the UCONN team.

Again, Mr. President, as I began, let me end. This was a great moment for our State. The people are very proud of the accomplishments of this team and our university. Senator LIEBERMAN and I wanted to take a moment out of the Senate business to recognize the accomplishments of these fine young men of the University of Connecticut and thank the people of our State who have so faithfully supported them throughout these many years.

Mr. President, at this time I would like to recognize all the coaches and players of the 1999 NCAA Men's Basketball Championship team: Head Coach Jim Calhoun, Associate Head Coach Dave Leitao, Assistant Coach Karl Hobbs, Assistant Coach Tom Moore, Beau Archibald, Justin Brown, Khalid El-Amin, Kevin Freeman, Richard Hamilton, E.J. Harrison, Rashamel Jones, Antric Klaiber, Ricky Moore, Albert Mouring, Edmund Saunders, Souleymane Wane, and Jake Voskuhl.

With that, I yield to my colleague, an equally fervent champion and fan of the UCONN team.

Mr. LIEBERMAN. Hear, hear, Mr. President. I thank my friend and colleague from Connecticut. I am proud to join with him in introducing this resolution commemorating what was truly one of the most thrilling and uplifting moments in the modern history of our State—and I do not say that lightly—the national championship won by the University of Connecticut men's basketball team.

I think to understand what this achievement means to our relatively small State, my colleagues have to understand what this UCONN team has meant for the last decade to the people of Connecticut. I don't think there are many teams in the country that have a more rabid following than our Huskies. From their home base in Storrs, clear across the State to Stamford, from Stonington in the east to Salisbury in the northwest, every basketball season, the people of Connecticut are gripped with a delirium known affectionately as ''Huskymania,'' which makes every day of the season seem like March Madness in Connecticut. The interest is so intense that the Huskies, hailing from the third smallest State in America, travel with the largest contingent of reporters in all of college basketball, referred to simply as ''the horde.''

Now, Mr. President, over the last decade, Huskymania has been heightened by the enormous success of our great coach, Jim Calhoun and athletic director, Lew Perkins. UCONN has dominated the storied Big East Conference, winning six regular season championships, distinguishing itself in NCAA tournament play, advancing to the Elite Eight three different times. The one thing missing was a trip to the fabled Final Four and a national championship, and that dream was realized on March 29 with the victory over the Duke Blue Devils in what has to have been, not just for Connecticut fans, but for basketball fans all over the country, one of the great games in recent history of college basketball.

The Huskies' thrilling victory touched off a joyous celebration in our State, which is normally known as ''the land of steady habits,'' an exhilaration which I experienced literally firsthand that night. I could not go to Florida to see the game, but I did the next best thing—I went to Coach's Bar and Grill in Hartford, CT, which is partially owned by Coach Calhoun. Let me just say to my colleagues on the floor, I was, by far, the senior citizen in the bar that night. It seemed like about half of the State's under-30 population was there. The fervor was intense and the joy extreme when the game was over.

Let me say that we are proud of this victory, but we are also really proud of the values that are part of it—the teamwork, the sacrifice, the sportsmanship, the determination and the dignity this team and its coach showed in scrapping and hustling their way to the pinnacle of college basketball. The character of this UCONN team is an apt reflection of their great coach, Jim Calhoun, who is a great coach because he is a great man, a man of indomitable spirit, tremendous values, and a great pursuit of excellence. I am thrilled that Coach Calhoun is finally getting his due as one of the Nation's great coaches.

For now, I am grateful for the wonderful gift that Jim and his players have given the people of Connecticut, for the way they brought such a diverse State together and reaffirmed our sense of community, for living up to our highest ideals of sport and—if you will allow me a pun in the name of the Huskies—for showing that every dog does indeed have their day.

Now, Mr. President, if I may close somewhat unusually, at Coach's Bar and Grill on the night of the game, one of the young men there, at a critical moment in the first half, turned to me and asked me if I would lead the UCONN cheer, and I did that. I was

criticized the first time because they said my N's were not too good. You will see what I mean in a moment. As the game went on, I was called on repeatedly to lead this cheer, and of course, we in Coach's Bar and Grill feel that made the margin of difference in the victory that occurred in Florida that night.

If you will allow me, Mr. President, here is the cheer: U–C–O–N–N, UCONN, UCONN, UCONN.

Thank you. I urge adoption of the resolution.

The PRESIDING OFFICER. The question is on agreeing to the resolution.

The resolution (S. Res. 77) was agreed to.

The preamble was agreed to.

The resolution (S. Res. 77), with its preamble, reads as follows:

S. RES. 77

Whereas the University of Connecticut men's basketball team capped a remarkable season by defeating the top-ranked Duke Blue Devils 77–74, on March 29, 1999, in St. Petersburg, Florida, to win its 1st national championship in its 1st ''Final Four'' appearance;

Whereas the Huskies finished with a regular season record of 34–2, the best in the program's proud 96 years of competition;

Whereas the Huskies firmly established themselves as the dominant team of the decade in the storied Big East Conference, winning their 6th regular season title and their 4th tournament championship of the 1990s;

Whereas UConn's Richard ''Rip'' Hamilton distinguished himself in the championship game and throughout the season as one of the premier players in all of college basketball, winning his 2d Big East Player of the Year award, earning 1st team All-America honors, and closing out a spectacular offensive performance in the NCAA tournament by being named the most valuable player of the Final Four.

Whereas UConn's senior co-captain Ricky Moore distinguished himself as one of the Nation's top defensive players, personifying the grit, determination, and fierce will to win that carried the Huskies throughout the year;

Whereas UConn coach Jim Calhoun instilled in his players an unceasing ethic of dedication, sacrifice, and teamwork in the pursuit of excellence, and instilled in the rest of us a renewed appreciation of what it means to win with dignity, integrity, and true sportsmanship;

Whereas the Huskies' thrilling victory in the NCAA championship game enraptured their loyal and loving fans from Storrs to Stamford, taking ''Huskymania'' to new heights and filling the State with an overwhelming sense of pride, honor, and community;

Whereas the UConn basketball team's national championship spotlighted one of the Nation's premier State universities, that is committed to academic as well as athletic excellence: Now, therefore, be it

Resolved, That the Senate commends and congratulates the Huskies of the University of Connecticut for winning the 1999 NCAA Men's Basketball Championship.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the president of the University of Connecticut.

UNIFORMED SERVICES FILING FAIRNESS ACT OF 1999

Mr. COVERDELL. Mr. President, let me explain for a moment where we are here. We have, by unanimous consent, 1 hour equally divided on S. 767.

S. 767 is cosponsored by Senators LEVIN, ROTH, TORRICELLI, ABRAHAM, CLELAND, MCCAIN, ALLARD, HELMS, COLLINS, BROWNBACK, FRIST, JOHNSON, HAGEL, BRYAN, DEWINE and GRAMS. Senate bill 767 is identical to the legislation that passed unanimously in the House Ways and Means Committee, and which will be here later this afternoon at about 4 o'clock. When that gets here, we will vote on the House version rather than the substitute that I just described because there has been an objection on the other side. It is a bit perplexing. But we have had an objection. We don't want internal differences to in any way for one moment delay the intent of this bill. I think everybody will understand that in a moment. So we are just simply setting the objection aside and we will accept the House version. I am sure it will be an overwhelming vote.

Mr. President, I ask the clerk to report the bill by title.

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

The clerk will report.

The legislative assistant read as follows:

A bill (S. 767) to amend the Internal Revenue Code of 1986 to provide a 2-month extension for the date for filing a tax return for any member of a uniformed service on a tour of duty outside of the United States for a period which includes the normal due date for such filing.

There being no objection, the Senate proceeded to consider the bill.

Mr. COVERDELL. Mr. President, I rise today to ask my colleagues to support legislation that will help our men and women serving in Operation Allied Force.

I might point out that part of the reason we are accepting this House version, due to this skirmish on the Senate floor yesterday afternoon, is because we only have some 12 hours left. This is April 15. These families needed to get this message, frankly, yesterday. But today I am confident that this relief, this comfort, that we are offering to the men and women who are on the front line today in Kosovo will be of enormous comfort and assistance to their spouses and to their families.

In short, the legislation does three things.

I might point out that the Senate substitute was identical in language to the House version that will be coming here later this afternoon on which we will vote.

The legislation does three things.

First, it exempts all U.S. troops serving in the Yugoslav theater of operations from being taxed on their hazardous duty pay. That is the additional pay they receive over their regular pay for being a hazardous operation. That will not be taxed when this passes. The danger pay that you receive on the periphery of the combat theater will not be taxed.

Second, it grants our troops a 180-day filing extension for their 1999 income tax return. The 180 days begins when they return from duty in the combat zone.

Third, it exempts our troops from the 3 percent excise tax levied on long-distance telephone calls to reduce somewhat the burden of a long-distance call home whenever they have a chance to do that.

Several days ago, the President signed an Executive order declaring Yugoslavia and certain areas surrounding it a combat zone. This declaration in turn provides troops serving in the zone with certain tax breaks which this legislation will codify and expand. It will expand it, for example, to troops like those in Georgia who are fulfilling the refueling missions in the combat zone. The bill takes the President's order a step further by providing these same level of tax breaks and filing extensions to those personnel who have been relocated to the combat zone area and are receiving imminent danger pay.

Mr. President, I believe this is an important additional provision that the President by law cannot extend through an Executive order. At a time when our men and women are putting their lives on the line in the name of freedom, we should do what we can to relieve some of the worries associated with income tax burdens and filings associated with the timing of the conflict occurring within 2 weeks of income tax day, April 15.

Mr. President, we have several other Senators who are here to speak on the measure. Before they get here, let me briefly say that we are deeply appreciative for the enormous bipartisan support—and I named the coauthors on both sides of the aisle—to get this done. My one regret is that we have been delayed a day by ''internal process.'' That is the most polite way to describe it. But we are going to get this done.

I hope anybody who is watching or listening to this who is related in any way to the families and spouses of those troops for whom we think of every minute of every day will tell them that their significant income tax relief burden is being lifted so that they ought not have to stand in that long car line sometime tonight trying to get this in. They have been granted an extension, and a significant one. Depending on the pay grades of those involved, there is rather substantial tax relief, because, as I said a moment ago, with the passage of this act, those additional pays that are received by these troops for hazardous duty or imminent danger will not have an income tax applied against them. So it should be very meaningful.

Let me quickly say that this is no windfall. If anybody listening to me has ever been around a serviceperson

who was called away for combat, just stop and think about it. All kinds of new costs come into play. You have a breadwinner that is somewhere else. You are trying to communicate. You have many associated costs.

So what we are doing here is not a windfall. It is a move to help those families deal with the inordinate kinds of problems that are associated with taking care of the family when only half the parents are still there. In all practicality, this probably doesn't do enough. But I hope that for anybody listening this will be a reminder that the Congress is trying to do everything it can to be of assistance to those troops.

I see I have been joined by my distinguished colleague from Maine. I yield up to 10 minutes to the Senator from Maine on this measure.

The PRESIDING OFFICER. The Senator from Maine is recognized.

Ms. COLLINS. I thank the Chair.

Mr. President, first, I commend the leadership of my good friend from Georgia in taking the initiative in this area. It is typical of his leadership on so many issues. I am very pleased to join him today on the Senate floor.

I rise today as a cosponsor of the Uniformed Services Filing Fairness Act of 1999 introduced by my good friend, Senator COVERDELL, and as a supporter of H.R. 1376, which we will vote on shortly. These measures are intended to demonstrate concretely and clearly our support for the men and women serving our country in the region of Yugoslavia by providing them with tax relief on their hazardous duty pay, excise tax exemptions on their long-distance telephone calls, and an extension to allow them to file their tax returns after the April 15 deadline.

Today is tax day, a day when millions of Americans rush to their local Post Offices to mail their tax returns. However, today some brave Americans find themselves thousands of miles away from their hometowns engaged in a conflict rather than concerned with a tax filing deadline. Today and every day, our troops put their lives on the line. The sacrifices they make in serving our Nation both here at home and abroad prompt our gratitude. For those forces stationed overseas, the toll is especially great. Our troops now serving in the operations in Kosovo face tremendous burdens in trying to carry out their missions while protecting themselves and their comrades. Our service men and women abroad face the additional hardships and stress of being separated from their loved ones, their families, their homes, and their friends. These troops deserve the opportunity to concentrate on their dangerous mission without having to worry about government paperwork at home.

This legislation is an opportunity to demonstrate our support for our troops by our actions, not just with our words. My thoughts and my prayers are with those brave men and women and their families here at home. I urge my colleagues to support this modest but important measure. Again, I commend the Senator from Georgia for his leadership.

I yield the floor.

Mr. COVERDELL. Mr. President, I thank my good friend and colleague from Maine for her statement and all of her energy, which I appreciate and enjoy so much, on so many subjects. I thank her very much for speaking on the importance of this measure.

We deal with so many varied issues that sometimes a very simple, clean-cut act like this gets overlooked in the thrashing about that goes on in Washington.

I am pleased that the Congress has been able to do this, and do this expeditiously. I just asked my young assistant to make sure that the minute this passes, probably between 4 o'clock and 4:30, the Pentagon makes sure all of our troops get this message quickly. They need to help us make sure the comfort represented by this legislation is understood as quickly as possible.

Mr. LEVIN. Mr. President, we are all keenly aware of the demands that we place on our troops, the circumstances in which they must live and work, and the unique sacrifices that they make to serve our country. Filing tax returns is a duty we all must bear to support our nation, but it is particularly difficult for service members overseas, who face this burden thousands of miles from home and without the resources and assistance available to the rest of us. When those troops are placed in harms' way, the burden becomes immeasurably greater.

Earlier this year, Senator COVERDELL and I introduced S. 767, the Uniformed Services Filing Fairness Act of 1999. This bill would have extended by two months the date by which members of the uniformed services on duty abroad must file their Federal income tax returns. Current Treasury regulations provide for an automatic two month extension for U.S. citizens and residents on military duty outside of the United States. S. 767 would have codified this regulation into law, thereby ensuring that members of the military would not be subject to fines and penalties when they avail themselves of this relief.

This week, the President addressed the same problem by issuing an executive order designating the Kosovo area of operations as a ''combat zone'' for the purpose of tax relief benefits. This designation will provide the following benefits:

The deadline for filing and paying taxes will be extended;

Military pay for months served in the combat zone will be exempt from income taxes; and

Telephone calls out of the combat zone will be exempt from the telephone excise tax.

Today, the Senate will pass and send to the President a House bill that is a companion measure to bill that Senator COVERDELL and I introduced earlier this year. This bill shows Congress' support for the President's decision by codifying this executive order into law. In addition, the bill extends the area covered by the exemption to include not only aircrews flying missions into the combat zone, but also members of the armed forces supporting those operations in the area of the Federal Republic of Yugoslavia (Serbia/Montenegro), Albania, the Adriatic Sea, and the northern Ionian Sea. I think we all know the dangers and hardships that our troops in these areas are facing on a daily basis, and want to support them in any way we can.

I am pleased that Congress, by enacting this bill, will join the President in showing support for our men and women in combat. I urge my colleagues to join me in supporting the enactment of this legislation.

Mr. COVERDELL. Mr. President, I have been joined by the distinguished Senator from Kansas. I yield up to 10 minutes to the Senator from Kansas.

Mr. BROWNBACK. I thank my colleague from Georgia for recognizing me and for bringing this bill forward.

It was 2 weeks ago yesterday that I was at McConnell airbase in Wichita, KS, meeting with troops that afternoon heading out to run refueling missions and other activities in support of the Kosovo operation. They were in their working uniforms with a number of spouses and some children present. They were determined and ready to go. They said, ''This is our job,'' and they were saluting and saying they were off to do it even though they had questions: What is the objective? How will we get this done? How long will it last? We did not have good answers for them, but I said we would press for those answers.

In speaking with a couple of the spouses afterwards, they noted their husbands had been deployed more than 200 days last year and they were having difficulty with that length of time of deployment. Also, they said: We love being part of the military, we want to do our job, but we feel we are being hamstrung by some of the things required of us.

They don't believe some of the pay is quite enough, and I don't think it is enough for them.

What I see in this bill of Senator COVERDELL is a statement to some of the people at McConnell airbase, and others throughout Kansas who are serving in the military, that we want to help and do what we can in tough situations because you are going into the toughest situation that a nation could possibly send you. You are going in to face a hostile enemy, putting your lives on the line, your blood on the line. We are asking you to do it and you are doing it. The least we can do—God bless you, we want to help any way we can—is to do something to help.

This 2-month extension for the due date for filing a tax return for any member of a uniformed service on a

tour of duty outside the United States for a period including the normal due date for such filing is a small statement. It is a small act, but it is a good act. It is an important act and an important statement for us to tell those people in uniform and their families that we do care, we do hear you, and we want to try to respond in any way we possibly can.

We need to do a lot more. We need to up the pay to people in the military. We need to be questioning all the places we are sending our military around the world, how many times we are deploying them. We need to upgrade the military's hardware. I think that is important. One thing we recently did for the Nation's defense was to pass on the national missile defense bill. We need to do that.

I noted to those at McConnell airbase and those attending the nine townhall meetings I had across Kansas last week a chart showing the percentage of the Federal budget going to military defense spending. About 17 percent of our budget is now going to military defense spending. In 1962—not all that long ago—it was nearly 50 percent going into our military budget.

I noted that the amount we invest in the military—which does the very basic thing we are called on to do, which is to provide for the common defense—is going to need to go up if we are going to continue the far-flung operations that the United States is involved in around the world. We cannot maintain this pace in this many places on this budget.

That is all they are asking. They are saying: I will put my life on the line, I will subject my family to this, I believe in the United States, and I believe in our cause, but, gosh, can't you help us out a little bit? Can't you make sure that people aren't on food stamps? Can't you address some of these issues? And we should.

This is a bill to help some of those people. Some Members may have conflicting opinions on our involvement in Kosovo, but we can all agree that our service men and women should not be penalized for their service to our country. We owe them a debt of gratitude for risking their lives to represent our country. Our soldiers defend the liberties we hold dear, and we should not be arbitrarily penalizing them in our Tax Code for their work to protect our country.

With that, I say to my colleague from Georgia I am very appreciative of the bill the Senator has put forward, of the effort to recognize the needs of our people in uniform. I support wholeheartedly this bill and say God bless to our soldiers who are in uniform and in harm's way today.

I yield the floor.

Mr. COVERDELL. Mr. President, I thank the Senator from Kansas for his support and for his observations of his visit with the troops about to depart. That is always an emotional time.

I think it is worthy to note that of every discussion—and there has been considerable debate about this operation—one thing for which there is no debate is the loyalty, the dedication, and the precision with which these troops have exercised what their Government told them to do. That loyalty and that desire to do it, do it well, and do it right, cannot go unnoticed by anybody who is in their presence. I am glad the Senator referred to that particular incident.

How much time remains on our side?

The PRESIDING OFFICER. The Senator has 12½ minutes.

Mr. COVERDELL. I will not need the 12½ minutes. I do want to reiterate that this legislation does three very specific things to bring comfort to our troops in the combat zone. It exempts all U.S. troops serving in the Yugoslavian theater of operations from being taxed on their hazardous duty pay. They will not be taxed on that. Hopefully, that will help them deal with the extra costs related to performing this duty.

No. 2, it will grant a 180-day filing extension for their 1998 income tax return, and the 180 days begins on the day they leave the combat zone.

Third, it exempts our troops from the 3 percent excise tax levied on long-distance telephone calls.

We will notify the Pentagon, as I said, later this afternoon, and hope they will assist us in making sure the troops in the operation theaters are aware of this so it can help bring some comfort. I know all of us in America understand the confusion that surrounds tax day. I have been on the phone about five times. So, I hope mitigating that pressure will be of help and make it a little easier for them as they perform the missions they have been assigned by the United States of America.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. COVERDELL. Mr. President, I ask unanimous consent that all time be yielded back with respect to S. 767.

The PRESIDING OFFICER. Is there objection?

Mr. BAUCUS. Mr. President, how much time is allocated on this side?

The PRESIDING OFFICER. There remains 30 minutes.

Mr. BAUCUS. Is the Senator asking that all time is yielded?

Mr. COVERDELL. It was my understanding all time was to be yielded on the measure. I am sorry. I yield back all of our time.

Mr. President, it is my understanding the House bill will arrive at approximately 4:15. A rollcall vote will occur on passage of this bill as soon as it arrives from the House.

In the meantime, following the statement of the Senator, I ask unanimous consent there be a period of morning business with Members limited to 10 minutes each, with the exception of Senator ROTH for up to 30 minutes and Senator GRAMS for up to an hour.

Mr. BAUCUS. Parliamentary inquiry. When the Senator refers to "this bill," is he referring to the House-passed bill?

Mr. COVERDELL. Yes.

The PRESIDING OFFICER. Is there objection?

Mrs. BOXER. Reserving the right to object.

The PRESIDING OFFICER. The Senator from California.

Mrs. BOXER. Mr. President, I just wanted to make a brief statement in support of this move to help our service men and women and to point out that I tried to amend the Senate bill with a very straightforward sense of the Senate which just said we should ask the Pentagon to ensure, if there are parents of minor children called up and both are sent to combat, that they do everything in their power to ensure that one of those parents is not actually in combat.

Unfortunately, as the Senator from Georgia said, there was objection for some reason to this approach. I just want to say again, I do not understand that. We passed something very similar during the gulf war. We care about the tax burden of our men and women in uniform, and we should. How about caring about their families, their children?

Many of us have seen "Saving Private Ryan," or know the story. I cannot understand why we could not simply amend the Senate version of this bill with this very simple sense of the Senate asking the Pentagon to do what they could to ensure a mother and father were not sent into combat leaving behind a small child.

Having said that, I hope I can bring that up in the future as a freestanding measure, and I certainly do support the House bill that is coming over to give our people relief. They deserve it and they also deserve protection for their children, should a husband and wife be called into combat.

Mr. President, I will not object to us yielding back the time.

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

Mr. BAUCUS addressed the Chair.

The PRESIDING OFFICER. The Senator from Montana.

Mr. BAUCUS. Mr. President, I am very pleased the House Ways and Means Committee began to act on this issue by passing this bill and the bill passing the full House will come over to the Senate, which we can also then pass. Clearly, our service men and women, particularly those in harm's way, deserve all the support we can possibly give them. The provision we are now discussing which releases them of income tax liability during the time they are serving in a zone of danger, particularly in Kosovo, is the very least we can do.

Similarly, the provisions in the bill coming over from the House which provide for all men and women on active duty wherever they may be serving overseas to get the 60-day extension, and also have penalties potentially against them for late filing waived—that, too, is very important. Mr. President, I think it is the very least we can do at this point.

In addition to our service men and women, there are also other Americans in harm's way in the war zone, performing above and beyond the call of duty. I am talking about employees of the State Department. I am talking about other groups of people over there, serving, doing their utmost, who are in equally dangerous situations. At some future point I believe they also deserve due recognition in the same way as our military. We support our Americans. We deeply support our fellow Americans serving in the Balkans. I am very pleased the House has acted, and the Senate will be acting very soon.

I might say, I am also pleased the House approached this matter in the proper way. That is, they brought it up in the House tax-writing committee, the Ways and Means Committee, where the bill was discussed. It was marked up in the committee and then went to the House floor. That is the preferable way of doing business.

In this case, there was an attempt for a bill to be filed at the desk and then brought up directly on the floor on this issue, not going through the Senate tax-writing committee, the Senate Finance Committee. I hope we go back to the usual course of business as a general rule where tax bills go through the Finance Committee before they are brought to the floor. I say that because the legislation will be much better. It will be thought through. There is a chance to correct mistakes. There is a chance to add on measures that should be added on or subtract out measures that should be subtracted out.

Having said that, obviously time is of the essence in this case, and the House Ways and Means Committee has acted; that is, the authorizing committee in the other body did act so we did have at least that assurance this has been looked at with some considerable examination.

I will be very pleased when the House bill comes over. We will be able to vote on it. That will probably be within the hour. As I said, I hope after we do that we can give also the same kind of thought to other Americans who are also serving in the zone who are also sacrificing to a great degree in serving our country.

I yield the remainder of our time.

(Pursuant to the order of April 14, 1999, the bill (S. 767) was returned to the Calendar.)

MORNING BUSINESS

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Delaware.

Mr. ROTH. I thank the Chair.

(The remarks of Mr. ROTH, Mr. BIDEN and Mr. KENNEDY, pertaining to the introduction of S.J. Res. 19 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

(The remarks of Mr. ROTH and Mr. GRAMS pertaining to the introduction of S. 815 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

The PRESIDING OFFICER. The Senator from Georgia.

KOSOVO POLICY

Mr. CLELAND. Mr. President, it is my privilege to speak on the question of Kosovo and our military and political goals there. In working with my staff to put together some background and understand the history of that region, I came across an interesting fact, because I value history. What is it Winston Churchill once said? How do you know where you are going unless you know where you have been?

I find it fascinating, after 146 B.C., the Roman Republic was the world's only superpower—that sounds familiar—following the destruction of its long-time superpower rival, Carthage. This Roman triumph created a tremendous expansion of Roman territory, wealth, and influence and, not coincidentally, an expansion of Roman involvement in local conflicts far removed from Italy.

One such intervention involved the Northern African kingdom of Numidia, where Rome became entangled in a seccession struggle in 112 B.C., with the Roman Senate declaring actually war against Jugurtha, the leading contender for the Numidian throne. What followed is fascinating. It is described in a book called the ''Anatomy of Error: Ancient Military Disasters and Their Lessons for Modern Strategists.''

I think there are some lessons here for us, particularly as we view Kosovo today.

Viewed from a modern perspective, North Africa in the age of Jugurtha was in many ways Rome's Vietnam. The Jugurthine War is the story of the failure of the Romans to find a strategy that would determine the appropriate level of force needed to maintain sound and stable foreign policy.

> The Romans should have learned to operate according to the rules that Clausewitz later laid out in his book ''On War'': that war is always to be regarded as the pursuit of policy by other means and that strategy is the art of using exactly the appropriate amount of force to accomplish the ends of the policy. The Romans never had a clear policy in Numidia.

This is something we have to avoid in Kosovo. We need a clear policy.

> Thus the Romans never had a rational strategy for winning the war.

Another mistake we have to avoid.

> As a result, they poured a massive amount of military force into the region and accomplished worse than nothing.

Mr. President, we can't accomplish worse than nothing in Kosovo. We have to accomplish something of which we can be proud. The horrifying scenes unfolding in and around Kosovo today are indeed a sad recap of many of the worst images of our 20th century: Massive refugee flight to uncertain futures, civilian casualties, large numbers of destroyed homes and shops and communities, ethnic intolerance, and hostilities fanned by demagogic political leaders.

The hearts of Americans and people around the world have been truly touched by the incredible tragic plight of the Kosovar Albanians who have been the primary victims of the incredible, reprehensible, so-called ethnic cleansing policies of Milosevic.

This is also a difficult situation. There are no easy answers, and any choice the President makes and, indeed, any choice the Congress makes is fraught with danger. Part of this, I think, is the world in which we live, not a new world order but a new world disorder.

The post-cold-war order is one of disorder. The two administrations which have confronted the post-Soviet Union world, the Bush and Clinton administrations, have grappled mightily with the complexities of this new age in foreign places, much like the Roman Empire, foreign places like Iraq, Croatia, Bosnia-Herzegovina, Somalia, Haiti, and now Kosovo. Almost every step in these areas has been subjected to questioning and controversy before, during, and even after the operation in question.

The decision to authorize the use of airstrikes against Serbia was one of the most difficult decisions I have ever had to make. I have felt in the weeks since much like President Kennedy described himself. He said he was an optimist with no illusions. I am an optimist. I am an idealist. I want to take the high ground. I thought that NATO and America needed to act, and act then, and airstrikes was our best option. Maximum impact on Milosevic, minimum impact on us. But it was a tough decision to make, and I am under no illusion that this is going to automatically get us to where we want to go in terms of our policies in the Balkans.

May I say that we have a major humanitarian interest in providing effective relief for the refugees and preventing further atrocities against civilians by the Milosevic regime. We certainly have a strong interest in stopping the spread of this conflict to the surrounding countries in this historically unstable region.

I find it interesting that the century opened in 1914 with a Serb nationalist assassinating Archduke Ferdinand and that led to the guns of August in 1914. We have to make sure that the current Milosevic-misled nationalism does not lead to the guns of 1999.

Unfortunately, I think that no real military, or so far diplomatic, approach we have come up with can really fully guarantee our goals in the Balkans. Despite my concern about our long-term policy in Kosovo and the Balkans, the Senate was asked to vote at a point when NATO had already united in favor of airstrikes. American troops were poised to embark on their mission and the credibility of American commitments was on the line.

Under these circumstances, I felt that we must not send a signal of disunity to Milosevic, to our NATO allies, to the President, to our own people.

While these circumstances dictated my vote for airstrikes, by no means—and I have made this clear—by no means does this indicate my giving a green light for an open-ended, ill-defined, deeper commitment of American military force in Kosovo, especially the introduction of American ground troops.

Mr. President, I was on the ground in Vietnam 31 years ago. I don't want this generation to repeat that experience. We do not need an open-ended, ill-defined commitment of American ground forces in the Balkans. I hope and pray that we can avoid that.

I hope and expect that any such future expansion of military might there would be thoroughly discussed and debated in our country and within NATO before it is undertaken, not after the decision has been already made. I oppose American ground troops in Kosovo. I think this would represent further intervention in that civil war within internationally recognized borders, Yugoslavia. I think it would be in pursuit of objectives which are not vital to the United States or NATO and would do little, frankly, to secure the long-term interests that we do have in the Balkans—stability and economic prosperity.

The distinguished Senator from Kansas, Mr. ROBERTS, has often cited the following quotation from one of my personal heroes, Senator Richard Russell. It is an honor I cherish that I hold his seat in the Senate and his seat on the Senate Armed Services Committee. Senator Russell 30 years ago in this Chamber, while I was in Vietnam, said this:

> While it is a sound policy to have limited objectives, we should not expose our men to unnecessary hazards of life and limb in pursuing them. As for me, my fellow Americans, I shall never knowingly support a policy of sending even a single American boy overseas to risk his life in combat unless the entire civilian population and wealth of our country—all that we have and all that we are—is to bear a commensurate responsibility in giving him the fullest support and protection of which we are capable.

Mr. President, it has been my honor to visit some of the troops and facilities in Georgia that are supporting our efforts in Kosovo and the Balkans and in western Europe, some of the troops in Fort Stewart, troops at Robins Air Force Base. I know what it means to be a troop out there committed on behalf of this country and to have this country divided. It is not fun. It is not what we want to repeat. And with air operations now ongoing, with Americans soldiers, sailors, airmen, and marines in harm's way, our thoughts must turn to them as they tackle a very complicated and very risky mission. Our prayers are with them, and we pray for their safe return in every way.

As with every American military deployment, there are risks. That is why I have chosen to visit some of the places in Georgia that have sent young men and women into harm's way, including the 93rd Air Control Wing of JSTARS Aircraft out of Robins Air Force Base; the 19th Air Refueling Group of KC135R Aircraft—which participated, by the way, in the rescue of our downed stealth fighter pilot—also out of Robins; and the 94th Airlift Wing of the C–130 transports out of Dobbins Air Reserve Base, not to mention the numerous other Georgia citizens serving in our deployed forces in the Balkans.

My primary purpose today is to look beyond the military phase at our Balkans policy and ahead to the elements which I believe we must consider if we are to have a truly successful exit strategy. I said today in our hearings that there is one thing a Vietnam veteran does not like to hear and that is "no win." There is another thing and that is "no exit." Put those together and that becomes a tragedy: "no win, no exit." We can't have that situation in the Balkans. We need a successful exit strategy which produces a long-term, stable, and humane outcome, one which also will allow our service men and women to come home safely from the Balkans without having to return again. I believe we ought to have a full debate on our exit strategies now, and not just on exit strategies, but on what constitutes victory. I think we still have to nail that down. But certainly we ought to talk about not just how we get in and what we do there, but how do we get out.

Even while military operations are still underway, we must not repeat the mistakes the Romans made in the Jugurthine war, or the mistakes we made in the Vietnam war—pursuing both "no win" and "no exit" at the same time.

In spite of substantial disagreements about the appropriate ways to go about our goals in the Balkans, I think there is some consensus in this country and in NATO regarding our ultimate goals:

1. An end to atrocities in Kosovo.
2. Effective relief for refugees.
3. A negotiated political settlement, in terms of the status of Kosovo.
4. Stability throughout the Balkans, including Kosovo, Bosnia, Macedonia, Albania and Montenegro.

Another important goal, it seems to me, is an end to the U.S. and other NATO country force deployments in the Balkans, in other than a legitimate peacekeeping rather than warmaking role.

Any effective exit strategy must indicate how we can achieve these ends, including the costs for doing so and also the costs for not doing so. Our involvement in Bosnia has cost us $10 billion already. I understand that the price tag, through October, for our involvement now in Kosovo will cost some $8 billion. We owe it to both the people in the region, as well as to our own service men and women, to determine what price we are prepared to pay in order to make their sacrifices in the military operations they are involved in worthwhile in the long run. Otherwise, we may actually "win the war," but "lose a peace" by failure to pursue the nonmilitary policies necessary to attain our key objectives.

I think it is important for me to quote one of my heroes, Walter Whitman, who said about the Vietnam experience that the battles we fight we may win, but the battles we fight can't win the war. One of the things I fear most about Kosovo and further military action in the Balkans is that we win those battles, but those battles can't help us bring about the ultimate goals we seek. I am afraid there is a massive disconnect there between the two, and I am afraid that is going to pull us into a deeper and more prolonged war.

In that spirit, I want to offer some preliminary ideas, some key elements that I believe must be part of an exit strategy.

First of all, we must develop a comprehensive, long-term plan for refugee relief and resettlement. I am not sure if I were a Kosovar Albanian that I would ever want to go back to that part of the world. I would certainly probably not want to go back as long as Milosevic was in power. It is one thing to announce the appropriate goal of the return of all the Kosovar refugees to their homes, but how many will really want to go back? Is it really possible to put Humpty-Dumpty back together again? Is it possible to put together Kosovo as it was before the war? It may not be possible. It is another thing to realize reality and put together a set of policies necessary to deal with the real life situation in which many—perhaps most—of the Kosovar Albanians exist today:

1. They don't have homes.
2. In many ways, they are dispossessed and don't have a country.
3. They don't have jobs.
4. They don't have functioning communities to return to.

While the European members of NATO and other nearby nations have a great stake in the refugee population resettlement, it is the greatest obligation we have here in the United States, too. We have a significant responsibility. I believe the administration and Congress must develop a substantial aid package now to demonstrate clearly that we are fully committed to successfully working on the refugee crisis. It may be years before that crisis is resolved. The sooner we get to work on it, the better.

Secondly, in terms of a successful exit strategy out of the Balkans, we must be prepared to address, as part of any lasting solution to the problems in Kosovo and the Balkans, the economic devastation which exists in much of the entire Balkan region, much of which has been brought about by Milosevic himself in making war on the Slovenians, the Croats, the Muslims, and now on the Kosovars. Much of this devastation has been at his

hands and under the barrel of his guns. This devastation is not something that can be overcome overnight. It is my view that there is little prospect for lasting reconciliation between the peoples and nations of the Balkans until there is some degree of economic recovery. People aren't going to return to homes that exist in communities that don't function. They are not going to return to places where there are no jobs, no schools, no education, and no hope. So much of the Balkans now is in that condition.

Given the depth of the problem, we are looking at a project which is almost certainly to be far more lengthy than the financially costly refugee problem. Again, Europe must take the lead, but the United States has to play a part as the international community leader, which it is. We have a stake in the stability of the Balkans, and this is one of the areas that we need to address. We need to begin now considering under which conditions we will offer economic reconstruction aid to the Balkans.

Third, in terms of a successful exit strategy, we have to begin laying the groundwork for an international conference to determine a mechanism for a final settlement not just of the Kosovo problem and allowing the will of the people in the Balkans to determine their fate, but we have to do that for Bosnia as well. I think the only way out of our dilemma in the Balkans is negotiating a settlement acceptable to as many parties as possible. It is the only outcome I can see that would help us achieve some lasting peace in the region.

Fourth, in terms of a successful exit strategy, all of these efforts that, as I mentioned, revolve around Kosovo have to be applied to Bosnia as well. American forces have been enforcing an uneasy peace in Bosnia since 1996. Many of those refugees displaced in the Bosnia war have not returned to their homes. The costs continue to mount to this country and NATO, and no clear end is in sight.

I find it fascinating that the great powers of Europe, after World War I, in 1918, help set up the Balkans, help structure it as it is today. As a matter of fact, in terms of Kosovo, the Russians helped prevail upon the great powers of Europe to take Kosovo away from Albania and give it to Serbia. It is now part of Serbia. I think we need an international conference to resolve some of these dilemmas that have resulted from a century-old set of solutions that may not any longer apply.

Fifth, for any successful exit strategy, and for any settlement or resettlement to stick, Serbia must be reconciled to its neighbors and to the NATO countries. Clearly, the chief source of the most immediate problems in the Balkans, the massive human rights violation in Kosovo, is the Serbian regime led by Milosevic. He stands condemned before history and humanity.

I am confident that he will ultimately be held accountable for his actions—not just by an international tribunal but by the civilized world. However, we must be very careful that, in painting Milosevic as the enemy, we not demonize the Serbian people. After all, Serbia is the only part of the former Yugoslavia which fought as our allies in both of the world wars of this century. We must make a concerted effort to reach out to the Serbians to make it clear that our quarrel is not with them; it is with Milosevic and his actions.

Sixth, as a vital part, a key part of an exit strategy, we must thank those who fought the war. We must redeem our pledges to the men and women in our Armed Forces who are, once again, being asked to put their lives on the line to implement American foreign policy. Our service men and women, and their families, are, once again, the ones paying the price for the policies we make here in Washington. They are on the point of the sphere. If we policymakers are going to continue to put them in harm's way, surely we can appropriately provide for the men and women and their families who depend on them.

This body passed overwhelmingly S. 4, a marvelous measure to increase pay and improve pension benefits under the G.I. bill. I was proud to be part of that effort, and we need to make sure that the effort passes the House and is signed into law.

It is interesting, as we find ourselves exiting the 20th century and going into the 21st with another situation in the Balkans. Hopefully, we can a avoid the guns of 1999 and move towards a more peaceful resolution of our problems. Hopefully, we have learned some things through the years. But, interestingly enough, we have a new role going into the 21st century and will face very few self-imposed restraints on our actions. Therefore, perhaps more than at any time in our Nation's history, it is imperative that both Congress and the executive branch focus clearly on defining our national interest and developing policies to effectively and appropriately protect and promote those interests. Even with our current unparalleled power and influence, I think it would be wise to heed the words of President Kennedy in 1961. He said about us in this country:

> And we must face the fact that the United States is neither omnipotent or omniscient, that we are only 6 percent of the world's population, that we cannot impose our will upon the other 94 percent of mankind, that we cannot right every wrong or reverse every adversity, and that therefore there cannot be an American solution to every world problem.

Mr. President, I was laying on a beach in Miami getting ready to go to basic training at Fort Benning in the summer of 1963 and heard a marvelous speech on my little transistor radio. I can remember the technology in those days. That was high tech in those days.

I remember that President Kennedy spoke at American University on June 10, 1963, in a marvelous address. And he said, ''We don't want a Pax Americana.'' That is not what we want to look for as we enter the 21st century. We don't want a Pax Americana. We don't want America to keep the peace all over the world. It is not our role. It is not our job. And we have to realize that it is not necessarily an American solution to every problem in the world.

But the challenge for the post-cold war world for us is to learn from the Jugurthine War that, consistent with our national interests and our values, we ''find a strategy that would determine the appropriate level of force needed to maintain sound and stable foreign policy.''

The post-cold-war world of disorder makes the development of a bipartisan national security consensus especially relevant. We have often said, and really meant, I think, that politics must stop at the water's edge. But we need more now. I believe we need to redouble our efforts to open real dialog here within the Congress and with the administration and with the American people to discuss the fundamental role of America's power in the world as we begin the 21st century. Kosovo challenges us to define that policy now. For the dialog to be meaningful, we must be sure that policymakers, including Members of Congress, have timely and sufficient information to actually allow us to make informed decisions before we get so deeply committed in a military excursion that challenges American credibility.

I had a hand last year in working with the wonderful Senator OLYMPIA SNOWE and PAT ROBERTS in some efforts to enact in the last Congress and to seek to require the administration, the President whenever the President committed some 500 troops abroad, or asked for money for a contingency force to be sent somewhere in the world, this requirement that Senator SNOWE and I put together and Senator ROBERTS put together in the appropriations bill and in the authorization bill, requires the administration, when they do those kinds of things, when they make those kinds of commitments, to come before the Congress up front and early and explain why we are committing our forces abroad, what the military application is, and what the exit strategy is.

Unfortunately, I am afraid these amendments went by the wayside and we don't have the kind of information up front and early that we need. I will be working with Senator SNOWE and Senator ROBERTS to strengthen our legislation so that the Congress can get in, in terms of military commitment, on the take off as well as a potential crash landing.

Let me just say that we need to adhere to the basic dictum of Clausewitz that we must know in terms of military commitment, the last step we are going to take before we take the first step. If I had any one red-letter piece of advice to give our policymakers here in

Washington, that will be it. Let's make sure we fully understand the last step we are going to take before we take the first step. It is so easy to get into war; it is so difficult to get out.

There is, obviously, much more to be done in formulating an effective approach to defining the proper guidelines, objectives, and policies for American foreign policy in today's world. We must successfully resolve the debate about NATO's mission statement: Is it going to participate in more offensive operations, or is it going to continue to be a defensive alliance primarily? Are we going to admit more members? Is this a good idea, or a bad idea?

The members of NATO are coming to Washington in a few days. I think we ought to engage in that discussion with NATO, because we have to figure in the relationship with our friends and our allies, because those relationships affect our relationship with other countries.

Our relationship with Russia, for instance—Russia, for all of its troubles, is still the only nation possessing the means to really threaten our physical security. And China? What about China? China, I think, might pose perhaps the greatest policy challenge to us as we enter the 21st century.

Clearly, there is much work to do. But it all starts with the correct articulation of national interests—what is vital to our national interest and what is not, and particularly in terms of the commitment of American young men and women abroad.

For all the challenges and difficulties facing us today, I would like for us to consider the other words spoken by President Kennedy in that 1963 address, on June 10, at American University. He spoke during the height of the cold war. President Kennedy put it this way:

> World peace, like community peace, does not require that each man love his neighbor; it requires only that they live together in mutual tolerance, submitting their disputes to a just and peaceful settlement. And history teaches us that enmities between nations, as between individuals, do not last forever. However fixed our likes and dislikes may seem, the tide of time and events will often bring surprising changes in the relations between nations and neighbors. So let us persevere. Peace need not be impracticable and war need not be inevitable. By defining our goal more clearly, by making it seem more manageable and less remote, we can help all peoples to see it, to draw hope from it, and to move irresistibly toward it.

I yield the floor.

Mrs. LINCOLN addressed the Chair.

The PRESIDING OFFICER (Mr. ROBERTS). The distinguished Senator from Arkansas is recognized.

Mrs. LINCOLN. I thank the Chair.

MORTGAGE DEDUCTIONS

Mrs. LINCOLN. Mr. President, on tax-filing day, it is customary for Senators to note the many difficulties that taxpayers have complying with a complex and unwieldy tax system. I plan to highlight some problems with the system later today. But I do think it is important, however, to note that some aspects of our system have worked very well.

Since the Internal Revenue Code was enacted in 1913, the tax system has provided a deduction for mortgage interest. The mortgage interest deduction is one of the simplest, most widely available, and most widely understood of all the provisions in the Code.

What is important about the deduction is the support it provides for a goal that is of paramount importance to all Americans—Homeownership. Just five years ago, the rate of homeownership was declining in our country. Beginning in late 1997, however, the rate of homeownership began to climb, so that now, a record number of American families own their own homes. For the first time in our history, two-thirds of all households own their own homes. Where has the growth in homeownership been most evident? Every age group has expanded its ownership, and, even more importantly for the future of our country, the two categories of homeowners that have seen the greatest rates of growth are first-time homeowners and minorities. It is also notable that within 6 years of naturalization, foreign-born individuals achieve the same rate of homeownership as the nation at large. This is a great achievement that shows that the American Dream is alive and well.

When asked why they want to own their own homes, Americans in all parts of the country note that ''Owning my own home is the American dream. That is what it all boils down to, that I own my own home.'' They do not buy a home to get tax breaks. They buy a home to attain a sense of community. Neighborhoods that have a high rate of homeownership have high rates of voting, participation in schools, and lower crime rates.

It seems that we all complain a great deal about the complexity of the tax system. I think that a great deal of this tax code ridicule is justified. The U.S. Tax Code now consumes more pages than eight Bibles. It is generally too complicated and unfair for most taxpayers. I too believe that the tax code must be streamlined but only while preserving important taxpayer deductions such as the home mortgage deduction. It is important to note that, as far as the tax code goes, one of the easiest steps in the computation process is the mortgage interest deduction. Unlike many more recently created tax breaks, the mortgage interest deduction presents no difficult formulas, calculations, or income limits for taxpayers who utilize the deduction. The lender simply provides the interest and property tax amounts to the homeowner on a Form 1098. The taxpayer then simply transfers these two numbers from the form on to their tax return.

Among the taxpayers who itemize their deductions, 28 million used the mortgage interest deduction in 1995, the most recent year for which statistics were available. In that group, 71% had incomes below $75,000, and 42% had incomes below $50,000. Clearly, the mortgage interest deduction is a significant benefit for middle class taxpayers.

Homeownership is a cornerstone of American life. The tax code has always supported that goal and facilitated the great achievements we have made. The stability and simplicity of the tax policies supporting homeownership have played a crucial role in the progress we have made in keeping the American Dream alive.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call.

Mr. McCAIN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

EXTENSION OF CERTAIN TAX BENEFITS

The PRESIDING OFFICER. Under the previous order, the clerk will report.

The legislative assistant read as follows:

> A bill (H.R. 1376) to extend the tax benefits available with respect to services performed in a combat zone to services performed in the Federal Republic of Yugoslavia (Serbia/Montenegro) and certain other areas, and for other purposes.

The Senate proceeded to consider the bill.

Mrs. BOXER. Mr. President, I rise in support of the military tax-filing fairness bill that passed the Senate earlier today. This is an important signal of support to send to our troops in the Balkans as they fight against the forces of ethnic cleansing, mass murder, and genocide. All Americans should be proud of the dedication and professionalism shown by our military personnel in the ongoing NATO operation.

While I am very pleased that we were able to pass this legislation, I am disappointed that I was unable to offer an amendment that would call on Secretary Cohen to do everything in his power to ensure that both parents in dual military couples are not deployed into a combat area.

As the number of United States personnel slated for the Balkans increases—and as there is an increased possibility of a Reserve call-up—I am concerned that situations may arise where children will have to watch both of their parents deployed in combat. It is difficult enough for children to watch one parent go off to war. It is unacceptable that they should have to see both of their parents put in harm's way.

I hope that we will have the opportunity to discuss this matter further

and to come up with a solution that protects our children while maintaining our military effectiveness.

Mr. McCAIN. Mr. President, I ask for the yeas and nays on the pending legislation.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on the third reading of the bill.

The bill was read a third time.

The PRESIDING OFFICER. The question is, Shall the bill pass? On this question, the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Colorado (Mr. CAMPBELL) are necessarily absent.

Mr. REID. I announce that the Senator from California (Mrs. BOXER) and the Senator from Vermont (Mr. LEAHY) are necessarily absent.

I also announce that the Senator from New York (Mr. MOYNIHAN) is absent due to surgery.

I further announce that, if present and voting, the Senator from Vermont (Mr. LEAHY) and the Senator from New York (Mr. MOYNIHAN) would each vote ''aye.''

The PRESIDING OFFICER (Mr. SANTORUM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 0, as follows:

[Rollcall Vote No. 87 Leg.]

YEAS—95

Abraham	Feingold	Mack
Akaka	Feinstein	McCain
Allard	Fitzgerald	McConnell
Ashcroft	Frist	Mikulski
Baucus	Gorton	Murkowski
Bayh	Graham	Murray
Bennett	Gramm	Nickles
Biden	Grams	Reed
Bingaman	Grassley	Reid
Bond	Gregg	Robb
Breaux	Hagel	Roberts
Brownback	Harkin	Rockefeller
Bryan	Hatch	Roth
Bunning	Helms	Santorum
Burns	Hollings	Sarbanes
Byrd	Hutchison	Schumer
Chafee	Inhofe	Sessions
Cleland	Inouye	Shelby
Cochran	Jeffords	Smith (NH)
Collins	Johnson	Smith (OR)
Conrad	Kennedy	Snowe
Coverdell	Kerrey	Specter
Craig	Kerry	Stevens
Crapo	Kohl	Thomas
Daschle	Kyl	Thompson
DeWine	Landrieu	Thurmond
Dodd	Lautenberg	Torricelli
Domenici	Levin	Voinovich
Dorgan	Lieberman	Warner
Durbin	Lincoln	Wellstone
Edwards	Lott	Wyden
Enzi	Lugar	

NOT VOTING—5

Boxer	Hutchinson	Moynihan
Campbell	Leahy	

The bill (H.R. 1376) was passed.

● Mr. HUTCHINSON. Mr. President, if today I were not in my home state of Arkansas, I would surely be on the floor of the Senate casting an affirmative vote for H.R. 1376. I believe this Congress should pass this important legislation unanimously, so that it can be quickly sent to the President for enrollment into public law.

Any time the men and women of our great country choose to wear our nation's uniform, they are making a statement. They are saying that principles like duty, honor and freedom are more important than personal gain and personal comfort. Any reasonable action the Congress can undertake to ease the Federal burden weighing on our soldiers, sailors, airmen and marines is one that should be considered and acted upon quickly.

Recognizing the area around Kosovo, where our military is deployed under orders from the President, as a hazardous duty area for Internal Revenue code purposes will grant service members a small degree of relief. Allowing service members an additional 180 days to file their federal income tax return, and exempting a portion of their income from taxation may be only a small gesture of support, but it is one that has already been earned.

I will continue to keep the men and women participating in Operation Allied Force in my thoughts and prayers, and I look forward to their safe and speedy return.●

Mr. GRAMS addressed the Chair.

The PRESIDING OFFICER (Mr. SMITH of Oregon). The Senator from Minnesota is recognized.

Mr. GRAMS. Mr. President, may I ask the order of business on the floor?

The PRESIDING OFFICER. The Senator has 60 minutes.

Mr. GRAMS. Thank you, very much.

TAX DAY, APRIL 15

Mr. GRAMS. Mr. President, I just want to take a little time to talk today, because today is, of course, the infamous April 15 tax day. I know a lot of Americans are out there still working at the kitchen table at this time, working the pencils, trying to wade through thousands of pages, or at least dozens of pages, or all of the forms that they have trying to figure out their income tax by tonight. There are going to be long lines as people use every last minute to try to get this tax that they owe to the Federal Government in order. So that is the day that I think most Americans dread. That is April 15.

For many American taxpayers, it is this usual routine. By this time there are only a few hours left to complete their tax form before midnight. They are going to be rushing to the Post Office. They are going to find themselves on the late night news as their local TV stations are showing footage of all these last-minute filers dropping the envelope into the mail slot to at least meet the filing deadline and finally be done with this.

But even for those who file early, those who aren't going through all of this turmoil tonight, tax season, of course, is full of stress. Not only do we wade through endless paperwork but we also come face to face with the reality of just how big a bite Uncle Sam takes from us every year.

Mr. President, have we ever really stopped to wonder why it needs to be this way? Do we stop to consider better alternatives to the current tax system? It sure doesn't make a lot of sense to me, because our current Tax Code is outdated. It makes our tax system among the least efficient. It makes our tax system among the most oppressive in the world. Everyone knows this. And, yet, it seems to get worse every year, and we don't do anything about it.

When we have tried to give a little tax relief, or reform some of the Tax Code, what we have done is made it more complicated and added hundreds of pages. So we have made the tax system even worse in an effort to try to reform it and make it better.

Congress, of course, is the first in line to blame because of this. Thanks to a Government that does not know when to stop spending, tax collections have grown faster than our economy has grown in the past 5 years. And tax collections have grown twice as fast as the income of working Americans. So the Government is growing faster than Americans' working income. Hikes in the personal income tax—and particularly the increase in the effective tax rates—have propelled this increase in revenue.

As Americans are working harder to try to earn a little bit more money, our tax system is taking more away from them in doing so because our tax system pushes more of them into the higher tax brackets.

Since 1993, just 6 years ago, Federal taxes have increased for average workers 54 percent, which for the average taxpayer translates into about a $2,000 per year tax increase. So, if you look back at what you were paying on average in 1993 compared to what you are paying in taxes to the Federal Government today, the Federal Government is taking $2,000 a year more in taxes. As a result, Americans today have the largest tax burden, even more than in World War II, and it is still growing.

Federal taxes now consume nearly 21 percent of the national income. Twenty-one percent of everything produced in this country goes to Federal taxes. That is compared to just over 18 percent in 1992. So, again, over the last 6 years, Government has taken 3 percent more of national income than in 1992.

A typical American family today, when we say they are at the highest tax rate in history—even more than paying off and fighting in World War II—the typical American family today is paying 40 percent of its total income in taxes, more than the family spends on food, clothing, transportation, and housing combined. So they are spending more to support Uncle Sam than they are supporting their families with the necessities. And compare that to the average tax rate of only 2.75 percent in 1916 when Congress first got the

authority to level income taxes from 2.75 percent in 1916 to over 40 percent for the average family today taken by Government.

Another comparison worth noting is that Tax Freedom Day, the day that Americans can stop working for the Government and begin working for the families: If you start working on January 1, how long into the year do you have to work to make enough money to pay the taxes that you will be responsible for for that year? For families, it was May 13 last year. Americans that started working January 1, worked until May 13 to pay their taxes, the latest date ever in history. In 1915, in comparison, Tax Freedom Day was April 3. It will probably set another record this year.

Despite a huge budget surplus over the next 10 years, the President, in the White House budget, has failed to offer even a single significant tax cut for working Americans. Instead, this administration's most recent budget proposes to increase taxes by at least $50 billion over the next 5 years. Even during a time of prosperity and surpluses, that is not enough for the appetite of this administration when it comes to spending. They are going to increase taxes by at least a net $50 billion over the next 5 years, $90 billion over the next decade.

The good news is that the budget blueprint that we passed today on the Senate floor is reserving nearly $800 billion of the nonSocial Security surplus. That is important. We are not taking any money out of Social Security dollars to use for any kind of tax relief but $800 billion of nonSocial Security surplus over the next 10 years for tax relief.

There are basically two streams of surplus coming into Washington: One is from payroll taxes, the Social Security money; the other is from overcharging on income taxes. We are setting aside in our lockbox the $1.8 trillion in overpayment on payroll taxes or Social Security and locking that away so it can't be spent or used for anything but Social Security.

The big debate is over what we will do with the other $800 billion, about 38 percent of this budget surplus. Again, the President wants to spend it, and more, over the next 10 years. We are saying it is an overcharge that should go back to the taxpayers. For Washington, this is a surplus. This is not money that Washington is entitled to. It is like finding a wallet on the sidewalk. If it has $100 in it, you can do one of two things: You can keep the money, and that would be stealing; or you could find the rightful owner and give it back. That is what Washington has done. It found the surplus and it can do one of two things: It can keep it and spend it, which would be stealing it from the taxpayers; or it can send it back to the rightful people, the taxpayers.

Our $800 billion of nonSocial Security surplus over the next 10 years for tax relief would be the largest tax relief since the Reagan tax cuts of the 1980s. The Reagan tax cuts in the 1980s were about $1.4 trillion over 5 years in today's dollars. This is about half and it is over twice as long. This is about 25 percent of what the Reagan tax cuts were in the 1980s, but it is something that we need to make an investment in in our society. It is like investing in research and development. We need to invest money into the economy in order for the economy to continue to grow and to produce the better jobs and the better wages that we need. We have had this unprecedented expansion in our economy over the last 18 years and most of the credit goes to the seeds that were planted with the Reagan tax cuts in the early 1980s that spurred this economic growth.

I think that our commitment to set aside another $800 billion over 10 years to go back into the form of tax relief, investment in consumers, investment in the economy proves that this Congress is committed to providing meaningful tax relief in 1999 and, again, providing tax relief while protecting Social Security, protecting Medicare, reducing the national debt, and also funding important national priorities as well.

Whatever form the tax relief eventually takes, whether it is my 10-percent, across-the-board income tax cut which I have proposed in Senate bill 3, a 10-percent, across-the-board reduction in all the rates—in other words, if you owe the $4,000 in taxes this year to the Federal Government, take 10 percent off from that, keep $400 and send in $3,600. If it was $5,000, you get a $500 tax break. If it was $1,000, you get a $100 tax break. It is even, across the board 10 percent.

Other tax-cut provisions on the table being debated include the elimination of the marriage penalty. Again, the average couple in this country spends about $1,400 or more in taxes just because they are married. We think that is unfair. Another option is the death tax or the dreaded estate tax—cut or eliminate that. Also, a cut in the capital gains tax. Or it could be a combination of all of these or some of these. It is a fact that Washington is finally focused on tax relief. I think that is good news for Americans.

In our budget, we provided meaningful tax relief, earmarking $800 billion in surplus over the next 10 years to go to tax relief. Again, the $800 billion in nonSocial Security surplus represents a tax overpayment. We have to stress that. This is a tax overpayment by hard-working Americans, a tax overpayment that should be returned to them. Another way to say that, in a restaurant if your bill is $17 and you go to the counter and give $20, you expect to get the change back; if you have overpaid, you expect to get the change back. But Washington is saying, you overpaid but, jeez, like the President said in Buffalo, NY, in January, we could give the surplus back, but what if you don't spend it right? In other words, you are smart enough to earn the money, but you are too dumb to know how to spend it. The Government knows how to spend it better than you do. The Government will spend it on better things than what you could spend it on for your family—maybe braces for your children, dance lessons, to begin a college education fund, maybe repairing the furnace. Somehow, that priority does not fit into Washington's scheme, because Washington thinks maybe you won't spend it right; Washington can spend it better.

I believe that Americans know what is best for their families and their lives. If it is their money, they should be given the right to spend it the way they see fit to support their families.

A new study by the Congressional Research Service reports if we don't provide tax relief, the average household will pay $5,307 more in taxes than is needed to fund the Government. Think of what the average household can do if they could keep $5,300 more of their money, rather than sending it to Washington. Of course, maybe some believe Washington can spend it better, but the people I talk to in my home State of Minnesota believe that they would have a better place to put that money than Washington.

Tax relief may temporarily relieve our pain, but the Tax Code, as I said, I believe is the root of all our tax evils. It is not the employees at the IRS, it is not the agents. They are trying to labor under some very, very complicated rules and regulations of the IRS Tax Code. Again, that is Congress over the last 50 years, with one layer on top of another, on top of another, on top of another, of Tax Codes, regulations, tax breaks, incentives, special interests or whatever it might be. The IRS is trying to dig out from underneath this or at least provide the information for us to file the taxes. It is Congress that needs to get its act in gear and do something to change it.

We held hearings last year in the Finance Committee. Senator ROTH did a great job on showing some of the abuses in the IRS and how the code really is oppressive. It is antifamily, antigrowth, antieconomy. We did make some changes. But a few changes is like putting lipstick on a pig. The IRS still is not pretty. We need to do something more than make a few changes.

The Federal Tax Code stretches on for more than 7 million words. It is made up of four huge volumes, each thicker than the Bible, with another 20 volumes of regulation and thousands and thousands of pages of regulations. The Declaration of Independence took only 1,337 words to set the entire American Revolution in motion.

Today, we have 7 million words in our Tax Code that state how the Federal Government will collect taxes. The Government publishes 480 separate tax forms. The IRS mails out over 8 billion pages of forms and instructions

every year. Congress has revised the tax law a total of 5,400 times just since the 1986 Tax Reform Act. In 13 years, 5,400 times the Tax Code has been revised. Who could possibly keep track of all those changes? Not even the best tax lawyers and CPAs in the country understand the Tax Code completely. Not even the experts at the IRS itself can understand the Tax Code completely. Taxpayers today spend billions of dollars a year trying to comply with its dizzying rules and regulations.

The IRS today employs over 102,000 agents to collect taxes. Now, 102,000 agents to collect taxes, that is more agents than the FBI and the CIA have combined. So I think that is just proof that tax collection has become the primary function and goal of the Federal Government. That is the largest agency in Government, the IRS—102,000 agents to collect taxes. I guess you put the people where your priorities are. So we can see the Federal Government's priority is to collect as much in taxes from you as it can.

Our current tax system is antifamily, anti-economic growth; by any standards, it encourages abuse, it encourages waste, it encourages corruption. To solve this problem forever, we have to do one thing and that is uproot the current tax system. We need to replace it with one that promotes freedom, that promotes economic opportunity. We must repeal the income tax and other taxes, and we have to abolish the IRS—again, not because of the people there, but because of the system that is so complex we cannot understand it anymore. We must create a new tax system, one that is fair, a system that is simple and a system that is friendly to the taxpayers—not an adversary. There is an increasing national consensus that the current system is unfair, a system that we must end, and that the Tax Code as we know it has to be eliminated.

But the unresolved question is: How should we replace the Tax Code? I am a cosponsor of a bill in the Senate called the Tax Code Elimination Act, which would sunset the current Tax Code by January 1 of the year 2003—in other words, get rid of it, pull it out by the roots, say it is all done, repeal the 16th amendment, and we will start all over from scratch.

The White House said: That is irresponsible. How could you eliminate a Tax Code before you have something to replace it? I think we all know that Congress would never let one day go by that it did not have the ability to collect taxes. So if we had the ability to pass this bill today, Congress would work overtime, or on weekends, if it had to, in order to put a new system in place to collect that first dollar of new taxes in the year 2003. So I do not have any worries about that.

The biggest job is going to be finding the political will to get rid of the Tax Code we have today. There is an increasing national consensus that the current system is unfair. Ask your neighbor if he thinks this is a fair code. We must end the Tax Code as we know it today. But, again, the unresolved question is: What to do to replace the code?

I have been exploring alternative tax systems for quite awhile and, after considerable study of the issue, I believe the national sales tax plan is the best solution to our problems. I used to support a flat tax. I think most Americans would say a flat tax would be a good alternative. That is the one that has gotten probably the most publicity. But it needs to have a lot of examination. In fact, a couple of Congressmen in the House, Congressmen DICK ARMEY and BILLY TAUZIN, went on the road last year to about 30 different cities, doing what they called townhall meetings on tax issues and what to do to replace the current Tax Code with something else. Representative DICK ARMEY of Texas supported the flat tax, Congressman TAUZIN of Louisiana supported a national sales tax. They played to crowds of about 5,000 people or more at some of their stops.

So Americans are interested in this. They want to have some information, they want to know what some of the alternatives would be and how they would work. But when you talk about flat tax versus national sales tax—which are probably the two leading alternatives—going into the meetings, about 75 percent said they would prefer a flat tax—again, because they have heard it most, it sounds like the most simple plan—but after an hour and a half or 2 hours of this townhall meeting, as they came out, 75 percent favored a national sales tax.

What we need to do is begin the debate. We need to do more than just 30 town meetings around the country. We need to do this here in the Senate. We need to be part of the campaign, to start talking about Tax Code relief or reform, so the American public at least gets some information on what the Tax Code is today, how oppressive it is, and what we can do to replace it, what are some of the alternatives. I think that is the way we need to lead in order to get some tax relief.

Any new tax system, I think, has to do a couple of things. First, it must restore the fundamental principles of taxation upon which this whole country was founded, and they are low taxes and limiting the taxing power of Government. It must fairly and efficiently distribute the burden of funding our Government. It must promote economic growth, not be anti-economic growth. It must present less of a compliance burden, and that is, again, not having to spend billions of dollars a year, every year, just to be able to fill out the tax forms and meet that requirement. And it has to offer every American better economic opportunity. The national sales tax would do that.

The national sales tax system, which I intend to introduce soon, with other Senators, I think meets these very important criteria. It is fairer, more simple, it is friendlier, it will increase economic growth, it will increase investment, it will help with capital formation, and it will create new jobs and savings.

Under the national sales tax system, working Americans will be able to keep 100 percent of their pay, their pension, or Social Security check. They no longer need to file a tax return with the IRS. Their family's finances are not revealed to Government bureaucrats. They will not be penalized for getting or staying married, and they will not be penalized, by the way, for dying either. Everyone will pay the same tax rate without loopholes, without any special interest groups. There will not be any hidden taxes, and everybody will easily understand the tax. They will be able to understand exactly how much they are paying in taxes. And, finally, it will abolish the IRS completely.

Does this sound too good to be true? It may sound that way, but believe me, it is real. Let me briefly highlight how the national sales tax legislation would be able to achieve this.

First, the legislation will call for the repeal of the constitutional amendment that created the tax nightmare that we find ourselves in today. Mr. President, the 16th amendment is the root of the tax evil. It abandoned our Founding Fathers' original principle of taxation by giving the Government unlimited power to tax the private income of American people. Without the repeal of this amendment, any tax system will eventually become abusive and intrusive. First and foremost, get rid of the 16th amendment.

Second, the legislation will repeal the income tax. It will get rid of the payroll tax, the estate tax, the gift tax, the capital gains tax, the self-employment tax, the corporate tax, and all the other taxes out there.

Third, the legislation will impose a single rate on all new goods and services at the point of final purchase, the final point of purchase for consumption, and it will provide a universal rebate in the amount equal to the sales tax paid on essential goods and services such as food and medicines.

So, in other words, for low-income or whatever the income is, if you are saying you cannot do this because you are going to be charging more on foods and medicines and necessities, that is not true. There will be a rebate for that. But it is a single rate on all new goods and services at the point of final purchase for consumption. Every American will be better off under the national sales tax system. I believe it will create expanded economic opportunities for our Nation and for our people.

The process of implementing the national sales tax system is going to be a long one. There is going to be a lot of debate. So in the interim we must reduce the tax burden on overtaxed Americans. I think a lot of us would like to go to eliminating the IRS tomorrow if we could, and cement in

place a new tax system. But what do we do in the interim, until that debate is completed, before we can make that happen, before we can begin putting in a fair, simple, friendly tax system? I think that is why our budget includes the $800 billion of tax relief now. This is interim tax relief, but we have to make sure our residents, our workers, at least have some relief from the burden they are paying—again, the highest in the history of taxes.

For those taxpayers who are satisfied with the current system, I wish them the best of luck in preparing their taxes this year. For others, like the hundreds of Minnesotans who tell me they are tired of filling out the complex and endless tax forms, who tell me they do not think it is fair that the Government takes so much of their hard-earned dollars, I invite you to join me in rethinking our tax system. I think we can work together now to create a new and more fair way to fund the Federal Government, one that ultimately makes April 15 just another day, just another day of the year, and not this day that everybody dreads and hates and is now spending many hours, tonight, trying to figure out exactly what they owe in taxes.

Again, I do not know if 40 percent is a fair amount of income to pay to the Federal Government. I do a lot of town meetings, or talk with students. I always like to ask a question to start with: What do you think is a fair percentage of your income that should go to support government? We all need a good government. This is not about getting rid of the government. This is not getting rid of the Federal, State, or local governments. But what is an adequate amount of money to fund the Government, and what kind of services should we demand the Government provide with those tax dollars, not the waste and abuse that is in the system today. Today, if the system runs out of money, they just add more money to it, not look at where the abuse is, whether the money is being spent right. Are we overpaying for services we do not get?

This Government has never had to do what business has to do, and that is, look at how we can provide a service at the least possible cost. If they run out of money, they just want to raise taxes again, raise taxes again, raise taxes again.

When I ask this question at townhall meetings or at town meetings in high schools, of course some will say zero percent. That is not rational. But then we get into the basics, and it usually comes out, people say around 15, 20, maybe 25 percent of their income should go to support all levels of government—Federal, State, and local. But then you tell them they are spending, today, 40 percent of their income to support government.

So, for all of those who are filling out their taxes tonight or have time to take a look at your pay stubs, take a look at exactly how much you are spending on taxes, and then you can figure in the sales tax, your property tax, all the other taxes that you pay, and just find out how much of your income is going to support government.

Again, for the average family in this country, they are spending more to support Uncle Sam than they are spending on the necessities; That is, food, clothing, shelter, and transportation, and even, in most cases, recreation combined. So the Government is taking a bigger bite out of their paycheck than their family is getting. I think it is time we look at this and find how we can reduce this and allow hard-working Americans to keep a little bit more of their money in their pockets rather than sending it to Washington.

Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. SPECTER. 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. SPECTER. I thank the Chair.

(The remarks of Mr. SPECTER pertaining to the introduction of S. 822 are located in today's RECORD under "Statements on Introduced Bills and Joint Resolutions.")

Mr. SPECTER. I thank the Chair and yield the floor.

Mr. COVERDELL addressed the Chair.

The PRESIDING OFFICER. The Senator from Georgia.

Mr. COVERDELL. First, before the Senator from Pennsylvania gets away, I wish I had been able to hear all of his remarks. But it will be in the RECORD. It was very intriguing. I could not agree more with any concept that envisions simplicity, equity. I think a lot of taxpayers today think somebody else is getting a better deal, and there is a lot of cynicism as a result.

But with a proposal such as you are talking about, everybody knows what the rules of the road are. I think in addition to the many accomplishments that you are suggesting your proposal would achieve would be a confidence among the American people and a reduction in cynicism about somebody getting a benefit that somebody else does not, and that sort of thing. So I commend the Senator for his work.

Mr. SPECTER. Mr. President, I thank my distinguished colleague from Georgia for those very complimentary remarks. I wonder if it would be too presumptuous to list him as a cosponsor.

Mr. COVERDELL. It is not presumptuous to let me think about it.

Mr. SPECTER. Let the Record show the request has been made. I thank the Senator.

Mr. COVERDELL. Thank you very much, I say to the Senator.

COMMENDING SENATOR GRAMS

Mr. COVERDELL. Mr. President, I also commend Senator GRAMS, who was here earlier leading a conversation on the effects and burdens of taxes on the American people and acknowledging that, indeed, Americans are paying the highest taxes they have ever paid in their lives. It is time that the relief occur for workers and families and businesses. He is not here, but I do commend him for his effort.

As we come to the end of the day, I am going to deal with several unanimous consents that have been previously agreed to.

TAX DAY

Mr. BURNS. Mr. President. Today is April 15, Tax Day, and I would like to remind my colleagues how many Americans define this day.

On May 10, 1773, the British parliament authorized the East India Tea Company to export a half a million pounds of tea to the American colonies for the purpose of selling it without imposing upon the company the usual duties and tariffs. It was their intention to try to save the corrupt and mismanaged company from bankruptcy. The effect was that the company could undersell any other tea available in the colonies, including smuggled tea. The disruption to American commerce was unacceptable to many, including Sam Adams of Boston.

On November 27, 1773, three ships loaded with such tea landed at Boston and were prevented from unloading their cargo. Fearing that the tea would be seized for failure to pay customs duties, and eventually become available for sale, Adams and the Boston Whigs arranged a solution. On the night of December 16, 1773, a group of colonists, disguised as Mohawk Indians, snuck aboard the ships and dumped 342 chests of tea into Boston Harbor.

The King's response was the passing of the Intolerable Acts which precipitated the forming of the First Continental Congress to consider united resistance. As we all know, this was the beginning of what is today the longest standing Democracy in the history of civilization.

It is important to reflect on the actions taken on that day in that harbor. It is also important to recognize today is not very different from that historic day. Generally speaking, governments are short-lived and short-sighted. It is the responsibility of Congress to represent the wishes of the people. It is the responsibility of Congress to ensure the people are not abused by the federal government. Acts of arrogance will not be tolerated. Acts of aggression will be punished.

It has long been instilled in our land to criticize the Internal Revenue Service. Last year, Congress had the opportunity to address many of these criticisms. But I need to ask the question—Is the IRS listening?

Over 123 million families will file 1040 returns this year. I have heard from many of these families. I have spoken with Montana families about their trials with the IRS. I have spoken with Montana families about the difficulty of scratching out a living on modest wages and then being forced to pay a significant amount of that on taxes.

Where does the blame lie? Federal spending is the gorilla on the taxpayer's back. The problem also lies with our Nation's Tax Code. How complicated is the Tax Code? Complicated enough to require significant revision—in fact, I think we should scrap the code for a simpler version providing equitable treatment. Here are the facts on the confusing nature of our Nation's Tax Code:

The IRS employs 96,000 workers to collect Federal taxes amounting to $1.8 trillion and to administer the 1.5 million word income tax code.

The IRS expects to receive 120 million phone calls for assistance this year.

A new Associated Press poll finds that the percentage of Americans who say that Federal taxes have gotten too complicated is up to 60 percent.

The Federal Tax Code is so complex that about half of American families now require the services of tax professionals to file their tax returns.

The IRS estimates that taxpayers will spend an average of 11 hours preparing their 1040's this year.

At a minimum, the cost of collecting the federal income tax, including the value of the billions of hours that taxpayers spend filling forms, is at least 10 cents for every dollar of tax revenue collected.

After the hearings we held last year, I admit I continue to be dismayed over what I consider to be a continuation of the arrogant attitude conveyed by the actions of the Internal Revenue Service.

While the IRS expects taxpayers to fill out their tax forms accurately, the General Accounting Office has just released a report criticizing the agency for poor bookkeeping and failing the same sort of audit that the agency imposes of American taxpayers.

IRS management must recognize that they have a difficult job—promoting quality customer service. Not an easy task considering the historic attitude toward the IRS.

The founding of this great Nation's history begins with the Boston Tea Party—a revolt against tyrannical rule and unfair taxation. Taxes are a necessary evil but, if kept in check, important to all levels of government.

Taxes have created the world's greatest highway infrastructure, contributed to the protection of our nation's borders, and supported the most successful democratic government in history.

But waste and abuse of tax dollars have burdened the American taxpayer with one of the highest levels of taxation in recent years.

Tax collection needs to reflect it's controversial history—the IRS does not have the right to use harassment and extortion as tax collection methods. In blunder after blunder, the IRS is flailing in a dismal fall from effectiveness—wasting those same taxpayer dollars they are collecting.

The IRS hearings during the 105th Congress were a very solemn wake-up call. Customer service will never be considered as an IRS attribute, but that's what the IRS needs to pound into their employees—the people who need to learn to work with American taxpayers—not against them.

Perhaps part of the blame lies with Congress. We should not be fooled by IRS reports telling us ''we're working out the problems.'' As the representative body of our Nation, Congress must hold the IRS to a zero tolerance standard.

I have been contacted earlier this tax season, by numerous Montana constituents bearing complaints about the IRS. Most of the constituents are very disgruntled with the length of time it takes to have a resolution processed. They send me folders and files of correspondence. During the lengthy bureaucratic process, debts grow fantastically high with interest and penalties.

One of those cases involves the IRS's denial of due process of legal challenge for past tax years'. But it is not just one—it is many—too many. A fairer less complicated tax system may help to clear up some of the IRS abuses. By simplifying the tax system, one can only think we would simplify our revenue collection system.

Mr. President, tax collectors have a long history of public persecution. Today, my colleagues and I stand here not to tar and feather the tax collector, but to put an end to the abusive culture that has spread like a bacteria throughout the IRS.

TAX FREEDOM DAY

Mr. ALLARD. Mr. President, today is April 15. It is Tax Day. This is the deadline by which we must file our 1040 Form and pay any additional taxes we might owe on top of what was withheld during the year.

Unfortunately, typical Americans will work well beyond April 15, to pay their taxes. This is because Tax Freedom Day does not come until May 11.

Tax Freedom Day is the day in the year to which the typical American family must work just to pay the combined state, federal, and local tax burden. For many Americans the total tax burden now exceeds one-third of family income.

The Tax Foundation just announced today that Tax Freedom Day will move one day further into the year in 1999.

Last year it was May 10, this year it will be May 11. This is the latest day ever, and it marks the sixth straight year that Tax Freedom Day has advanced a day or more further into the year.

As the Tax Foundation has reported year after year, in a typical household the tax bill now exceeds the cost of housing, food, transportation and clothing combined.

In fact, in 1999 the federal tax burden will reach a peacetime high. Nearly 21 percent of the Gross Domestic Product—that is the wealth created in the country this year—will go to the federal government.

As we approach the end of the 20th century it is useful to look back on the history of the tax burden.

The Joint Economic Committee of the Congress estimates that in 1900, the average federal tax burden on a family was 3 percent, and the average state and local burden was 5 percent, for a combined total of 8 percent.

As the century closes the JEC estimates the average federal tax burden on a family is 24 percent, and the average state and local burden is 11 percent, for a total of 35 percent. Mr. President, we have come a very long way.

The IRS estimates that 123 million families will file their tax returns this year. The tax code is so complex that nearly half of these families require the service of some type of tax professional in order to file their tax returns.

This means that on top of the actual tax owed to the government, there is a hidden tax for millions of Americans in the form of tax-compliance and professional services fees. Even for simple tax returns, this can add another $100 to the tax bill each year.

For small businesses the tax compliance costs run into the thousands of dollars.

Mr. President, it is time for fundamental tax reform. We should begin this process by reducing income tax rates across the board.

We should also eliminate complex and punitive taxes such as the estate and gift tax, and we should continue to build on our successful reform of the IRS by making it possible for most Americans to comply with the tax system with minimal expense and effort.

The federal government is too big, and it costs too much. We should use the budget surplus for two things, reduction of the federal debt, and tax relief.

The surplus belongs to the American people, it does not belong to the government. For decades the cost of government has risen, Tax Freedom Day has moved later and later into the year.

Mr. President, it is time for us to begin rolling back Tax Freedom Day. Let's give the American family a well earned break.

TRIBUTE TO MR. LYNN W. HENINGER, NASA DEPUTY ASSISTANT ADMINISTRATOR FOR LEGISLATIVE AFFAIRS

Mr. LOTT. Mr. President, I would like to take this opportunity to recognize the outstanding work of Mr. Lynn

W. Heninger as NASA Deputy Assistant Administrator for Legislative Affairs. Having served in this position since December 1987, Mr. Heninger is leaving to pursue other opportunities in the private sector. He definitely will be missed by many of my colleagues on both sides of the aisle.

I have enjoyed working with Mr. Heninger on a wide range of matters affecting NASA. I always found him to be extremely knowledgeable and very effective in representing NASA's views. He has always maintained a friendly and constructive approach to his work which has served NASA very well.

Mr. Heninger had the difficult task of coordinating the NASA legislative agenda. He deftly balanced a wide range of NASA issues including the International Space Station, Rocket Propulsion Programs, Earth Science and Remote Sensing initiatives. Because Mr. Heninger earned the trust and confidence of those with whom he worked, he was able to promote NASA's views very effectively in Congress.

After graduation from Utah State University with a Bachelor of Science, he served in the U.S. Army for three years as an artillery officer and helicopter pilot, including duty in Vietnam with the 1st Infantry Division. He returned to Utah State University, after briefly working with NASA Johnson Space Center as a Program Analyst, to earn a Masters in Business Administration. In 1970, he joined the Department of Transportation to work as a Budget Analyst. Mr. Heninger returned, yet again to his alma mater, where he served as a Project Director with the Economic Department at Utah State University. Before rejoining NASA in 1977 as the Chief of Program Support in NASA's Office of Space Science, he worked briefly as an Organizational Specialist with the United Nations in Bogota, Columbia. Lynn is married to the former Colleen Johnson and has five children, Jeffrey, Camille, Diana, Patricia, and Natalie.

Mr. Heninger has earned the respect of many Members of Congress and their staffs through hard work and his straightforward nature. As he now departs to share his experience and expertise in the civilian sector, I call upon my colleagues on both sides of the aisle to recognize his outstanding and dedicated public service and wish him all the very best in his new challenges.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Monday, April 14, 1999, the federal debt stood at $5,666,830,242,609.56 (Five trillion, six hundred sixty-six billion, eight hundred thirty million, two hundred forty-two thousand, six hundred nine dollars and fifty-six cents).

One year ago, April 14, 1998, the federal debt stood at $5,547,606,000,000 (Five trillion, five hundred forty-seven billion, six hundred six million).

Five years ago, April 14, 1994, the federal debt stood at $4,567,340,000,000 (Four trillion, five hundred sixty-seven billion, three hundred forty million).

Ten years ago, April 14, 1989, the federal debt stood at $2,771,629,000,000 (Two trillion, seven hundred seventy-one billion, six hundred twenty-nine million) which reflects a doubling of the debt—an increase of almost $3 trillion—$2,895,201,242,609.56 (Two trillion, eight hundred ninety-five billion, two hundred one million, two hundred forty-two thousand, six hundred nine dollars and fifty-six cents) during the past 10 years.

NORTHAMPTON, MA—A REVITALIZED CITY

Mr. KENNEDY. Mr. President, today's New York Times contains an excellent article by William L. Hamilton on the city of Northampton in Massachusetts and the remarkable revitalization that has taken place in the city in recent years. Northampton is also the subject of a soon-to-be published book, Home Town, by Tracy Kidder, in which the author captures the spirit and essence of community that has turned this former small mill town into the cultural, historic and economically revitalized city it is today.

I also commend the woman responsible for much of this successful revitalization, Mayor Mary Ford. For the past 8 years, Mayor Ford has brought a new spirit to the city with her many successful initiatives. Northampton's schools are renovated, its streets are safer, its water is cleaner, its housing is more affordable, and its roads are more accessible.

Mayor Ford has also demonstrated impressive leadership in making Northampton a leading cultural center of Western Massachusetts. The city is home to the Massachusetts International Festival of the Arts, Paradise City Arts Festival, the Northampton Film Festival, and the newly restored historic Calvin Threatre.

Mayor Ford is on the front lines every day, making an important difference in the lives of families in Northampton, and she's done a remarkable job. The people of Northampton and all of us in Massachusetts are proud of her outstanding leadership, and we commend her for making Northampton the vital city that it is today. Well done, Mayor Ford, and keep up the great work!

Mr. President. I ask unanimous consent that the article by William L. Hamilton in today's New York Times be printed in the RECORD.

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

[From the New York Times, Apr. 15, 1999]

NORTHAMPTON, MA—A REVITALIZED CITY

(By William L. Hamilton)

Northampton, a city of 30,000 in western Massachusetts, has been raising issues of community for more than 300 years—charity, self-interest, tolerance and division. They are issues as fresh today as they were in the 19th century, when Northampton was painted as a heavenly view by Thomas Cole and described with affection by Henry James in his first novel, ''Roderick Hudson.'' They were raised when it hanged two innocent immigrant Irishmen in 1806 for suspected murder and when it tried a police officer, a native son, for the rape of his own child, during the four years that Tracy Kidder spent reporting his new book, ''Home Town'' (Random House), to be published in May.

Mr. Kidder, 53, lives in nearby Williamsburg with his wife, Frances, a painter, but considers Northampton his home, too. As he proudly showed it to a visitor recently, the city give him a parking ticket. No place is prefect.

Like ''The Soul of a New Machine,'' his Pulitzer Prize-winning account of the development of a new computer and the advent of the computer age, ''Home Town'' is the portrait of a cultural phenomenon, seen through the lies of the people creating it. It is also the story of a particular town, and how it has made itself a home. The citizens whose experiences are observed in literary detail, from a local judge to a cocaine addict, could be members of a family, sheltered by a civic roof.

In this decade, in a successful reverse of the demographic direction of the century, more Americans are now moving from big cities to small towns than from small towns to big cities. A 30-year migration by young professionals, baby boomers and retirees from cities and suburbs to rural, exurban areas has produced a new generation of what are being called ''boomtowns.'' Two hour by car from Boston and three hours from New York, Northampton, an ex-industrial mill town, pretty and preserved, is now the product of settlement like this.

Despite an annual decrease in the city's birth rate, the population has remained steady, which city planners attribute to ''income migration.'' said Wayne Feiden, the director of planning and development. ''Who's coming? A lot of well-educated professionals, attracted by a town that's amenity-rich and very comfortable to live it.''

Mr. Kidder, who moved to the area in 1976, is part of the trend. Now, he has filed his report: a firsthand look at life in the type of peaceful place that many find themselves sorely tempted to try. Not everyone stays—native or new arrival. In portraying Northampton, Mr. Kidder has attempted to assemble a set of natural laws, and sides of human nature, that explain what makes any town work, or how it can fail those who love it the most.

To those making the move, cities like Northampton are dots on a map chosen on a Sunday visit for their size, their safety, their qualities of life and their nostalgia. They are the garden cities of childhood—the kind of hometown they don't build anymore, the kind they may never have.

''I was born in New York City and grew up on Long Island,'' Mr. Kidder said recently, ''in a place, Oyster Bay, that kind of vanished as I was growing up. Whole towns disappeared, it would seem, under cloverleafs.''

He was walking down the gentle slope of Northampton's Main Street, away from the tiny, turreted city hall, past the Academy of Music, a Moorish 106-year-old municipally operated theater, now showing ''Shakespeare in Love.'' A woman in a floral skirt that brushed the tops of her cowboy boots was offering strollers copies of her book on tape. A squat signboard for the Fire and Water Vegetarian Cafe and Performance Space sat like a toad by the curb. There was a branch office of Dean Witter Reynolds across the street.

Northampton is blessed by confluence and circumstance. Bounded by the Mount Tom and Holyoke hills and threaded by the Connecticut and Mill rivers, it is also circled by

institution: Amherst College, Hampshire College, Mount Holyoke College, the University of Massachusetts and, sitting at the head of Main Street, the Smith College campus, designed in 1875 by Frederick Law Olmstead. The 19th-century state mental hospital is now abandoned. The poet Sylvia Plath, an undergraduate at Smith in the 1950's, wrote to her mother of walking in the evening to a professor's house for a cocktail party, ''listening to the people screaming.''

Main Street bends slowly through the town, side streets flowing into it, like a third river. ''There are some magical things about this that couldn't have been planned,'' Mr. Kidder said, speaking of the setting's majestic gait. ''This broad sweep that Main Street makes, it makes simply because of the topography, before you had earth-moving equipment.''

Northampton's recent history has a familiar plot—a downtown rescued in the 1970's by creative real estate developers and resident pioneers who discovered and reinvented its historic infrastructure. It is an architectural routine: with restoration and new, entertainment-oriented businesses, the low brick buildings, Victorian clapboard houses, Art Deco theater and a Gothic chess set of city hall and courthouse become an animated Main Street. In Northampton, there are apartments above the shops, stimulating street life at night. The crosswalks at the intersection of Main and King streets, where the town converges, are wired with speakers that signal sonically for the blind and stop traffic in four directions, letting strollers spill momentarily into the square.

To the casual eye, it can look more like a marketing concept than a place to live—a factory town retooled by the wish list of the latte generation. A bookshop's magazine display offers an informal census of Northampton's new citizens and visitors: Raygun, Natural History, Birdwatcher's Digest, American Craft, Bike, Fine Homebuilding, Interview, The Writer, Outside, Macworld and Out. The town has been the subject of a ''20/20'' segment because of a large gay and lesbian population.

''It's tempting to parody, but it's too easy,'' Mr. Kidder said, crossing the intersection of Main and King as the crosswalks beep-beeped like Saturday cartoon characters. To the citizenry, it appeared to produce genuine wonderment—rainbow-haired teen-agers, mothers in Polartec, men in linen sweaters and loafers without socks crowded the open intersection, as cars on four sides sat muzzled like dogs, waiting for the lights. ''What you see is pretty motley, but there is a solid mainstream, an almost invisible background to it,'' he said.

Like any town, Northampton is many town, including a town with a native population. As Mr. Kidder writes, the ''Gentrification Is War'' graffito, written prominently on a building downtown, is now softly faded. But two particular towns live together like a couple in a brokered marriage that may or may never grow into love. ''Hamp,'' or native Northampton, shops on the strip of King Street as it leaves town at Main Street, not in ''NoHo,'' or the revitalized downtown, for which Main Street provides the artery.

''In all of downtown, I don't think you can buy a socket wrench,'' Mr. Kidder said. ''When you look at old pictures, there were nothing but hardware stores.''

Because of its newcomers, Northampton is a big, little place, pressured by the demands of the present on the past. ''Without argument, a place begins to go dead,'' Mr. Kidder said, walking on Pleasant Street, where many single-room occupancy houses remain—a short block from Main Street's consumer circus. Local government has kept them there to enforce the town's economic heterogeneity. ''You've got to have this tension. You've got to find a way to let lots of different kinds of people in, and keep them there.''

Mr. Kidder is not ambivalent about Northampton, but he is not foolish, either, ''It's got problems, of course,'' he said, reciting the national roster of gang crime and homelessness and a drug problem in the local schools that is conspicuous for the state. He was at the bar of the Bay State Hotel, a favorite spot opposite the restored train station, now Spaghetti Freddy's, drinking a Diet Coke. Sitting in the dimly lighted, yellow-wood-paneled tavern, with its etched Budweiser mirror, painting of Emmett Kelly and silent blinking jukebox was like being inside a Christmas tree at night. ''And what limits the size of the town is jobs,'' said Mr. Kidder, who is self-employed. ''The largest employer, which was the state mental hospital, closed its doors years ago.''

Wayne Feiden, the planning director, concurred. ''Whenever you see polls in Money magazine and the rest, about the best towns, we never make it,'' he said. ''The jobs aren't there.'' Mr. Feiden added that the danger of being a boomtown was that well-paid professionals like doctors and lawyers, of whom there are many in Northampton, who moved there for its charms, would move on, frustrated from feeling underpaid. ''It's why they don't stay.''

If Northampton does not, despite restored facades, present an unblemished picture, Mr. Kidder makes a strong case that the beauty of a place is not in its skin—it is in its people. They are the simple and dramatic acts and the descriptive faces of his book. They are, he contends, the genius of a place.

Mr. Kidder's ''Home Town'' hero is a native, who, as the book concludes, leaves Northampton for the wider world, freed of his ''nick-names,'' as Mr. Kidder characterized the linked chain of time spent growing up in the same small town.

''It seemed to make too much wholesome sense, from a distance,'' Mr. Kidder said, speaking of Northampton. ''And then I ran into this cop,'' he said. ''Tommy O'Connor, at the gym that I go to.''

Mr. Kidder was back at his house, not the home built for a professional couple in Amherst and chronicled in his 1985 book, ''House,'' but a converted creamery on a mill river that runs beneath the dining room windows. He greeted his daughter, Alice, 20, who walked into the kitchen with a bag of groceries from Bread and Circus, a natural-foods supermarket. She pulled mixing bowls from the cupboards to make dessert for dinner—profiteroles, for guests.

''Tommy's a very gregarious guy,'' Mr. Kidder recalled. ''He said, 'You don't remember me, do you?' I said no, He said, 'Well, I arrested you for speeding five years ago.' '' An electric mixer began clattering in a bowl. ''This guy with a shiny dome had been a curly-haired cop then.'' Mr. Kidder said. ''I remember that after he gave me the ticket, he said, 'Have a nice day.' ''

Mr. Kidder smiled at the recollection; Mr. O'Connor, who now lives in Washington and works for the Federal Bureau of Investigation, remains a friend.

''Anyway, he said, 'Why don't you come out and ride with me some night?' He said he'd show me a town I never imagined existed.'' It was, of course, Northampton.

Mr. Kidder said, ''And he was right.''

THE PROTECT ACT

Mr. McCAIN. Mr. President, yesterday I introduced a bill to ''Promote Reliable On-Line Transactions to Encourage Commerce and Trade,'' the PROTECT Act. This legislation seeks to promote electronic commerce by encouraging and facilitating the use of encryption in interstate commerce consistent with the protection of United States law enforcement and national security goals and missions.

During the last Congress, there was a very intense debate surrounding the encryption issue. That debate, as with any discussion regarding encryption technology, centered around the challenge of balancing free trade objectives with national security and law enforcement interests. There were various proposals put forward. None, however, emerged as a viable solution. In the end, the debate became polarized, as many became entrenched upon basic approaches, losing sight of the overall policy objectives upon which everyone generally agreed.

It was my objective to get outside the box of last year's debate. In the past, balancing commercial and national security interests has been treated as a zero sum game, as if the only way to forward commercial interest was at the expense of national security, or vice versa. This is simply not the case. Certainly, advanced encryption technologies present a unique set of challenges for the national security and law enforcement community. However, these challenges are not insurmountable.

What the PROTECT Act does, is to lay out a forward-looking approach to encryption exportation, a course that puts into place a rational, fact-based procedure for making export decisions, that places high priority on bringing the national security and law enforcement community up to speed in a digital age, and that ultimately provides a national security backstop to make certain that advanced encryption products do not fall into the hands of those who would threaten the national security interests of the United States.

Title I of the legislation deals with domestic encryption. The bill establishes that private sector use, development, manufacture, sale, distribution and import of encryption products, standards and services shall be voluntary and market driven. Further, the government is prevented from tying encryption used for confidentiality to encryption used for authentification. It is established that it is lawful for any person in the United States, and for any U.S. person in a foreign country, to develop, manufacture, sell, distribute, import, or use any encryption product.

The PROTECT Act prohibits mandatory government access to plaintext. The bill prohibits the government from standards setting or creating approvals or incentives for providing government access to plaintext, while preserving existing authority for law enforcement and national security agencies to obtain access to information under existing law.

Title II of the legislation deals with government procurement procedures.

The bill makes clear that it shall be the policy of the Federal government to permit the public to interact with the government through commercial networks and infrastructure and protect the privacy and security of any electronic communications and stored information obtained by the public.

The Federal government is encouraged to purchase encryption products for its own use, but is required to ensure that such products will interoperate with other commercial encryption products, and the government is prohibited from requiring citizens to use a specific encryption product to interact with the government.

Title II of the PROTECT Act authorizes and directs NIST to complete establishment of the Advanced Encrytion Standard by January 1, 2002. Further, the bill ensures the process is led by the private sector and open to comment. Beyond the NIST role in establishing the AES, the Commerce Department is expressly prohibited from setting encryption standards—including U.S. export controls—for private computers.

A critical component of the PROTECT Act is improving the government's technological capabilities. Much of the concern from law enforcement and national security agencies is rooted in the unfortunate reality that the government lags desperately behind in their understanding of advanced technologies, and their ability to achieve goals and missions in the digital age.

This legislation expands NIST's Information Technology Laboratory duties to include: (a) obtaining information regarding the most current hardware, software, telecommunications and other capabilities to understand how to access information transmitted across networks; (b) researching and developing new and emerging techniques and technologies to facilitate access to communications and electronic information; (c) researching and developing methods to detect and prevent unwanted intrusions into commercial computer networks; (d) providing assistance in responding to information security threats at the request of other Federal agencies and law enforcement; (e) facilitating the development and adoption of ''best information security practices'' between the agencies and the private sector.

The duties of the Computer System Security and Privacy Board are expanded to include providing a forum for communication and coordination between industry and the Federal government regarding information security issues, and fostering dissemination of general, nonproprietary and nonconfidential developments in important information security technologies to appropriate federal agencies.

Title V of the legislation deals with the export of encryption products. The Secretary of Commerce is granted sole jurisdiction over commercial encryption products, except those specifically designed or modified for military use, including command and control and intelligence applications. The legislation clarifies that the U.S. government may continue to impose export controls on all encryption products to terrorist countries, and embargoed countries; that the U.S. government may continue to prohibit exports of particular encryption products to specific individuals, organizations, country, or countries; and that encryption products remain subject to all export controls imposed for any reason other than the existence of encryption in the product.

Encryption products utilizing a key length of 64 bits or less are decontrolled. Further, certain additional products may be exported or reexported under license exception. These include: recoverable products; encryption products to legitimate and responsible entities or organizations and their strategic partners, including on-line merchants; encryption products sold or licensed to foreign governments that are members of NATO, ASEAN, and OECD; computer hardware or computer software that does not itself provide encryption capabilities, but that incorporates APIs of interaction with encryption products; and technical assistance or technical data associated with the installation and maintenance of encryption products.

The Commerce Department is required to make encryption products and related computer services eligible for a license exception after a 15-day, one-time technical review. Exporters may export encryption products if no action is taken within the 15-day period.

A formal process is established whereby encryption products employing a key length greater than 64 bits may be granted an exemption from export controls. Under the procedures established by this legislation, encryption products may be exported under license exception if: the Secretary of Commerce determines that the product or service is exportable under the Export Administration Act, or if the Encryption Export Advisory Board created under this Act determines, and the Secretary agrees, that the product or services is, generally available, publicly available, or a comparable encryption product is available, or will be available in 12 months, from a foreign supplier.

As referenced, the PROTECT Act creates an Encryption Export Advisory Board to make recommendations regarding general, public and foreign availability of encryption products to the Secretary of Commerce who must make such decisions to allow an exemption. The Secretary's decision is subject to judicial review. The President may override any decision of the Board or Secretary for purposes of national security without judicial review. This process is critical. It ensures that the manufacturer or exporter of an encryption product may rely upon the Board's determination that the product is generally or publicly available or that a comparable foreign product is available, and may thus export the product without consequences. However, a critical national security backstop is provided. Regardless of the recommendation of the board, or the decision of the Secretary, the President is granted the absolute authority to deny the export of encryption technology in order to protect U.S. national security interest. However, a process of review is established whereby market-availability, and other relevant information may be gathered and presented in order to ensue that such determinations are informed and rational.

Any products with greater than a 64 bit key length that has been granted previous exemptions by the administration are grandfathered, and decontrolled for export. Upon adoption of the AES, but not later than January 1, 2002, the Secretary must decontrol encryption products if the encryption employed is the AES or its equivalent.

Finally, the PROTECT Act prohibits the Secretary from imposing any reporting requirements on any encryption product not subject to U.S. export controls or exported under a license exception.

Mr. President, as I have stated, my purpose in putting this legislation together was to get outside the zero sum game thinking that has become so indicative of the debate surrounding the encryption export controls. I would like to commend the outstanding and creative leadership of Senator BURNS on this issue. He is a leader on technology issues in the Senate, and has played an invaluable role in developing this approach. I look forward to working with him, and our other original cosponsor in building the support necessary to see the PROTECT Act signed into law during this Congress.

SENATE SPECIAL COMMITTEE ON THE YEAR 2000 TECHNOLOGY PROBLEM

Mr. BENNETT. Mr. President, on March 25, 1999, the Senate Special Committee on the Year 2000 Technology Problem published its rules of procedure. Also published was an overview of the Committee's jurisdiction and authority. We publish today the corrected and complete statement of jurisdiction and authority of the Committee which is provided by S. Res. 208, 105th Congress, as amended by S. Res. 231, 105th Congress, and S. Res. 7, 106th Congress.

Mr. President, I ask unanimous consent that the corrected and completed statement of jurisdiction and authority be printed in the RECORD.

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

S. RES. 208, APRIL 2, 1998, AS AMENDED

Resolved,

SECTION 1. ESTABLISHMENT OF THE SPECIAL COMMITTEE.

(a) ESTABLISHMENT.—There is established a special committee of the Senate to be known

as the Special Committee on the Year 2000 Technology Problem (hereafter in this resolution referred to as the ''special committee'').

(b) PURPOSE.—The purpose of the special committee is—

(1) to study the impact of the year 2000 technology problem on the Executive and Judicial Branches of the Federal Government, State governments, and private sector operations in the United States and abroad;

(2) to make such findings of fact as are warranted and appropriate; and

(3) to make such recommendations, including recommendations for new legislation and amendments to existing laws and any administrative or other actions, as the special committee may determine to be necessary or desirable.

No proposed legislation shall be referred to the special committee, and the committee shall not have power to report by bill, or otherwise have legislative jurisdiction.

(c) TREATMENT AS STANDING COMMITTEE.—For purposes of paragraphs 1, 2, 7(a)(1)–(2), and 10(a) of rule XXVI and rule XXVII of the Standing Rules of the Senate, and section 202 (i) and (j) of the Legislative Reorganization Act of 1946, the special committee shall be treated as a standing committee of the Senate.

SEC. 2. MEMBERSHIP AND ORGANIZATION OF THE SPECIAL COMMITTEE.

(a) MEMBERSHIP.—

(1) IN GENERAL.—The special committee shall consist of 7 members of the Senate—

(A) 4 of whom shall be appointed by the President pro tempore of the Senate from the majority party of the Senate upon the recommendation of the Majority Leader of the Senate; and

(B) 3 of whom shall be appointed by the President pro tempore of the Senate from the minority party of the Senate upon the recommendation of the Minority Leader of the Senate.

The Chairman and Ranking Minority Member of the Appropriations Committee shall be appointed ex-officio members.

(2) VACANCIES.—Vacancies in the membership of the special committee shall not affect the authority of the remaining members to execute the functions of the special committee and shall be filled in the same manner as original appointments to it are made.

(3) SERVICE.—For the purpose of paragraph 4 of rule XXV of the Standing Rules of the Senate, service of a Senator as a member, chairman, or vice chairman of the special committee shall not be taken into account.

(b) CHAIRMAN.—The chairman of the special committee shall be selected by the Majority Leader of the Senate and the vice chairman of the special committee shall be selected by the Minority Leader of the Senate. The vice chairman shall discharge such responsibilities as the special committee or the chairman may assign.

SEC. 3. AUTHORITY OF SPECIAL COMMITTEE.

(a) IN GENERAL.—For the purposes of this resolution, the special committee is authorized, in its discretion—

(1) to make expenditures from the contingent fund of the Senate;

(2) to employ personnel;

(3) to hold hearings;

(4) to sit and act at any time or place during the sessions, recesses, and adjourned periods of the Senate;

(5) to require, by subpoena or otherwise, the attendance of witnesses and the production of correspondence, books, papers, and documents;

(6) to take depositions and other testimony;

(7) to procure the services of individual consultations or organizations thereof, in accordance with the provisions of section 202(i) of the Legislative Reorganization Act of 1946; and

(8) with the prior consent of the Government department or agency concerned and the Committee on Rules and Administration, to use on a reimbursable or[1] nonreimbursable basis the services of personnel of any such department or agency.

(b) OATHS FOR WITNESSES.—The chairman of the special committee or any member thereof may administer oaths to witnesses.

(c) SUBPOENAS.—Subpoenas authorized by the special committee may be issued over the signature of the chairman after consultation with the vice chairman, or any member of the special committee designated by the chairman after consultation with the vice chairman, and may be served by any person designated by the chairman or the member signing the subpoena.

(d) OTHER COMMITTEE STAFF.—The special committee may use, with the prior consent of the chairman of any other Senate committee or the chairman of any subcommittee of any committee of the Senate and on a nonreimbursable basis, the facilities or services of any members of the staff of such other Senate committee whenever the special committee or its chairman, following consultation with the vice chairman, considers that such action is necessary or appropriate to enable the special committee to make the investigation and study provided for in this resolution.

(e) USE OF OFFICE SPACE.—The staff of the special committee may be located in the personal office of a Member of the special committee.

SEC. 4. REPORT AND TERMINATION.

The special committee shall report its findings, together with such recommendations as it deems advisable, to the Senate at the earliest practicable date.

SEC. 5. FUNDING.[2]

(a) IN GENERAL.—There shall be made available from the contingent fund of the Senate out of the Account for Expenses for Inquiries and Investigations, for use by the special committee to carry out this resolution—

(1) not to exceed $875,000 for the period beginning on April 2, 1998, through February 28, 1999, and $875,000 for the period beginning on March 1, 1999 through February 29, 2000, of which not to exceed $500,000 shall be available for each period for the procurement of the services of individual consultants, or organizations thereof, as authorized by section 202(i) of the Legislative Reorganization Act of 1946; and

(2) such additional sums as may be necessary for agency contributions related to the compensation of employees of the special committee.

(b) EXPENSES.—Payment of expenses of the special committee shall be disbursed upon vouchers approved by the chairman, except that vouchers shall not be required for the disbursement of salaries paid at an annual rate.

[1] As amended by S. Res. 231, 105th Cong., 2d Sess. (1998).

[2] As amended by S. Res. 231, 105th Cong., 2d Sess. (1998), and by S. Res. 7, 106th Cong., 1st Sess. (1999).

IMF GOLD

Mr. REID. Mr. President, I rise today to insert into the CONGRESSIONAL RECORD an analysis by the noted economist, Michael Evans. This information regards the poorly considered effort by the International Monetary Fund to sell all or part of their gold reserves to ostensibly help poor countries. Dr. Evans is a professor of economics at the Kellogg School at Northwestern University of Illinois. In this detailed analysis, Dr. Evan's reviews the history of recent gold sales and cautions that selling gold often degrades economic performance. Based on this empirical research, Dr. Evans states that countries that have resorted to gold sales have found their currency depreciated, their real growth rate down and their unemployment up relative to countries that did not sell gold.

The IMF has established a policy to ''avoid causing disruptions that would have an adverse impact on all gold holders and gold producers, as well as on the functioning of the gold market.'' The proposal that the IMF is now contemplating would directly conflict with this well-founded rule. In fact, the suggestion of gold sales has already adversely impacted gold holders and gold producers by causing an alarming drop in the price of gold.

Currently, the price of gold is at its lowest point in twenty years. This is significant because the low price of gold is now nearing the break-even point for even the larger mines. Therefore, these mines will be forced to either operate at loss or shut down entirely. With mining and related industries accounting for 3 million jobs and 5 percent of the gross domestic product, this would have a serious impact on our nations economy.

The IMF should abandon this initiative and pursue alternatives to assist these poor nations.

I ask unanimous consent that the article be printed in the RECORD.

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

[From the Washington Times, Apr. 6, 1999]

(By Michael Evans)

In the rarefied atmosphere of Davos, Switzerland, Vice President Al Gore fired his opening salvo in the 2000 Election Year campaign, in an attempt to demonstrate his expertise in international finance.

Specifically, Mr. Gore suggested the International Monetary Fund should sell some of its gold reserves and use the funds to reduce foreign debt of impoverished Third World nations, following through with one of his favorite plans discussed in his 1992 magnum opus, ''Earth in the Balance.'' Such a plan, he claimed, would help alleviate ''the insanity of our current bizarre financial arrangements with the Third World.'' (''Earth in the Balance,'' p. 345).

Forgiveness of foreign debt would certainly not be a unique step. The United States forgave most foreign debts after both world war for Allies and foes alike. The Brady plan in the 1980s reduced Latin American debt. The United States also forgave much of the foreign debt of Eastern European countries after the demise of the Berlin Wall. Forgiveness of debt is not necessarily a bad idea; in many cases it has worked quite well.

Yet the Gore plan is questionable on two major counts. First, before these debts are forgiven, these countries need to provide some evidence they have started to improve their own economic programs. Second, selling gold, far from being the best way to proceed, is close to the worst.

With the IMF throwing $23 billion down the Russian drain because that country failed to institute necessary economic reforms, the case for requiring some moves toward economic stability seems strong enough that an extended analysis is not necessary. On the other hand, the negative impact of gold sales on economic performance is not well understood, and deserves further discussion.

Suppose the countries targeted to receive aid from the Gore program do indeed get their economic policies in order. Then it does make sense to reduce their foreign debt, allowing them to improve their economic lot instead of being permanently saddled with debts that, for practical purposes, can never be repaid. But why raise this money through IMF gold sales?

The cheap, cynical answer is this method doesn't require an actual outlay of U.S. funds, so it doesn't appear in the budget. However, cheap tricks like that are precisely the reason so many voters have come to distrust their elected officials. If reducing Third World debt is worth doing, let's debate the issue, vote on it, and pay for it, not disguise it in some underhanded way that the average voter won't notice.

Yet there is a deeper, more important reason. Selling gold often degrades economic performance. Most countries that have resorted to gold sales have found their currency has depreciated, their real growth rate has declined and their unemployment rate has risen relative to countries that did not sell gold.

Now that the inflation rate has remained low in the United States, even with the economy at full employment, and the dollar has strengthened, it has become fashionable to proclaim that gold reserves are no longer needed to stabilize the price level and the value of the currency. In fact, there are many reasons why the inflation rate has remained so low, including a credible monetary policy, the budget surplus, and the beneficial impact of rapid growth in technology. However, the most important factor is the widespread realization that the U.S. government is committed to keeping the rate of inflation low and stable. Massive gold sales would undermine that commitment.

In this regard, it is instructive to look back and see how the U.S. economy fared during the last major round of gold sales. The IMF held several gold auctions from 1976 through 1980. In the five 1976 auctions, the average price of gold was $122 per ounce. By the five 1980 auctions, the average price had risen to $581 ounce.

Of course, one of the reasons gold prices skyrocketed was that the rate of inflation in the United States surged, rising from 4.9 percent in 1976 to a peak of 13.3 percent in 1979. While one can argue that higher oil prices boosted inflation, the fact of the matter remains that the inflation rate rose to 6.7 percent in 1977 and 9.0 percent in 1978 before oil prices started to increase. Furthermore, the CPI for all items, excluding energy, also moved up from 4.8 percent to 11.1 percent in 1979, and the continued rising to 11.7 percent in 1980.

How could a relatively modest amount of gold sales have boosted inflation so much? Most economists now agree that inflation is driven largely by expectations. If labor and business believe fiscal and monetary policy will continue to fight inflation vigorously, the inflation rate will remain low, as is indeed the case today. Conversely, when the government sends the unmistakable signal by selling gold that higher inflation is OK, labor and business quickly raise wages and prices, and inflation is off to the races.

Of course, the Carter administration did not come right out and say "we favor high inflation," but their actions convinced private sector economic agents that is what they meant. When the signaled their disdain for a stable price level by selling gold, the U.S. government encouraged prices to rise more rapidly in the late 1970s.

Other countries have also had negative experiences following gold sales. On July 3, 1997, the Reserve Bank of Australia announced it had sold 69 percent of its gold reserves of the previous month, resulting in a net gain of $150 million per year in interest. However, it is more than coincidental that the month before this announcement, the Australian dollar was worth 75.4 cents, but it then started to fall steadily to a level of 58.9 cents a year later.

Thus in the year following the announcement of goal sales, the Australian dollar lost 20 percent of its value. As a result, Australian consumers had to pay an additional $10 billion per year for imported goods, almost 70 times the $150 million in interest earned from interest-bearing securities purchased with the money generated from the sale of gold reserves.

The Canadian economy was also damaged by the decision of the central bank to sell 85 percent of its gold reserves since the early 1980s. The sharp decline in the value of the Canadian dollar relative to the U.S. dollar also led to a lack of investment opportunities by local firms and a substantial rise in the unemployment rate. Indeed, before the gold sales, the Canadian unemployment rate tracked the U.S. unemployment rate closely; in recent years, it has been about 5 percent higher. Canada paid a very high price for this decision to sell gold and reduce the value of its currency.

It is also worth mentioning that Russia sold most of its gold reserves shortly before the collapse of the ruble last summer. It is likely that if Russia had not sold its gold, it would not have been forced to devalue the ruble. Seldom has a decision to sell gold reserves been more ill-founded and untimely.

Thus the weight of the evidence clearly suggests that when central banks decide to sell gold, the currencies of those countries often depreciate and their economies suffer slower growth and rising unemployment, far outweighing any small gain that might occur from the return on interest-bearing securities.

Given this track record, it seems remarkable that anyone, let alone the vice president, would suggest weakening the current stability in the U.S. economy by selling gold and raising the expectations that inflation was about to return—which would also result in a degradation of current economic performance.

If impoverished Third World nations can demonstrate they have taken steps to put their economic houses in order, fine. Let's reduce their foreign debt, just as the United States has done for so many other foreign countries over the past 80 years. But having made that commitment, there is absolutely no reason to risk boosting the rate of inflation and weakening economic performance by funding debt reduction with ill-advised gold sales.

TRIBUTE TO CARDINAL SILVA

Mr. KENNEDY. Mr. President, last week the hemisphere lost one of its greatest leaders on human rights with the death of Raul Cardinal Silva Henriquez of Chile.

The Cardinal was a great man, and one of the great voices for freedom and justice of our time and of all time. He was a brave and holy man whom many of us were proud to call a friend. The poet Yeats said:

> Think where man's glory most begins and ends,
> And say my glory was I had such friends.

Most of all, the Cardinal was a friend to all those who needed friends the most—the oppressed, the frightened, the lost, the "disappeared." He sheltered the homeless, but he also sheltered those who had homes but dared not go to them. During the dark days of Chile's recent history, when the flame of democracy was nearly extinguished, and the noble concepts of freedom and human rights considered subversive ideas by those in power, this courageous man of God would not be silent.

Now, God has called home his good and faithful servant, and we understand that. Only God could still that strong and powerful voice. His enemies may have hoped to silence him through all those years, but they dared not.

I first meet the Cardinal in the 1970's, shortly after the coup that stifled democracy in Chile. He had come to Washington, and I had been holding hearings here in the Senate, year after year, to try to shine some sunlight into the darkness of the human rights abuses in his land. He asked if we could meet privately, away from the glare of publicity, and we did so, at a friend's home. As we sat and drank tea, he spoke directly and intensely about human rights in his country, without anger, and with insight and determination.

In those years, he had created the Committee for Peace, an ecumenical movement of Catholics, Protestants, and Jews dedicated to providing relief to the victims of human rights abuses.

Later, defying the Pinochet regime, he formed the Vicarage of Solidarity, to provide legal assistance for the victims of the abuses, and to protect the lawyers who championed their cause. Without the protective mantle of the Cardinal and the Church, these organizations would almost surely have been snuffed out. Because of him, many people found the courage to speak out and to continue the long battle for democracy.

We met several more times over the years. When I visited Chile in 1986, the government refused to meet me. But the people, led by the Cardinal, welcomed me, and I will never forget that inspiring and deeply moving reception.

At another time and place, the poet Gabriela Mistral wrote about the wife of a prisoner:

> From the house I grieve, to the fiery thimble of his dungeon, I fly back and forth like a living shuttle, like one who knows no other path, until at last the walls open, and let me pass through iron, pitch and mortar.

The Cardinal heard the cry of women like that, and their men. Chile's Ambassador to the U.S., Genaro Arriagada, was one of those who, because of the Cardinal, found the courage to resist. His "No" campaign the 1980's led finally to the shining moment in the National Stadium in

Santiago in 1990. None of us who were in the stadium that day will ever forget it.

President Aylwin had already accepted the sash of office, a symbol of the restoration of freedom and democracy that so many, including the Cardinal, had worked for so long and so well to achieve.

In the stadium, which had been the darkest symbol of fear, imprisonment and despair, a beautiful tribute occurred. A young girl walked across the infield, while the great stadium scoreboard scrolled the names of the disappeared. Their families danced to a song about freedom in Chile. When President Aylwin spoke at sunset, thousands of candles burned, and fireworks lighted up the sky above the jubilant crowd. The celebration lasted for hours—and it continues to this day.

Many profiles in courage made that glorious day possible. But no one did more to make it possible than that strong, brave man of God, our friend, Raul Cardinal Silva Henriquez. May he rest in eternal peace.

THE ALTERNATIVE MINIMUM TAX

Mrs. LINCOLN. Mr. President, today I rise to reiterate to my colleagues the need for immediate reform in the Alternative Minimum Tax. This tax, which was created to stop the very wealthy from ducking taxes through exemptions and tax shelters, looms in the future of millions of unwitting American taxpayers. Economists from the Treasury Department and elsewhere state that perhaps 12 million American taxpayers will be subject to the Alternative Minimum Tax and its higher rates over the next 10 years. Now these people, these 12 million, these are not millionaires, they are mainstream people. According to the Treasury Department if we do nothing to change the AMT there will be a 638% increase in the number of taxpayers earning between $15,000 and $30,000 who will pay the AMT's higher rates. By 2008, 12% of the taxpayers paying the AMT will be earning between $30,000 and $50,000, 29% will be earners of $50,000 to $75,000. By 2008, 45% of people paying the AMT, a tax created for the very wealthy, will have Adjusted Gross Incomes of less than $75,000. If this alone is not enough to alarm this body perhaps we should consider the fact that an estimated 2000 families making over $200,000 will not pay one red cent in taxes this year. This is an unfair, unjustified, and inaction by this body is unreasonable. The AMT is out of sync with its purpose and it must be changed.

There are two major factors that have brought the AMT into the lives of middle-income taxpayers—first, tax credits created to help families and aimed at promoting education and community are considered to be preferences in terms of AMT determination. This means that many taxpayers must choose between applying middle-income tax credits and paying the AMT or forgoing the benefits of the credits and paying regular income tax. The AMT is threatening to prevent millions of middle-income families from receiving these valuable family tax credits such as the dependant care credit, the credit for the elderly and disabled, the adoption credit, the child tax credit, and the HOPE scholarship. No one, rich or poor, should be forced to pay the AMT, and higher rates, because they use these credits.

Second, Mr. President, the AMT has not been adjusted for inflation since 1993. This problem simply speaks for itself. While the cost of living has increased by approximately 43% since the tax code was last overhauled in 1986, the AMT has been adjusted only once by 12.5% in 1993. It is an inevitability that middle-income families will be drawn into the AMT if nothing is done to adjust a tax provision that is structured like the AMT. It is very important that this problem be addressed and I am happy that Senator LUGAR has brought this issue to the forefront of debate with his bill which would index the AMT beginning in 1993.

We can do a great favor to ourselves and our constituents this legislative session by fixing the AMT. Many families are not aware of the AMT. Most, I'm sure don't realize that soon they may be subject to the AMT and its higher rates. I promise, however, that if we do not fix the AMT now there are 12 million people out there that will let you know in the coming years. 12 million people, 45% of which earning less than $75,000 in adjusted gross income. One-million-four-hundred-and-forty-thousand Americans earning between $30,000 and $50,000 will be contacting their representatives in Washington in the coming years to ask, ''how can you people possibly consider me wealthy enough to pay a special tax for the wealthy?'' They will ask, ''why am I being punished for applying these tax credits that you gave me.''

While the bulk of the bulk of the middle-income AMT damage can be abated by Congressional action now, the AMT is already starting to take its toll on a handful of middle-income voters. I received a letter from an accountant in the northwest Arkansas town of Harrison. Jeff Hearn, who has impeccable professional credentials and who I understand to be a very well-respected practitioner among his peers, wrote me about the AMT plight of one of his clients. He wrote, ''Please find enclosed the description of one of my clients who is a young aspiring farmer with chicken houses in northwest Arkansas . . . He and his wife have two beautiful children who both qualify for the new child tax credit this year . . . However, when their return was completed they were subject to alternative minimum tax.'' Apparently this family was forced into paying AMT due to a combination of the new child tax credit and excess depreciation arising from their budding farm operation. I believe Mr. Hearn said it best when he wrote, ''It seems quite unfair to me that a couple under the age of thirty, who are trying to build an agricultural business in addition to working for a living would have to pay alternative minimum tax when individuals who make hundreds of thousands of dollars are still not paying alternative minimum tax.''

MESSAGES 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 MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

At 11:57 a.m., a message from the House of Representatives, delivered by Mr. Hays, 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. 472. An act to amend title 13, United States Code, to require the use of postcensus local review as part of each decennial census.

ENROLLED BILLS SIGNED

The message also announced that the Speaker has signed the following enrolled bills:

H.R. 440. An act to make technical corrections to the Microloan Program.

S. 338. An act to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration.

The enrolled bills were signed subsequently by the President pro tempore (Mr. THURMOND).

At 4:28 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 1376. An act to extend the tax benefits available with respect to services performed in a combat zone to services performed in the Federal Republic of Yugoslavia (Serbia/Montenegro) and certain other areas, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second times by unanimous consent and referred as indicated:

H.R. 472. An act to amend title 13, United States Code, to require the use of postcensus local review as part of each decennial census; to the Committee on Governmental Affairs.

The following bill was by unanimous consent referred to the Committee on Environment and Public Works:

S. 754. A bill to designate the Federal building at 310 New Bern Avenue in Raleigh,

North Carolina, as the ''Terry Sanford Federal Building.''

The Committee on Health, Education, Labor, and Pensions was discharged from the further consideration of the following measure which was referred to the Committee on the Judiciary:

S. 302. A bill for the relief of Kerantha Poole-Christian.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on April 15, 1999, he had presented to the President of the United States, the following enrolled bill:

S. 388. An act to authorize the establishment of a disaster mitigation pilot program in the Small Business Administration.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. DURBIN (for himself, Mr. DEWINE, Mr. KENNEDY, and Mr. SCHUMER):

S. 805. A bill to amend title V of the Social Security Act to provide for the establishment and operation of asthma treatment services for children, and for other purposes; to the Committee on Finance.

By Mr. ASHCROFT (for himself, Mrs. HUTCHISON, Mr. INHOFE, and Mr. KYL):

S. 806. A bill to amend the Internal Revenue Code of 1986 to reduce the 15 percent individual income tax rate to 10 percent over 5 years, to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals, and for other purposes; to the Committee on Finance.

By Mr. ASHCROFT:

S. 807. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself and Mr. CHAFEE):

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

By Mr. BURNS (for himself and Mr. WYDEN):

S. 809. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about private individuals who are not covered by the Children's Online Privacy Protection Act of 1998 on the Internet, to provide greater individual control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, Mr. KENNEDY, and Mr. KOHL):

S. 810. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, to increase the availability and affordability of professional development for child care providers, to expand youth development opportunities, to ensure the safety of children placed in child care centers in Federal facilities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. DODD, and Mr. KOHL):

S. 811. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, and for other purposes; to the Committee on Finance.

By Mr. JEFFORDS (for himself, Mr. DODD, and Ms. LANDRIEU):

S. 812. A bill to provide for the construction and renovation of child care facilities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. DODD, Mr. SARBANES, and Mr. KENNEDY):

S. 813. A bill to ensure the safety of children placed in child care centers in Federal facilities, and for other purposes; to the Committee on Governmental Affairs.

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, and Mr. KENNEDY):

S. 814. A bill to establish incentives to improve the quality and supply of child care providers, to expand youth development opportunities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. ROTH (for himself, Mr. JEFFORDS, Mr. COVERDELL, Mr. HELMS, Mr. ROBB, Ms. MIKULSKI, Mr. BIDEN, Mr. SESSIONS, Mr. HUTCHINSON, Mr. SARBANES, Mr. LEAHY, Mr. GRAMS, Mr. SHELBY, Mr. MCCONNELL, and Mr. HARKIN):

S. 815. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing electricity from certain renewable resources; to the Committee on Finance.

By Mr. DORGAN:

S. 816. A bill to amend section 3681 of title 18, United States Code, relating to the special forfeiture of collateral profits of a crime; to the Committee on the Judiciary.

By Mrs. BOXER:

S. 817. A bill to improve academic and social outcomes for students and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities during after school hours; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DEWINE (for himself and Mr. REID):

S. 818. A bill to require the Secretary of Health and Human Services to conduct a study of the mortality and adverse outcome rates of medicare patients related to the provision of anesthesia services; to the Committee on Finance.

By Mr. GRAHAM (for himself and Mr. REID):

S. 819. A bill to provide funding for the National Park System from outer Continental Shelf revenues; to the Committee on Energy and Natural Resources.

By Mr. CHAFEE (for himself, Mr. BREAUX, and Mr. JEFFORDS):

S. 820. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. FEINGOLD, Mr. KENNEDY, and Mr. TORRICELLI):

S. 821. A bill to provide for the collection of data on traffick stops; to the Committee on the Judiciary.

By Mr. SPECTER:

S. 822. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

By Mr. HARKIN (for himself and Mr. DURBIN):

S. 823. A bill to establish a program to assure the safety of processed produce intended for human consumption, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. KERRY (for himself, Mr. SMITH of Oregon, Mr. CHAFEE, Mr. CLELAND, Ms. SNOWE, Mr. BAYH, Ms. COLLINS, Mr. KENNEDY, Mr. LEVIN, Mr. EDWARDS, Mrs. MURRAY, and Mr. BRYAN):

S. 824. A bill to improve educational systems and facilities to better educate students throughout the United States; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DURBIN (for himself and Mr. SCHUMER):

S. 825. A bill to amend the Internal Revenue Code of 1986 to allow small business employers a credit against income tax for employee health insurance expenses paid or incurred by the employer; to the Committee on Finance.

By Mr. ROTH (for himself, Mr. BIDEN, Mr. HELMS, Mr. STEVENS, Mr. SPECTER, Mr. THURMOND, Mr. ENZI, Mr. COCHRAN, Mr. MURKOWSKI, Mr. ABRAHAM, Mr. CRAIG, Mr. DOMENICI, Mr. DURBIN, Mr. KENNEDY, Mr. KERRY, Mr. KYL, Mr. HOLLINGS, Mr. SMITH of New Hampshire, Ms. COLLINS, Ms. LANDRIEU, Mr. VOINOVICH, and Mr. DEWINE):

S.J. Res. 19. A joint resolution requesting the President to advance the late Rear Admiral Husband E. Kimmel on the retired list of the Navy to the highest grade held as Commander in Chief, United States Fleet, during World War II, and to advance the late Major General Walter C. Short on the retired list of the Army to the highest grade held as Commanding General, Hawaiian Department, during World War II, as was done under the Officer Personnel Act of 1947 for all other senior officers who served in positions of command during World War II, and for other purposes; to the Committee on Armed Services.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. Res. 77. A resolution commending and congratulating the University of Connecticut Huskies for winning the 1999 NCAA Men's Basketball Championship; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 78. A resolution to authorize representation of members and officers of the Senate in the case of *Jim Russell* v. *Albert Gore, et al.*

By Mr. LOTT:

S. Res. 79. A resolution designating the Chairman of the Joint Economic Committee for the 106th Congress; considered and agreed to.

By Mr. COVERDELL (for himself and Mr. CLELAND):

S. Res. 80. A resolution congratulating Boyd Clines, Larry Rogers, and Matt Moseley for their bravery and courage in the

April 12, 1999, rescue mission of Mr. Ivers Sims; considered and agreed to.

By Mr. ASHCROFT:

S. Con. Res. 26. A concurrent resolution expressing the sense of the Congress that the current Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DURBIN (for himself, Mr. DEWINE, Mr. KENNEDY, and Mr. SCHUMER):

S. 805. A bill to amend title V of the Social Security Act to provide for the establishment and operation of asthma treatment services for children, and for other purposes; to the Committee on Finance.

THE CHILDREN'S ASTHMA RELIEF ACT OF 1999

Mr. DURBIN. Mr. President, I rise today to make a few remarks concerning a bill that Senator DEWINE and I are introducing today that we hope will improve the lives of many of the nation's asthmatic children.

Asthma is one of the most common chronic conditions in the U.S., affecting an estimated 14.9 million people, causing over 1.5 million emergency department visits and over 5,500 deaths in 1995, and estimated to cost over $14.5 billion by the year 2000. Asthma deaths have tripled over the past two decades despite improvements in clinical treatment.

Asthma is considered the worst chronic health problem affecting children. Childhood asthma has dramatically increased by over 160 percent since 1980. Currently, 7 percent of the nation's children suffer from asthma. It is particularly prevalent among the urban poor because of the lack of accessible health care and the high number of allergens in the environment. Research supported by the National Institutes of Health demonstrated that the combination of cockroach allergen, house dust mites, molds, tobacco smoke, and feathers are important causes of asthma-related illness and hospitalization among the children in inner-city areas of the United States.

To combat asthma, innovative community-based programs have been developed in some areas to fight this growing public health problem. For example, in Los Angeles the Asthma and Allergy Foundation has set up two ''breathmobiles.'' The converted motor homes, staffed by doctors and nurses, visit schools to test, treat, and educate at-risk children. Since the program began two years ago, there has been a 17 percent decline in the number of children visiting emergency rooms for asthma.

Today, I am introducing with Senator DEWINE ''The Childhood Asthma Initiative'' to help more communities create childhood asthma programs tailored to meet their local needs. This bill funds grants for state and community-based organizations to support a variety of treatment, educational, or preventive programs. The funds are targeted to areas where childhood asthma and asthma-associated mortality rates are high. This will enable those areas with the most need to provide services that reduce emergency room visits, create healthier environments, reduce mortality rates from asthma, and provide overall improved quality of life. The bill also helps enroll eligible asthmatic children in Medicaid or State Children's Health Insurance Programs (S–CHIP). Furthermore, the bill provides additional funding for S–CHIP to incorporate asthma screening, treatment, and education in to their programs.

The bill coordinates Federal asthma activities through the National Asthma Education Prevention Program Coordinating Committee, and increases data collection by the CDC on prevalence and mortality associated with asthma. These efforts will help link patients to effective treatments and disseminate new breakthroughs in asthma treatment.

This bill has been endorsed by the National Association of Children's Hospitals and Research Institutions, the American Lung Association, the American Academy of Pediatrics, and the Association of Maternal and Child Health Programs.

I hope that many of my colleagues will join me in supporting this bill. Nobody should die from asthma. Treatments are available. Let us make sure that every child in America that suffers from asthma has access to those treatments.

I ask unanimous consent that a copy of the bill be inserted in the RECORD.

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

S. 805

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 ''Children's Asthma Relief Act of 1999''.

SEC. 2. FINDINGS.

(a) FINDINGS.—Congress makes the following findings:

(1) Asthma is one of the Nation's most common and costly diseases. It affects an estimated 14,000,000 to 15,000,000 individuals in the United States, including almost 5,000,000 children.

(2) Asthma is often a chronic illness that is treatable with ambulatory care, but over 43 percent of its economic impact comes from use of emergency rooms, hospitalization, and death.

(3) In Illinois, the mortality rate for blacks from asthma is the highest in the nation with 60.8 deaths per every 1,000,000 population. In Ohio, the mortality rate for blacks from asthma is 32.2 per 1,000,000 population and the mortality rate for whites from asthma is 11.7 per 1,000,000.

(4) In 1995, there were more than 1,800,000 emergency room visits made for asthma-related attacks and among these, the rate for emergency room visits was 48.8 per 10,000 visits among whites and 228.9 per 10,000 visits among blacks.

(5) Hospitalization rates were highest for individuals 4 years old and younger, and were 10.9 per 10,000 visits for whites and 35.5 per 10,000 visits for blacks.

(6) From 1979 to 1992, the hospitalization rates among children due to asthma increased 74 percent.

(7) It is estimated that more than 7 percent of children now have asthma.

(8) Although asthma can occur at any age, about 80 percent of the children who will develop asthma do so before starting school.

(9) From 1980 to 1994, the most substantial prevalence rate increase for asthma occurred among children aged 0-4 years (160 percent) and persons aged 5-14 years (74 percent).

(10) Asthma is the most common chronic illness in childhood, afflicting nearly 5,000,000 children under age 18, and costing an estimated $1,900,000,000 to treat those children. The death rate for children age 19 and younger increased by 78 percent between 1980 and 1993.

(11) Children aged 0 to 5 years who are exposed to maternal smoking are 201 times more likely to develop asthma compared with those free from exposure.

(12) Morbidity and mortality related to childhood asthma are disproportionately high in urban areas.

(13) Minority children living in urban areas are especially vulnerable to asthma. In 1988, national prevalence rates were 26 percent higher for black children than for white children.

(14) Certain pests known to create public health problems occur and proliferate at higher rates in urban areas. These pests may spread infectious disease and contribute to the worsening of chronic respiratory illnesses, including asthma.

(15) Research supported by the National Institutes of Health demonstrated that the combination of cockroach allergen, house dust mites, molds, tobacco smoke, and feathers are important causes of asthma-related illness and hospitalization among children in inner-city areas of the United States.

(16) Cities outside the United States have developed and implemented effective systems of cockroach management.

(17) Integrated pest management is a cost-effective approach to pest control that emphasizes prevention and uses a range of techniques, including property maintenance and cleaning, and pesticides as a means of last resort.

(18) Reducing exposure to cockroach allergen, as part of an integrated approach to asthma management, may be a cost-effective way of reducing the social and economic costs of the disease.

(19) No current Federal funding exists specifically to assist cities in developing and implementing integrated strategies to reduce cockroach infestation.

(20) Asthma is the most common cause of school absenteeism due to chronic illness with 10,100,000 days missed from school per year in the United States.

(21) According to a 1995 National Institute of Health workshop report, missed school days accounted for an estimated cost of lost productivity for parents of children with asthma of almost $1,000,000,000 per year.

(22) According to data from the 1988 National Health Interview Survey (NHIS), which surveyed children for their health experiences over a 12-month period, 25 percent of those children reported experiencing a great deal of pain or discomfort due to asthma either often or all the time during the previous 12 months.

(23) Managing asthma requires a long-term, multifaceted approach, including patient education, behavior changes, avoidance of asthma triggers, pharmacologic therapy, and frequent medical follow-up.

(24) Enhancing the available prevention, educational, research, and treatment resources with respect to asthma in the United States will allow our Nation to address more effectively the problems associated with this increasing threat to the health and well-being of our citizens.

SEC. 3. CHILDREN'S ASTHMA RELIEF.

Title V of the Social Security Act (42 U.S.C. 701 et seq.) is amended by adding at the end the following:

"SEC. 511. ASTHMA TREATMENT GRANTS PROGRAM.

''(a) PURPOSES.—The purposes of this section are as follows:

''(1) To provide access to quality medical care for children who live in areas that have a high prevalence of asthma and who lack access to medical care.

''(2) To provide on-site education to parents, children, health care providers, and medical teams to recognize the signs and symptoms of asthma, and to train them in the use of medications to prevent and treat asthma.

''(3) To decrease preventable trips to the emergency room by making medication available to individuals who have not previously had access to treatment or education in the prevention of asthma.

''(4) To provide other services, such as smoking cessation programs, home modification, and other direct and support services that ameliorate conditions that exacerbate or induce asthma.

''(b) AUTHORITY TO MAKE GRANTS.—

''(1) IN GENERAL.—In addition to any other payments made under this title, the Secretary shall award grants to eligible entities to carry out the purposes of this section, including grants that are designed to develop and expand projects to—

''(A) provide comprehensive asthma services to children, including access to care and treatment for asthma in a community-based setting;

''(B) fully equip mobile health care clinics that provide preventive asthma care including diagnosis, physical examinations, pharmacological therapy, skin testing, peak flow meter testing, and other asthma-related health care services;

''(C) conduct study validated asthma management education programs for patients with asthma and their families, including patient education regarding asthma management, family education on asthma management, and the distribution of materials, including displays and videos, to reinforce concepts presented by medical teams; and

''(D) identify eligible children for the medicaid program under title XIX, the State Children's Health Insurance Program under title XXI, or other children's health programs.

''(2) AWARD OF GRANTS.—

''(A) APPLICATION.—

''(i) IN GENERAL.—An eligible entity shall submit an application to the Secretary for a grant under this section in such form and manner as the Secretary may require.

''(ii) REQUIRED INFORMATION.—An application submitted under this subparagraph shall include a plan for the use of funds awarded under the grant and such other information as the Secretary may require.

''(B) REQUIREMENT.—In awarding grants under this section, the Secretary shall give preference to eligible entities that demonstrate that the activities to be carried out under this section shall be in localities within areas of known high prevalence of childhood asthma or high asthma-related mortality (relative to the average asthma incidence rates and associated mortality rates in the United States). Acceptable data sets to demonstrate a high prevalence of childhood asthma or high asthma-related mortality may include data from Federal, State, or local vital statistics, title XIX or XXI claims data, other public health statistics or surveys, or other data that the Secretary, in consultation with the Director of the Centers for Disease Control and Prevention, deems appropriate.

''(3) DEFINITION OF ELIGIBLE ENTITY.—In this section, the term 'eligible entity' means a State agency or other entity receiving funds under this title, a local community, a nonprofit children's hospital or foundation, or a nonprofit community-based organization.

''(c) COORDINATION WITH OTHER CHILDREN'S PROGRAMS.—An eligible entity shall identify in the plan submitted as part of an application for a grant under this section how the entity will coordinate operations and activities under the grant with—

''(1) other programs operated in the State that serve children with asthma, including any such programs operated under this title, title XIX, and title XXI; and

''(2) one or more of the following—

''(A) the child welfare and foster care and adoption assistance programs under parts B and E of title IV;

''(B) the head start program established under the Head Start Act (42 U.S.C. 9831 et seq.);

''(C) the program of assistance under the special supplemental nutrition program for women, infants and children (WIC) under section 17 of the Child Nutrition Act of 1966 (42 U.S.C. 1786);

''(D) local public and private elementary or secondary schools; or

''(E) public housing agencies, as defined in section 3 of the United States Housing Act of 1937 (42 U.S.C. 1437a).

''(d) EVALUATION.—An eligible entity that receives a grant under this section shall submit to the Secretary an evaluation of the operations and activities carried out under the grant that includes—

''(1) a description of the health status outcomes of children assisted under the grant;

''(2) an assessment of the utilization of asthma-related health care services as a result of activities carried out under the grant;

''(3) the collection, analysis, and reporting of asthma data according to guidelines prescribed by the Director of the Centers for Disease Control and Prevention; and

''(4) such other information as the Secretary may require.

''(e) APPLICATION OF OTHER PROVISIONS OF TITLE.—

''(1) IN GENERAL.—Except as provided in paragraph (2), the other provisions of this title shall not apply to a grant made under this section.

''(2) EXCEPTIONS.—The following provisions of this title shall apply to a grant made under this section to the same extent and in the same manner as such provisions apply to allotments made under section 502(c):

''(A) Section 504(b)(4) (relating to expenditures of funds as a condition of receipt of Federal funds).

''(B) Section 504(b)(6) (relating to prohibition on payments to excluded individuals and entities).

''(C) Section 506 (relating to reports and audits, but only to the extent determined by the Secretary to be appropriate for grants made under this section).

''(D) Section 508 (relating to non-discrimination).

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section $50,000,000 for each of the fiscal years 2000 through 2004.''.

SEC. 4. INCORPORATION OF ASTHMA PREVENTION TREATMENT AND SERVICES INTO STATE CHILDREN'S HEALTH INSURANCE PROGRAMS.

(a) IN GENERAL.—The Secretary of Health and Human Services shall, in accordance with subsection (b), carry out a program to encourage States to implement plans to carry out activities to assist children with respect to asthma in accordance with guidelines of the National Asthma Education and Prevention Program (NAEPP) and the National Heart, Lung and Blood Institute.

(b) RELATION TO CHILDREN'S HEALTH INSURANCE PROGRAM.—

(1) IN GENERAL.—Subject to paragraph (2), if a State child health plan under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) provides for activities described in subsection (a) to an extent satisfactory to the Secretary, the Secretary shall, with amounts appropriated under subsection (c), make a grant to the State involved to assist the State in carrying out such activities.

(2) CRITERIA REGARDING ELIGIBILITY FOR GRANT.—The Secretary shall publish in the Federal Register criteria describing the circumstances in which the Secretary will consider a State plan to be satisfactory for purposes of paragraph (1).

(3) REQUIREMENT OF MATCHING FUNDS.—

(A) IN GENERAL.—With respect to the costs of the activities to be carried out by a State pursuant to paragraph (1), the Secretary may make a grant under such paragraph only if the State agrees to make available (directly or through donations from public or private entities) non-Federal contributions toward such costs in an amount that is not less than 15 percent of the costs.

(B) DETERMINATION OF AMOUNT CONTRIBUTED.—Non-Federal contributions required in subparagraph (A) may be in cash or in kind, fairly evaluated, including equipment or services. Amounts provided by the Federal Government, or services assisted or subsidized to any significant extent by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(4) TECHNICAL ASSISTANCE.—With respect to State child health plans under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), the Secretary, acting through the Director of the Centers for Disease Control and Prevention, in consultation with the heads of other Federal agencies involved in asthma treatment and prevention, shall make available to the States technical assistance in developing the provision of such plans that will provide for activities pursuant to paragraph (1).

(c) FUNDING.—For the purpose of carrying out this section, there is authorized to be appropriated $5,000,000 for each of the fiscal years 2000 through 2004.

SEC. 5. PREVENTIVE HEALTH AND HEALTH SERVICES BLOCK GRANT; SYSTEMS FOR REDUCING ASTHMA AND ASTHMA-RELATED ILLNESSES THROUGH URBAN COCKROACH MANAGEMENT.

Section 1904(a)(1) of the Public Health Service Act (42 U.S.C. 300w–3(a)(1)) is amended—

(1) by redesignating subparagraphs (E) and (F) as subparagraphs (F) and (G), respectively;

(2) by adding a period at the end of subparagraph (G) (as so redesignated);

(3) by inserting after subparagraph (D), the following:

''(E) The establishment, operation, and coordination of effective and cost-efficient systems to reduce the prevalence of asthma and asthma-related illnesses among urban populations, especially children, by reducing the level of exposure to cockroach allergen through the use of integrated pest management, as applied to cockroaches. Amounts

expended for such systems may include the costs of structural rehabilitation of housing, public schools, and other public facilities to reduce cockroach infestation, the costs of building maintenance, and the costs of programs to promote community participation in the carrying out at such sites integrated pest management, as applied to cockroaches. For purposes of this subparagraph, the term 'integrated pest management' means an approach to the management of pests in public facilities that minimizes or avoids the use of pesticide chemicals through a combination of appropriate practices regarding the maintenance, cleaning, and monitoring of such sites.'';

(4) in subparagraph (F) (as so redesignated), by striking ''subparagraphs (A) through (D)'' and inserting ''subparagraphs (A) through (E)''; and

(5) in subparagraph (G) (as so redesignated), by striking ''subparagraphs (A) through (E)'' and inserting ''subparagraphs (A) through (F)''.

SEC. 6. COORDINATION OF FEDERAL ACTIVITIES TO ADDRESS ASTHMA-RELATED HEALTH CARE NEEDS.

(a) IN GENERAL.—The Director of the National Heart, Lung, and Blood Institute shall, through the National Asthma Education Prevention Program Coordinating Committee—

(1) identify all Federal programs that carry out asthma-related activities;

(2) develop, in consultation with appropriate Federal agencies and professional and voluntary health organizations, a Federal plan for responding to asthma; and

(3) not later than 12 months after the date of enactment of this Act, submit recommendations to Congress on ways to strengthen and improve the coordination of asthma-related activities of the Federal Government.

(b) REPRESENTATION OF THE DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT.—A representative of the Department of Housing and Urban Development shall be included on the National Asthma Education Prevention Program Coordinating Committee for the purpose of performing the tasks described in subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—Out of any funds otherwise appropriated for the National Institutes of Health, $5,000,000 shall be made available to the National Asthma Education Prevention Program for the period of fiscal years 2000 through 2004 for the purpose of carrying out this section. Funds made available under this subsection shall be in addition to any other funds appropriated to the National Asthma Education Prevention Program for any fiscal year during such period.

SEC. 7. COMPILATION OF DATA BY THE CENTERS FOR DISEASE CONTROL AND PREVENTION.

(a) IN GENERAL.—The Director of the Centers for Disease Control and Prevention, in consultation with the National Asthma Education Prevention Program Coordinating Committee, shall—

(1) conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and the quality of asthma management, including—

(A) telephone surveys to collect sample household data on the local burden of asthma; and

(B) health care facility specific surveillance to collect asthma data on the prevalence and severity of asthma, and on the quality of asthma care; and

(2) compile and annually publish data on—

(A) the prevalence of children suffering from asthma in each State; and

(B) the childhood mortality rate associated with asthma nationally and in each State.

(b) COLLABORATIVE EFFORTS.—The activities described in subsection (a)(1) may be conducted in collaboration with eligible entities awarded a grant under section 511 of the Social Security Act (as added by section 3).

Mr. DEWINE. Mr. President, today I join with my colleague, Senator DURBIN, in introducing the ''Children's Asthma Relief Act of 1999.'' This bill would authorize $50 million for each of 5 years for the Secretary of Health and Human Services to award grants to eligible entities to develop and expand projects to provide asthma services to children. These grants may also be used to equip mobile health care clinics that provide asthma diagnosis and asthma-related health care services, educate families on asthma management, and identify and enroll uninsured children who are eligible for but not receiving health coverage under Medicaid or the State Children's Health Insurance Program (SCHIP). The ability to identify and enroll children in these programs will ensure that children with asthma receive the care they need.

Research supported by the NIH has shown that the combination of cockroach waste, house dust mites, molds, tobacco smoke, and feathers (among other allergens) contribute to asthma-related illness and hospitalization. Children living in urban areas are especially susceptible.

Asthma is the most common chronic illness that forces children to miss school. From 1979 to 1992, the hospitalization rates among children due to asthma increased 74 percent. Estimates show that more than 7% of children now suffer from asthma. Hospitalization rates were highest for individuals 4 years old and younger. According to 1998 data from the Center for Disease Control (CDC) my home state of Ohio ranks about 17th in the estimated prevalence rates for asthma. Nationwide, the most substantial prevalence rate increase for asthma occurred among children aged 4 years old and younger.

I believe that an important component of this bill is that it requires those receiving grants to coordinate with current children's health programs such as the Maternal and Child Health Program, Medicaid, the State Children's Health Insurance Program, supplemental nutrition programs, and child welfare, foster care and adoption assistance programs. This type of coordination with other children's programs will help to ensure not just a better targeting of funding, but also will help to identify children in these programs who are asthmatic and may otherwise remain undetected and untreated.

This bill would authorize $5 million for each of 5 years for the Secretary of HHS to award matching grants to states that develop plans to carry out asthma-related programs for children according to NIH guidelines through the state children's health insurance programs.

Since research shows that children living in urban areas suffer from asthma at such alarming rates and that allergens such as cockroach waste contribute to the onset of asthma, this bill adds urban cockroach management to the current preventive health services block grant which can currently be used for rodent control. To reduce roach allergens, this block grant could be used to cover the costs of structural rehabilitation of public housing, schools, and other public facilities to control roach infestation, while minimizing or avoiding the use of pesticides.

This bill would require that NIH give the National Asthma Education Prevention Program (within NIH) an additional $5 million for each of 5 years to develop a federal plan for responding to asthma and to submit recommendations to Congress on ways to strengthen and better coordinate federal asthma-related activities.

To better monitor the prevalence and determine which areas have the greatest incidences of children with asthma, this bill would require CDC to conduct local asthma surveillance activities to collect data on the prevalence and severity of asthma and to annually publish data on the prevalence rates of asthma among children and on the childhood mortality rate. This surveillance data will help us better detect asthmatic conditions so that more children can be treated and we can ensure that we are targeting our resources in an effective and efficient way to reverse the disturbing trend in the hospitalization and death rates of children who suffer from asthma.

Mr. President, I urge my colleagues to support this very important initiative to help the nearly 5 million children who have been diagnosed with asthma and to help those who suffer from asthma but who remain untreated.

By Mr. ASHCROFT (for himself, Mrs. HUTCHISON, Mr. INHOFE, and Mr. KYL):

S. 806. A bill to amend the Internal Revenue Code of 1986 to reduce the 15 percent individual income tax rate to 10 percent over 5 years, to provide that married couples may file a combined return under which each spouse is taxed using the rates applicable to unmarried individuals, and for other purposes; to the Committee on Finance.

Mr. ASHCROFT. Mr. President, on this April 15, I would like to raise the issue of tax freedom and fairness. The American people are paying over one-fifth of Gross Domestic Product in taxes—the highest share of taxation since World War II and the highest peacetime levels in history. Too much of this burden falls on middle-income earners, who are struggling to juggle the high tax burden with the more important demands of their own families.

It is for these hard-working Americans that I am introducing the Taxpayer Freedom and Fairness Act—legislation that is designed to reduce the

tax burdens on lower and middle-income taxpayers. This goal can be accomplished in two ways, through marginal rate reductions for low and middle income earners, or by making the payroll tax deductible for individuals. Those individuals and families on the lower half of our income ladder need and deserve tax relief and I am committed to providing them that relief.

Tax relief is necessary because many middle-income earners are paying levels of taxes that severely diminish their ability to care for and support their families. Under current law, single taxpayers will pay 15% on the first $25,750 of taxable income they earn. Combining this with the 15% payroll tax, those earning under $26,000 are paying 30% of taxable income to the federal government. Those earning a taxable income of $26,000 are by no means rich—and should not be taxed as if they were.

Given the burden on workers, it is incumbent upon us to provide them with tax relief. The Taxpayer Freedom and Fairness Act provides two ways to deal with these unconscionably high tax levels. The first is to provide these lower and middle income earners with real rate relief. I have proposed reducing the 15% tax rate to 10%. According to Congress' Joint Committee on Taxation, reducing the 15% income tax rate to 10% over five years would provide taxpayers with $980 billion in tax relief over the next decade. That means the average two-income family of four would save $2,200 annually. An individual with a taxable income of $25,000 would save $1,250 annually once the rate reduction was fully in place.

This is a tax cut designed primarily to benefit hard-working low- and middle-income Americans. Reducing the rate from 15% to 10% would save the average Missouri households $1,170. This kind of tax relief is especially welcome in Missouri, where, according to the Tax Foundation, the burden of state and local taxes has grown dramatically in recent years. In recent years, the tax burden in Missouri has risen from the low rank of 47th in the nation to the 16th highest.

Across the country, nearly two-thirds of the relief would flow to households earning less than $75,000. Less than 4% of the tax relief would flow to households earning more than $200,000. This is real tax relief directed at middle class earners.

A second way to accomplish this important goal is through marriage penalty relief. It should be our goal as a society to encourage young couples to get married. Marriage is a sacred institution that promotes family and community stability. More marriage is an unmitigated good for this country.

Unfortunately our tax system does not see it as such. The current federal income tax system forces many married couples to pay a ''marriage penalty.'' That is, they are required to pay more federal income tax than they would have paid had they been single and filed their taxes separately.

This is fundamentally unfair. The tax code should not punish marriage, our society's most basic and essential institution.

Under current law, two single taxpayers, each earning $35,000 and claiming standard deductions, will each pay $4,558.50 in federal income tax.

If those taxpayers marry each other, the tax code would boost their combined tax bill by $1,478 to $10,595. This almost $1,500 penalty is a serious disincentive to middle-income couples looking to get married. This disincentive represents an unacceptable attack on the institution of marriage. This issue resonates particularly strongly in Missouri. 1,052,518 out of 2,416,434 Missouri tax filers file joint returns.

The marriage penalty has been part of the tax code since 1969. Since then, the burden of the penalty has grown enormously. In fact, the Joint Economic Committee estimates married couples now pay $29 billion in taxes every year that they otherwise would not have paid had they been single. It is time to abolish the marriage penalty and create a new day of freedom for American families to keep more of the money they work so hard to earn.

I have long advocated elimination of the marriage penalty. In addition to the Taxpayer Freedom and Fairness Act, I am also a co-sponsor of Senator HUTCHISON's bill to eliminate the marriage penalty. I also included the elimination of the marriage penalty as a provision in my Fair Flat tax proposal. Eliminating the marriage penalty should be one of the Senate's top tax priority for 1999.

It is time to provide real tax relief to those who need it most. The middle class should no longer have to pay 43% of incomes to the federal government. Married couples should no longer pay a penalty just for being married. The best ways to solve these problems are to reduce marginal tax rates and to eliminate this penalty on married couples. I urge my colleagues to vote for the Taxpayer Freedom and Fairness bill, and bring freedom and fairness to taxpayers this April 15th.

By Mr. ASHCROFT:

S. 807. A bill to amend the Internal Revenue Code of 1986 to allow a deduction for the old-age, survivors, and disability insurance taxes paid by employees and self-employed individuals, and for other purposes; to the Committee on Finance.

WORKING AMERICANS WAGE RESTORATION ACT

Mr. ASCHROFT. Mr. President, on today's tax filing deadline, Americans feel the burden of our tax system most acutely. According to the Tax Foundation, an American family spends more of their family budget on taxes than on health care, food, clothing, and shelter combined. The economic anxiety so many of our Americans feel can be directly attributed to the federal government's excessive taxation

One of the main culprits in this dramatic increase in taxes has been the sharp rise in federal payroll taxes. Payroll taxes have increased 13.3 percent since 1949, and the maximum taxable income for payroll taxes have risen from $3,000 to $72,600.00 in the same period. As a result, almost three-quarters of all families paying taxes pay more in Social Security taxes than they do in income taxes.

In addition to their high rates, the payroll tax is also an unjust tax-on-a-tax. When working Americans receive their paychecks—their gross income—they pay a variety of payroll taxes, such as Social Security and Medicare, on that gross income. When they pay their income taxes, they pay on the full amount of their paychecks, including the payroll taxes previously withheld—money that they never saw and that went straight to the government's coffers. And to add insult to this injury, taxpayers' employers are allowed to deduct their share of payroll taxes, but the taxpayers themselves cannot.

This constitutes double taxation on the wages of the American people. First they pay the payroll taxes off their gross income, and then they are taxed on the amount of the gross income, as if the payroll taxes had never been taken away.

It is because of these high rates and this double-taxation that I am introducing legislation to eliminate the unfair tax-on-a-tax, giving the American people the same tax benefits as their employers. Under my proposal, workers will be able to deduct the 6.2 percent of their paychecks taken by the government for Social Security taxes. This would provide much overdue tax relief to middle class workers across the country who get hit hardest by both Social Security and income taxes. My proposal would save the average two-income American family $1,770 a year in taxes.

This relief is necessary because many middle-income earners are paying levels of taxes that severely diminish their ability to care for and support their families. Under current law, single taxpayers will pay 15% on the first $25,750 of taxable income they earn. After that point, their tax levels jump to 28% on federal tax alone. Combined with the 15% payroll tax burden, our system is structured so that individuals earning between $25,750 and $62,450 are paying 43% of their incomes in federal taxes.

It is a scandal that Missourians making $25,750 are forced to sacrifice to the federal government 43% of each additional dollar they earn. Those earning a taxable income of $25,750 are by no means rich—and should not be taxed as if they were.

In fact, the payroll tax is aimed right at the heart of the middle class. The payroll tax is a direct levy of 15% on incomes up to $72,600. After that point, the payroll tax is not in effect. This means that the payroll tax constitutes a much greater burden on the poor and the middle class. According to the Congressional Budget Office, 74% of all

families pay more in total Social Security payroll taxes than they pay in income taxes.

In addition to costing the poor and middle class more, the payroll tax also burdens individuals more than businesses. Although employers and employees both have to pay 7.65% of a worker's income in payroll taxes, this burden strikes individuals disproportionately. Employers currently have the ability to deduct payroll taxes as a business expense. Employees do not have this same option. In the interest of fairness, employees and self-employed individuals—even those who do not itemize—should have the same opportunity.

It is for these reasons—the high rates, the double taxation, the overall tax burden, the disproportionate impact on lower and middle-income wage earners—that taxpayers need to have a payroll tax deduction. Americans should no longer be forced to pay federal income tax on their Social Security payroll taxes.

Providing payroll tax relief would not be a tax cut for the rich, but a tax cut for the poor and the middle class, who are paying payroll taxes from their first dollar of earnings. If taxpayers were no longer forced to pay income tax on their Social Security taxes, the average two-income family would see its annual tax bill slashed $1,400.

This change would be extremely helpful to taxpayers in my home state of Missouri. 85% of Missouri tax filers, over two million Missourians, pay payroll taxes and would benefit from this deduction.

Employers, who are already able to deduct payroll taxes, overwhelmingly support making this change to help their workers. According to a National Federation of Independent Business survey of small business owners, 73% support making the employee share of the payroll tax fully deductible. These employers know what a burden the double-tax imposes on workers, and these employers understand better than anyone the importance of making the payroll tax deductible.

Preliminary estimates suggest that this proposal would increase the gross domestic product of 0.5% and produce 500,000 new jobs. Making the payroll tax deductible is good for workers, good for businesses, good for Missouri, and good for the American economy.

Mr. President, the case is clear: it is time to make the payroll tax deductible. On this April 15, let us dedicate ourselves to providing payroll tax relief to American workers. I urge my colleagues to join me in support of this legislation.

By Mr. JEFFORDS (for himself and Mr. CHAFEE):

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

THE CONSERVATION TAX INCENTIVES ACT OF 1999

Mr. JEFFORDS. Mr. President, on this day when Americans must file their tax returns, I am introducing the Conservation Tax Incentives Act of 1999, a bill that will result in a reduction in the capital gains tax for landowners who sell property for conservation purposes. This bill creates a new incentive for private, voluntary land protection. This legislation is a cost-effective nonregulatory, market-based approach to conservation, and I urge my colleagues to join me in support of it.

Our tax code already has a tax incentive to encourage people to donate land for conservation purposes or to donate conservation easements. The charitable contribution deduction provides this incentive, and this deduction has been instrumental in the conservation of environmentally significant land across the country.

Not all land worth preserving, however, is owned by people who are able to give it away. For many landowners, their land is their primary financial asset, and they simply cannot afford to donate it for conservation purposes. While they might like to see their land preserved in its undeveloped state, the tax code's incentive for donations is of no help to them.

The Conservation Tax Incentives Act will provide a new tax incentive for sales of land for conservation by reducing the amount of income that landowners would ordinarily have to report—and pay tax on—when they sell their land. The bill provides that when land is sold for conservation purposes, only one half of any gain will be included in income. The other half can be excluded from income; the effect of this exclusion is to cut in half the capital gains tax the seller would otherwise have to pay. The bill will enable landowners to permanently protect their property's environmental value without forgoing the financial security it provides. The bill's benefits are available to landowners who sell land either to a government agency or to a qualified nonprofit conservation organization. They are also available when landowners sell partial interests in land for conservation. Thus owners of farms and forests may be able to take advantage of the bill's benefits, yet still continue to harvest crops or timber from their land, if they sell a conservation easement on the property. The purchaser must provide the seller with a letter of intent manifesting the purchaser's intent that the land acquisition will serve such conservation purposes as protection of fish, wildlife or plant habitat, or provision of open space for agriculture, forestry, outdoor recreation or scenic beauty.

Land is being lost to development and commercial use at an alarming rate. By Department of Agriculture estimates, more than four square miles of farmland are lost to development every day, often with devastating effects on the habitat wildlife need to thrive. Without additional incentives for conservation, we will continue to lose ecologically valuable land.

This bill provides an incentive-based means for accomplishing conservation in the public interest. It helps tax dollars accomplish more, allowing public and charitable conservation funds to go to higher-priority conservation projects. Preliminary estimates indicate that with the benefits of this bill, nine percent more land could be acquired, with no increase in the amount governments currently spend for conservation land acquisition. At a time when little money is available for conservation, it is important that we stretch as far as possible the dollars that are available.

State and local governments will be important beneficiaries of this bill. Many local communities have voted in favor of raising taxes to finance bond initiatives to acquire land for conservation. My bill will help stretch these bond proceeds so that they can go further in improving the conservation results for local communities. In addition, because the bill applies to sales to publicly-supported national, regional, State and local citizen conservation groups, its provisions will strengthen private, voluntary work to save places important to the quality of life in communities across the country. Private fundraising efforts for land conservation will be enhanced by this bill, as funds will be able to conserve more, or more valuable, land.

Let me provide an example to show how I intend the bill to work. Let's suppose that in 1952 a young couple purchased a house and a tract of adjoining land, which they have maintained as open land. Recently, the county where they live passed a bond initiative to buy land for open space, as county residents wanted to protect the quality of their life from rampant development and uncontrolled sprawl. Let's further assume that the couple, now contemplating retirement, is considering competing offers for their land. One offer comes from the county, which will preserve the land in furtherance of its open-space goals. The other offer has been made by an individual who does not plan to conserve the land. Originally purchased for $25,000, the land is now worth $250,000 on the open market. If they sell the land at its fair market value to the individual, the couple would realize a gain of $225,000 ($250,000 sales price minus $25,000 cost), owe tax of $45,000 (at a rate of 20% on the $225,000 gain), and thus net $205,000 after tax.

Under my bill, if the couple sold the land to the county for conservation purposes, they would be able to exclude from income one half of the gain realized upon the sale. This means they would pay a lower capital gains tax; consequently, they would be in a position to accept a lower offer from a local government or a conservation organization, yet still end up with more money in their pockets than they

would have had if they had accepted the developer's offer. Continuing with the example from the preceding paragraph, let's assume the couple sold the property to the county, for the purpose of conservation, at a price of $240,000. They would realize a gain of $215,000 ($240,000 sales price minus $25,000 cost). Under my bill, only half of this gain $107,500, would be includible in income. The couple would pay $21,500 in capital gains tax (at a rate of 20% on the $107,500 gain includible in income) and thus net $218,500 ($240,000 sales price minus $21,500 tax). Despite having accepted a sales price $10,000 below the individual's offer, the couple will keep $13,000 more than they would have kept if they had accepted his offer.

The end result is a win both for the landowners, who end up with more money in their pocket than they would have had after a sale to an outsider, and for the local community, which is able to preserve the land at a lower price. This example illustrates how the exclusion from income will be especially beneficial to middle-income, ''land rich/cash poor'' landowners who can't avail themselves of the tax benefits available to those who can afford to donate land.

A real-life example from my home state illustrates the need for this bill. A few years ago, in an area of Vermont known as the Northeast Kingdom, a large well-managed forested property came on the market. The land had appreciated greatly over the years and was very valuable commercially. With more than 3,000 acres of mountains, forests, and ponds, with hiking trails, towering cliffs, scenic views and habitat for many wildlife species, the property was also very valuable environmentally. Indeed, the State of Vermont was anxious to acquire it and preserve it for traditional agricultural uses and habitat conservation.

After the property had been on the market for a few weeks, the seller was contacted by an out-of-state buyer who planned to sell the timber on the land and to dispose of the rest of the property for development. Upon learning of this, the State moved to obtain appraisals and a quick legislative appropriation in preparation for a possible State purchase. Indeed, the State and The Nature Conservancy subsequently made a series of purchase offers to the landowner. The out-of-state buyer, however, prevailed upon the landowner to accept his offer. Local newspaper headlines read, ''State of Vermont Loses Out On Northeast Kingdom Land Deal.'' The price accepted by the landowner was only slightly higher than the amount offered by the State. Had the bill I'm introducing today been on the books, the lower State offer may well have been as attractive—perhaps more so—than the amount offered by the individual.

In drafting the bill's language, I was careful to ensure that the tax incentive applies to lands that truly serve conservation purposes. First, only publicly-supported conservation charities and governmental entities qualify as purchasers for transactions that make use of this tax incentive. Conservation organizations and governmental natural resource and environmental agencies have a long and respected record of serving the public interest in acquiring and managing land for conservation purposes. This bill builds on that record of trust and responsible stewardship, without imposing new and administratively cumbersome requirements to ensure that the public purpose is served. The tax code already provides for adequate oversight to guard against a potential breach of the public trust by a conservation organization.

Second, the bill requires a statement of intent from the purchaser reflecting the purchaser's intent that the acquisition will serve one of the specified conservation purposes. This language was crafted to protect the public's conservation investment by establishing the purchaser's intent, but not creating a tax-driven land use restriction. In essence, I wanted to make sure that the purchaser's intent to conserve the land does not rob the land of commercial value, for which the landowner must be justly compensated if this conservation incentive is to work effectively. The purchaser's letter of intent should not be construed to impose new restrictions on the property or covenants running with the land; to do so would create an appraisal problem that would defeat the very purpose that this bill is designed to address. Thus, the property being acquired should be appraised at its unencumbered, full fair market value. Furthermore, the value of the property in the hands of the purchasing conservation entity should be its full fair market value, notwithstanding both the purchaser's intended conservation use of the property and the required statement of intent. This principle would apply even when the original conservation purchaser, like a land trust, subsequently conveys the property to another cooperating conservation purchaser (e.g., a governmental agency) on behalf of which the land trust may have pre-acquired the property.

As this bill also applies to partial interests in land, the exclusion from income—and the resulting reduction in capital gains tax—will, in certain instances, also be available to landowners selling partial interests in their land for conservation purposes. A farmer could, for example, sell a conservation easement, continuing to remain on and farm his land, yet still be able take advantage of the provisions in this bill. The conservation easement must meet the tax code's requirements i.e., it must serve a conservation purpose, such as the protection of fish or wildlife habitat or the preservation of open space (including farmland and forest land).

There are some things this bill does not do. It does not impose new regulations or controls on people who own environmentally-sensitive land. It does not compel anyone to do anything; it is entirely voluntary. Nor will it increase government spending for land conservation. In fact, the effect of this bill will be to allow better investment of tax and charitable dollars used for land conservation.

I urge all my colleagues to join me in support of the Conservation Tax Incentives Act of 1999.

By Mr. BURNS (for himself and Mr. WYDEN):

S. 809. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about private individuals who are not covered by the Children's Online Privacy Protection Act of 1998 on the Internet, to provide greater individual control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ONLINE PRIVACY PROTECTION ACT OF 1999

Mr. BURNS. Mr. President, I am pleased to be joined by the distinguished Senator from Oregon, Mr. WYDEN, in introducing a very important piece of legislation, the Online Privacy Protection Act of 1999. Last year, Congress worked together to protect our most vulnerable citizens from unprincipled information gathering online by passing the Children's Online Privacy Protection Act of 1998. That law provided online privacy protection for children up through age 13. Although teens and adults have a greater ability to identify the risks associated with online shopping and browsing, some guidance and protection is needed to ensure that web sites treat information in a fair and uniform way.

Before I tell you what this bill does, let me first tell you what this bill does not do. It does not bury online companies with regulatory paperwork. It does not impose a congressional mandate on privacy policies. It does not force compliance with arcane rules. It does not regulate the internet.

I want to be clear. We are trying to pilot the ship of internet commerce with a very light hand while trying to encourage the efforts currently underway within the online industry.

This bill sets very general guidelines for how an online company treats information it gathers from people interacting with their web sites. First of all, there must be a clear and conspicuous posting of the companies information collection policy. They must note what information is collected, and what they do with it. There must be a clear means for people to opt out of providing this information, if the data collected is not relevant to the web transaction. In fairness, we do allow the web site host to cancel the online transaction if the site visitor doesn't provide all of the needed information. For example, if a person buys a product, but won't give a mailing address, the company can terminate the sale.

A key provision of this bill allows people access to information that was collected and shared with outside companies. We recognize that there are many web sites that collect information to better serve their visitors. Amazon.com keeps track of book requests to help identify other potential books of interest to the customer. We appreciate the prosperity of that data and its use and want to protect and encourage that creativity. As long as the company discloses up front what information it is collecting and keeps that data internal, it won't be forced into disclosure and lose its competitive edge. However, all companies are required to establish and maintain procedures to protect the information that it collects.

To the uninformed listener, this may sound like a lot of regulation and paperwork for online companies to follow. The good news is that this bill recognizes the continuing progress being made in the commercial sector in providing secure and private transactions for customers. Concerns about misuse of information can drive many customers away, and many companies are recognizing the need for establishing some type of privacy rules. It's telling that 60 percent of Fortune 500 Chief Information Officers in a recent poll stated that they wouldn't divulge personal information online.

Fortunately, we finally got the right balance in crafting privacy policy on the internet. It isn't through congressional or FTC mandates. It's by encouraging private industry to band together to establish minimum requirements for a safe haven for consumer information. Companies can meet the intent of this bill by showing that their privacy policy complies with the Safe Haven requirements established in industry. Congress and the FTC are only there to give the Safe Haven some teeth by providing incentives and ensuring compliance with these self-established regulations. We also allow states to use existing law to challenge and remove irresponsible online privacy behavior. A strong team of business, Congress, States, and regulators will bring a balanced and fair approach to the needs of consumers.

The Online Privacy Protection Act of 1999 is an important effort to shape the future of online commerce. By getting out front and then staying out of the way, we can create an electronic medium free from big-brother mentality that allows people to move freely through commercial sites without fearing for the data trail they leave behind. This bill is good for industry and good for consumers. I strongly encourage my colleagues to support the passage of this bill.

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, Mr. KENNEDY, and Mr. KOHL):

S. 810. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, to increase the availability and affordability of professional development for child care providers, to expand youth development opportunities, to ensure the safety of children placed in child care centers in Federal facilities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Finance.

CARING FOR AMERICA'S CHILDREN ACT

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. DODD, and Mr. KOHL):

S. 811. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, and for other purposes; to the Committee on Finance.

TAX RELIEF FOR FAMILIES WITH CHILDREN ACT

By Mr. JEFFORDS (for himself, Mr. DODD, and Ms. LANDRIEU):

S. 812. A bill to provide for the construction and renovation of child care facilities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

CHILD CARE CONSTRUCTION AND RENOVATION ACT

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. Dodd, Mr. SARBANES, and Mr. KENNEDY):

S. 813. A bill to ensure the safety of children placed in child care centers in Federal facilities, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES CHILD CARE ACT

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, and Mr. KENNEDY):

S. 814. A bill to establish incentives to improve the quality and supply of child care providers, to expand youth development opportunities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Health, Education, Labor, and Pension.

CREATING HEALTHY OPPORTUNITIES AND IMPROVING CHILD EDUCATION AND SUPPORT (CHOICES) ACT

Mr. JEFFORDS. Mr. President, I rise today to introduce a comprehensive child care bill, the ''Caring for America's Children Act''. This legislation recognizes that quality child care is a shared responsibility that ultimately benefits government, communities, and, most importantly, families and their children.

Parents know best how to care for their children, and will choose the best if it is affordable and accessible. This legislation increases the opportunities for American children and their parents to choose the best care for their children, including the choice to forgo a second income to stay home with their children.

But for many families, staying home is simply not an option. Today, more than 12 million children under the age of five—including half of all infants under one year of age—spend at least part of their day being cared for by someone other than their parents. In Vermont alone, there are approximately 22,000 children, under the age of 6, in state-regulated child care.

There are millions of school-aged children who are in some form of child care at the beginning and end of the school day as well as during school holidays and vacations. And just as many six to twelve year olds are latchkey kids—returning home from school with no supervision until their parents get home from work. Far too many of these children spend that time in front of the television with a soda and a bag of chips.

Child care is a necessity for most working parents and high quality child care is a critical investment in our country's future. In the first three years of life, the brain either makes the connections it needs for learning or it atrophies, making later efforts at remediation in learning, behavior, and thinking difficult, at best. The experiences and stimulation that a caretaker provides to a child are the foundations upon which all future learning is built.

The brain's greatest and most critical growth spurt is between birth and ten years of age—precisely the time when non-parental child care is most frequently utilized. A Time magazine special report on ''How a Child's Brain Develops'' (February 3, 1997) said it best, ''. . . Good, affordable day care is not a luxury or a fringe benefit for welfare mothers and working parents but essential brain food for the next generation.''

The ''Caring for Children Act'' embodies two important goals. First, to expand the choices available to parents—including the most basic choice—to stay at home and care for their children. And second, to move child care from babysitting to early childhood education and positive youth development.

How does the ''Caring for Children Act'' accomplish this? By increasing the tax benefits for all families with children we provide more opportunities for families, whether they stay at home or place their children in the care of others. We provide families with additional income to spend on child care or to manage the household budget without a second income.

Through state incentives to improve the quality and remove barriers to higher quality care the legislation provides the opportunity to improve child care for everyone. By creating more after school activities that promote positive youth development and making them more affordable for low-income families, the bill increases gives parents and their children the opportunity to choose activities that will be fun and help in the acquisition of the skills necessary to become a productive, happy adult.

The ''Caring for Children Act'' is good for families. The legislation creates more equity between the tax benefits received by working parents who pay others to care for their children, and parents who stay home to care for their children. It increases the Dependent Care Tax Credit (DCTC) for low- and middle-income families who use child care while they work. It increases current $500 Child Tax Credit to $900 per child. It increases the Dependent Care Assistance Plan (DCAP) for two or more dependents and permits DCAP funds to be used to reimburse a parent or grandparent who provides full-time care for a child under the age of mandatory school attendance. Taxpayers are given the opportunity to select the best tax benefit option for each of their children, based on the individual family's economic and child care circumstances.

The ''Caring for Children Act'' expands current consumer education services so that parents have better access to information on high-quality child care and can feel more confident as they make decisions about who will care for their children. It creates new opportunities to meet the needs of school-aged children and their parents during the non-school hours.

The ''Caring for America's Children Act'' is good for child care providers. Almost every child care provider that I have talked with over the past few years wants the opportunity to expand their services, increase their skills, and improve their facilities. But the child care business is a financially unstable endeavor.

Child care centers and home-based providers are finding it increasingly difficult to recruit and retain staff, to buy the supplies and equipment that will promote healthy child development, and even to keep their doors open.

The Shelburne Children's Center in Vermont closed earlier this year because it could not afford to stay open. Nearly forty percent of all family-based child care and ten percent of the center-based care close each year. Parents can only pay what they can afford, and far too often that is barely enough to keep the child care provider in business.

The ''Caring for America's Children Act'' creates the opportunities that will help keep current providers afloat and encourage more people to enter the business. It creates a high-tech infrastructure for the training of child care providers —and makes that training more accessible for providers in every community. It establishes a block grant to help states improve the quality of child care.

Funds can be used to provide salary subsidies and more training for providers, to improve the enforcement of state regulations, to help providers better care for children with special needs, or to increase the supply of infant care. States will have the opportunity to try innovative approaches designed to improve the quality of child care.

The legislation also creates financing mechanisms to support the renovation and construction of child care facilities.

The ''Caring for America's Children Act'' is good for business. Child care is a growing concern for businesses, large and small. In my home state of Vermont, companies have learned that being ''family friendly'' is good for business. It increases employee retention, improves job satisfaction, and lowers absenteeism. The legislation encourages businesses to take an active role in the child care needs of their employees and in the community-at-large. It provides a tax credit to employers who contribute to child care arrangements for their employees.

The legislation expands the charitable deduction to encourage businesses to donate equipment, materials, transportation services, facilities, and staff time to public schools and child care providers. In short, it creates the opportunity for companies to make an investment in their future, by becoming involved in child care.

I have divided the ''Caring for America's Children Act'' into four smaller, more narrowly focused bills, which I also am introducing today. The ''Tax Relief for Families with Children Act'' combines all of the tax provisions (Title I and Subtitle A of Title II) of the ''Caring for America's Children Act.''

The ''Child Care Construction and Renovation Act'' focuses exclusively on the financing of child care facilities contained in Title VII of the larger bill. ''The ''Federal Employees Child Care Act'' deals exclusively with ensuring the safety and quality of child care facilities operated for employees of the federal government.

The ''Creating Healthy Opportunities and Improving Child Education'' or ''CHOICE'' Act combines the remainder of the ''Caring for America's Children Act.'' It focuses on improving the quality of child care, expanding non-school hours care for older children, increasing professional development for child care providers, and helping low-income families who will not benefit from the tax provisions.

As we all know, quality child care costs money. It costs money to parents who bear the biggest burden for the expense of child care. It costs businesses both through the direct assistance that they provide to employees to help with the expense of child care, and through their ability to hire and retain a skilled workforce. It costs government through existing tax provisions, direct spending, and discretionary spending targeted at child care.

But we must remember that the costs of not making this investment are even higher. Those costs can be measured in the expense of remedial education, the cost of having an unskilled labor force, the increase in prison populations, and most importantly, the blunted potential of millions of children.

Not only must we engage in a public debate on ''who cares for our children,'' but we also must take action to better support families in doing their most important work——raising our nation's children. Last year, child care legislation held a prominent place on the Congressional agenda. This year, little has been said, although the needs have not diminished. I hope that these bills can put child care back on the Congressional agenda where it belongs—-because our children and families cannot wait much longer.

As I said on Tuesday night during the debate on the Budget Resolution, I am not going to let the issue of child care go away. All of us here today, and all of the co-sponsors of this legislation are committed to whatever it takes to help our children maximize their opportunities. That is what this legislation is about—Opportunities.

I urge my colleagues to join with me and Senators DODD, LANDRIEU, KENNEDY, and KOHL, as well as with Congressman GILMAN and his House colleagues, in co-sponsoring and supporting this important legislation. To do nothing to improve the quality of child care and provide parents with more opportunities to choose the best care for their children is grossly unfair to the children and far too costly for our nation.

I ask unanimous consent that a section by section description of the ''Caring for America's Children Act'' be placed in the CONGRESSIONAL RECORD.

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

THE ''CARING FOR AMERICA'S CHILDREN'' ACT

Title I: Tax Benefits for Families with Children

Section 101: Increases the Dependent Care Tax Credit (DCTC) by (a) increasing the amount of allowable expenses to $3,600 for one dependent; $6,000 for two or more; (b) increasing the maximum percentage of the allowable expenses to 40 percent; (c) increases the adjusted gross income level receiving the maximum percentage to $50,000; (d) reduces the allowable percentage by 1 percent for each $2,000 over $50,000, not reduced below 10 percent; (d) permiting educational programs and third party transportation costs to be counted as allowable expenses.

Section 102: Increases the Child Tax Credit from $500 per year to $900 per year.

Section 103: Makes changes in the Dependent Care Assistance Program (DCAP) by (a) Increasing the dollar contribution limit to $7,000 a year for two or more dependents; (b) Permiting contributions to DCAP accounts during pregnancy, usable for one year after the birth of a child; (c) permiting DCAP funds to be used to pay a spouse or grandparent to care for a pre-school aged child at home; and (d) establishing a DCAP for federal employees.

Section 104: Permits parents to choose between the Dependent Care Tax Credit, Child Tax Credit, and the Dependent Care Assistance Program for each dependent child (each tax benefit mutually exclusive for each child).

Section 105: Expands the Home Office tax deduction to permit parents to care for a dependent child within the home office space

and maintain the ''exclusive use'' designation for the home office tax deduction.

Section 106: Requires states to include the cost of child care in the calculation of child support orders.

Estimated cost of Title I is $35.1 billion over 5 years.

Title II: Activities to Improve the Quality of Child Care

Subtitle A—Encouraging Business Involvement in Child Care

Section 201: Creates a child care tax credit for employers up to $150,000 a year ($250,000 a year with respect to three or more company child care facilities in different locations) in allowable employee-related child care expenses such as the construction or renovation of facilities and employee subsidies. CBO estimate $500 million over 5 years.

Section 202: Expands the business charitable tax deduction to include the contribution of scientific and computer equipment, transportation services, qualified employee volunteer time, and the use of facilities and equipment to public schools and child care providers.

Subtitle B—Child Care Quality Improvement Incentive Program

Section 211: Definition Section

Section 212: Establishes a state grant program to fund activities designed to improve the quality of child care.

Section 213: Allocates funds to the states based on the Child Care and Development formula, with a small state minimum.

Section 214: To receive grant funds, (a) states must certify that the state has not reduced the scope of state child care requirements since 1995, must be in compliance with the provisions of the Child Care and Development Block Grant, and has expended at least 80 percent of the funds allocated to the state for TANF child care matching funds; (b) there is a 10 percent state match requirement for the use of the funds, such match funds can be state or local public or private funds.

Section 215: Grant funds may be used for a variety of activities designed to improve the quality of child care within the state. This section identifies some of the allowable activities including supplementing child care provider salaries, assistance to small businesses desiring to provide child care assistance to employees, expansion of resource and referral services, educational and training scholarship for child care providers, increasing subsidies for recipients of Child Care and Development Block Grant recipients, subsidizing child care for special needs children, conducting background checks and increasing the monitoring of child care providers; State grant program authorized for $200 million a year.

Subtitle C—Increased Enforcement of State Health and Safety Standards

Section 221: Amends the Child Care and Development Block Grant (CCDBG) to encourage states to improve the enforcement of existing state laws and regulations regarding the inspection of child care facilities; provides a bonus for states which effectively enforce existing state law and a decrease in CCDBG administrative funds for states which do not adequately enforce state child care inspection requirements.

Subtitle D—Distribution of Information About Quality Child Care

Section 231: Authorizes $15 million to the Department of Health and Human Services to (a) provide technical assistance and the disseminate information on high quality child care to parents, local governments, child care organizations, and child care providers; (b) conduct a public awareness campaign promoting quality child care; (c) develop a mechanism for the collection and dissemination of information on the supply and demand for child care services; and (d) assist existing child care credentialing and accreditation entities in improving their procedures and methods.

Title III: Expanding Professional Development Opportunities

Section 301: Creates a child care training infrastructure utilizing the Internet and existing distance learning resources to provide high quality, interactive skills training for child care providers.

Section 302: Sets aside at least 10 percent of the authorized funds, within the child care training infrastructure, to establish and operate a revolving loan funds to enable child care providers to purchase computers and other equipment to access the child care training infrastructure through no-interest loans. Authorization for Title III—$50 million a year.

Title IV: Expanding Youth Development Opportunities During the Non-School Hours

Section 401: Establishes youth development focused programs that provide care for school-aged children during the non-school hours.

Section 402: Definition Section.

Section 403: Establishes a state grant program to expand and create quality non-school hours programs for school-aged children and youth which meet the child care needs of the parents as well and the goals of positive youth development; the federal share of this program is 80 percent, state and local matching funds may be in cash or in-kind.

Section 404: Allocates funds to states based on the number of youth aged 5 through 17 who reside in the state and the number of children in the state qualifying for free or reduced-price school lunches. There is a small state minimum allocation of .5 percent of the total appropriated amount for the program.

Section 405: States submit an application to the Secretary of HHS in order to receive funds and designate the administrative regions or political subdivisions which will be used in the distribution of the funds in the state.

Section 406: The state will allocate funds to administrative regions or political subdivisions within the state based on the number of 5 to 17 year olds and the number of children qualifying for free or reduced-price school lunches in the region or subdivision; the state will award grants on a competitive basis to entities within each region or subdivision up to the amount of the regional allocation; preference for grants will be given to activities which remove barriers to the availability of non-school hours child care and coordinate public and private resources.

Section 407: Entities desiring to receive grant funds will submit an application to the state.

Section 408: Grant funds will be used for activities that meet the child care needs of working parents during the non-school hours including before- and after-school, weekends, school holidays, vacation periods and other non-school hours; activities will promote at least two youth development competencies (social, physical, emotional, moral or cognitive) and be designed to increase youth protective factors and reduce risk factors; a broad range of activities can be funded including leadership development, delinquency prevention, sports and recreation, arts and cultural activities, character development, tutoring and academic enrichment, mentoring, and other locally determined programs; and at least 50 percent of the funds made available to an entity must be used to subsidize the cost of participation in the non-school hours program for low-income youth.

Section 409: The Assistant Secretary for HHS establishes mechanisms for monitoring and evaluating the effectiveness of funded activities; coordinates the grant program with similar activities in other federal agencies; provides appropriate training and technical assistance to states and local entities; and can terminate funding for States or entities which fail to comply with the requirements of the Act.

Section 410: The Governor of each State designates an entity to administer the grant activities, including monitoring compliance with rules and regulations, providing technical assistance, and providing information on grant activities to HHS.

Section 411: Ensures that activities funded under this Title will be coordinated, at the local level, with activities receiving funds from the Safe and Drug-Free Schools and Communities Act and the 21st Century Community Learning Centers Act.

Section 412: Authorizes the grant program for: $500 million for FY 00, $600 million for FY 01, $700 million for FY 02, $800 million for FY 03, and $1 billion for FY 04.

Title V: Child Care in Federal Facilities

Section 501: Short title, ''Federal Employees Child Care Act''.

Section 502: Definition section.

Section 503: Child care centers located in federal executive and judicial facilities have to meet a standard no less stringent than those required of other child care facilities in the same geographical area within six months and within three years meet the standards established by a child care accreditation entity; establishes procedures to be followed if the child care center is not in compliance with these rules including plans to correct deficiencies, closing the affected portion of a child care center if a situation is life threatening or poses a risk of serious bodily harm and is not corrected within two business days, and the disclosure of violations to parents and facility employees; legislative facilities have to obtain and maintain accreditation from a child care accreditation entity within one year or the appropriate congressional administrative entity will issue regulations to ensure the safety and quality of care for children in the legislative facility; the Administrator of GAO may provide technical assistance to other agencies and conduct studies and reviews at the request of federal agencies; and an interagency council is established to facilitate cooperation and coordinate policies; authorizes $900,000 for General Services Administration to carry out this Title.

Section 504: Authorizes an evaluation of federal child care services.

Section 506: Authorizes federal agencies to utilize appropriated funds to subsidize or otherwise assist lower income federal employees meet the costs of child care provided through contract or on-site.

Section 507: Re-authorizes the Trible Amendment which permits federal facilities to provide on-site child care services; authorizes federal agencies to conduct pilot projects on innovative approaches to providing employee child care services; and requires criminal background checks for employees of child care facilities located in federal facilities.

Title VI: Expanding Child Care Subsidy for Low-Income Families

Section 601: Changes the authorization for the Child Care and Development Block Grant Act (CCDBG) from $1 billion to $2 billion.

Section 602: Changes the CCDBG Act a) assuring that the use of automated payment systems will not limit parental choice and

will facilitate the prompt, accurate payment of child care providers; changing to 70 percent (from ''a substantial portion'') the use of CCDBG funds for low-income families who are not TANF qualified recipients of child care subsidies; requiring states to better support parental choice of child care providers by establishing separate subsidy rates dependent upon the age of the child, the setting of the child care services (home, center, group), special needs, and geographic location; and applying any required parental copayment to be reduced by the amount of the difference between the child care subsidy provided and 85 percent of the state established market rate for that child.

Title VII: Construction and Renovation of Child Care Facilities

Subtitle A—Community Development Block Grants

Section 701: Permits use of Community Development Block Grant funds to renovate or construct child care facilities. (No cost)

Subtitle B—Mortgage Insurance For Child Care Facilities

Section 711: Amends Title II of the National Housing Act to provide insurance for mortgages on new and rehabilitated child care facilities.

Section 712: Amends the National Housing Act to provide mortgage insurance for the purchase or refinancing of existing child care facilities; Authorized for $30 million for FY 01, to remain available until expended.

Section 713: Authorizes the Secretary of the Treasury to conduct a study of the secondary mortgage markets to determine whether markets exist for purchase of mortgages eligible for insurance under the National Housing Act, whether the market will affect the availability of credit for development of child care facilities and the extent to which the market will provide credit enhancement for loans for child care facilities.

Section 714: Establishes a competitive grant program to provide technical and financial assistance to child care providers for the renovation, construction, and purchase of child care facilities; Authorized for $10 million a year for FY00–04.

Mr. KENNEDY. Mr. President, today Senator JEFFORDS, Senator DODD, Senator LANDRIEU, and I are proposing legislation to expand and improve quality child care across the country. The provisions are intended to support the full range of child care choices that parents make, including the decision to provide stay-at-home care.

Child care is one of the most pressing challenges facing the nation. The need to improve the affordability, accessibility, and quality of child care is indisputable. Across the country, 13 million children under age 6 spend all or part of their day in child care.

Every child deserves high quality care. We know that child development, especially in the early years, is dependent on safe, reliable care that offers stable relationships and intellectually stimulating activities. Child care that fulfills these goals can make all the difference in enabling children to learn, grow, and reach their full potential. This bill will help improve the quality and safety of care by establishing a competitive grant program to help states improve the quality of their care.

The bill also gives new incentives to businesses to assist in the care of their employees' children and to strengthen the quality of care. Businesses will be permitted a tax deduction for donations of equipment, materials, transportation services, facilities, and staff time to public schools and care providers. Employers who contribute to the child care arrangements of their employees will receive a tax credit of 50 percent of their expenses up to $150,000 a year ($250,000 a year with respect to three or more facilities in different locations) in allowable employee-related child care expenses such as the construction or renovation of facilities and employee subsidies.

The quality of care can also be improved by giving the public more information about the caliber of the programs in their community. Working parents deserve to know that their children are not just safe, but well cared for. Our bill will provide that reassurance by improving parents' access to the information they need to make informed decisions about the selection of child care. Establishing a more effective system for distributing public information will make it easier for parents to select care with confidence, and will also encourage care providers to improve their services.

Raising children is expensive, in and of itself, and families who place their children in out-of-home care face the additional burden of obtaining quality child care. Millions of families cannot afford the child care they need in order to raise, protect, and teach their children. Full-day care can easily cost up to $10,000 per year—often as much as college tuition for an older child. Too often, the high cost of quality care puts it out of reach for many working families, particularly those earning low wages. These parents—working parents—constantly must choose between paying the rent or mortgage, buying food, and providing the quality care their child needs.

Our bill provides support to all families with children, whether they rely on out-of-home care or not. It increases the Dependent Care Tax Credit (DCTC) by raising the amount of allowable expenses to $3,600 for one dependent and $6,000 for two or more, and by permitting educational programs and third party transportation to count as allowable expenses.

Affordable child care is in particularly short supply for young children and for children who need care during nontraditional hours, such as during the late afternoon and evening. As more and more parents leave welfare for work, the demand for this type of care will continue to increase. The General Accounting Office estimates that under the welfare reform rules requiring more parents to work, the supply of child care will meet only 25 percent of the demand in many urban areas. We must ensure that the necessary support systems, such as child care and health care, are in place so that low-income parents can successfully move from welfare to self-sufficiency.

Our bill addresses these concerns by increasing the authorization of the Child Care and Development Block Grant (CCDBG) Act from $1 billion to $2 billion a year. It requires states to improve the way in which subsidy rates are determined. Parents will have a choice of child care providers, not just the least expensive care. Seventy percent of the CCDBG funds are set aside for non-welfare-related low-income working parents. The bill also contains a new state grant program to encourage the development of quality child care programs during non-school hours.

It is long past time for Congress to give child care the high priority it deserves. This bipartisan bill addresses the serious challenges confronting millions of families with children, and I urge my colleagues to join us in supporting this significant initiative.

Mr. President, an excellent column in yesterday's Washington Post by Judy Mann eloquently analyzed the hardships facing families seeking adequate child care. I believe her analysis will be of interest to all of us concerned about the issue, and I ask unanimous consent that it be printed in the RECORD.

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

[From The Washington Post, April 14, 1999]

THE SLOW EVOLUTION OF CHILD CARE

(By Judy Mann)

I first started worrying about child care more than 30 years ago when I became a single working parent with a 1-year old child. We didn't call it child care back then, because it didn't really exist.

We called baby-sitting.

Some women took children into their homes and baby-sat them all day. They were a godsend to that first cohort of women who—out of choice or necessity—went into the paid workforce. But out of these homes also came some horror stories of crowding, of children stuck in front of TV sets all day, of germs being passed around with such alacrity that mothers lost jobs because they missed so many workdays having to care for sick children.

So how far have we come in 30 years? It's not overly harsh to say; not that far. We have licensed family day-care centers, school-based child care, child care centers in office parks and churches, and we have corporations that run child care centers across the country. The federal government subsidizes child care with vouchers for some low-income families and by allowing people to shelter some money spent on child care from income tax.

But for most working parents, child care remains an enormous source of financial stress and emotional anxiety. Even people who can afford live-in nannies aren't spared that bad apple who abuses children or disappears without warning.

At best, we have a patchwork of child care that is woven together by a common thread: The people who take care of our children are woefully underpaid and under-trained. Turnover ranges from 25 percent to 50 percent as they succumb to the lure of better-paying jobs. The median income for child care providers is $6.12 an hour; for parking lot attendants, it is $6.38. We pay $6.90 an hour to people who walk our dogs. What do we value most—our kids, our cars, our pets?

We are the most prosperous nation on earth, with an economy that is booming like

the end of the ''1812 Overture.'' We are also the only modern industrial nation that does not have an organized, affordable, reliable system of child care for the people creating those economic success.

Child care advocates have been working for more than 20 years to try to get this country to understand that child care isn't just about baby-sitting. It's about giving youngsters a good start in life and reducing stress on working parents. We have lacked the national will to make good child care one of our central responses to the changes in family life for one simple reason: Working parents are so busy trying to survive day-to-day that they have no time or energy for political action.

This may be changing, thanks in part to a ''Caring for Kids'' public affairs campaign that Lifetime Television has undertaken with the National Council of Women's Organizations. Begun in March of last year, the campaign now involves about 150 nonprofit organizations. The coalition is targeting April as ''Childcare Month,'' and about 1,500 community campaigns are going to be held to support its central message: Make child care a priority in the 2000 election.

Putting technology to good use, the campaign has collected more than 2,000 personal child care stories from families across the country who have faxed, phoned or visited the campaign's Web site at www.lifetimetv.com. These stories have been delivered to Congress, and some have been used in a documentary produced by Lee Grant that will premiere on Lifetime on April 20. ''Confronting the Crisis: Childcare in America'' is the most powerful hour of film on the nation's child care problem that I have ever seen.

One of its great sources of strength is in showing that child care is no longer a woman's problem: It now involves fathers as well, and fathers play a starring role in the documentary. We meet Jeff, a widower, and one of 2 million single fathers, who quit a well-paid night job because there was no night-time child care available. He now works days, and he and his sister share child care responsibilities. ''Everything's rushed,'' he said—as apt a description of the working parent culture as you could find.

We meet women in the welfare-to-work programs that 10,000 companies are participating in, Chicora is up at 4 a.m. to get her child to day care so she can go to work. Her mother died, so she is raising her 15-year-old sister as well. She earns $9.50 an hour and is able to make it because she gets a child care voucher. When that runs out, she will face child care costs of about $6,000 a year. ''Education's first,'' she says, and she holds all the hope in the world for her child. She doesn't need a miracle to make it: That she is still in the game is the miracle. What she needs is for that voucher to continue until she can get on her feet financially.

We go to France, where child care is ''part of the culture,'' in Grant's words. And we meet Sheriff Pat Sullivan, of Arapahoe County, Colo., a leader of ''Fight Crime: Invest in Kids,'' an organization of law enforcement officials who believe before-school and after-school programs are critical to preventing youth violence. Sullivan is a conservative Republican. The question, he says, is where to put tax dollars. The answer is not in more jails, he says, but in child care, and that includes programs that keep adolescents busy. Idle minds are the devil's playground.

Voices from across the political spectrum, from law enforcement to social workers, from brain researchers to pediatricians, are calling for a vastly improved system of child care. Neglect, whether in infancy or adolescence, is the breeding ground of despair, and that, in turn, is the breeding ground for antisocial behavior. The hope here is that the ''Caring for Kids'' campaign and Lifetime's documentary can help galvanize the nation into action.

Ms. LANDRIEU. Mr. President, I rise today with my distinguished colleague from Vermont and other members of this body in strong support of legislation that takes a much needed step on behalf of our Nation's children. I am very sad to say, however, that Louisiana ranks among the worst when it comes to providing for its children. By providing access to quality child care that is both safe and affordable the Caring for America's Children Act will improve the lives of children in Louisiana and across the Nation.

As a professional with two young children, I am well aware of the challenges that face working parents as they balance their children's needs with the demands of their careers. I also know first hand how expensive quality child care is, costing anywhere from over $3,000 per year to over $10,000 per year, depending upon where a family resides. For the parents of some 800,000 children in Louisiana who spend most of their day outside their parent's care, these costs are prohibitive. It is especially difficult for over 50 percent of Louisiana families who need child care, but whose incomes fall below the Federal poverty level.

To address this dilemma, this legislation would increase the child care and development block grant (CCDBG) from $1 billion to $2 billion. By doubling the funding level for CCDBG, twice as many poor children will receive quality child care. Presently, however, only eight percent of Louisiana's poor children are being assisted through this program. With this increase another 40,000 children will receive needed help. Nevertheless, the demand for assistance will far outweigh funding, so thousands of parents and their children will continue to go unserved.

In addition to the shortage of funding for low-income children, Louisiana, like many other states, must confront two other critical issues dealing with child care. First, facilities must be improved and expanded. Secondly, minimum quality standards must be set at the state and local levels for child care providers. This like other educational improvements will only occur when we expect more, provide more, and pay more for quality care. If we do not, the status quo will remain the same. For example, the average wage of a child care worker in Louisiana in 1997 was only $10,760, barely above what a minimum wage job would pay annually. Worse yet, the ratio of children to care givers in Louisiana far exceeded the recommended ratios.

On a national level, safety in child care facilities is another critical issue. Earlier this week the Consumer Product Safety Commission announced that it had examined 220 licensed child care settings. They found that most contained at least one safety violation, such as crib bedding that could suffocate babies or loops on window blind cords that could cause strangulation. Moreover, the agency found that 31,000 children, age 4 and younger, were treated in 1997 in hospital emergency rooms for injuries they received in child care and school settings. Additionally, at least 56 children have died in child care facilities since 1990.

To provide states with additional resources for the purpose of improving the quality of their day care facilities, this bill establishes a quality improvement incentive program. States would receive funds based on the CCDBG formula, which could be used for a variety of activities designed to improve the quality of child care within each state. Additionally, the bill also provides greater professional development opportunities for child care workers through a new distance learning program and interactive computer applications. The legislation will also provide states with greater flexibility, so that they can use their community development block grant funds for the construction and/or renovation of child care facilities.

Finally, important tax provisions are included in this legislation for both parents who work or stay home. Toward this end, the bill would increase:

the child tax credit from $500 to $900 per year;

the dependent care tax credit (DCTC) to $3,600 for one dependent and $6,000 for two or more dependents; and

expand the home office tax deduction so that parents who work out of their home will not be penalized.

By providing parents with these additional benefits, families will have greater options in ensuring their children receive the most appropriate care depending on individual family circumstances.

I am also very pleased that appropriate modifications to our Federal child care system are included in this legislation. Most importantly, this bill would allow Federal agencies to use appropriated funds for the purpose of making child care more affordable to low-income Federal workers. Additionally, within six months of the passage of this legislation every Federal child care facility will have to be licensed. Within three years, they must also meet standards established by a child care accreditation entity. The Federal facilities title also reauthorizes the Trible amendment that allows Federal facilities to provide on-site care and innovative approaches to expand child care services on a contractual basis.

Before the Congress enacts legislation to enhance child care at the state level, it is essential that the Federal Government first address the deficiencies and inadequacies within its own system. While the Federal Government has made significant improvements, we must ensure that Federal Government leads by example.

Mr. President, improving the availability of quality and affordable child

care should not be a partisan issue. A recent Carnegie study found that children in poor quality child care are delayed in language and reading skills, and display more aggression toward other children and adults. We should not delay one more year while thousands of children are held back because of our inaction in the Congress.

I thank Senator JEFFORDS for his leadership on this issue.

Mr. ROTH (for himself, Mr. JEFFORDS, Mr. COVERDELL, Mr. HELMS, Mr. ROBB, Ms. MIKULSKI, Mr. BIDEN, Mr. SESSIONS, Mr. HUTCHINSON, Mr. SARBANES, Mr. LEAHY, Mr. GRAMS, Mr. SHELBY, Mr. MCCONNELL, and Mr. HARKIN):

S. 815. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing electricity from certain renewable resources; to the Committee on Finance.

POULTRY ELECTRIC ENERGY POWER (PEEP) ACT

Mr. ROTH. Mr. President, I rise today to reintroduce legislation that would amend section 45 of the Internal Revenue Code to provide a tax credit to biomass energy facilities that use poultry litter as a fuel for generating electricity.

I am pleased to report that my bill has received even more cosponsors than when it was introduced in the 105th Congress. Fourteen of my colleagues are joining me as original cosponsors. They include Senators JEFFORDS, COVERDELL, HELMS, ROBB, MIKULSKI, BIDEN, SESSIONS, HUTCHINSON, SARBANES, LEAHY, GRAMS, SHELBY, MCCONNELL, and HARKIN.

Mr. President, I am bullish on poultry's future in America. It is hard not to be with worldwide poultry consumption growing at double-digit rates.

In the United States, poultry production has tripled since 1975. We now produce almost 8 billion chickens a year to feed the growing worldwide demand.

In particular, Delaware, Maryland, and Virginia produce some of the world's finest poultry. Just last year Delmarva poultry farmers produced over 600 million chickens. Our poultry farmers are among the most productive and efficient in the world.

As the amount of chickens we produce as a nation has grown, so too has the need to find creative means for disposing of poultry manure.

Due to environmental pressures, spreading manure on land is no longer an option in some areas for our rapidly growing poultry industry. In those areas, the nutrient runoff from the manure has been identified as a contributing factor in surface and groundwater pollution.

Addressing these water quality problems will require a range of innovative approaches. One part of the solution may be to use poultry manure to generate electricity.

The United Kingdom has two utility plants that use poultry manure to generate electricity. These two poultry power plants will, when combined with a third scheduled to open soon, burn 50 percent of the UK's total volume of chicken manure.

The electricity generated by these plants will supply enough power for 37,000 homes. These plants have the support of both the poultry industry and the international environmental community.

The way this system works is simple. Power stations buy poultry manure from surrounding poultry farmers and transport it to the power station. At the station the manure is burned in a furnace at high temperatures, heating water in a boiler to produce steam which drives a turbine linked to a generator. The electricity is then transferred to the local electricity grid for use by commercial and residential customers.

There are no waste products created through this process. Instead, a valuable by-product emerges in the form of a nitrogen-free ash, which is marketed as an environmentally friendly fertilizer.

The legislation I am introducing today will provide a tax credit to energy facilities that use poultry manure as a fuel to generate electricity.

It will build on concepts in the Tax Code that provide incentives for innovative alternative energy production.

This legislation will provide incentives for electricity generation that will not only help dispose of poultry manure, but will also supply our Nation's farmers with a clean fertilizer free of nitrates.

I urge my colleagues to join me in cosponsoring my bill, the Poultry Electric Energy Power Act. It is important for future generations that we continue to explore innovative alternative technologies that will help protect our environment.

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

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

S. 815

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 ''Poultry Electric Energy Power (PEEP) Act''.

SEC. 2. EXTENSION OF CREDIT FOR PRODUCING ELECTRICITY FROM CERTAIN RENEWABLE RESOURCES.

(a) CREDIT FOR PRODUCING ELECTRICITY FROM POULTRY WASTE.—Section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended by striking ''and'' at the end of subparagraph (A), by striking the period at the end of subparagraph (B) and inserting '', and'', and by adding at the end the following:

''(C) poultry waste.''

(b) EXTENSION OF PLACED IN SERVICE DATE.—Section 45(c)(3) of the Internal Revenue Code of 1986 (defining qualified facility) is amended by striking ''1999'' and inserting ''2005''.

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

Mr. GRAMS. Mr. President, I am proud to join Senator ROTH as an original co-sponsor of legislation to amend Section 45 of the tax code for the production of electricity from environmentally-friendly methods, including poultry litter, the Poultry Electric Power Act.

Mr. President, our nation's poultry consumption continues to grow in rapid numbers. We now produce almost 8 billion chickens a year in the United States. My home State of Minnesota is now the nation's largest producer of turkeys, with an estimated 44 million produced last year alone. According to the Minnesota Turkey Growers Association, Minnesota turkey producers and processors earned 1997 incomes of $180 million and spinoff industries earned $374 million in 1996. In Minnesota, the turkey industry includes 2,810 jobs in production and 4,552 jobs in processing. So, Mr. President, you can see that the poultry industry is extremely important to rural Minnesota.

I continue to believe that we must explore a wide variety of alternative energy sources that provide a number of benefits for our nation. First, this bill will provide another market and revenue source for our farmers who so badly need diversified sources of income. Second, the bill will assist our nation in increasing our energy security. Third, this bill will help to improve the environment not only by providing a clean energy source, but by assisting in the disposal of poultry manure in an environmentally friendly way. Fourth, this bill will help create spin-off jobs for our nation's rural communities—jobs many rural communities badly need.

I hope my colleagues will support this legislation and I want to thank Senator ROTH for leading this important effort in the Senate.

By Mr. DORGAN:

S. 816. A bill to amend section 3681 of title 18, United States Code, relating to the special forfeiture of collateral profits of a crime; to the Committee on the Judiciary.

FEDERAL SON OF SAM LEGISLATION

Mr. DORGAN. Mr. President, last year, I introduced a bill to correct problems with the Federal ''Son of Sam'' law, as those problems were perceived by the U.S. Supreme Court. Today, I am reintroducing this legislation, which deals with a continuing problem. The New York statute analyzed by the Supreme Court, as well as the Federal statute which I seek to amend, forfeited the proceeds from any expressive work of a criminal, and dedicated those proceeds to the victims of the perpetrator's crime. Because of constitutional deficiencies cited by the Court, the Federal statute has never been applied, and without changes, it is highly unlikely that it ever will be. Without this bill, criminals can become wealthy from the fruits of their

crimes, while victims and families are exploited.

The bill I now introduce attempts to correct constitutional deficiencies cited by the Supreme Court in striking down New York's Son of Sam law. In its decision striking down New York's law, the Court found the state to be both over inclusive and under inclusive: Over inclusive because the statute included all expressive works, no matter how tangentially related to the crime; under inclusive because the statute included only expressive works, not other forms of property.

To correct the deficiencies perceived by the Court, this bill changes significantly the concepts of the Federal statute. Because the Court criticized the statute for singling out speech, this bill is all-encompassing: It includes various types of property related to the crime from which a criminal might profit. Because the Court criticized the statute for being over inclusive, including the proceeds from all works, no matter how remotely connected to the crime, this bill limits the property to be forfeited to the enhanced value of property attributable to the offense. Because the Court found fault with the statute for not requiring a conviction, this bill requires a conviction.

The bill also attempts to take advantage of the long legal history of forfeiture. Pirate ships and their contents were once forfeited to the government. More recent case law addresses the concept of forfeiting any property used in the commission of drug related crimes, or proceeds from those crimes. I hope that courts interpreting this statute will look to this legal history and find it binding or persuasive.

The bill utilizes the Commerce Clause authority of Congress to forfeit property associated with State crimes. This means that if funds are transferred through banking channels, if UPS or FedEx are used, if the airwaves are utilized, or if the telephone is used to transfer the property, to transfer funds, or to make a profit, the property can be forfeited. In State cases, this bill allows the State Attorney General to proceed first. We do not seek to preempt State law, only to see that there is a law in place which will ensure that criminals do not profit at the expense of their victims and the families of victims.

One last improvement which this bill makes over the former statutes: The old statute included only crime which resulted in physical harm to another; this bill includes other crimes. Examples of crimes probably not included under the old statute, but included here are terrorizing, kidnaping, bank robbery, and embezzlement.

Mr. President, our Federal statute, enacted to ensure that criminals not profit at the expense of their victims and victim's families, is not used today because it is perceived to be unconstitutional. I believe victims of crime deserve quick action on this bill, drafted to ensure that they are not the source of profits to those who committed crimes against them. I asked for your support.

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. 816

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

SECTION 1. SPECIAL FORFEITURE OF COLLATERAL PROFITS OF CRIME.

Section 3681 of title 18, United States Code, is amended by striking subsection (a) and inserting the following:

''(a) IN GENERAL.—

''(1) FORFEITURE OF PROCEEDS.—Upon the motion of the United States attorney made at any time after conviction of a defendant for an offense described in paragraph (2), and after notice to any interested party, the court shall order the defendant to forfeit all or any part of proceeds received or to be received by the defendant, or a transferee of the defendant, from a contract relating to the transfer of a right or interest of the defendant in any property described in paragraph (3), if the court determines that—

''(A) the interests of justice or an order of restitution under this title so require;

''(B) the proceeds (or part thereof) to be forfeited reflect the enhanced value of the property attributable to the offense; and

''(C) with respect to a defendant convicted of an offense against a State—

''(i) the property at issue, or the proceeds to be forfeited, have travelled in interstate or foreign commerce or were derived through the use of an instrumentality of interstate or foreign commerce; and

''(ii) the attorney general of the State has declined to initiate a forfeiture action with respect to the proceeds to be forfeited.

''(2) OFFENSES DESCRIBED.—An offense is described in this paragraph if it is—

''(A) an offense under section 794 of this title;

''(B) a felony offense against the United States or any State; or

''(C) a misdemeanor offense against the United States or any State resulting in physical harm to any individual.

''(3) PROPERTY DESCRIBED.—Property is described in this paragraph if it is any property, tangible or intangible, including any—

''(A) evidence of the offense;

''(B) instrument of the offense, including any vehicle used in the commission of the offense;

''(C) real estate where the offense was committed;

''(D) document relating to the offense;

''(E) photograph or audio or video recording relating to the offense;

''(F) clothing, jewelry, furniture, or other personal property relating to the offense;

''(G) movie, book, newspaper, magazine, radio or television production, or live entertainment of any kind depicting the offense or otherwise relating to the offense;

''(H) expression of the thoughts, opinions, or emotions of the defendant regarding the offense; or

''(I) other property relating to the offense.''.

By Mrs. BOXER:

S. 817. A bill to improve academic and social outcomes for students and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities during after school hours; to the Committee on Health, Education, Labor, and Pensions.

AFTER SCHOOL AND ANTI-CRIME ACT OF 1999

Mrs. BOXER. Mr. President, every day, millions of working parents are faced with the dilemma of finding constructive activities for their school-aged children to become involved in during the after school hours. These parents know that, when unsupervised, the likelihood of their child becoming involved with drugs, alcohol or criminal activity is increased. In fact, juvenile crime peaks during the hours of 3 p.m. and 6 p.m.—after school.

That is why I am introducing a bill to help assuage the concerns of parents, law enforcement and communities to help develop edifying activities for youth during the after school hours. The After School Education and Anti-Crime Act of 1999 will help give our children safe, productive places to go after the school bell rings, which is what ninety-two percent of all Americans have indicated they strongly support.

Not only do after school programs provide children with activities and parents with relief, they also help law enforcement officials connect with their communities and help them reduce incidences of juvenile crime. Several law enforcement organizations have expressed their support of my proposal and for after school programs, including the National Association of Police Athletic and Activity Leagues (PALS), Fight Crime Invest in Kids, National Sheriffs Association, Major Cities' Police Chiefs and other law enforcement representing California, Illinois, Texas, Arizona, Maine and Rhode Island.

This legislation would authorize $600 million in funding for after-school programs. These programs, as developed by communities, will offer positive alternatives in the after school hours, such as mentoring, academic assistance, recreation, technology and job skills training, and drug, alcohol, and gang prevention programs.

If passed, the funding in this bill would enable an estimated 1.1 million children each year to participate in after school programs. The demand for after school programs is very high. Last year alone, nearly 2,000 school districts applied for after school federal assistance—of that, only 287 grants were awarded.

We have the opportunity in the 106th Congress to answer the call of communities all across America that understand the importance of—and need for—after school programs for kindergarten, elementary and secondary school students. After school programs are anti-crime, pro-education, pro-community, and make common sense.

I urge my colleagues to support this legislation. 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. 817

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 ''After School Education and Anti-Crime Act of 1999''.

SEC. 2. PURPOSE.

The purpose of this Act is to improve academic and social outcomes for students and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities during after school hours.

SEC. 3. FINDINGS.

Congress makes the following findings:

(1) Today's youth face far greater social risks than did their parents and grandparents.

(2) Students spend more of their waking hours alone, without supervision, companionship, or activity, than the students spend in school.

(3) Law enforcement statistics show that youth who are ages 12 through 17 are most at risk of committing violent acts and being victims of violent acts between 3 p.m. and 6 p.m.

(4) The consequences of academic failure are more dire in 1999 than ever before.

(5) After school programs have been shown in many States to help address social problems facing our Nation's youth, such as drugs, alcohol, tobacco, and gang involvement.

(6) Many of our Nation's governors endorse increasing the number of after school programs through a Federal/State partnership.

(7) Over 450 of the Nation's leading police chiefs, sheriffs, and prosecutors, along with presidents of the Fraternal Order of Police and the International Union of Police Associations, which together represent 360,000 police officers, have called upon public officials to provide after school programs that offer recreation, academic support, and community service experience, for school-age children and teens in the United States.

(8) One of the most important investments that we can make in our children is to ensure that they have safe and positive learning environments in the after school hours.

SEC. 4. GOALS.

The goals of this Act are as follows:

(1) To increase the academic success of students.

(2) To promote safe and productive environments for students in the after school hours.

(3) To provide alternatives to drug, alcohol, tobacco, and gang activity.

(4) To reduce juvenile crime and the risk that youth will become victims of crime during after school hours.

SEC. 5. PROGRAM AUTHORIZATION.

Section 10903 of the 21st Century Community Learning Centers Act (20 U.S.C. 8243) is amended—

(1) in subsection (a)—

(A) in the subsection heading, by inserting ''TO LOCAL EDUCATIONAL AGENCIES FOR SCHOOLS'' after ''SECRETARY''; and

(B) by striking ''rural and inner-city public'' and all that follows through ''or to'' and inserting ''local educational agencies for the support of public elementary schools or secondary schools, including middle schools, that serve communities with substantial needs for expanded learning opportunities for children and youth in the communities, to enable the schools to establish or''; and

(C) by striking ''a rural or inner-city community'' and inserting ''the communities'';

(2) in subsection (b)—

(A) by striking ''States, among'' and inserting ''States and among''; and

(B) by striking ''United States,'' and all that follows through ''a State'' and inserting ''United States''; and

(3) in subsection (c), by striking ''3'' and inserting ''5''.

SEC. 6. APPLICATIONS.

Section 10904 of the 21st Century Community Learning Centers Act (20 U.S.C. 8244) is amended—

(1) by redesignating subsection (b) as subsection (c);

(2) in subsection (a)—

(A) in the matter preceding paragraph (1)—

(i) in the first sentence, by striking ''an elementary or secondary school or consortium'' and inserting ''a local educational agency''; and

(ii) in the second sentence, by striking ''Each such'' and inserting the following:

''(b) CONTENTS.—Each such''; and

(3) in subsection (b) (as so redesignated)—

(A) in paragraph (1), by striking ''or consortium'';

(B) in paragraph (2), by striking ''and'' after the semicolon; and

(C) in paragraph (3)—

(i) in subparagraph (B), by inserting '', including programs under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858 et seq.)'' after ''maximized'';

(ii) in subparagraph (C), by inserting ''students, parents, teachers, school administrators, local government, including law enforcement organizations such as Police Athletic and Activity Leagues,'' after ''agencies,'';

(iii) in subparagraph (D), by striking ''or consortium''; and

(iv) in subparagraph (E)—

(I) in the matter preceding clause (i), by striking ''or consortium''; and

(II) in clause (ii), by striking the period and inserting a semicolon; and

(E) by adding at the end the following:

''(4) information demonstrating that the local educational agency will—

''(A) provide not less than 35 percent of the annual cost of the activities assisted under the project from sources other than funds provided under this part, which contribution may be provided in cash or in kind, fairly evaluated; and

''(B) provide not more than 25 percent of the annual cost of the activities assisted under the project from funds provided by the Secretary under other Federal programs that permit the use of those other funds for activities assisted under the project; and

''(5) an assurance that the local educational agency, in each year of the project, will maintain the agency's fiscal effort, from non-Federal sources, from the preceding fiscal year for the activities the local educational agency provides with funds provided under this part.''.

SEC. 7. USES OF FUNDS.

Section 10905 of the 21st Century Community Learning Centers Act (20 U.S.C. 8245) is amended—

(1) by striking the matter preceding paragraph (1) and inserting:

''(a) IN GENERAL.—Grants awarded under this part may be used to establish or expand community learning centers. The centers may provide 1 or more of the following activities:'';

(2) in subsection (a)(11) (as redesignated by paragraph (1)), by inserting '', and job skills preparation'' after ''placement''; and

(3) by adding at the end the following:

''(14) After school programs, that—

''(A) shall include at least 2 of the following—

''(i) mentoring programs;

''(ii) academic assistance;

''(iii) recreational activities; or

''(iv) technology training; and

''(B) may include—

''(i) drug, alcohol, and gang prevention activities;

''(ii) health and nutrition counseling; and

''(iii) job skills preparation activities.

''(b) LIMITATION.—Not less than ⅔ of the amount appropriated under section 10907 for each fiscal year shall be used for after school programs, as described in paragraph (14). Such programs may also include activities described in paragraphs (1) through (13) that offer expanded opportunities for children or youth.''.

SEC. 8. ADMINISTRATION.

Section 10905 of the 21st Century Community Learning Centers Act (20 U.S.C. 8245) is amended by adding at the end the following:

''(c) ADMINISTRATION.—In carrying out the activities described in subsection (a), a local educational agency or school shall, to the greatest extent practicable—

''(1) request volunteers from business and academic communities, and law enforcement organizations, such as Police Athletic and Activity Leagues, to serve as mentors or to assist in other ways;

''(2) ensure that youth in the local community participate in designing the after school activities;

''(3) develop creative methods of conducting outreach to youth in the community;

''(4) request donations of computer equipment and other materials and equipment; and

''(5) work with State and local park and recreation agencies so that activities carried out by the agencies prior to the date of enactment of this subsection are not duplicated by activities assisted under this part.''.

SEC. 9. COMMUNITY LEARNING CENTER DEFINED.

Section 10906 of the 21st Century Community Learning Centers Act (20 U.S.C. 8246) is amended in paragraph (2) by inserting '', including law enforcement organizations such as the Police Athletic and Activity League'' after ''governmental agencies''.

SEC. 10. AUTHORIZATION OF APPROPRIATIONS.

Section 10907 of the 21st Century Community Learning Centers Act (20 U.S.C. 8247) is amended by striking ''$20,000,000 for fiscal year 1995'' and all that follows and inserting ''$600,000,000 for each of fiscal years 2000 through 2004, to carry out this part.''.

SEC. 11. EFFECTIVE DATE.

This Act, and the amendments made by this Act, take effect on October 1, 1999.

By Mr. DEWINE (for himself and Mr. REID):

S. 818. A bill to require the Secretary of Health and Human Services to conduct a study of the mortality and adverse outcome rates of Medicare patients related to the provision of anesthesia services; to the Committee on Finance.

THE SAFE SENIORS ASSURANCE STUDY ACT OF 1999

Mr. DEWINE. Mr. President, today I rise to introduce the ''Safe Seniors Assurance Study Act of 1999.'' I am joined in this effort by my colleague, Senator REID from Nevada. This bill would require that the Secretary of Health and Human Services conduct a study and analyze the impact of physician supervision, or lack of physician supervision, on death rates of Medicare patients associated with the administration of anesthesia services. Since the

Medicare program began, the Health Care Financing Adminstration's (HCFA) standards for hospitals and ambulatory surgical centers have required that a physician either provide the anesthesia care or supervise the anesthesia care provided by nurse anesthetists. This requirement has also applied to the Medicaid program.

The very old and the very young, both covered by these two federal insurance programs, represent the segments of our population that, on average, face the highest anesthesia risks. The two programs cover over 40 million Americans.

In December 1997, HCFA proposed changes to its standards for hospitals and surgical centers. Included in these proposed changes was the elimination of the physician supervision requirement, leaving to state governments the decision whether physician supervision of nurse anesthetists was necessary. In issuing its proposed changes, HCFA offered no scientific data indicating that anesthesia safety would not be impaired as a result of the changed rule, and has offered no such data to this day.

In 1992, HCFA considered a similar change, but rejected it. After reviewing the studies available at the time showing anesthesia outcomes, HCFA concluded: ''In consideration of the risks associated with anesthesia procedures, we believe it would not be appropriate to allow anesthesia administration by a non-physician anesthetist unless under supervision by an anesthesiologist or the operating practitioner.'' HCFA also declined to adopt as a ''national minimum standard of care, a practice that is allowed in only some states.''

In the only comparative anesthesia outcome study published since 1992, researchers found that outcomes were better in hospitals having Board-certified anesthesiologists on staff. In the Fall of last year, an abstract of a University of Pennsylvania study of 65,000 Medicare surgical cases indicated that mortality and 'failure to rescue' rates significantly improved when a nurse anesthetist was supervised by an anesthesiologist rather than the operating surgeon. This latter study is expected to be published in final form later this year.

The Conference Report on the Fiscal Year 1999 Omnibus Appropriations measure recommended that HCFA ''base retaining or changing the current requirement of physician supervision. . .on scientifically valid outcomes data.'' The Report suggested ''an outcome approach that would examine, using existing operating room anesthesia data, mortality and adverse outcomes rates by different anesthesia providers, adjusted to reflect relevant scientific variables.''

A bill was introduced in the House in early February by Representatives DAVE WELDON and GENE GREEN that would require HCFA to undertake the congressionally-recommended outcome study of Medicare patients, and complete it by June 30, 2000. That bill currently has about 37 cosponsors—Republicans and Democrats. This is not a partisan issue, but an issue about safety. The bill that I am introducing with my colleague, Senator HARRY REID today, is very similar to the Weldon/Green bill in the House. Our Senate version would only require that the Secretary of HHS consider the results of the June 2000 study in deciding whether or not to implement its 1997 proposal.

Physician anesthesiologists personally provide, or supervise anesthesia administration by a qualified non-physician, 90% of the anesthesia care in this country. In the rest of the cases, supervision is provided by the operating practitioner. Under the Medicare program, there is no additional cost for having an anesthesiologist provide or supervise the anesthesia care versus having a non-physician provide the anesthesia under the supervision of the operating practitioner. The proposed HCFA rule change does not, therefore, generate any cost savings.

Anesthesiologists are physicians who, after four years of pre-medical training in college, have completed eight years of medical education and specialized residency training. This is in contrast to the 24 to 30 months of training received by nurse anesthetists after nursing school—in fact, about 37% of nurse anesthetists have not graduated from college.

The American Medical Association's House of Delegates last December approved a resolution supporting legislation requiring that an appropriately licensed and credentialed physician administer or supervise anesthesia care. National surveys of Medicare beneficiaries performed by the Tarrance Group in January 1998 and 1999 show that 4 out of 5 seniors oppose the elimination of the current physician supervision requirement.

Let's err on the side of safety and caution by requiring that the Secretary of HHS conduct a study on the mortality and death rates of Medicare patients associated with the administration of anesthesia care by different providers. Analyzing the impact of physician supervision on anesthesia care and requiring the Secretary to simply consider the results of that study in determining whether or not to change current regulations to allow unsupervised nurse anesthetists to administer anesthesia services, is the very least we can do to ensure that we are making safe changes to existing regulations—changes that HCFA rejected in 1992 when studies of anesthesia outcomes were up-to-date and available.

If HCFA is going to now change its policy in 1999, we should ask HCFA to show us the scientific and clinical data behind its decision to ensure that the safety of our most vulnerable populations—our children and our elderly—are adequately protected. None of us—including HCFA—is in a position to judge the merits of this proposed rule change without first gathering and then analyzing up-to-date scientific evidence. Only then can patients be confident in the safety and quality of their anesthesia care. I urge my colleagues to support this important legislation.

By Mr. GRAHAM (for himself and Mr. REID):

S. 819. A bill to provide funding for the National Park System from outer Continental Shelf revenues; to the Committee on Energy and Natural Resources.

NATIONAL PARK PRESERVATION ACT

Mr. GRAHAM. Mr. President, Member of the Senate, I am today introducing the National Park Preservation Act with my colleague Senator REID of Nevada. This legislation will preserve and protect threatened or impaired ecosystems, critical habitats, and cultural and other core park resources within our National Park System.

As you are all aware, the National Park Service has a presence in virtually every state in the nation. There are a total of 345 units in the national park system spread throughout the nation. My home state of Florida is home to three National Parks—Everglades, Biscayne, and Dry Tortugas; two National Preserves—Big Cypress and Timucuan Ecological and Historical Preserve; two National Seashores—Canaveral and Gulf Islands; two National Monuments—Castillo de San Marcos and Fort Matanzas; and two National Memorials—DeSoto and Fort Caroline.

Although these National Parks are treasured throughout the nation, everyday activities often threaten the resources of our park system. For example, in Yellowstone National Park an inadequate sewage system frequently discharges materials into precious resources such as Yellowstone Lake. Development surrounding Mojave National Park threatens the park's desert wilderness. Ground-level ozone accumulating at Great Smoky Mountains National Park threatens the park's core resource—visibility. Manipulation of the natural hydrologic system impacts water quality and water availability in Everglades National Park.

The Graham-Reid National Park Preservation Act will preserve and protect threatened or impaired ecosystems, critical habitat, cultural resources and other core resources within our National Park System. The bill will establish a permanent account using Outer Continental Shelf revenues to provide $500 million annually to the Department of Interior to protect and preserve these resources. These funds will be made available for projects such as land acquisition, construction, grants to state or local governments, or partnerships with other federal agencies that seek to combat identified threats to ecosystems, critical habitats, cultural resources, and other core park resources. In this legislation, I

also continue my longstanding efforts to protect Florida's coastal resources by making revenues from any new oil and gas leases or from development of any existing leases in a moratorium area ineligible for expenditure in this account.

Thirty percent of the $500 million will be available for park units threatened or impaired by activities occurring within the unit such as sewage treatment at Yellowstone Park. Seventy percent of the $500 million will be available for park units threatened or impaired by activities occurring outside of the unit, such as degradation of water resources at Everglades National Park.

Of these funds, the legislation specifically provides $75 million to the Everglades restoration effort as the keynote project of the legislation.

The Everglades National Park is one component of the Everglades ecosystem which stretches from the Kissimmee River basin near Orlando and all the way to Florida Bay and Keys. It is the only ecosystem of its kind in the world. It is the largest wetland and subtropical wilderness in the United States. It is home to a unique population of plant and wildlife. The water in this system is the lifeblood of the freshwater aquifer that provides most of Florida's drinking water.

For more than a century, this ecosystem has been altered to facilitate development and protect against hurricanes and droughts. Today, almost 50% of the original Everglades has been drained or otherwise altered. The remaining Everglades, and in particular, the regions located within Everglades National Park, are severely threatened by nutrient-rich water, interrupted hydrology, decreased water supply, exotic plants, and mercury contamination.

On July 1 the Army Corps of Engineers will submit to Congress an Everglades restoration plan, termed the ''Restudy'' by the Water Resources Development Act of 1996. This plan reviews the original Central and South Florida Flood Control project which was initiated in the 1940s by the Army Corps and has been the source of the ecosystem manipulation that occurred in Florida since that time. The Restudy outlines the basic elements of a plan to restore the Everglades as closely to their natural state as possible. This is a difficult and complex task since the original area of the Everglades was reduced by 50% with the development of both coasts as large metropolitan areas. Costs of execution of this plan will be shared on a 50-50 basis with the state of Florida.

There has never been a restoration project of this size in the history of the United States or the world. This is an opportunity to preserve a national treasure that was destroyed by our own actions in the past. The bill we will introduce today will provide dedicated funds for the federal share of the land acquisition portions of this project which is so critical to the nation.

I look forward to working with each of you as we seek to protect and preserve the ecosystems, critical habitat, cultural resources and other core resources within our National Park System.

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. 819

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 ''Act to Sustain the National Parks''.

SEC. 2. DEDICATION OF A PORTION OF OUTER CONTINENTAL SHELF REVENUES TO THE NATIONAL PARK SERVICE.

(a) DEFINITIONS.—In this Act:

(1) LEASED TRACT.—The term ''leased tract'' means a tract leased under section 8 of the Outer Continental Shelf Lands Act (43 U.S.C. 1337) for the purpose of drilling for, developing, and producing oil and natural gas resources, consisting of a block, a portion of a block, or a combination of blocks or portions of blocks, as specified in the lease and as depicted on an Outer Continental Shelf Official Protraction Diagram.

(2) OUTER CONTINENTAL SHELF.—The term ''outer Continental Shelf'' has the meaning given the term in section 2 of the Outer Continental Shelf Lands Act (43 U.S.C. 1331).

(3) OUTER CONTINENTAL SHELF REVENUES.—

(A) IN GENERAL.—The term ''outer Continental Shelf revenues'' means all amounts received by the United States from leased tracts, less—

(i) such amounts as are credited to States under section 8(g) of the Outer Continental Shelf Lands Act (43 U.S.C. 1337(g)); and

(ii) such amounts as are needed for adjustments or refunds of overpayments for rents, royalties, or other purposes.

(B) INCLUSIONS.—The term ''outer Continental Shelf revenues'' includes royalties (including payments for royalty taken in kind and sold), net profit share payments, and related late-payment interest from natural gas and oil leases issued under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.) for a leased tract.

(C) EXCLUSIONS.—The term ''outer Continental Shelf revenues'' does not include amounts received by the United States under—

(i) any lease issued on or after the date of enactment of this Act;

(ii) any lease under which no oil or gas production occurred before January 1, 1999; or

(iii) any lease in an area for which there is in effect a moratorium on leasing or drilling on the outer Continental Shelf.

(b) SEPARATE ACCOUNT.—Of the amount of outer Continental Shelf revenues received by the Secretary of the Interior during each fiscal year, $500,000,000 shall be deposited in a separate account in the Treasury of the United States and shall, without further Act of appropriation, be available to the Secretary of the Interior in subsequent fiscal years until expended.

(c) THREATENED PARK RESOURCES.—

(1) IN GENERAL.—The amounts made available under subsection (b) shall be available for expenditure in units of the National Park System that have ecosystems, critical habitat, cultural resources, or other core park resources that are threatened or impaired.

(2) IDENTIFIED THREATS.—The amounts made available under subsection (b)—

(A) shall be used only to address identified threats and impairments described in paragraph (1), including use for land acquisition, construction, grants to State, local, or municipal governments, or partnerships with other Federal agencies or nonprofit organizations; and

(B) shall not be directed to other operational or maintenance needs of units of the National Park System.

(3) ALLOCATION.—Of the amounts made available under subsection (b)—

(A) 30 percent shall be available for expenditure in units of the National Park System with ecosystems, critical habitat, cultural resources, or other core park resources threatened or impaired by activities occurring inside the unit; and

(B) 70 percent shall be available for expenditure in units of the National Park System with ecosystems, critical habitat, cultural resources, or other core park resources threatened or impaired by activities occurring outside the unit (including $150,000,000 for each of fiscal years 2000 through 2015 for the Federal share of the Everglades and South Florida ecosystem restoration project under the comprehensive plan developed under section 528 of the Water Resources Development Act of 1996 (110 Stat. 3767)).

(d) CONFORMING AMENDMENT.—Section 9 of the Outer Continental Shelf Lands Act (43 U.S.C. 1338) is amended by striking ''All rentals'' and inserting ''Except as provided in section 2 of the National Park Preservation Act, all rentals''.

By Mr. CHAFEE (for himself, Mr. BREAUX, and Mr. JEFFORDS);

S. 820. A bill to amend the Internal Revenue Code of 1986 to repeal the 4.3-cent motor fuel excise taxes on railroads and inland waterway transportation which remain in the general fund of the Treasury; to the Committee on Finance.

THE TRANSPORTATION TAX EQUITY AND FAIRNESS ACT

Mr. CHAFEE. Mr. President, today I am introducing legislation, along with Senators BREAUX and JEFFORDS, to correct an inequity that currently exists with the taxes imposed on transportation fuels.

In 1990 Congress extended fuel taxes beyond their traditional role as transportation user fees by introducing a 2.5 cents-per-gallon federal deficit reduction tax on railroad and highway fuels. These taxes were enacted as part of legislation that was designed to reduce the federal budget that existed at that time.

In 1993, Congress increased these ''deficit reduction fuel taxes'' and extended them to inland waterway users and commercial airlines. The taxes imposed on barges went into effect immediately, while those affecting the airlines were delayed for 2 years. As a result of these two pieces of legislation a deficit reduction fuel tax of 6.8 cents per gallon was imposed on railroads and trucks, 4.3 cents per gallon on barges, and a suspended 4.3 cents per gallon tax on airlines.

Beginning in 1995, however, Congress began to redirect these taxes for other uses. The first step was taking 2.5 cents of the amount paid by highway users and transferring it to the Highway Trust Fund. The Highway Trust Fund,

as many of my colleagues know, is the principal source of money used for highway infrastructure. Taxes paid into this trust fund by highway users results in a direct benefit to them by being recycled back into improvements to our nation's roads and bridges.

Recognizing that this transfer would place the railroad industry—a direct competitor of the trucking industry—at a competitive disadvantage, Congress reduced the deficit reduction tax paid by railroads by 1.25 cents. As a result of these changes, then, highway users, commerical airlines and inland waterway users paid a deficit reduction tax of 4.3 cents while railroads paid a tax of 5.55 cents.

The 1997 Taxpayer Relief Act further disadvantaged the railroad and inland waterway sectors by relieving highway users and commercial airlines from the remaining 4.3 cent deficit reduction fuel tax. Instead of these funds going into the General Fund of the Treasury, the taxes paid by these sectors were redirected to their respective trust funds.

I have a chart that I will ask be included with my statement that shows the evolution of deficit reduction fuel excise taxes over the past decade.

Today, two sectors of the transportation industry—railroads and inland waterway users—pay ''deficit reduction'' taxes even though we no longer have a deficit. Furthermore, these sectors are required to continue paying these taxes even though their competitors do not.

There is absolutely no policy rationale for railroads and barge operators to pay deficit reduction fuel taxes while motor carriers and commerical airlines are required to pay nothing.

We believe the time has come to correct this unfairness. This bill levels the playing field by repealing the remaining 4.3 cent tax paid by the railroads and inland waterway users.

I urge all of my colleagues to our legislation. Mr. President, I ask that the chart be included in the RECORD.

The chart follows:

DEFICIT REDUCTION FUEL EXCISE TAXES PAID BY THE VARIOUS TRANSPORTATION SECTORS BY YEAR

	1990	1993	1995	1997	1999
Highway Users	2.5	6.8	4.3	0	0
Railroads	2.5	6.8	5.55	5.55	4.3
Barges	0	4.3	4.3	4.3	4.3
Commercial Airlines	0	0	4.3	0	0

By Mr. LAUTENBERG (for himself, Mr. FEINGOLD, Mr. KENNEDY, and Mr. TORRICELLI):

S. 821. A bill to provide for the collection of data on traffic stops; to the Committee on the Judiciary.

TRAFFIC STOPS STATISTICS STUDY ACT OF 1999

Mr. LAUTENBERG. Mr. President, I rise to introduce legislation that will help our nation deal with the problem of racial profiling during traffic stops. I am pleased to be joined in this effort by Senators FEINGOLD, KENNEDY, and TORRICELLI.

Across the country, too many motorists fear that they will be stopped by law enforcement for nothing more than the color of their skin. The offense of ''D.W.B.'' or ''Driving While Black'' is well known to minorities, and the fact that this term has entered the common vocabulary demonstrates the pervasiveness of the problem.

In my home state and other states along the Interstate–95 corridor, there have been many serious and credible allegations of racial profiling. For example, statistics recently released by the state of New Jersey, reveal that 73 percent of motorists arrested on the New Jersey turnpike in early 1997 were minorities. Similarly, a court-ordered study in Maryland found that more than 70 percent of drivers stopped on Interstate–95 were African American though they made up only 17.5 percent of drivers.

Not surprisingly, the practice of racial profiling has led to litigation. In the case of State versus Soto, a state court judge ruled that troopers were engaging in racial profiling on the southernmost segment of the New Jersey Turnpike. That decision spurred the United States Department of Justice to begin a ''pattern and practice'' investigation, in December 1996, to determine whether the New Jersey State Police had violated the constitutional rights of minority motorists. The Department of Justice is also investigating police agencies in Eastpointe, Michigan, and Orange County, Florida. Additionally, a number of individuals and organizations have filed private lawsuits seeking to end the inappropriate use of racial profiling.

While litigation may bring about limited reforms, it is clear that Congress must develop a nationwide approach. The legislation I am introducing today will help define the scope of the problem, increase police awareness, and suggest whether additional steps are necessary. It would require that the Attorney General collect data on traffic stops and report the results to Congress. Because better relations between police and citizens will help ease racial tensions, the measure will also authorize grants to law enforcement agencies for the development of better training programs and policing strategies.

In recent decades, we have made great progress in strengthening the civil rights of all Americans. Many dedicated law enforcement officials have contributed greatly to this effort by applying the law fairly and working to strengthen the bonds of trust in the communities they serve. To their credit, some police agencies have spoken out against the practice of racial profiling. In New Jersey, the State Troopers Fraternal Association, the State Troopers Non-Commissioned Officers Association, and the State Troopers Superior Officers Association have stated that ''anyone out there using racial profiling or in any way misusing or abusing their position, must be identified and properly dealt with.'' But we cannot allow the actions of some police officials to undermine these achievements, and we should work to ensure that minority motorists are no longer subjected to unwarranted traffic stops.

I urge my colleagues to support this measure, and help protect the civil rights of all Americans. 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. 821

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 ''Traffic Stops Statistics Study Act of 1999''.

SEC. 2. ATTORNEY GENERAL TO CONDUCT STUDY.

(a) STUDY.—

(1) IN GENERAL.—The Attorney General shall conduct a nationwide study of stops for traffic violations by law enforcement officers.

(2) INITIAL ANALYSIS.—The Attorney General shall perform an initial analysis of existing data, including complaints alleging and other information concerning traffic stops motivated by race and other bias.

(3) DATA COLLECTION.—After completion of the initial analysis under paragraph (2), the Attorney General shall then gather the following data on traffic stops from a nationwide sample of jurisdictions, including jurisdictions identified in the initial analysis:

(A) The traffic infraction alleged to have been committed that led to the stop.

(B) Identifying characteristics of the driver stopped, including the race, gender, ethnicity, and approximate age of the driver.

(C) Whether immigration status was questioned, immigration documents were requested, or an inquiry was made to the Immigration and Naturalization Service with regard to any person in the vehicle.

(D) The number of individuals in the stopped vehicle.

(E) Whether a search was instituted as a result of the stop and whether consent was requested for the search.

(F) Any alleged criminal behavior by the driver that justified the search.

(G) Any items seized, including contraband or money.

(H) Whether any warning or citation was issued as a result of the stop.

(I) Whether an arrest was made as a result of either the stop or the search and the justification for the arrest.

(J) The duration of the stop.

(b) REPORTING.—Not later than 120 days after the date of enactment of this Act, the Attorney General shall report the results of its initial analysis to Congress, and make such report available to the public, and identify the jurisdictions for which the study is to be conducted. Not later than 2 years after the date of the enactment of this Act, the Attorney General shall report the results of the data collected under this Act to Congress, a copy of which shall also be published in the Federal Register.

SEC. 3. GRANT PROGRAM.

In order to complete the study described in section 2, the Attorney General may provide grants to law enforcement agencies to collect and submit the data described in section 2 to the appropriate agency as designated by the Attorney General.

SEC. 4. LIMITATION ON USE OF DATA.

Information released pursuant to section 2 shall not reveal the identity of any individual who is stopped or any law enforcement officer involved in a traffic stop.

SEC. 5. DEFINITIONS.

For purposes of this Act:

(1) LAW ENFORCEMENT AGENCY.—The term ''law enforcement agency'' means an agency of a State or political subdivision of a State, authorized by law or by a Federal, State, or local government agency to engage in or supervise the prevention, detection, or investigation of violations of criminal laws, or a federally recognized Indian tribe.

(2) INDIAN TRIBE.—The term ''Indian tribe'' means any Indian or Alaska Native tribe, band, nation, pueblo, village, or community that the Secretary of the Interior acknowledges to exist as an Indian tribe.

SEC. 6. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as may be necessary to carry out this Act.

Mr. FEINGOLD. Mr. President, I am pleased to join my friend the senior Senator from New Jersey (Mr. LAUTENBERG) in introducing the Traffic Stops Statistics Act of 1999. This legislation represents a substantial step toward ending an insidious form of discrimination that is plaguing African-American and Hispanic drivers on our roadways—racial profiling. Most law enforcement officers do their best to respect and protect the rights of their fellow citizens, but it has become undeniable that racial profiling has become a disturbingly common practice.

Racial profiling is the practice of pulling over African American, Hispanic, and other minority drivers for routine traffic stops as a premise for conducting a search for drugs. They might be driving just like any ordinary driver, and so they might be surprised to be pulled over. ''Was I speeding?'' they ask. Often, they are told that they have committed some minor traffic infraction that most people are not even aware of—sometimes, the infraction is just a pretext—they might be told that their tire tread is not of the correct depth, or that they have a bumper sticker affixed incorrectly. Any such infraction can be alleged in order to pull over a target of racial profiling, and as a premise to ask for a search. Many people are not aware that they have the right to refuse a search, and many innocent people are afraid that saying no will make them look guilty.

The reality is, if they do refuse a search, victims can sometimes look forward to being detained anyway while a canine unit comes out to sniff for drugs. That is what happened to attorney Robert Wilkins and his family as they returned to Maryland by car from his grandfather's funeral in Chicago. Mr. Wilkins was fortunate enough to be an attorney who knew his rights, and proceeded to join with the ACLU and other groups to sue the Maryland State Police. As a result of that lawsuit, Maryland has conducted its own study of traffic stops, and the results indicate that over 75 percent of those people stopped and search on I–95 are African-American, even though African-Americans make up only 17 percent of the state's population. The innocent people who are inevitably caught in these racially motivated stops feel like they are being punished for what is now called ''DWB''—''Driving While Black,'' or ''Driving While Brown.''

Mr. President, by and large when minorities are stopped by law enforcement officers, they are not attorneys, and they may not know or assert all of their rights—they are scared and they are resentful. And rightly so, when they have been the victim of racial profiling. Is this the way we want to stop the flow of drugs in America? By randomly targeting racial and ethnic minorities who are doing nothing more suspicious than driving their cars? Do we want law-abiding American citizens to feel as though they are living in a police state, scared and reluctant to travel in their cars for fear of being stopped and searched for no reason?

While African-Americans make up under 20% of the American population, several local studies like the Maryland one I mentioned earlier indicate that they make up a much greater percentage of all routine traffic stops, and are far more likely to be searched and subsequently arrested. In my own home state of Wisconsin, a 1996 study by the Madison Capital Times revealed that African-Americans receive 13% of Madison's traffic tickets, despite the fact that they make up only 4% of the city's population, In Florida, the Orlando Sentinel newspaper obtained more than 140 hours of videotapes from police patrol cars showing drivers being stopped on Interstate 95. About 70% of the drivers stopped were black or Hispanic, even though they made up only 5% of all drivers on the road. And in New Jersey, a recent study suggests that African Americans are almost five times as likely to be stopped for speeding as drivers of other races.

Dr. Martin Luther King, Jr., said that ''injustice anywhere is a threat to justice everywhere.'' As Americans, we should all feel threatened when any one of us is denied our personal liberty. Just last week, the United States Supreme Court took yet another step toward eradicating our Fourth Amendment rights against the invasion of our privacy. It held in Wyoming versus Houghton that police can search the personal belongings of all passengers inside a car when looking for criminal evidence against the driver. I fear that this will send a message to some law enforcement officers that they can now expand racial profiling to include not only the driver of a passing car, but also the passengers. And if you happen to be a passenger in a car that was pulled over because of the color of the driver's skin, you can now look forward to having your personal belongings searched through and pored over.

The Traffic Stops Statistics Study Act of 1999 will begin to shed light on the practice of racial profiling. By analyzing the data that the Justice Department obtains over the next two years, we will get a clear picture of the prevalence of the practice of pulling people over because of their skin color or apparent ethnicity. A version of this bill passed the House last year, but died in the Senate. The simultaneous introduction of this bill in the Senate and the House shows that we are serious about sending this to the President's desk. I urge my colleagues in the Senate to join with us to enact this legislation.

It is high time to put a stop to this blatant and offensive practice, which is taking some law enforcement officers, and the rest of us, down a dangerous and discriminatory road.

By Mr. SPECTER:

S. 822. A bill to amend the Internal Revenue Code of 1986 to impose a flat tax only on individual taxable earned income and business taxable income, and for other purposes; to the Committee on Finance.

FLAT TAX ACT OF 1999

Mr. SPECTER. Mr. President, I have sought recognition to introduce legislation on a flat tax. This, of course, is a famous day, April 15, the day when Federal income tax returns are due. Across this land for many days, many weeks, some months, Americans have been struggling with their tax returns. As we speak, some may have on C–SPAN2 quietly while they are working on their returns at this very moment.

I recall seeing long lines at the Philadelphia post office near midnight on income tax day when cars were lined up and people were dropping off their tax returns at the post office to beat the filing deadline.

This is a good occasion to talk about the flat tax which permits taxpayers to report their income on a postcard. It can actually be done in the course of some 15 minutes. I filed my tax return and sent it off yesterday. It is very complicated. They say it takes a Philadelphia lawyer to fill out a tax return. I think it takes more than a Philadelphia lawyer to fill out a Federal income tax return, and we have labored under the complexities of the Internal Revenue Code for far too long.

I first introduced this legislation in March of 1995. I was the second one in the Congress of the United States to introduce flat-tax legislation. The majority leader, DICK ARMEY, had introduced the flat tax in the House of Representatives the preceding fall. I studied it. I studied the model of Professor Hall and Professor Rabushka, two distinguished professors of economics and tax law at Stanford University, and concluded that America ought to have a flat tax and that we could, in fact, have a flat tax if the American people really understood what a flat tax was all about.

The Hall-Rabushka model was revenue neutral at 19 percent. I have added 1 percent in order to allow for two deductions: one on charitable contributions up to $2,500 a year and a second on interest on home mortgages of

borrowings up to $100,000 to take care of middle-class Americans, because I think without those two deductions, it would be a political impossibility to have a flat tax enacted.

The advantage of the flat tax is that it does have the flatness with only those two deductions, so it is a very simple matter to return the tax return.

Here is a sample tax return. You fill in your name and your address. You list your total wage, salary, or pension. There is a personal allowance, for a family of four. Up to $27,500 pays no tax at all. That constitutes about 53 percent of Americans. It has the two deductions for mortgage interest on debt up to $100,000 for an owner-occupied home and charitable contributions up to $2,500; total compensation multiplied by 20 percent, and that is that.

The tax burden costs Americans about $224 billion a year of our gross national product, which is mired in complexity and unnecessary regulation.

The flat tax seeks to bring equity into the tax payment by taxing only once so that the flat tax eliminates tax on net dividends, capital gains or estates because all of those items have already been taxed.

It would enable Americans to accumulate a great deal more in capital which would help business expansion which would help the economy. And it is projected that the gross national product would be increased by some $2 trillion over 7 years by virtue of this flat tax proposal.

The flat tax is a win-win situation all up and down the line because, by eliminating the loopholes, it eliminates the opportunities of very wealthy Americans to avoid paying taxes at all. When you take a look at the returns of the very, very rich, with the practices of deductions and tax shelters, all of which is legal, the very, very wealthy avoid paying any tax at all.

But this flat tax would have the advantages of capital accumulation, would have the advantage of increasing the gross national product, but most of all would have the simplicity of being able to file a tax return on a postcard.

I think that as I speak—it is always problematic as to how many people are watching C-SPAN2—but I think as I speak there are many Americans across the land tonight who would like to be able to fill out a tax return in 15 minutes. And my view is that if it were better understood, that there would be a great public clamor to have a flat tax enacted.

Mr. President, to reiterate, I have sought recognition to introduce legislation to provide for a flat 20% tax on individuals and businesses. In the 104th Congress, I was the first Senator to introduce flat tax legislation and the first Member of Congress to set forth a deficit-neutral plan for dramatically reforming our nation's tax code and replacing it with a flatter, fairer plan designed to stimulate economic growth. My flat tax legislation was also the first plan to retain limited deductions for home mortgage interest and charitable contributions.

As I traveled around the country and held town hall meetings across Pennsylvania and other states, the public support for fundamental tax reform was overwhelming. I would point out in those speeches that I never leave home without two key documents: (1) my copy of the Constitution; and (2) a copy of my 10-line flat tax postcard. I soon realized that I needed more than just one copy of my flat tax postcard—many people wanted their own postcard so that they could see what life in a flat tax world would be like, where tax returns only take 15 minutes to fill out and individual taxpayers are no longer burdened with double taxation on their dividends, interest, capital gains and estates.

Support for the flat tax is growing as more and more Americans embrace the simplicity, fairness and growth potential of flat tax reform. An April 17, 1995, edition of Newsweek cited a poll showing that 61 percent of Americans favor a flat tax over the current tax code. Significantly, a majority of the respondents who favor the flat tax preferred my flat tax plan with limited deductions for home mortgage interest and charitable contributions. Well before he entered the 1996 Republican presidential primary, publisher Steve Forbes opined in a March 27, 1995, Forbes editorial about the tremendous appeal and potency of my flat tax plan.

Congress was not immune to public demand for reform. Jack Kemp was appointed to head up the National Commission on Economic Growth and Tax Reform and the Commission soon came out with its report recognizing the value of a fairer, flatter tax code. Mr. Forbes soon introduced a flat tax plan of his own, and my fellow candidates in the 1996 Republican presidential primary began to embrace similar versions of either a flat tax or a consumption-based tax system.

Unfortunately, the politics of that Presidential campaign denied the flat tax a fair hearing and momentum stalled. On October 27, 1995, I introduced a Sense of the Senate Resolution calling on my colleagues to expedite Congressional adoption of a flat tax. The Resolution, which was introduced as an amendment to pending legislation, was not adopted.

I reintroduced this legislation in the 105th Congress with slight modifications to reflect inflation-adjusted increases in the personal allowances and dependent allowances. While my flat tax proposal was favorably received at town hall meetings in Pennsylvania, Congress failed to move forward on any tax reform during the 105th Congress. I tried repeatedly to raise the issue with leadership and the Finance Committee to no avail. I think the American people want this debate to move forward and I think the issue of tax reform is ripe for consideration.

In this period of opportunity as we commence the 106th Session of Congress, I am optimistic that public support for tax reform will enable us to move forward and adopt this critically important and necessary legislation. That is why today I am again introducing my Flat Tax Act of 1999.

My flat tax legislation will fundamentally revise the present tax code, with its myriad rates, deductions, and instructions. This legislation would institute a simple, flat 20% tax rate for all individuals and businesses. It will allow all taxpayers to file their April 15 tax returns on a simple 10-line postcard. This proposal is not cast in stone, but is intended to move the debate forward by focusing attention on three key principles which are critical to an effective and equitable taxation system: simplicity, fairness and economic growth.

Over the years and prior to my legislative efforts on behalf of flat tax reform, I have devoted considerable time and attention to analyzing our nation's tax code and the policies which underlie it. I began the study of the complexities of the tax code 40 years ago as a law student at Yale University. I included some tax law as part of my practice in my early years as an attorney in Philadelphia. In the spring of 1962, I published a law review article in the Villanova Law Review, ''Pension and Profit Sharing Plans: Coverage and Operation for Closely Held Corporations and Professional Associations,'' 7 Villanova L. Rev. 335, which in part focused on the inequity in making tax-exempt retirement benefits available to some kinds of businesses but not others. It was apparent then, as it is now, that the very complexities of the Internal Revenue Code could be used to give unfair advantage to some.

Before I introduced my flat tax bill early in the 104th Congress, I had discussions with Congressman RICHARD ARMEY, the House Majority Leader, about his flat tax proposal. In fact, I testified with House Majority Leader RICHARD ARMEY before the Senate Finance and House Ways & Means Committees, as well as the Joint Economic Committee and the House Small Business Committee on the tremendous benefits of flat tax reform. Since then, and both before and after introducing my original flat tax bill, my staff and I have studied the flat tax at some length, and have engaged in a host of discussions with economists and tax experts, including the staff of the Joint Committee on Taxation, to evaluate the economic impact and viability of a flat tax. Based on those discussions, and on the revenue estimates supplied to us, I have concluded that a simple flat tax at a rate of 20% on all business and personal income can be enacted without reducing federal revenues.

A flat tax will help reduce the size of government and allow ordinary citizens to have more influence over how their money is spent because they will spend it—not the government. By creating strong incentives for savings and investment, the flat tax will have the

beneficial result of making available larger pools of capital for expansion of the private sector of the economy—rather than more tax money for big government. This will mean more jobs and, just as important, more higher-paying jobs.

As a matter of federal tax policy, there has been considerable controversy over whether tax breaks should be used to stimulate particular kinds of economic activity, or whether tax policy should be neutral, leaving people to do what they consider best from a purely economic point of view. Our current tax code attempts to use tax policy to direct economic activity. Yet actions under that code have demonstrated that so-called tax breaks are inevitably used as the basis for tax shelters which have no real relation to solid economic purposes, or to the activities which the tax laws were meant to promote. Even when the government responds to particular tax shelters with new and often complex revisions of the regulations, clever tax experts are able to stay one or two steps ahead of the IRS bureaucrats by changing the structure of their business transactions and then claiming some legal distinctions between the taxpayer's new approach and the revised IRS regulations and precedents.

Under the massive complexity of the current IRS Code, the battle between $500-an-hour tax lawyers and IRS bureaucrats to open and close loopholes is a battle the government can never win. Under the flat tax bill I offer today, there are no loopholes, and tax avoidance through clever manipulations will become a thing of the past.

The basic model for this legislation comes from a plan created by Professors Robert Hall and Alvin Rabushka of the Hoover Institute at Stanford University. Their plan envisioned a flat tax with no deductions whatever. After considerable reflection, I decided to include in the legislation limited deductions for home mortgage interest for up to $100,000 in borrowing and charitable contributions up to $2,500. While these modifications undercut the pure principle of the flat tax by continuing the use of tax policy to promote home buying and charitable contributions, I believe that those two deductions are so deeply ingrained in the financial planning of American families that they should be retained as a matter of fairness and public policy—and also political practicality. With those two deductions maintained, passage of a modified flat tax will be difficult, but without them, probably impossible.

In my judgment, an indispensable prerequisite to enactment of a modified flat tax is revenue neutrality. Professor Hall advised that the revenue neutrality of the Hall-Rabushka proposal, which uses a 19% rate, is based on a well documented model founded on reliable governmental statistics. My legislation raises that rate from 19% to 20% to accommodate retaining limited home mortgage interest and charitable deductions. A preliminary estimate in the 104th Congress by the Committee on Joint Taxation places the annual cost of the home interest deduction at $35 billion, and the cost of the charitable deduction at $13 billion. While the revenue calculation is complicated because the Hall-Rabushka proposal encompasses significant revisions to business taxes as well as personal income taxes, there is a sound basis for concluding that the 1% increase in rate would pay for the two deductions. Revenue estimates for tax code revisions are difficult to obtain and are, at best, judgment calls based on projections from fact situations with myriad assumed variables. It is possible that some modification may be needed at a later date to guarantee revenue neutrality.

This legislation offered today is quite similar to the bill introduced in the House by Congressman ARMEY and in the Senate late in 1995 by Senator RICHARD SHELBY, which were both in turn modeled after the Hall-Rabushka proposal. The flat tax offers great potential for enormous economic growth, in keeping with principles articulated so well by Jack Kemp. This proposal taxes business revenues fully at their source, so that there is no personal taxation on interest, dividends, capital gains, gifts or estates. Restructured in this way, the tax code can become a powerful incentive for savings and investment—which translates into economic growth and expansion, more and better jobs, and raising the standard of living for all Americans.

In the 104th Congress, we took some important steps toward reducing the size and cost of government, and this work is ongoing and vitally important. But the work of downsizing government is only one side of the coin; what we must do at the same time, and with as much energy and care, is to grow the private sector. As we reform the welfare programs and government bureaucracies of past administrations, we must replace those programs with a prosperity that extends to all segments of American society through private investment and job creation—which can have the additional benefit of producing even lower taxes for Americans as economic expansion adds to federal revenues. Just as Americans need a tax code that is fair and simple, they also are entitled to tax laws designed to foster rather than retard economic growth. The bill I offer today embodies those principles.

My plan, like the Armey-Shelby proposal, is based on the Hall-Rabushka analysis. But my flat tax differs from the Armey-Shelby plan in four key respects: First, my bill contains a 20% flat tax rate. Second, this bill would retain modified deductions for mortgage interest and charitable contributions (which will require a 1% higher tax rate than otherwise). Third, my bill would maintain the automatic withholding of taxes from an individual's paycheck. Lastly, my bill is designed to be revenue neutral, and thus will not undermine our vital efforts to balance the nation's budget.

The key advantages of this flat tax plan are three-fold: First, it will dramatically simplify the payment of taxes. Second, it will remove much of the IRS regulatory morass now imposed on individual and corporate taxpayers, and allow those taxpayers to devote more of their energies to productive pursuits. Third, since it is a plan which rewards savings and investment, the flat tax will spur economic growth in all sectors of the economy as more money flows into investments and savings accounts, and as interest rates drop.

Under this tax plan, individuals would be taxed at a flat rate of 20% on all income they earn from wages, pensions and salaries. Individuals would not be taxed on any capital gains, interest on savings, or dividends—since those items will have already been taxed as part of the flat tax on business revenue. The flat tax will also eliminate all but two of the deductions and exemptions currently contained within the tax code. Instead, taxpayers will be entitled to ''personal allowances'' for themselves and their children. The personal allowances are: $10,000 for a single taxpayer; $15,000 for a single head of household; $17,500 for a married couple filing jointly; and $5,000 per child or dependent. These personal allowances would be adjusted annually for inflation after 1999.

In order to ensure that this flat tax does not unfairly impact low income families, the personal allowances contained in my proposal are much higher than the standard deduction and personal exemptions allowed under the current tax code. For example in the 1998 tax year, the standard deduction is $4,250 for a single taxpayer, $6,250 for a head of household and $7,100 for a married couple filing jointly, while the personal exemption for individuals and dependents is $2,700. Thus, under the current tax code, a family of four which does not itemize deductions would pay tax on all income over $17,900 (personal exemptions of $10,800 and a standard deduction of $7,100). By contrast, under my flat tax bill, that same family would receive a personal exemption of $27,500, and would pay tax only on income over that amount.

My legislation retains the provisions for the deductibility of charitable contributions up to a limit of $2,500 and home mortgage interest on up to $100,000 of borrowing. Retention of these key deductions will, I believe, enhance the political salability of this legislation and allow the debate on the flat tax to move forward. If a decision is made to eliminate these deductions, the revenue saved could be used to reduce the overall flat tax rate below 20%.

With respect to businesses, the flat tax would also be a flat rate of 20%. My legislation would eliminate the intricate scheme of complicated depreciation schedules, deductions, credits, and

other complexities that go into business taxation in favor of a much-simplified system that taxes all business revenue less only wages, direct expenses and purchases—a system with much less potential for fraud, ''creative accounting'' and tax avoidance.

Businesses would be allowed to expense 100% of the cost of capital formation, including purchases of capital equipment, structures and land, and to do so in the year in which the investments are made. The business tax would apply to all money not reinvested in the company in the form of employment or capital formation—thus fully taxing revenue at the business level and making it inappropriate to re-tax the same monies when passed on to investors as dividends or capital gains.

Let me now turn to a more specific discussion of the advantages of the flat tax legislation I am introducing today.

The first major advantage to this flat tax is simplicity. According to the Tax Foundation, Americans spend approximately 5.3 billion hours each year filling out tax forms. Much of this time is spent burrowing through IRS laws and regulations which fill 17,000 pages and have grown from 744,000 words in 1955 to 5.6 million words in 1995.

Whenever the government gets involved in any aspect of our lives, it can convert the most simple goal or task into a tangled array of complexity, frustration and inefficiency. By way of example, most Americans have become familiar with the absurdities of the government's military procurement programs. If these programs have taught us anything, it is how a simple purchase order for a hammer or a toilet seat can mushroom into thousands of words of regulations and restrictions when the government gets involved. The Internal Revenue Service is certainly no exception. Indeed, it has become a distressingly common experience for taxpayers to receive computerized print-outs claiming that additional taxes are due, which require repeated exchanges of correspondence or personal visits before it is determined, as it so often is, that the taxpayer was right in the first place.

The plan offered today would eliminate these kinds of frustrations for millions of taxpayers. This flat tax would enable us to scrap the great majority of the IRS rules, regulations and instructions and delete most of the five million words in the Internal Revenue Code. Instead of tens of millions of hours of non-productive time spent in compliance with, or avoidance of, the tax code, taxpayers would spend only the small amount of time necessary to fill out a postcard-sized form. Both business and individual taxpayers would thus find valuable hours freed up to engage in productive business activity, or for more time with their families, instead of poring over tax tables, schedules and regulations.

The flat tax I have proposed can be calculated just by filling out a small postcard which would require a taxpayer only to answer a few easy questions. Filing a tax return would become a manageable chore, not a seemingly endless nightmare, for most taxpayers.

Along with the advantage of simplicity, enactment of this flat tax bill will help to remove the burden of costly and unnecessary government regulation, bureaucracy and red tape from our everyday lives. The heavy hand of government bureaucracy is particularly onerous in the case of the Internal Revenue Service, which has been able to extend its influence into so many aspects of our lives.

In 1995, the IRS employed 117,000 people, spread out over countless offices across the United States. Its budget was in excess of $7 billion, with over $4 billion spent merely on enforcement. By simplifying the tax code and eliminating most of the IRS' vast array of rules and regulations, the flat tax would enable us to cut a significant portion of the IRS budget, including the bulk of the funding now needed for enforcement and administration.

In addition, a flat tax would allow taxpayers to redirect their time, energies and money away from the yearly morass of tax compliance. According to the Tax Foundation, in 1996, the private sector spent over $150 billion complying with federal tax laws. According to a Tax Foundation study, adoption of flat tax reform would cut pre-filing compliance costs by over 90 percent.

Monies spent by businesses and investors in creating tax shelters and finding loopholes could be instead directed to productive and job-creating economic activity. With the adoption of a flat tax, the opportunities for fraud and cheating would also be vastly reduced, allowing the government to collect, according to some estimates, over $120 billion annually.

The third major advantage to a flat tax is that it will be a tremendous spur to economic growth. Harvard economist Dale Jorgenson estimates adoption of a flat tax like the one offered today would increase future national wealth by over $2 trillion, in present value terms, over a seven year period. This translates into over $7,500 in increased wealth for every man, woman and child in America. This growth also means that there will be more jobs—it is estimated that the $2 trillion increase in wealth would lead to the creation of 6 million new jobs.

The economic principles are fairly straightforward. Our current tax system is inefficient; it is biased toward too little savings and too much consumption. The flat tax creates substantial incentives for savings and investment by eliminating taxation on interest, dividends and capital gains—and tax policies which promote capital formation and investment are the best vehicle for creation of new and high paying jobs, and for a greater prosperity for all Americans.

It is well recognized that to promote future economic growth, we need not only to eliminate the federal government's reliance on deficits and borrowed money, but to restore and expand the base of private savings and investment that has been the real engine driving American prosperity throughout our history. These concepts are related—the federal budget deficit soaks up much of what we have saved, leaving less for businesses to borrow for investments.

It is the sum total of savings by all aspects of the U.S. economy that represents the pool of all capital available for investment—in training, education, research, machinery, physical plant, etc.—and that constitutes the real seed of future prosperity. The statistics here are daunting. In the 1960s, the net U.S. national savings rate was 8.2 percent, but it has fallen to a dismal 1.5 percent. Americans save at only one-tenth the rate of the Japanese, and only one-fifth the rate of the Germans. This is unacceptable and we must do something to reverse the trend.

An analysis of the components of U.S. savings patterns shows that although the federal budget deficit is the largest cause of ''dissavings,'' both personal and business savings rates have declined significantly over the past three decades. Thus, to recreate the pool of capital stock that is critical to future U.S. growth and prosperity, we have to do more than just get rid of the deficit. We have to very materially raise our levels of private savings and investment. And we have to do so in a way that will not cause additional deficits.

The less money people save, the less money is available for business investment and growth. The current tax system discourages savings and investment, because it taxes the interest we earn from our savings accounts, the dividends we make from investing in the stock market, and the capital gains we make from successful investments in our homes and the financial markets. Indeed, under the current law these rewards for saving and investment are not only taxed, they are overtaxed—since gains due solely to inflation, which represent no real increase in value, are taxed as if they were profits to the taxpayer.

With the limited exceptions of retirement plans and tax free municipal bonds, our current tax code does virtually nothing to encourage personal savings and investment, or to reward it over consumption. This bill will change this system, and address this problem. The proposed legislation reverses the current skewed incentives by promoting savings and investment by individuals and by businesses. Individuals would be able to invest and save their money tax-free and reap the benefits of the accumulated value of those investments without paying a capital gains tax upon the sale of these investments. Businesses would also invest more as the flat tax allowed them to expense fully all sums invested in new equipment and technology in the year the

expense was incurred, rather than dragging out the tax benefits for these investments through complicated depreciation schedules. With greater investment and a larger pool of savings available, interest rates and the costs of investment would also drop, spurring even greater economic growth.

Critics of the flat tax have argued that we cannot afford the revenue losses associated with the tremendous savings and investment incentives the bill affords to businesses and individuals. Those critics are wrong. Not only is this bill carefully crafted to be revenue neutral, but historically we have seen that when taxes are cut, revenues actually increase, as more taxpayers work harder for a larger share of their take-home pay, and investors are more willing to take risks in pursuit of rewards that will not get eaten up in taxes.

As one example, under President Kennedy when individual tax rates were lowered, investment incentives including the investment tax credit were created and then expanded and depreciation rates were accelerated. Yet, between 1962 and 1967, gross annual federal tax receipts grew from $99.7 billion to $148 billion—an increase of nearly 50%. More recently after President Reagan's tax cuts in the early 1980's, government tax revenues rose from just under $600 billion in 1981 to nearly $1 trillion in 1989. In fact, the Reagan tax cut program helped to bring about one of the longest peacetime expansion of the U.S. economy in history. There is every reason to believe that the flat tax proposed here can do the same—and by maintaining revenue neutrality in this flat tax proposal, as we have, we can avoid any increases in annual deficits and the national debt.

In addition to increasing federal revenues by fostering economic growth, the flat tax can also add to federal revenues without increasing taxes by closing tax loopholes. The Congressional Research Service estimates that for fiscal year 1995, individuals sheltered more than $393 billion in tax revenue in legal loopholes, and corporations sheltered an additional $60 billion. There may well be additional monies hidden in quasi-legal or even illegal ''tax shelters.'' Under a flat tax system, all tax shelters will disappear and all income will be subject to taxation.

The growth case for a flat tax is compelling. It is even more compelling in the case of a tax revision that is simple and demonstrably fair.

By substantially increasing the personal allowances for taxpayers and their dependents, this flat tax proposal ensures that poorer taxpayers will pay no tax and that taxes will not be regressive for lower and middle income taxpayers. At the same time, by closing the hundreds of tax loopholes which are currently used by wealthier taxpayers to shelter their income and avoid taxes, this flat tax bill will also ensure that all Americans pay their fair share.

The flat tax legislation that I am offering will retain the element of progressivity that Americans view as essential to fairness in an income tax system. Because of the lower end income exclusions, and the capped deductions for home mortgage interest and charitable contributions, the effective tax rates under my bill will range from 0% for families with incomes under about $30,000 to roughly 20% for the highest income groups.

My proposed legislation demonstrably retains the fairness that must be an essential component of the American tax system.

The proposal that I make today is dramatic, but so are its advantages: a taxation system that is simple, fair and designed to maximize prosperity for all Americans. A summary of the key advantages are:

Simplicity: A 10-line postcard filing would replace the myriad forms and attachments currently required, thus saving Americans up to 5.3 billion hours they currently spend every year in tax compliance.

Cuts Government: The flat tax would eliminate the lion's share of IRS rules, regulations and requirements, which have grown from 744,000 words in 1955 to 5.6 million words and 12,000 pages currently. It would also allow us to slash the mammoth IRS bureaucracy of 117,000 employees.

Promotes Economic Growth: Economists estimate a growth of over $2 trillion in national wealth over seven years, representing an increase of approximately $7,500 in personal wealth for every man, woman and child in America. This growth would also lead to the creation of 6 million new jobs.

Increases Efficiency: Investment decisions would be made on the basis of productivity rather than simply for tax avoidance, thus leading to even greater economic expansion.

Reduces Interest Rates: Economic forecasts indicate that interest rates would fall substantially, by as much as two points, as the flat tax removes many of the current disincentives to savings.

Lowers Compliance Costs: Americans would be able to save up to $224 billion they currently spend every year in tax compliance.

Decreases Fraud: As tax loopholes are eliminated and the tax code is simplified, there will be far less opportunity for tax avoidance and fraud, which now amounts to over $120 billion in uncollected revenue annually.

Reduces IRS Costs: Simplification of the tax code will allow us to save significantly on the $7 billion annual budget currently allocated to the Internal Revenue Service.

Professors Hall and Rabushka have projected that within seven years of enactment, this type of a flat tax would produce a 6 percent increase in output from increased total work in the U.S. economy and increased capital formation. The economic growth would mean a $7,500 increase in the personal income of all Americans.

No one likes to pay taxes. But Americans will be much more willing to pay their taxes under a system that they believe is fair, a system that they can understand, and a system that they recognize promotes rather than prevents growth and prosperity. The legislation I introduce today will afford Americans such a tax system.

By Mr. HARKIN (for himself and Mr. DURBIN):

S. 823. A bill to establish a program to assure the safety of processed produce intended for human consumption, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE FRUIT AND VEGETABLE SAFETY ACT

Mr. HARKIN. Mr. President, today I am introducing legislation to bridge obvious gaps in the safety of fresh fruits and vegetables. This legislation will establish basic standards of sanitation for processed fruits and vegetables, simple standards that will help assure that Americans can enjoy these foods safely.

American families are on the front lines of this food safety battle three times a day—breakfast, lunch and dinner. Health experts advise us to eat at least five servings a day of fresh fruits and vegetables as part of a healthy lifestyle. Studies show these foods can cut our risks of cancer and heart disease. Americans have listened, and our consumption of fresh fruits and vegetables has grown every year. We can now find a variety of out-of-season produce, imported and exotic foods. We also enjoy convenience foods, ready-to-eat mixed salads, sprouts, mixed juices, a variety of frozen berries, dried spices, and other treats unavailable a few decades ago.

Americans can buy produce that is the safest in the world, and food safety problems from produce are rare. But these problems can be devastating for victims, and consumers are demanding stronger laws to protect themselves from food borne illness. Since 1990, more than 40 outbreaks of foodborne illness have been linked to fresh fruit, vegetable and juice products consumed in the United States. More than 6300 illnesses were reported, with victims in almost all 50 states. Domestic melons, imported strawberries, lettuce, sprouts and orange juice each took their toll.

Processed or ready-to-eat produce may be more easily contaminated because it is handled extensively, cut up and rinsed, and then is eaten by the consumer without further preparation. It is essential that the processor handle these foods safely, because there is nothing the consumer can do once these products are contaminated.

This bill will improve the safety of these products by requiring that they are always processed under sanitary conditions. These are the same conditions you would use in your own kitchen, and should expect from a processor. The guidelines are simple; that rinse water be clean and sewage be kept

away from the food, that workers can and do wash their hands, that flies, birds and rodents be kept out of the processing plant.

Under the bill provisions, FDA will inspect processors, domestic and importing, annually, to be sure they are following sanitary guidelines. FDA will also coordinate with other food safety agencies to develop research programs aimed at setting standards for safe agricultural practices for produce, and for testing methods that can verify that fruit or vegetable products has been processed safely.

Last August, the National Academy of Sciences, in evaluating the federal food safety system, advised that food safety agencies be able to ''mandate minimum sanitation standards for food.'' Food safety should be a requirement—not a suggestion. We have had basic sanitation standards in place for meat and poultry for 93 years. FDA needs strong mandatory sanitation guidelines for produce. My bill would establish basic sanitation standards for processed fruits and vegetables. Most processors in the US are already following these reasonable standards, and are keeping their products safe. This bill will bring everyone up to par domestically, and allow FDA to address produce sanitation problems in importing countries.

Agriculture is clearly our nation's largest employer, providing jobs for millions from the farm to the corner markets. Agricultural communities cannot afford to have the American public question the safety of the food in their grocery stores. This is not just a public health issue, it is also an economic issue.

I believe these simple standards of cleanliness are reasonable, are long overdue, and will help assure that Americans can safely make these foods a part of every meal.

By Mr. KERRY (for himself, Mr. SMITH of Oregon, Mr. CHAFEE, Mr. CLELAND, Ms. SNOWE, Mr. BAYH, Ms. COLLINS, Mr. KENNEDY, Mr. LEVIN, Mr. EDWARDS, Mrs. MURRAY, and Mr. BRYAN):

S. 284. A bill to improve educational systems and facilities to better educate students throughout the United States; to the Committee on Health, Education, Labor, and Pensions.

COMPREHENSIVE SCHOOL IMPROVEMENT AND ACCOUNTABILITY ACT OF 1999

Mr. KERRY. Mr. President, I think every American knows what today is—Tax Day, 1999. It's a day that I think no doubt leaves most Americans, certainly, tired from the all too hurried rush to file those forms—but I hope also reminded that as we pay our taxes we're really making choices about our priorities—investing in a strong national defense, making a difference in research and development, protecting Social Security and Medicare—and the truth is that while no one likes to pay taxes, this is why we do it—so we can invest in certain priorities that make our nation strong.

Well, Mr. President, today I want to join with my colleague GORDON SMITH to talk about one of those investments, about the commitment Americans want us to make to our public schools, and about the biggest tax cut we can ever deliver for our children and grandchildren—the tax cut you give to future generations when you insist—today—that you're going to have a committed and qualified teacher in every classroom, that you're going to make every public school work, and that you're going to put every child on the road to a life in which they can make the most of their own talents and capacities for success.

Let's be honest—as a society, there is no decision of greater importance to the long term health, stability, and competitiveness of this nation, than the way we decide to educate our children.

We look to public schools today to educate our children to lead in an information age where the term ''wired worker'' will soon be redundant because of an information revolution that has literally put more power in the computer chip of a digital watch than in every computer combined in the United States just fifty years ago; massive technological change and demands to improve our productivity, putting more Americans to work for longer hours and putting them in front of computer screens for hours more when they're not at work; a global economy where borders have vanished—and the wealth of nations will be determined by the wisdom of their workers—by their level of training, the depth of their knowledge, and their ability to compete with workers around the world.

Mr. President, two hundred years ago Thomas Jefferson told us that our public schools would be ''the pillars of the republic''—he was right then, he is right now—but today there is a caveat: those public schools must also be—more than ever—the pillars of our economy and the pillars of our communities.

And I would respectfully suggest to you that there has not been a more urgent time than the present to reevaluate—honestly—the way America's greatest democratic experiment is working—the experiment of our nation's public schools.

Those pillars of the republic have never before had to support so heavy a burden as they do today. In our world of telecommuting, the Internet, hundreds and soon thousands of television channels, sixty, seventy and eighty hour work weeks—there are fewer and fewer places where Americans come together in person to share in that common civic culture, fewer ways in which we unite as citizens—and caught up in that whirlwind are more students living in poverty, more students dealing with disabilities, more students with limited command of the English language.

More reasons, I believe, why this nation must have a great public school system.

And what can we say of the system before us today? I think we must say that—although there are thousands of public schools in this country doing a magnificent job of educating our children to a world class level—too many of our schools are struggling and too many kids are being left behind.

Mr. President, I believe we have a responsibility to be the true friends of public education—and the best friends are critical friends, and it is time that we seek the truth and offer our help to a system that is not doing enough for a large proportion of the 50 million children in our public schools today—children whose reading scores show that of 2.6 million graduating high school students, one-third are below basic reading level, one-third are at basic, only one-third are proficient and only 100,000 are at a world class reading level; children who edge out only South Africa and Cyprus on international tests in science and math, with 29 percent of all college freshmen requiring remedial classes in basic skills.

Mr. President, this year we have already passed the Ed-Flex Bill, a step forward in giving our schools the flexibility and the accountability they need to enact reform, making it a matter of law that we won't tie their hands with red tape when Governors and Mayors and local school districts are doing all they can to educate our kids, but also emphasizing that with added flexibility comes a responsibility to raise student achievement.

But Mr. President, EdFlex was just one step in a forward moving direction—balancing accountability and flexibility—to continue the process of real education reform—and that is why I am joining with my colleague from Oregon, GORDON SMITH, to introduce bipartisan legislation today—the Kerry-Smith Bill—with our colleagues the distinguished Senator from Massachusetts, my colleague TED KENNEDY and with MAX CLELAND, EVAN BAYH, JOHN EDWARDS, CARL LEVIN, PATTY MURRAY, RICHARD BRYAN, as well as JOHN CHAFEE, SUSAN COLLINS and OLYMPIA SNOWE from Maine—legislation which together we believe will make a difference in our schools, legislation which can bring together leaders from across the political spectrum around good ideas which unite us rather than dividing us.

Mr. President, for too long in this country the education debate has been stuck both nationally and locally—leaders unable or unwilling to answer the challenge, trapped in a debate that is little more than an echo of old and irrelevant positions with promising solutions stymied by ideology and interest groups—both on the right and on the left.

Nowhere more than in the venerable United States Senate, where we pride ourselves on our ability to work together across partisan lines, have we—

in so many debates—been stuck in a place where Democrats and Republicans seem to talk past each other. Democrats are perceived to be always ready to throw money at the problem but never for sufficient accountability or creativity; Republicans are perceived as always ready to give a voucher to go somewhere else but rarely supportive of investing sufficient resources to make the public schools work.

Well, I think it is in this Congress, this year, that we can finally disengage ourselves from the political combat, and acknowledge that with so much on the line, such high stakes in our schools, you can't just talk past each other and call it reform.

We all need to do our part to find a new answer, and Mr. President I would respectfully suggest that in the bipartisan support you see for this legislation, there is a different road we can meet on to make it happen.

Together we are introducing the kind of comprehensive education reform legislation that I believe will provide us a chance to come together not as Democrats and Republicans, but as the true friends of parents, children, teachers, and principals—to come together as citizens—and help our schools reclaim the promise of public education in this country. We need to ask one question: ''What provides our children with the best education?'' And whether the answer is conservative, liberal or simply practical, we need to commit ourselves to that course.

Our bill is built on the notion of giving grants for schools—with real accountability—to pursue comprehensive reform and adopt the proven best practices of any other school—Voluntary State Reform Incentive Grants so school districts that choose to finance and implement comprehensive reform based on proven high-performance models can bring forth change. We will target investments at school districts with high numbers of at-risk students and leverage local dollars through matching grants. This component of the legislation will give schools the chance to quickly and easily put in place the best of what works in any other school—private, parochial or public—with decentralized control, site-based management, parental engagement, and high levels of volunteerism—while at the same time meeting high standards of student achievement and public accountability. I believe public schools need to have the chance to make changes not tomorrow, not five years from now, not after another study—but now—today.

So if schools will embrace this new framework—every school adopting the best practices of high achieving schools, building accountability into the system—what then are the key ingredients of excellence that every school needs to succeed?

Well, Mr. President, I think we can start by guaranteeing that every one of our nation's 80,000 principals have the capacity to lead—the talents and the know-how to do the job; effective leadership skills; the vision to create an effective team—to recruit, hire, and transfer teachers and engage parents. Without those abilities, the title of principal and the freedom to lead means little. We are proposing an ''Excellent Principals Challenge Grant'' which would provide funds to local school districts to train principals in sound management skills and effective classroom practices. This bill helps our schools make being a principal the great calling of our time.

But as we set our sights on recruiting a new generation of effective principals, we must acknowledge what today's best principals know: principals can only produce results as good as the teachers with whom they must work. To get the best results, we need the best teachers. And we must act immediately to guarantee that we get the best as the United States hires 2 million new teachers in the next ten years, 60% of them in the next five years. In the Kerry-Smith Bill we will empower our states and school districts to find new ways to hire and train outstanding teachers: through a focus on teacher quality and training—in Title V of this bill—we can use financial incentives to attract a larger group of qualified people into the teaching profession and we can provide real ongoing education and continued training for our nation's teachers.

This legislation will allow states to reconfigure their certification policies and their teaching standards to address the reality that our standards for teachers are not high enough—and at the same time, they are too rigid in setting out irrelevant requirements that don't make teaching better; they make it harder for some who choose to teach. We know we need to streamline teacher certification rules in this country to recruit the best college graduates to teach in the United States. Today we hire almost exclusively education majors to teach, and liberal arts graduates are only welcomed in our country's top private schools. Our legislation will allow states to rewrite the rules so principals have a far greater flexibility to hire liberal arts graduates as teachers, graduates who can meet high standards; while at the same time allowing hundreds of thousands more teachers to achieve a more broad based meaningful certification—the National Board for Professional Teaching Standards certification with its rigorous test of subject matter knowledge and teaching ability.

This legislation will build a new teacher recruitment system for our public schools—providing college scholarships for our highest achieving high school graduates if they agree to come back and teach in our public schools.

We will demand a great deal from our principals and our teachers—holding them accountable for student achievement—but Mr. President we also hope to build a new consensus in America that recognizes that you can't hold someone accountable if they don't have the tools to succeed.

Our bill helps to close the resource gap in public education: helping to eliminate the crime that turns too many hallways and classrooms into arenas of violence by giving school districts incentives to write discipline codes and create ''Second Chance'' schools with a range of alternatives for chronically disruptive and violent students—everything from short-term in-school crisis centers, to medium duration in-school suspension rooms, to high quality off-campus alternatives; helping every child come to school ready to learn by funding successful, local early childhood development efforts; and making schools the hubs of our communities once more by providing support for after school programs where students receive tutoring, mentoring, and values-based education—the kind of programs that are open to entire communities, making public schools truly public.

And our legislation will help us bring a new kind accountability to public education by injecting choice and competition into a public school system badly in need of both. We are not a country that believes in monopolies. We are a country that believes competition raises quality. And we ought to merge the best of those ideas by ending a system that restricts each child to an administrator's choice and not a parent's choice where possible. It is time we adopt a competitive system of public school choice with grants awarded to schools that meet parents' test of quality and assistance to schools that must catch up rapidly. That is why our bill creates an incentive for schools all across the nation to adopt public school choice to the extent logistically feasible.

Mr. President, we are not just asking Democrats and Republicans to meet in a compromise, a grand bargain to reform public education. We are offering legislation that helps us do it, that forces not just a debate, but a vote—yes or no, up or down, change or more of the same. Together we can embrace new rights and responsibilities on both sides of the ideological divide and admit that the answer to the crisis of public education is not found in one concept alone—in private school vouchers or bricks and mortar alone. We can find answers for our children by breaking with the instinct for the symbolic, and especially the notion that a speech here and there will make education better in this country. It can't and it won't. But our hard work together in the coming year—Democrats and Republicans together—can make a difference. Education reform can work in a bi-partisan way. There is no shortage of good ideas or leadership here in the Senate—the experience of GORDON SMITH who spent years in the Oregon legislature working to balance resources and accountability to raise the quality of public education; with

tireless leadership from former Governors like EVAN BAYH and JOHN CHAFEE; bi-partisan creativity from PATTY MURRAY and OLYMPIA SNOWE; and the leadership and passion, of course, of the senior Senator from my state, Senator KENNEDY, who has led the fight on education in this Senate, and who has provided this body with over 30 years of unrivaled leadership and support for education.

We look forward to working with all of our colleagues this year to pass this legislation, in this important year as we undergo the process of reauthorizing the Elementary and Secondary Education Act, to find common ground in ideas that we can all support—bold legislation that sends the message—finally—to parents and children struggling to find schools that work, and to teachers and principals struggling in schools simultaneously bloated with bureaucracy and starved for resources—to prove to them not just that we hear their cries for help, but that we will respond not with sound bites and salvos, but with real answers.

I thank my colleagues and I ask unanimous consent that the full text of the bill be printed in the RECORD.

There being no objection, the items were ordered to be printed in the RECORD, as follows:

S. 824

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Comprehensive School Improvement and Accountability Act of 1999''.

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.
Sec. 3. General requirements.

TITLE I—VOLUNTARY STATE REFORM INCENTIVE GRANTS

Sec. 101. Demonstrations of innovative practices.
Sec. 102. Fully funding title I of ESEA.

TITLE II—ENSURING THAT CHILDREN BEGIN SCHOOL READY TO LEARN

Sec. 201. Definitions.
Sec. 202. Allotments to States.
Sec. 203. Grants to local collaboratives.
Sec. 204. Appropriations.

TITLE III—EXCELLENT PRINCIPALS CHALLENGE GRANT

Sec. 301. Grants to States for the training of principals.

TITLE IV—SECOND CHANCE PROGRAMS FOR DISRUPTIVE OR VIOLENT STUDENTS

Sec. 401. Establishment of second chance grant program.

TITLE V—TEACHER QUALITY AND TRAINING

Sec. 501. Grants for low-income areas.
Sec. 502. Scholarships for future teachers.
Sec. 503. Teacher quality.
Sec. 504. Loan forgiveness and cancellation for teachers.
Sec. 505. Teacher quality enhancement grants.
Sec. 506. Improving teacher technology training.

TITLE VI—INVESTMENT IN COMMUNITY-BASED SCHOOLS AND COMMUNITY SERVICE

Sec. 601. 21st century community learning centers.
Sec. 602. Grants for programs requiring community service.

TITLE VII—EXPANDING NATIONAL BOARD CERTIFICATION PROGRAM FOR TEACHERS

Sec. 701. Purpose.
Sec. 702. Grants to expand participation in the National Board Certification Program.

TITLE VIII—ENCOURAGING PUBLIC SCHOOL CHOICE

Sec. 801. Grants to encourage public school choice.

SEC. 2. DEFINITIONS.

The definitions in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801) shall apply to this Act.

SEC. 3. GENERAL REQUIREMENTS.

(a) ELIGIBILITY.—

(1) STATE ELIGIBILITY.—To be eligible to receive assistance under title I, III, or VIII of this Act, or part E of title XIII of the Elementary and Secondary Education Act of 1965, a State educational agency, consortium of State educational agencies, or State shall reserve not more than 5 percent of the funds the State educational agency, consortium, or State, as appropriate, receives under title I, III, or VIII, or such part E, respectively, for a fiscal year to enable the State educational agency, consortium, or State, as appropriate—

(A) to specify to the Secretary how the receipt of the Federal funds will lead to school improvements, such as increasing student academic achievement, reducing out-of-field teacher placements, increasing teacher retention, and reducing the number of emergency teaching certificates;

(B) to conduct an annual evaluation to determine whether or not such improvements have occurred;

(C) if the improvements have not occurred, to specify to the Secretary what steps will be taken in the future to ensure the improvements; and

(D) for general administrative expenses of the activities assisted under title I, III, or VIII, or such part E, respectively.

(2) LOCAL EDUCATIONAL AGENCY.—To be eligible to receive assistance under title I or III of this Act, or parts E or F of title XIII of the Elementary and Secondary Education Act of 1965, a local educational agency shall—

(A) serve low achieving students as measured by low graduation rates or low scores on assessment exams;

(B) have a low teacher retention rate in the schools served by the local educational agency;

(C) have a high rate of out-of-field placement of teachers in the schools served by the local educational agency; and

(D) have a shortage of teachers of mathematics or physical science in the schools served by the local educational agency.

(b) GEOGRAPHIC REQUIREMENTS.—The Secretary shall promulgate regulations to ensure that a balanced amount of funding under titles III, VII, and VIII of this Act, section 602 of this Act, part I of title X, and parts E and F of title XIII, of the Elementary and Secondary Education Act of 1965, and subpart 9 of part A of title IV, and section 428K, of the Higher Education Act of 1965, is made available to rural and urban areas.

(c) SUPPLEMENT NOT SUPPLANT.—Funds appropriated under this Act shall be used to supplement and not supplant other Federal, State, and local public funds expended to carry out activities assisted under this Act.

TITLE I—VOLUNTARY STATE REFORM INCENTIVE GRANTS

SEC. 101. DEMONSTRATIONS OF INNOVATIVE PRACTICES.

(a) PROVISION OF FUNDS.—From amounts appropriated under subsection (f), the Secretary, acting through the authority provided under section 1502 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6492), shall award grants to State educational agencies to enable the States to provide for comprehensive school reforms.

(b) STATE APPLICATION.—To be eligible to receive a grant under subsection (a), a State educational agency shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a description of the process and selection criteria that the State educational agency will utilize to award competitive grants to local educational agencies;

(2) a description of the manner in which the State educational agency will ensure that only high quality comprehensive school reform proposals will be funded by the State under this section;

(3) a description of the manner in which the State educational agency will distribute information concerning the comprehensive reform program to local educational agencies and individual schools;

(4) a description of the methods to be used by the State educational agency to evaluate the results of the activities carried out by local educational agencies under the grant; and

(5) assurances that the State educational agency will use funds received under the grant to supplement, not supplant, other Federal, State and local resources provided for educational reforms.

(c) USE OF FUNDS.—

(1) GRANTS TO LOCAL EDUCATIONAL AGENCIES.—

(A) IN GENERAL.—Subject to section 3(a)(1), a State educational agency shall use amounts received under a grant under this section to award competitive grants to local educational agencies to enable such local educational agencies to provide funds to schools to carry out activities relating to comprehensive school reform. Such activities may include—

(i) activities relating to the professional development and training of teachers, administrators, staff and parents;

(ii) the acquisition of expert technical assistance in carrying out school reform;

(iii) developing or acquiring instructional materials; and

(iv) implementing parent and community outreach programs.

(B) DISTRIBUTION.—In awarding grants to local educational agencies under this subsection, the State educational agency shall ensure that grants are awarded to agencies where reforms will be implemented at schools with different grade levels.

(2) APPLICATION.—To be eligible to receive a grant under paragraph (1), a local educational agency shall prepare and submit to the State educational agency an application at such time, in such manner, and containing such information as the State educational agency may require, including—

(A) a description of the schools to which the local educational agency will provide funds under the grant;

(B) a description of the comprehensive school reform program that will be implemented by the local educational agency, including the manner in which the local educational agency will provide technical assistance and support for school implementation efforts; and

(C) a description of the manner in which the local educational agency will evaluate and measure the results achieved by schools implementing comprehensive school reforms.

(3) REQUIREMENTS.—A comprehensive school reform program shall—

(A) utilize innovative strategies and proven methods for student learning, teaching, and school management that are based on reliable and effective practices and that have been replicated successfully in schools with diverse characteristics;

(B) be based on a comprehensive design to achieve effective school functioning, including instruction, assessment, classroom management, professional development, parental involvement, and school management, that aligns the curriculum, technology, and professional development of the school into a schoolwide reform plan that is designed to enable all students to meet challenging State content and student performance standards and address needs identified through school needs assessments;

(C) provide a high-quality and continuous teacher and staff professional development and training program;

(D) have measurable goals for student performance and benchmarks for meeting such goals;

(E) be supported by school faculty, administrators and staff;

(F) provide for the meaningful involvement of parents and the local community in planning and implementing school improvement activities;

(G) utilize high-quality external technical support and assistance from a comprehensive school reform entity (which may be an institution of higher education) with experience or expertise in schoolwide reform and improvement;

(H) include a plan for the evaluation of the implementation of school reforms and the student results achieved; and

(I) identify how other resources that are available to the school will be utilized to coordinate services to support and sustain the school reform effort.

(d) MATCHING REQUIREMENT.—

(1) IN GENERAL.—To be eligible to receive funds under this section, a State educational agency shall provide assurances satisfactory to the Secretary that non-Federal funds will be made available to carry out activities under this section in an amount equal to 20 percent of the amount that is provided to the State under this section.

(2) NON-FEDERAL CONTRIBUTIONS.—Non-Federal funds required under paragraph (1) may be in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, and any portion of any service subsidized by the Federal Government, may not be included in determining the amount of such non-Federal contributions.

(3) REDUCTION OF NON-FEDERAL CONTRIBUTIONS.—The Secretary shall promulgate regulations to reduce the non-Federal funds required under paragraph (1) for State educational agencies that serve the highest percentages of low-income children.

(e) APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated, and there are appropriated, to carry out this section, $250,000,000 for fiscal year 2000, $500,000,000 for fiscal year 2001, $750,000,000 for fiscal year 2002, $1,000,000,000 for fiscal year 2003, and $4,000,000,000 for fiscal year 2004.

(2) RESERVATION OF FUNDS.—From the amounts appropriated under paragraph (1) for each fiscal year, the Secretary shall reserve 1 percent of such amounts to provide funds to schools that receive funding from the Bureau of Indian Affairs.

SEC. 102. FULLY FUNDING TITLE I OF ESEA.

Section 1002(a) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6302(a)) is amended by striking ''$7,400,000,000 for fiscal year 1995'' and all that follows through the period and inserting ''$7,400,000,000 for fiscal year 2000, $7,600,000,000 for fiscal year 2001, $8,000,000,000 for fiscal year 2002, $8,400,000,000 for fiscal year 2003, and $11,400,000,000 for fiscal year 2004''.

TITLE II—ENSURING THAT CHILDREN BEGIN SCHOOL READY TO LEARN

SEC. 201. DEFINITIONS.

In this title:

(1) LOCAL EDUCATIONAL AGENCY.—The term ''local educational agency'' has the meaning given the term in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(2) POVERTY LINE.—The term ''poverty line'' means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(4) STATE BOARD.—The term ''State board'' means a State Early Learning Coordinating Board established under section 202(c).

(5) YOUNG CHILD.—The term ''young child'' means an individual from birth through age 5.

(6) YOUNG CHILD ASSISTANCE ACTIVITIES.—The term ''young child assistance activities'' means the activities described in paragraphs (1) and (2)(A) of section 203(b).

SEC. 202. ALLOTMENTS TO STATES.

(a) IN GENERAL.—The Secretary shall make allotments under subsection (b) to eligible States to pay for the Federal share of the cost of enabling the States to make grants to local collaboratives under section 203 for young child assistance activities.

(b) ALLOTMENT.—

(1) IN GENERAL.—From the funds appropriated under section 204 for each fiscal year and not reserved under subsection (i), the Secretary shall allot to each eligible State an amount that bears the same relationship to such funds as the total number of young children in poverty in the State bears to the total number of young children in poverty in all eligible States.

(2) YOUNG CHILD IN POVERTY.—In this subsection, the term ''young child in poverty'' means an individual who—

(A) is a young child; and

(B) is a member of a family with an income below the poverty line.

(c) STATE BOARDS.—

(1) IN GENERAL.—In order for a State to be eligible to obtain an allotment under this title, the Governor of the State shall establish, or designate an entity to serve as, a State Early Learning Coordinating Board, which shall receive the allotment and make the grants described in section 203.

(2) ESTABLISHED BOARD.—A State board established under paragraph (1) shall consist of the Governor and members appointed by the Governor, including—

(A) representatives of all State agencies primarily providing services to young children in the State;

(B) representatives of business in the State;

(C) chief executive officers of political subdivisions in the State;

(D) parents of young children in the State;

(E) officers of community organizations serving low-income individuals, as defined by the Secretary, in the State;

(F) representatives of State nonprofit organizations that represent the interests of young children in poverty, as defined in subsection (b), in the State;

(G) representatives of organizations providing services to young children and the parents of young children, such as organizations providing child care, carrying out Head Start programs under the Head Start Act (42 U.S.C. 9831 et seq.), providing services through a family resource center, providing home visits, or providing health care services, in the State; and

(H) representatives of local educational agencies.

(3) DESIGNATED BOARD.—The Governor may designate an entity to serve as the State board under paragraph (1) if the entity includes the Governor and the members described in subparagraphs (A) through (G) of paragraph (2).

(4) DESIGNATED STATE AGENCY.—The Governor shall designate a State agency that has a representative on the State board to provide administrative oversight concerning the use of funds made available under this title and to ensure accountability for the funds.

(d) APPLICATION.—To be eligible to receive an allotment under this title, a State board shall annually submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require. At a minimum, the application shall contain—

(1) sufficient information about the entity established or designated under subsection (c) to serve as the State board to enable the Secretary to determine whether the entity complies with the requirements of such subsection;

(2) a comprehensive State plan for carrying out young child assistance activities;

(3) an assurance that the State board will provide such information as the Secretary shall by regulation require on the amount of State and local public funds expended in the State to provide services for young children; and

(4) an assurance that the State board shall annually compile and submit to the Secretary information from the reports referred to in section 203(e)(2)(F)(iii) that describes the results referred to in section 203(e)(2)(F)(i).

(e) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost described in subsection (a) shall be—

(A) 85 percent, in the case of a State for which the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b))) is not less than 50 percent but is less than 60 percent;

(B) 87.5 percent, in the case of a State for which such percentage is not less than 60 percent but is less than 70 percent; and

(C) 90 percent, in the case of any State not described in subparagraph (A) or (B).

(2) STATE SHARE.—

(A) IN GENERAL.—The State shall contribute the remaining share (referred to in this paragraph as the ''State share'') of the cost described in subsection (a).

(B) FORM.—The State share of the cost shall be in cash.

(C) SOURCES.—The State may provide for the State share of the cost from State or local sources, or through donations from private entities.

(f) STATE ADMINISTRATIVE COSTS.—

(1) IN GENERAL.—A State may use not more than 5 percent of the funds made available through an allotment made under this title to pay for a portion, not to exceed 50 percent, of State administrative costs related to carrying out this title.

(2) WAIVER.—A State may apply to the Secretary for a waiver of paragraph (1). The Secretary may grant the waiver if the Secretary

finds that unusual circumstances prevent the State from complying with paragraph (1). A State that receives such a waiver may use not more than 7.5 percent of the funds made available through the allotment to pay for the State administrative costs.

(g) MONITORING.—The Secretary shall monitor the activities of States that receive allotments under this title to ensure compliance with the requirements of this title, including compliance with the State plans.

(h) ENFORCEMENT.—If the Secretary determines that a State that has received an allotment under this title is not complying with a requirement of this title, the Secretary may—

(1) provide technical assistance to the State to improve the ability of the State to comply with the requirement;

(2) reduce, by not less than 5 percent, an allotment made to the State under this section, for the second determination of noncompliance;

(3) reduce, by not less than 25 percent, an allotment made to the State under this section, for the third determination of noncompliance; or

(4) revoke the eligibility of the State to receive allotments under this section, for the fourth or subsequent determination of noncompliance.

(i) TECHNICAL ASSISTANCE.—From the funds appropriated under section 204 for each fiscal year, the Secretary shall reserve not more than 1 percent of the funds to pay for the costs of providing technical assistance. The Secretary shall use the reserved funds to enter into contracts with eligible entities to provide technical assistance, to local collaboratives that receive grants under section 203, relating to the functions of the local collaboratives under this title.

SEC. 203. GRANTS TO LOCAL COLLABORATIVES.

(a) IN GENERAL.—A State board that receives an allotment under section 202 shall use the funds made available through the allotment, and the State contribution made under section 202(e)(2), to pay for the Federal and State shares of the cost of making grants, on a competitive basis, to local collaboratives to carry out young child assistance activities.

(b) USE OF FUNDS.—A local collaborative that receives a grant made under subsection (a)—

(1) shall use funds made available through the grant to provide, in a community, activities that consist of education and supportive services, such as—

(A) home visits for parents of young children;

(B) services provided through community-based family resource centers for such parents; and

(C) collaborative pre-school efforts that link parenting education for such parents to early childhood learning services for young children; and

(2) may use funds made available through the grant—

(A) to provide, in the community, activities that consist of—

(i) activities designed to strengthen the quality of child care for young children and expand the supply of high quality child care services for young children;

(ii) health care services for young children, including increasing the level of immunization for young children in the community, providing preventive health care screening and education, and expanding health care services in schools, child care facilities, clinics in public housing projects (as defined in section 3(b) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b))), and mobile dental and vision clinics;

(iii) services for children with disabilities who are young children; and

(iv) activities designed to assist schools in providing educational and other support services to young children, and parents of young children, in the community, to be carried out during extended hours when appropriate; and

(B) to pay for the salary and expenses of the administrator described in subsection (e)(4), in accordance with such regulations as the Secretary shall prescribe.

(c) MULTIYEAR FUNDING.—In making grants under this section, a State board may make grants for grant periods of more than 1 year to local collaboratives with demonstrated success in carrying out young child assistance activities.

(d) LOCAL COLLABORATIVES.—To be eligible to receive a grant under this section for a community, a local collaborative shall demonstrate that the collaborative—

(1) is able to provide, through a coordinated effort, young child assistance activities to young children, and parents of young children, in the community; and

(2) includes—

(A) all public agencies primarily providing services to young children in the community;

(B) businesses in the community;

(C) representatives of the local government for the county or other political subdivision in which the community is located;

(D) parents of young children in the community;

(E) officers of community organizations serving low-income individuals, as defined by the Secretary, in the community;

(F) community-based organizations providing services to young children and the parents of young children, such as organizations providing child care, carrying out Head Start programs, or providing pre-kindergarten education, mental health, or family support services; and

(G) nonprofit organizations that serve the community and that are described in section 501(c)(3) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code.

(e) APPLICATION.—To be eligible to receive a grant under this section, a local collaborative shall submit an application to the State board at such time, in such manner, and containing such information as the State board may require. At a minimum, the application shall contain—

(1) sufficient information about the entity described in subsection (d)(2) to enable the State board to determine whether the entity complies with the requirements of such subsection;

(2) a comprehensive plan for carrying out young child assistance activities in the community, including information indicating—

(A) the young child assistance activities available in the community, as of the date of submission of the plan, including information on efforts to coordinate the activities;

(B) the unmet needs of young children, and parents of young children, in the community for young child assistance activities;

(C) the manner in which funds made available through the grant will be used—

(i) to meet the needs, including expanding and strengthening the activities described in subparagraph (A) and establishing additional young child assistance activities; and

(ii) to improve results for young children in the community;

(D) how the local cooperative will use at least 60 percent of the funds made available through the grant to provide young child assistance activities to young children and parents described in subsection (f);

(E) the comprehensive methods that the collaborative will use to ensure that—

(i) each entity carrying out young child assistance activities through the collaborative will coordinate the activities with such activities carried out by other entities through the collaborative; and

(ii) the local collaborative will coordinate the activities of the local collaborative with—

(I) other services provided to young children, and the parents of young children, in the community; and

(II) the activities of other local collaboratives serving young children and families in the community, if any; and

(F) the manner in which the collaborative will, at such intervals as the State board may require, submit information to the State board to enable the State board to carry out monitoring under section 202(f), including the manner in which the collaborative will—

(i) evaluate the results achieved by the collaborative for young children and parents of young children through activities carried out through the grant;

(ii) evaluate how services can be more effectively delivered to young children and the parents of young children; and

(iii) prepare and submit to the State board annual reports describing the results;

(3) an assurance that the local collaborative will comply with the requirements of subparagraphs (D), (E), and (F) of paragraph (2), and subsection (g); and

(4) an assurance that the local collaborative will hire an administrator to oversee the provision of the activities described in paragraphs (1) and (2)(A) of subsection (b).

(f) DISTRIBUTION.—In making grants under this section, the State board shall ensure that not less than 60 percent of the funds made available through each grant are used to provide the young child assistance activities to young children (and parents of young children) who reside in school districts in which half or more of the students receive free or reduced price lunches under the National School Lunch Act (42 U.S.C. 1751 et seq.).

(g) LOCAL SHARE.—

(1) IN GENERAL.—The local collaborative shall contribute a percentage (referred to in this subsection as the ''local share'') of the cost of carrying out the young child assistance activities.

(2) PERCENTAGE.—The Secretary shall by regulation specify the percentage referred to in paragraph (1).

(3) FORM.—The local share of the cost shall be in cash.

(4) SOURCE.—The local collaborative shall provide for the local share of the cost through donations from private entities.

(5) WAIVER.—The State board shall waive the requirement of paragraph (1) for poor rural and urban areas, as defined by the Secretary.

(h) MONITORING.—The State board shall monitor the activities of local collaboratives that receive grants under this title to ensure compliance with the requirements of this title.

SEC. 204. APPROPRIATIONS.

There are authorized to be appropriated, and there are appropriated, to carry out this title $100,000,000 for fiscal year 2000, $200,000,000 for fiscal year 2001, $300,000,000 for fiscal year 2002, $400,000,000 for fiscal year 2003, and $1,000,000,000 for fiscal year 2004.

TITLE III—EXCELLENT PRINCIPALS CHALLENGE GRANT

SEC. 301. GRANTS TO STATES FOR THE TRAINING OF PRINCIPALS.

(a) GRANTS.—

(1) IN GENERAL.—From the sums appropriated under subsection (g) and not reserved under subsection (f) for any fiscal year, the Secretary shall award grants to eligible State educational agencies or consortia of

State educational agencies to enable such State educational agencies or consortia to award grants to local educational agencies for the provision of professional development services for public elementary school and secondary school principals to enhance the leadership skills of such principals.

(2) AWARD BASIS.—The Secretary shall award grants under this section to eligible State educational agencies or consortia on the basis of criteria that includes—

(A) the quality of the proposed use of the grant funds; and

(B) the educational need of the State or States.

(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State educational agency or consortium shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including an assurance that—

(1) matching funds will be provided in accordance with subsection (e); and

(2) principals were involved in developing the application and the proposed use of the grant funds.

(c) USE OF FUNDS.—Subject to section 3(a)(1), a State educational agency or consortium that receives a grant under this section shall use amounts received under the grant to provide assistance to local educational agencies to enable such local educational agencies to provide training and other activities to increase the leadership and other skills of principals in public elementary schools and secondary schools. Such activities may include activities—

(1) to enhance and develop school management and business skills;

(2) to provide principals with knowledge of—

(A) effective instructional skills and practices; and

(B) comprehensive whole-school approaches and programs;

(3) to improve understanding of the effective uses of educational technology;

(4) to provide training in effective, fair evaluation of school staff; and

(5) to improve knowledge of State content and performance standards.

(d) AMOUNT OF GRANT.—The amount of a grant awarded to a State educational agency or consortium under this section shall be determined by the Secretary.

(e) MATCHING REQUIREMENT.—

(1) IN GENERAL.—To be eligible to receive funds under this section, a State educational agency or consortium shall provide assurances satisfactory to the Secretary that non-Federal funds will be made available to carry out activities under this title in an amount equal to 25 percent of the amount that is provided to the State educational agency or consortium under this section.

(2) WAIVER.—The Secretary shall promulgate regulations to waive the matching requirement of paragraph (1) with respect to State educational agencies or consortia that the Secretary determines serve low-income areas.

(3) NON-FEDERAL CONTRIBUTIONS.—Non-Federal funds required under paragraph (1) may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services. Amounts provided by the Federal Government, and any portion of any service subsidized by the Federal Government, may not be included in determining the amount of such non-Federal funds.

(f) RESERVATION.—The Secretary may reserve not more than 2 percent of the amount appropriated under subsection (g) for each fiscal year to develop model national programs to provide the activities described in subsection (c) to principals. In carrying out the preceding sentence the Secretary shall appoint a commission, consisting of representatives of local educational agencies, State educational agencies, departments of education within institutions of higher education, principals, education organizations, community groups, business, and labor, to examine existing professional development programs and to produce a report on the best practices to help principals in multiple education environments across our Nation. The report shall be produced not later than 1 year after the date of enactment of this Act.

(g) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, $100,000,000 for each of the fiscal years 2000 through 2004 to carry out this section.

TITLE IV—SECOND CHANCE PROGRAMS FOR DISRUPTIVE OR VIOLENT STUDENTS

SEC. 401. ESTABLISHMENT OF SECOND CHANCE GRANT PROGRAM.

Title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8601 et seq.) is amended by adding at the end the following:

"PART E—SECOND CHANCE PROGRAMS FOR DISRUPTIVE OR VIOLENT STUDENTS

"SEC. 13501. STATEMENT OF PURPOSE.

"It is the purpose of this part to provide financial assistance to State educational agencies and local educational agencies to initiate a program of demonstration projects, personnel training, and similar activities designed to build a nationwide capability in public elementary schools and secondary schools to meet the educational needs of violent or disruptive students.

"SEC. 13502. AUTHORIZED PROGRAMS.

"(a) ESTABLISHMENT OF PROGRAM.—From the sums appropriated under section 13505 for any fiscal year, the Secretary (after consultation with experts in the field of the education of disruptive or violent students) shall make grants to State educational agencies to enable such State educational agencies to provide financial assistance to local educational agencies to assist such local educational agencies in carrying out programs or projects that are designed to meet the educational needs of violent or disruptive students, including the training of school personnel in the education of violent or disruptive students.

"(b) APPLICATION.—Each State educational agency desiring assistance under this part shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

"(c) USES OF FUNDS.—Subject to section 3(a)(1) of the Comprehensive School Improvement and Accountability Act of 1999, amounts provided under a grant under this section shall be used by the State educational agency to provide financial assistance to local educational agencies. Such local educational agencies shall use such assistance to—

"(1) promote effective classroom management;

"(2) provide training for school staff and administrators in enforcement of the discipline code described in subsection (d)(2), which may include training on violence prevention;

"(3) implement programs to modify student behavior, including hiring pupil services personnel (including school counselors, school psychologists, school social workers, and other professionals);

"(4) establish high quality alternative placements for chronically disruptive or violent students that include a continuum of alternatives such as—

"(A) meeting with behavior management specialists;

"(B) establishing short term in-school crisis centers;

"(C) providing medium duration in-school suspension rooms; and

"(D) facilitating off-campus alternatives for such students; or

"(5) carry out other activities determined appropriate by the Secretary.

"(d) ELIGIBILITY.—To be eligible to receive financial assistance from a State educational agency under this part a local educational agency shall—

"(1) prepare and submit to the State educational agency an application that contains an assurance that the local educational agency will use the assistance to carry out activities described in subsection (c);

"(2) have enacted and implemented a discipline code that—

"(A) is applied on a school district-wide basis;

"(B) makes use of clear, understandable language, including specific examples of behaviors that will result in disciplinary actions; and

"(C) is subject to signature by all students and their parents or guardians; and

"(3) comply with any other requirements determined appropriate by the State.

"SEC. 13503. FUNDING.

"Each State educational agency having an application approved under this part shall receive a grant for a fiscal year in an amount that bears the same relation to the total amount appropriated under section 13505 for the fiscal year as the amount the State educational agency is eligible to receive under part A of title I for the fiscal year bears to the amount received by all State educational agencies under part A of title I for the fiscal year.

"SEC. 13504. RULES OF CONSTRUCTION.

"(a) SERVICE OF STUDENTS.—Nothing in this part shall be construed to prohibit a recipient of funds under this part from serving disruptive or violent students simultaneously with students with similar educational needs, in the same educational settings where appropriate.

"(b) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Nothing in this part shall be construed to restrict or eliminate any protection provided for in the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) with respect to students with disabilities.

"SEC. 13505. APPROPRIATIONS.

"There are authorized to be appropriated, and there are appropriated, $100,000,000 for each of the fiscal years 2000 through 2004 to carry out this part.".

TITLE V—TEACHER QUALITY AND TRAINING

SEC. 501. GRANTS FOR LOW-INCOME AREAS.

Title XIII of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8601 et seq.), as amended by section 401, is further amended by adding at the end the following:

"PART F—INCREASING SALARIES FOR TEACHERS

"SEC. 13601. GRANTS FOR STATE EDUCATIONAL AGENCIES.

"(a) IN GENERAL.—The Secretary shall make grants to eligible State educational agencies to enable such agencies to increase the salaries of teachers in elementary schools and secondary schools.

"(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State educational agency shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

"(c) USE OF FUNDS.—A State educational agency that receives a grant under this section shall use amounts received under the

grant to increase the salaries of teachers in elementary schools and secondary schools.

"SEC. 13602. GRANTS TO STATES FOR SIGNING BONUSES TO TEACHERS.

''(a) IN GENERAL.—The Secretary shall make grants to eligible States to enable the States to provide incentives to encourage individuals to accept employment as teachers in certain elementary schools and secondary schools in the States.

''(b) ELIGIBILITY.—To be eligible to receive a grant under subsection (a), a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(c) USE OF FUNDS.—A State that receives a grant under this section shall use amounts received under the grant to provide incentives to encourage individuals to accept employment in an elementary school or secondary school that is served by a local educational agency that meets the eligibility requirements described in section 3(a)(2) of the Comprehensive School Improvement and Accountability Act of 1999.

''(d) AMOUNT OF GRANT.—The amount of a grant to be awarded to a State under this section shall be determined by the Secretary.

''(e) LIMITATION.—The Secretary shall use not more than $10,000,000 of the amount appropriated under section 13603 for each fiscal year to carry out this section.

"SEC. 13603. APPROPRIATIONS.

''There are authorized to be appropriated, and there are appropriated, $500,000,000 for each of the fiscal years 2000 and 2001, $1,000,000,000 for each of the fiscal years 2002 and 2003, and $2,000,000,000 for fiscal year 2004 to carry out this part.''.

SEC. 502. SCHOLARSHIPS FOR FUTURE TEACHERS.

Part A of title IV of the Higher Education Act of 1965 (20 U.S.C. 1070 et seq.) is amended by adding at the end the following:

''SUBPART 9—SCHOLARSHIPS FOR FUTURE TEACHERS

"SEC. 420L. STATEMENT OF PURPOSE.

''It is the purpose of this subpart to establish a scholarship program to promote student excellence and achievement and to encourage students to make a commitment to teaching.

"SEC. 420M. SCHOLARSHIPS AUTHORIZED.

''(a) PROGRAM AUTHORITY.—The Secretary is authorized, in accordance with the provisions of this subpart, to make grants to States to enable the States to award scholarships to individuals who have demonstrated outstanding academic achievement and who make a commitment to become State certified teachers in elementary schools or secondary schools that are served by local educational agencies that meet the eligibility requirements described in section 3(a)(2) of the Comprehensive School Improvement and Accountability Act of 1999.

''(b) PERIOD OF AWARD.—Scholarships under this section shall be awarded for a period of not less than 1 and not more than 4 years during the first 4 years of study at any institution of higher education eligible to participate in any program assisted under this title. The State educational agency administering the scholarship program in a State shall have discretion to determine the period of the award (within the limits specified in the preceding sentence).

''(c) USE AT ANY INSTITUTION PERMITTED.—A student awarded a scholarship under this subpart may attend any institution of higher education.

"SEC. 420N. ALLOCATION AMONG STATES.

''(a) ALLOCATION FORMULA.—From the sums appropriated under section 420U for any fiscal year, the Secretary shall allocate to each State that has an agreement under section 420O an amount that bears the same relation to the sums as the amount the State received under part A of title I of the Elementary and Secondary Education Act of 1965 bears to the amount received under such part A by all States.

''(b) AMOUNT OF SCHOLARSHIPS.—The Secretary shall promulgate regulations setting forth the amount of scholarships awarded under this subpart.

"SEC. 420O. AGREEMENTS.

''The Secretary shall enter into an agreement with each State desiring to participate in the scholarship program authorized by this subpart. Each such agreement shall include provisions designed to ensure that—

''(1) the State educational agency will administer the scholarship program authorized by this subpart in the State;

''(2) the State educational agency will comply with the eligibility and selection provisions of this subpart;

''(3) the State educational agency will conduct outreach activities to publicize the availability of scholarships under this subpart to all eligible students in the State, with particular emphasis on activities designed to assure that students from low-income and moderate-income families have access to the information on the opportunity for full participation in the scholarship program authorized by this subpart; and

''(4) the State educational agency will pay to each individual in the State who is awarded a scholarship under this subpart an amount determined in accordance with regulations promulgated under section 420N(b).

"SEC. 420P. ELIGIBILITY OF SCHOLARS.

''(a) SECONDARY SCHOOL GRADUATION OR EQUIVALENT AND ADMISSION TO INSTITUTION REQUIRED.—Each student awarded a scholarship under this subpart shall—

''(1) have a secondary school diploma or its recognized equivalent;

''(2) have a score on a nationally recognized college entrance exam, such as the Scholastic Aptitude Test (SAT) or the American College Testing Program (ACT), that is in the top 20 percent of all scores achieved by individuals in the secondary school graduating class of the student, or have a grade point average that is in the top 20 percent of all students in the secondary school graduating class of the student;

''(3) have been admitted for enrollment at an institution of higher education; and

''(4) make a commitment to become a State certified elementary school or secondary school teacher for a period of 5 years.

''(b) SELECTION BASED ON COMMITMENT TO TEACHING.—Each student awarded a scholarship under this subpart shall demonstrate outstanding academic achievement and show promise of continued academic achievement.

"SEC. 420Q. SELECTION OF SCHOLARS.

''(a) ESTABLISHMENT OF CRITERIA.—The State educational agency is authorized to establish the criteria for the selection of scholars under this subpart.

''(b) ADOPTION OF PROCEDURES.—The State educational agency shall adopt selection procedures designed to ensure an equitable geographic distribution of scholarship awards within the State.

''(c) CONSULTATION REQUIREMENT.—In carrying out its responsibilities under subsections (a) and (b), the State educational agency shall consult with school administrators, local educational agencies, teachers, counselors, and parents.

''(d) TIMING OF SELECTION.—The selection process shall be completed, and the awards made, prior to the end of each secondary school academic year.

"SEC. 420R. SCHOLARSHIP CONDITION.

''The State educational agency shall establish procedures to assure that a scholar awarded a scholarship under this subpart pursues a course of study at an institution of higher education that is related to a career in teaching.

"SEC. 420S. RECRUITMENT.

''In carrying out a scholarship program under this section, a State may use not less than 5 percent of the amount awarded to the State under this subpart to carry out recruitment programs through local educational agencies. Such programs shall target liberal arts, education and technical institutions of higher education in the State.

"SEC. 420T. INFORMATION.

''The Secretary shall develop additional programs or strengthen existing programs to publicize information regarding the programs assisted under this title and teaching careers in general.

"SEC. 420U. APPROPRIATIONS.

''There are authorized to be appropriated, and there are appropriated, to carry out this subpart $10,000,000 for each of the fiscal years 2000 through 2004, of which not more than 0.5 percent shall be used by the Secretary in any fiscal year to carry out section 420T.''.

SEC. 503. TEACHER QUALITY.

Section 210 of the Higher Education Act of 1965 (20 U.S.C. 1030) is amended to read as follows:

"SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this title $435,000,000 for each of the fiscal years 2000 through 2004, of which—

''(1) 62 percent shall be available for each fiscal year to award grants under section 202;

''(2) 31 percent shall be available for each fiscal year to award grants under section 203; and

''(3) 7 percent shall be available for each fiscal year to award grants under section 204.''.

SEC. 504. LOAN FORGIVENESS AND CANCELLATION FOR TEACHERS.

(a) FEDERAL STAFFORD LOANS.—Section 428J of Higher Education Act of 1965 (20 U.S.C. 1078–10) is amended—

(1) in the matter preceding subparagraph (A) of subsection (b)(1), by striking ''for 5 consecutive complete school years'';

(2) by amending paragraph (1) of subsection (c) to read as follows:

''(1) AMOUNT.—

''(A) IN GENERAL.—The Secretary shall repay—

''(i) not more than $5,000 in the aggregate of the loan obligation on a loan made under section 428 or 428H that is outstanding after the completion of the second complete school year of teaching described in subsection (b)(1); and

''(ii) not more than $5,000 in the aggregate of such loan obligation that is outstanding after the fifth complete school year of teaching described in subsection (b)(1).

''(B) SPECIAL RULE.—No borrower may receive a reduction of loan obligations under both this section and section 460.''; and

(3) by adding at the end the following:

''(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section $50,000,000 for each of the fiscal years 2000 through 2004.''.

(b) DIRECT LOANS.—Section 460 of the Higher Education Act of 1965 (20 U.S.C. 1087j) is amended—

(1) in the matter preceding clause (i) of subsection (b)(1)(A), by striking ''for 5 consecutive complete school years'';

(2) by amending paragraph (1) of subsection (c) to read as follows:

''(1) IN GENERAL.—The Secretary shall repay—

''(A) not more than $5,000 in the aggregate of the loan obligation on a Federal Direct Stafford Loan or a Federal Direct Unsubsidized Stafford Loan that is outstanding after the completion of the second complete school year of teaching described in subsection (b)(1)(A); and

''(B) not more than $5,000 in the aggregate of such loan obligation that is outstanding after the fifth complete school year of teaching described in subsection (b)(1)(A).''; and

(3) by adding at the end the following:

''(i) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section $50,000,000 for each of the fiscal years 2000 through 2004.''.

SEC. 505. TEACHER QUALITY ENHANCEMENT GRANTS.

(a) STATES.—Section 202(d) of the Higher Education Act of 1965 (20 U.S.C. 1022(d)) is amended by adding at the end the following:

''(8) MENTORING.—Promoting mentoring programs that pair veteran teachers with novice teachers in order to—

''(A) increase the skill level of the novice teacher;

''(B) assist in the classroom effectiveness of the novice teacher; and

''(C) help promote the retention of the novice teacher in the school.''.

(b) PARTNERSHIPS.—Section 203(e) of the Higher Education Act of 1965 (20 U.S.C. 1023(e)) is amended by adding at the end the following:

''(5) MENTORING.—Promoting mentoring programs that pair veteran teachers with novice teachers in order to—

''(A) increase the skill level of the novice teacher;

''(B) assist in the classroom effectiveness of the novice teacher; and

''(C) help promote the retention of the novice teacher in the school.''.

SEC. 506. IMPROVING TEACHER TECHNOLOGY TRAINING.

(a) STATEMENT OF PURPOSE FOR TITLE I.—Section 1001(d)(4) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6301(d)(4)) is amended by inserting '', giving particular attention to the role technology can play in professional development and improved teaching and learning'' before the semicolon.

(b) SCHOOL IMPROVEMENT.—Section 1116(c)(3) of such Act (20 U.S.C. 6317(c)(3)) is amended by adding at the end the following:

''(D) In carrying out professional development under this paragraph a school shall give particular attention to professional development that incorporates technology used to improve teaching and learning.''.

(c) PROFESSIONAL DEVELOPMENT.—Section 1119(b) of such Act (20 U.S.C. 6320(b)) is amended—

(1) in paragraph (1)—

(A) in subparagraph (D), by striking ''and'' after the semicolon;

(B) in subparagraph (E), by striking the period and inserting ''; and''; and

(C) by adding at the end the following:

''(F) include instruction in the use of technology.''; and

(2) in paragraph (2)—

(A) by striking subparagraph (D); and

(B) by redesignating subparagraphs (E) through (I) as subparagraphs (D) through (H), respectively.

(d) PURPOSES FOR TITLE II.—Section 2002(2) of such Act (20 U.S.C. 6602(2)) is amended—

(1) in subparagraph (E), by striking ''and'' after the semicolon;

(2) in subparagraph (F), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(G) uses technology to enhance the teaching and learning process.''.

(e) NATIONAL TEACHER TRAINING PROJECT.—Section 2103(b)(2) of such Act (20 U.S.C. 6623(b)(2)) is amended by adding at the end the following:

''(J) Technology.''.

(f) LOCAL PLAN FOR IMPROVING TEACHING AND LEARNING.—Section 2208(d)(1)(F) of such Act (20 U.S.C. 6648(d)(1)(F)) is amended by inserting '', technologies,'' after ''strategies''.

(g) AUTHORIZED ACTIVITIES.—Section 2210(b)(2)(C) of such Act (20 U.S.C. 6650(b)(2)(C)) is amended by inserting '', and in particular technology,'' after ''practices''.

(h) HIGHER EDUCATION ACTIVITIES.—Section 2211(a)(1)(C) of such Act (20 U.S.C. 6651(a)(1)(C)) is amended by inserting '', including technological innovation,'' after ''innovation''.

TITLE VI—INVESTMENT IN COMMUNITY-BASED SCHOOLS AND COMMUNITY SERVICE

SEC. 601. 21ST CENTURY COMMUNITY LEARNING CENTERS.

Part I of title X of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8241 et seq.) is amended—

(1) in section 10905, by adding at the end the following:

''(14) Mentoring programs.

''(15) Academic assistance.

''(16) Drug, alcohol, and gang prevention activities.''; and

(2) in section 10907, by striking ''$20,000,000 for fiscal year 1995'' and all that follows through the period and inserting ''$600,000,000 for each of the fiscal years 2000 through 2004, to carry out this part.''.

SEC. 602. GRANTS FOR PROGRAMS REQUIRING COMMUNITY SERVICE.

(a) IN GENERAL.—From sums appropriated under subsection (f) for any fiscal year, the Secretary shall award grants to State educational agencies to enable such State educational agencies to create and carry out programs to help students meet State secondary school graduation requirements relating to community service.

(b) APPLICATION.—To be eligible to receive a grant under this section a State educational agency shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) AMOUNT.—The Secretary shall determine the amount of a grant awarded to a State educational agency under this section.

(d) USE OF FUNDS.—A State educational agency shall use amounts received under a grant under this section to establish or expand a Statewide program, or school district-wide programs, that help secondary school students to perform community service in order to receive their secondary school diplomas. In carrying out such programs the State educational agency shall determine the type of community service required, the hours required, and whether to exempt low-income students who are employed before or after school, or during summer months.

(e) MATCHING REQUIREMENT.—

(1) IN GENERAL.—To be eligible to receive funds under this section, a State educational agency shall provide assurances satisfactory to the Secretary that non-Federal funds will be made available to carry out activities under this section in an amount equal to the amount that is provided to the State educational agency under this section, of which—

(A) 50 percent of such non-Federal funds shall be provided by the State educational agency or local educational agencies in the State; and

(B) 50 percent of such non-Federal funds shall be provided from the private sector.

(2) CONTRIBUTIONS.—Non-Federal contributions required in paragraph (1) may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

(f) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, $10,000,000 for each of the fiscal years 2000 through 2004 to carry out this section.

TITLE VII—EXPANDING NATIONAL BOARD CERTIFICATION PROGRAM FOR TEACHERS

SEC. 701. PURPOSE.

It is the purpose of this title to assist 105,000 elementary school or secondary school teachers in becoming board certified by the year 2006.

SEC. 702. GRANTS TO EXPAND PARTICIPATION IN THE NATIONAL BOARD CERTIFICATION PROGRAM.

(a) IN GENERAL.—From amounts appropriated under subsection (e), the Secretary shall award grants to States to enable such States to provide subsidies to elementary school and secondary school teachers who enroll in the certification program of the National Board for Professional Teaching Standards.

(b) APPLICATION.—To be eligible to receive a grant under subsection (a), a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) AMOUNT OF GRANT.—The amount of a grant awarded to a State under subsection (a) shall be determined by the Secretary.

(d) USE OF FUNDS.—

(1) IN GENERAL.—A State shall use amounts received under a grant under this section to provide a subsidy to an eligible teacher who enrolls and completes the teaching certification program of the National Board for Professional Teaching Standards.

(2) ELIGIBILITY.—To be eligible to receive a subsidy under this section an individual shall—

(A) be a teacher in an elementary school or secondary school, served by a local educational agency that meets the eligibility requirements described in section 3(a)(2), in the State involved;

(B) prepare and submit to the State an application at such time, in such manner, and containing such information as the State may require; and

(C) certify to the State that the individual intends to enroll and complete the teaching certification program of the National Board for Professional Teaching Standards.

(3) AMOUNT OF SUBSIDY.—Subject to the availability of funds, a State shall provide to a teacher with an application approved under paragraph (2) a subsidy in an amount equal to 90 percent of the cost of enrollment in the program described in paragraph (2)(C).

(e) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section $37,800,000 for each of the fiscal years 2000 through 2004.

TITLE VIII—ENCOURAGING PUBLIC SCHOOL CHOICE

SEC. 801. GRANTS TO ENCOURAGE PUBLIC SCHOOL CHOICE.

(a) IN GENERAL.—From amounts appropriated under subsection (f), the Secretary shall award grants to States to enable such States to implement public school choice programs.

(b) APPLICATION.—To be eligible to receive a grant under this section a State shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

(c) AMOUNT.—The Secretary shall determine the amount of a grant awarded to a State under this section.

(d) USE OF FUNDS.—Subject to section 3(a)(1), a State shall use amounts received

under a grant under this section to establish a statewide public school choice program under which elementary school and secondary school students, who attend a school served by a local educational agency that meets the eligibility requirements described in section 3(a)(2), may enroll in any public school of their choice. Amounts provided under such grant may also be used—

(1) to improve low performing school districts that lose students as a result of the program; and

(2) for any other activities determined appropriate by the State.

(e) LIMITATION.—A State may use not more than 10 percent of the amount received under a grant under this section to carry out activities under subsection (d)(2).

(f) APPROPRIATIONS.—There are authorized to be appropriated, and there are appropriated, to carry out this section, $10,000,000 for each of the fiscal years 2000 through 2004.

Mr. SMITH of Oregon. Mr. President, I rise today in an effort of bipartisanship with Senator KERRY, to present our plan to improve the quality of education for the children of this country. The legislation that we are introducing with Senators CHAFEE, COLLINS, SNOWE, BAYH, CLELAND, KENNEDY, LEVIN, EDWARDS, BRYAN, and MURRAY, combines the best ideas from the Republicans with the best ideas from the Democrats—it is a way of reaching across the aisle to accomplish education reform.

Our shared goal is legislation that empowers educators, parents, and principals to initiate positive change in the local school districts without burdensome Federal mandates. The Kerry-Smith Plan to Educate America's Children acts upon that goal and incorporates what the President proposed in his State of the Union Address—that our Federal dollars must be invested in programs that work. I couldn't agree more. We need to ensure that we're getting the biggest bang out of our education buck—not only for the Federal Government—but for the taxpayers who deserve it, and who expect it. The taxpayers are not only the watchdogs of how we spend our money, they are the stockholders and have the right to determine the direction and quality of our investment. This legislation turns the taxpayers into stockholders by directing the Federal dollars to State and local education agencies and allows them to manage the money locally—in local school districts and for local students—to enhance and improve the quality of public education in our nation.

Our proposal provides local education agencies, parents, principals, and teachers the resources to build upon reform models that have been proven to work, such as the Modern Red Schoolhouse and Success For All programs. For example, the Success For All program focuses on raising the achievement levels of K–12 students in low-performing schools by providing a wide range of assistance, including one-on-one tutoring and family support programs. To ensure that progress is being made, students in the Success For All program are assessed every eight weeks. If a student needs assistance in a specific area such as reading, a tutor is provided to help that student improve his or her reading skills.

Mr. President, this is exactly what every school in America should be doing. In addition, the Modern Red Schoolhouse program goes back to the basics and focuses on the core subject areas of math, science, and reading. Students learn to master these subject areas at their own pace in order to fulfill individual learning contracts. Importantly, this program combines parental and community involvement with flexible daily and yearly schedules for students in order to meet their individual goals.

It is clear that any education reform proposal must be comprehensive in order to be successful. That is why the Kerry-Smith bill focuses on the needs of children and parents before the school day begins, and after the school day ends.

First, our legislation strives to ensure that every child begins school ready to learn by providing the resources to expand existing programs such as EvenStart or HeadStart.

Second, our legislation provides the resources for the development and training of excellent principals—and the retraining of current principals to improve the way they manage our schools. This program can be an opportunity to encourage and recruit second-career principals from the business community.

Third, we provide the needed support for communities to develop alternative schools for students who need further academic or psychological counseling. One of the concerns I hear in my state is that there aren't enough counselors in each school district. In fact, one particular school district in my state, has one counselor for every 800 students. It is my hope we can greatly increase the number of counselors. Too many children need extra support, and it benefits us all to help ensure they get that support.

In this world-wide web generation where everything is changing and growing at such a rapid rate, we're not always able to keep up with the pace and progress of our children. Thomas Jefferson once said something to the effect that each generation is its own nation—and I think that is true to some extent—and it is our responsibility to prepare the next generation as they face the challenges of the next century.

So as we begin debating education reform, I will support those policies that fulfill our commitment. We can achieve our commitment by providing comprehensive programs to meet the needs of all of our children throughout the entire school day and after school.

We can achieve our commitment by investing in education programs that have proven to work—based on research and real results. And we can achieve our commitment by directing the resources for mentoring and training of our teachers and principals and rewarding local districts that display excellence in education.

The Kerry-Smith bill is an aggressive approach and puts these principles to work—not in Washington, D.C., but in our states and local school districts. We realize that there are many education reform proposals that will be introduced in the Senate this year. And despite the differing views of our respective parties on education in previous years, Senator KERRY and I intended to work with our colleagues on both sides of the aisle to find a workable solution based on the combined strength of various bills.

In closing, I would like to thank my colleague, Senator KERRY, for his foresight and leadership on this issue and encourage my colleagues' cosponsorship and support. The education of our children is, and must continue to be, a bipartisan commitment to excellence.

Mr. KENNEDY. Mr. President, I support the Education Improvement Act of 1999, introduced today by Senator SMITH and Senator KERRY, and I am proud to be a sponsor. It is a major initiative to improve the nation's public schools and address the serious problems they face, such as the shortage of teachers and the lack of after-school programs. These are real problems that deserve real solutions.

Education must continue to be a top priority for this Congress. Few other issues are as important to the nation as ensuring that every child has the opportunity for a good education.

Last year, with broad bipartisan support, Congress made substantial investments in the nation's public schools to reduce class size, expand after-school programs and improve the initial training of teachers. But more needs to be done. States and local communities are making significant progress toward improving their public schools, but they can't do it alone. The federal government must lend a helping hand.

We must do more to meet the needs of public schools, families, and children. We need to expand early childhood education programs, and meet our commitment to reducing class size, modernizing school buildings, improving the quality of the nation's teachers, and provide more opportunities for after-school programs.

The bill addresses these important issues in innovative and very promising ways. The proposed ''Excellent Principals Challenge Grants'' will give school principal the support they need to be effective school leaders. Principals are the bridge between the school and the school boards, and the children and families in the community. More needs to be done to make sure that principals receive the training they need to become effective school administrators. Every child should have the opportunity to attend a school with a well-trained teacher and a well-trained principal.

When it comes to education, the nation's children deserve the best help we

can give them. I commend Senator KERRY and Senator SMITH for making this strong commitment to improving the nation's public schools.

By Mr. DURBIN (for himself and Mr. SCHUMER):

S. 825. A bill to amend the Internal Revenue Code of 1986 to allow small business employers a credit against income tax for employee health insurance expenses paid or incurred by the employer; to the Committee on Finance.

SMALL BUSINESS TAX CREDIT FOR HEALTH INSURANCE FOR LOW-INCOME WORKERS

Mr. DURBIN. Mr. President, I rise today on tax day to introduce a new legislative proposal to help small businesses afford quality health insurance for their low-income workers. The number of uninsured is at an all-time high. More than 43 million people, including 11 million children, lack health insurance coverage. Workers in small firms are significantly more likely to be uninsured than workers in larger firms. Nationally, 34 percent of workers in small businesses with less than 10 employees are uninsured. This compares to the national average for all workers which is 18.2 percent. In Illinois, 183,781 workers in a small business in 1997 went without health insurance. For low-income workers the situation was even worse. Nationally, 41.3 percent of workers earning less than $16,000 were uninsured. Again in Illinois, 112,770 working for less than $16,000 in small businesses were uninsured.

This situation is deteriorating. Recent studies show that the number of small businesses offering health insurance has been declining. In 1996, 52 percent of small businesses offered their employees health insurance benefits. This level had fallen to 47 percent by 1998. For the smallest firms, those with 3–9 workers, the percentage of employees covered by employer-sponsored health insurance fell from 36 percent in 1996 to 31 percent in 1998.

Only 39 percent of small businesses with a significant percentage of low-income employees offer employer-sponsored health insurance—such companies are half as likely to offer health benefits as are companies that have only a small proportion of low-income employees.

One of the main reasons for this decline in employer-sponsored health insurance is cost. Small businesses pay on average 30 percent more for health insurance than larger firms and costs are increasing more rapidly for small businesses causing them to drop health insurance benefits.

Health insurance coverage is also related to income. High income workers have the highest rates of insurance. The very poor are generally covered by public sources of health care. It is most often the working poor who have the lowest incidence of insurance. Thirty-seven percent of those with family incomes between 100 percent and 125 percent of poverty are uninsured. In contrast, 92.2 percent of individuals in families with incomes over $50,000 have insurance.

Bearing all this in mind, I am introducing a bill that recognizes that the most concentrated pool of Americans without health insurance are low-income workers in small businesses (0–9 employees). The bill provides tax credits to small businesses when they provide health insurance to those low-income workers. The bill provides a tax credit of up to $600 for an individual policy for a worker making up to $16,000/yr. and a tax credit of up to $1,200 for a family policy for a worker making up to $16,000/yr. The tax credit is valued at 60 percent of what the employer contributes for the individual's health insurance, or 70 percent of what the employer contributes for a family policy, to the maximum of $600 and $1,200 for self-only and family policies respectively.

The proposal does not undermine the employer-based health insurance market, and does not undermine the protections and advantages that are available to group purchasers. Instead it is designed to help small businesses to provide quality health insurance benefits for their employees.

By Mr. ROTH (for himself, Mr. BIDEN, Mr. HELMS, Mr. STEVENS, Mr. SPECTER, Mr. THURMOND, Mr. ENZI, Mr. COCHRAN, Mr. MURKOWSKI, Mr. ABRAHAM, Mr. CRAIG, Mr. DOMENICI, Mr. DURBIN, Mr. KENNEDY, Mr. KERRY, Mr. KYL, Mr. HOLLINGS, Mr. SMITH of New Hampshire, Ms. COLLINS, Ms. LANDRIEU, Mr. VOINOVICH, and Mr. DEWINE):

S.J. Res. 19. A joint resolution requesting the President to advance the late Rear Admiral Husband E. Kimmel on the retired list of the Navy to the highest grade held as Commander in Chief, United States Fleet, during World War II, and to advance the late Major General Walter C. Short on the retired list of the Army to the highest grade held as Commanding General, Hawaiian Department, during World War II, as was done under the Officer Personnel Act of 1947 for all other senior officers who served in positions of command during World War II, and for other purposes; to the Committee on Armed Services.

ADVANCEMENT OF REAR ADM. KIMMEL AND MAJ. GEN. SHORT ON RETIRED LISTS

Mr. ROTH. Mr. President, I rise today with my colleague from Delaware, Senator BIDEN, and on behalf of Senator THURMOND, Senator HELMS, Senator DOMENICI, Senator SPECTER, Senator STEVENS, and 15 other of our colleagues, to reintroduce a resolution whose intent to redress a grave injustice, one that haunts us from the tribulations of World War II.

The matter of which I speak concerns the reputations of two of the most accomplished officers who served in Pacific theater during that war: Admiral Husband Kimmel and General Walter Short.

They were the two senior commanders of U.S. military forces deployed in the Pacific at the time of the disastrous surprise December 7, 1941 attack on Pearl Harbor. In the immediate aftermath of the attack they were unfairly and publicly charged with dereliction of duty and blamed as singularly responsible for the success of that attack. In short, as we all know today, they were scapegoated.

What is most unforgivable is that after the end of World War II, this scapegoating was given a near permanent veneer when the President of the United States declined to advance Admiral Kimmel and General Short on the retired list to their highest ranks of wartime command—an honor that was given to every other senior commander who served in wartime positions above his regular grade.

That decision to exclude only these two officers was made despite the fact that wartime investigations had already exonerated those commanders of the dereliction of duty charge and criticized the War and Navy Departments for failings that contributed to the success of the attack on Pearl Harbor.

Mr. President, let me repeat this fact: Admiral Kimmel and General Short were the only two flag and general rank officers from World War II excluded from advancement on the military's retired list. That fact alone perpetuates the myth that Admiral Kimmel and General Short were derelict in their duty and singularly responsible for the success of the attack on Pearl Harbor.

The scapegoating of Admiral Kimmel and General Short was one of the great injustices that occurred within our own ranks during World War II. The motivation behind our resolution today is to recognize and correct this injustice.

Our resolution calls upon the President of the United States posthumously to advance on the retirement lists Admiral Kimmel and General Short to the grades of this highest wartime commands. In adopting this resolution, the Senate would communicate its recognition of the injustice done to them and call upon the President to take corrective action. Such a statement by the Senate would do much to remove the stigma of blame that so unfairly burdens the reputations of these two officers. It is a correction consistent with our military's tradition of honor, and it is one long overdue.

Mr. President, the facts that constitute the case of Admiral Kimmel and General Short have been remarkably documented. Since the 1941 attack on Pearl Harbor, there have been no less than nine official governmental investigations and reports, and one inquiry conducted by a special Joint Congressional Committee.

Perhaps the most flawed, and unfortunately most influential investigation, was that of the Roberts Commission. Less than 6 weeks after the Pearl Harbor attack, in a hastily prepared report to the President, the commission accused Kimmel and Short of dereliction of duty—a charge that was immediately and highly publicized.

Adm. William Harrison Standley, who served as a member of this Commission, later disavowed its report, stating that Admiral Kimmel and General Short were ''martyred'' and ''if they had been brought to trial, they would have been cleared of the charge.''

Later, Adm. J.O. Richardson, who was Admiral Kimmel's predecessor as Commander in Chief, U.S. Pacific Fleet, wrote:

> In the impression that the Roberts Commission created in the minds of the American people, and in the way it was drawn up for that specific purpose, I believe that the report of the Roberts Commission was the most unfair, unjust, and deceptively dishonest document ever printed by the Government Printing Office.

Subsequent investigations provided clear evidence that Admiral Kimmel and General Short were unfairly singled out for blame. These reports include those presented by a 1944 Navy Court of Inquiry, the 1944 Army Pearl Harbor Board of Investigation, a 1946 Joint Congressional Committee, and more recently a 1991 Army Board for the Correction of Military Records and report prepared by the Department of Defense in 1995. The findings of these official reports can be summarized as four principal points.

First, there is ample evidence that the Hawaiian commanders were not provided vital intelligence that they needed, and that was available in Washington prior to the attack on Pearl Harbor. Their senior commanders had critical information about Japanese intentions, plans, and actions, but neighter passed this on nor took issue nor attempted to correct the disposition of forces under Kimmel's and Short's commands in response to the information they attained.

Second, the disposition of forces in Hawaii were proper and consistent with the information made available to Admiral Kimmel and General Short.

In my review of this case, I was most struck by the honor and integrity demonstrated by Gen. George Marshall who was Army Chief of Staff at the time of the attack. On November 27, 1941, General Short interpreted a vaguely written war warning message sent from the high command in Washington as suggesting the need to defend against sabotage. Consequently, he concentrated his aircraft away from perimeter roads to protect them, thus inadvertently increasing their vulnerability to air attack. When he reported his preparations to the General Staff in Washington, the General Staff took no steps to clarify the reality of the situation.

In 1946 before a Joint Congressional Committee investigating the Pearl Harbor disaster General Marshall testified that he was responsible for ensuring the proper disposition of General Short's forces. He acknowledged that he must have received General Short's report, which would have been his opportunity to issue a corrective message, and that he failed to do so.

Mr. President, General Marshall's integrity and sense of responsibility is a model for all of us. I only wish it had been able to have greater influence over the case of Admiral Kimmel and General Short.

A third theme of these investigations concerned the failure of the Department of War and the Department of the Navy to properly manage the flow of intelligence. The Dorn Report completed in 1995 for the Deputy Secretary of Defense at the request of Senator THURMOND, stated that the handling of intelligence in Washington during the time leading up to the attack on Pearl Harbor was characterized by, among other faults, ineptitude, limited coordination, ambiguous language, and lack of clarification and followup.

The bottom line is that poor command decisions and inefficient management structures and procedures blocked the flow of essential intelligence from Washington to the Hawaiian commanders.

The fourth and most important theme that permeates the aforementioned reports is that blame for the disaster at Pearl Harbor cannot be placed only upon the Hawaiian commanders. Some of these reports completely absolved these two officers. While others found them to have made errors in judgment, all the reports subsequent to the Roberts Commission cleared Admiral Kimmel and General Short of the charge of dereliction of duty and underscored the rollout of a broad failure by the entire chain of command.

And, Mr. President, all those reports identified significant failures and shortcomings of the senior authorities in Washington that contributed significantly—if not predominantly—to the success of the surprise attack on Pearl Harbor.

The Dorn Report put it best, stating that ''responsibility for the Pearl Harbor disaster should not fall solely on the shoulders of Admiral Kimmel and General Short; it should be broadly shared.''

Mr. President, let me add one poignant fact about two of these investigations. The conclusions of the 1944 Naval Court of Inquiry and the Army Pearl Harbor Board—that Kimmel's and Short's forces had been properly disposed according to the information available to them and that their superiors had failed to share important intelligence—were kept secret on the grounds that citing the existence of this intelligence would have been detrimental to the war effort.

Be that as it may, there is no longer any reason to perpetuate the cruel myth that Kimmel and Short were singularly responsible for the disaster at Pearl Harbor. To do so is not only unfair, it tarnishes our Nation's military honor. For reasons unexplainable to me, this scapegoating of Admiral Kimmel and General Short has survived the cleansing tides of history.

This issue of fairness and justice has been raised not only by General Short and Admiral Kimmel and their surviving families today, but also by numerous senior officers and public organizations around the country.

Mr. President, allow me to submit for the RECORD a letter endorsing our resolution from five living former naval officers who served at the very pinnacle of military responsibility. They are former Chairmen of the Joint Chiefs of Staff, Adm. Thomas H. Moorer and Adm. William J. Crowe; and former Chiefs of Naval Operations Adm. J.L. Holloway III, Adm. Elmo R. Zumwalt, and Adm. Carlisle A.H. Trost.

I also submit a similar letter from Senator Robert Dole, one of our most distinguished colleagues, who as we all know served heroically in World War II.

The efforts of these and other officers have been complemented by the initiatives of many public organizations who have called for posthumous advancement of Kimmel and Short.

I submit for the RECORD a copy of the VFW's Resolution Number 441 passed last August calling for the advancement of Admiral Kimmel and General Short.

Mr. President, Admiral Kimmel and General Short remain unjustly stigmatized by our Nation's failure to treat them in the same manner with which we treated their peers. To redress this wrong would be fully consistent with this Nation's sense of justice. As I said earlier, after 58 years, this correction is long overdue.

The message of our joint resolution is about justice, equity, and honor. Its purpose is to redress an historic wrong, to ensure that these two officers are treated fairly and with the dignity and honor they deserve, and to ensure that justice and fairness fully permeate the memory and lessons learned from the catastrophe at Pearl Harbor. In the largest sense, passage of this resolution will restore the honor of the United States in this issue.

I urge my colleagues to support this joint resolution.

Mr. President, I ask unanimous consent to have printed in the RECORD the joint resolution and the documents to which I have referred.

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

> Whereas Rear Admiral Husband E. Kimmel, formerly the Commander in Chief of the United States Fleet and the Commander in Chief, United States Pacific Fleet, had an excellent and unassailable record throughout his career in the United States Navy prior to the December 7, 1941 attack on Pearl Harbor;
>
> Whereas Major General Walter C. Short, formerly the Commander of the United States Army Hawaiian Department, had an excellent and unassailable record throughout

his career in the United States Army prior to the December 7, 1941 attack on Pearl Harbor;

Whereas numerous investigations following the attack on Pearl Harbor have documented that Admiral Kimmel and Lieutenant General Short were not provided necessary and critical intelligence that was available, that foretold of war with Japan, that warned of imminent attack, and that would have alerted them to prepare for the attack, including such essential communiques as the Japanese Pearl Harbor Bomb Plot message of September 24, 1941, and the message sent from the Imperial Japanese Foreign Ministry to the Japanese Ambassador in the United States from December 6-7, 1941, known as the Fourteen-Part Message;

Whereas on December 16, 1941, Admiral Kimmel and Lieutenant General Short were relieved of their commands and returned to their permanent ranks of rear admiral and major general;

Whereas Admiral William Harrison Standley, who served as a member of the investigating commission known as the Roberts Commission that accused Admiral Kimmel and Lieutenant General Short of ''dereliction of duty'' only six weeks after the attack on Pearl Harbor, later disavowed the report maintaining that ''these two officers were martyred'' and ''if they had been brought to trial, both would have been cleared of the charge'';

Whereas on October 19, 1944, a Naval Court of Inquiry exonerated Admiral Kimmel on the grounds that his military decisions and the disposition of his forces at the time of the December 7, 1941 attack on Pearl Harbor were proper ''by virtue of the information that Admiral Kimmel had at hand which indicated neither the probability nor the imminence of an air attack on Pearl Harbor''; criticized the higher command for not sharing with Admiral Kimmel ''during the very critical period of 26 November to 7 December 1941, important information . . . regarding the Japanese situation''; and, concluded that the Japanese attack and its outcome was attributable to no serious fault on the part of anyone in the naval service;

Whereas on June 15, 1944, an investigation conducted by Admiral T. C. Hart at the direction of the Secretary of the Navy produced evidence, subsequently confirmed, that essential intelligence concerning Japanese intentions and war plans was available in Washington but was not shared with Admiral Kimmel;

Whereas on October 20, 1944, the Army Pearl Harbor Board of Investigation determined that Lieutenant General Short had not been kept ''fully advised of the growing tenseness of the Japanese situation which indicated an increasing necessity for better preparation for war''; detailed information and intelligence about Japanese intentions and war plans were available in ''abundance'' but were not shared with the General Short's Hawaii command; and General Short was not provided ''on the evening of December 6th and the early morning of December 7th, the critical information indicating an almost immediate break with Japan, though there was ample time to have accomplished this'';

Whereas the reports by both the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation were kept secret, and Rear Admiral Kimmel and Major General Short were denied their requests to defend themselves through trial by court-martial;

Whereas the joint committee of Congress that was established to investigate the conduct of Admiral Kimmel and Lieutenant General Short completed, on May 31, 1946, a 1,075-page report which included the conclusions of the committee that the two officers had not been guilty of dereliction of duty;

Whereas the then Chief of Naval Personnel, Admiral J. L. Holloway, Jr., on April 27, 1954, recommended that Admiral Kimmel be advanced in rank in accordance with the provisions of the Officer Personnel Act of 1947;

Whereas on November 13, 1991, a majority of the members of the Board for the Correction of Military Records of the Department of the Army found that Lieutenant General Short ''was unjustly held responsible for the Pearl Harbor disaster'' and that ''it would be equitable and just'' to advance him to the rank of lieutenant general on the retired list'';

Whereas in October 1994, the then Chief of Naval Operations, Admiral Carlisle Trost, withdrew his 1988 recommendation against the advancement of Admiral Kimmel and recommended that the case of Admiral Kimmel be reopened;

Whereas the Dorn Report, a report on the results of a Department of Defense study that was issued on December 15, 1995, did not provide support for an advancement of Rear Admiral Kimmel or Major General Short in grade, it did set forth as a conclusion of the study that ''responsibility for the Pearl Harbor disaster should not fall solely on the shoulders of Admiral Kimmel and Lieutenant General Short, it should be broadly shared'';

Whereas the Dorn Report found that ''Army and Navy officials in Washington were privy to intercepted Japanese diplomatic communications . . . which provided crucial confirmation of the imminence of war''; that ''the evidence of the handling of these messages in Washington reveals some ineptitude, some unwarranted assumptions and misestimations, limited coordination, ambiguous language, and lack of clarification and follow-up at higher levels''; and, that ''together, these characteristics resulted in failure . . . to appreciate fully and to convey to the commanders in Hawaii the sense of focus and urgency that these intercepts should have engendered'';

Whereas, on July 21, 1997, Vice Admiral David C. Richardson (United States Navy, retired) responded to the Dorn Report with his own study which confirmed findings of the Naval Court of Inquiry and the Army Pearl Harbor Board of Investigation and established, among other facts, that the war effort in 1941 was undermined by a restrictive intelligence distribution policy, and the degree to which the commanders of the United States forces in Hawaii were not alerted about the impending attack on Hawaii was directly attributable to the withholding of intelligence from Admiral Kimmel and Lieutenant General Short;

Whereas the Officer Personnel Act of 1947, in establishing a promotion system for the Navy and the Army, provided a legal basis for the President to honor any officer of the Armed Forces of the United States who served his country as a senior commander during World War II with a placement of that officer, with the advice and consent of the Senate, on the retired list with the highest grade held while on the active duty list;

Whereas Rear Admiral Kimmel and Major General Short are the only two eligible officers from World War II who were excluded from the list of retired officers presented for advancement on the retired lists to their highest wartime ranks under the terms of the Officer Personnel Act of 1947;

Whereas this singular exclusion from advancement on the retired list serves only to perpetuate the myth that the senior commanders in Hawaii were derelict in their duty and responsible for the success of the attack on Pearl Harbor, a distinct and unacceptable expression of dishonor toward two of the finest officers who have served in the Armed Forces of the United States;

Whereas Major General Walter Short died on September 23, 1949, and Rear Admiral Husband Kimmel died on May 14, 1968, without the honor of having been returned to their wartime ranks as were their fellow veterans of World War II; and

Whereas the Veterans of Foreign Wars, the Pearl Harbor Survivors Association, the Admiral Nimitz Foundation, the Naval Academy Alumni Association, the Retired Officers Association, and the Pearl Harbor Commemorative Committee, and other associations and numerous retired military officers have called for the rehabilitation of the reputations and honor of Admiral Kimmel and Lieutenant General Short through their posthumous advancement on the retired lists to their highest wartime grades: Now, therefore, be it

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. ADVANCEMENT OF REAR ADMIRAL KIMMEL AND MAJOR GENERAL SHORT ON RETIRED LISTS.

(a) REQUEST.—The President is requested—

(1) to advance the late Rear Admiral Husband E. Kimmel to the grade of admiral on the retired list of the Navy; and

(2) to advance the late Major General Walter C. Short to the grade of lieutenant general on the retired list of the Army.

(b) ADDITIONAL BENEFITS NOT TO ACCRUE.—Any advancement in grade on a retired list requested under subsection (a) shall not increase or change the compensation or benefits from the United States to which any person is now or may in the future be entitled based upon the military service of the officer advanced.

SEC. 2. SENSE OF CONGRESS REGARDING THE PROFESSIONAL PERFORMANCE OF ADMIRAL KIMMEL AND LIEUTENANT GENERAL SHORT.

It is the sense of Congress that—

(1) the late Rear Admiral Husband E. Kimmel performed his duties as Commander in Chief, United States Pacific Fleet, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on the naval base at Pearl Harbor, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Admiral Kimmel; and

(2) the late Major General Walter C. Short performed his duties as Commanding General, Hawaiian Department, competently and professionally, and, therefore, the losses incurred by the United States in the attacks on Hickam Army Air Field and Schofield Barracks, Hawaii, and other targets on the island of Oahu, Hawaii, on December 7, 1941, were not a result of dereliction in the performance of those duties by the then Lieutenant General Short.

The following is a partial listing of high-ranking retired military personnel who advocate in support of the posthumous advancement on the retired lists of Rear Admiral Husband Kimmel and Major General Walter Short to Four-Star Admiral and Three-Star General respectively:

Admirals: Thomas H. Moorer; Carlisle A.H. Trost; William J. Crowe, Jr., Elmo R. Zumwalt; J.L. Hollaway III; Ronald J. Hays; T.B. Hayward; Horatio Rivero; Worth H. Bargley; Noel A.M. Gayler; Kinnaird R. McKee; Robert L.J. Long; William N. Small; Maurice F. Weisner; U.S.G. Sharp, Jr.; H. Hardisty; Wesley McDonald; Lee Baggett, Jr.; and Donald C. Davis.

Vice Admirals: David C. Richardson and William P. Lawrence.

Rear Admirals: D.M. Showers and Kemp Tolley.

To: Honorable Members of the United States Senate
From:
Thomas H. Moorer, Admiral, U.S. Navy (Ret.), Former Chairman, Joint Chiefs of Staff, Former Chief of Naval Operations.
J.L. Holloway III, Admiral, U.S. Navy (Ret.), Former Chief of Naval Operations.
William J. Crowe, Admiral, U.S. Navy (Ret.), Former Chairman, Joint Chiefs of Staff.
Elmo R. Zumwalt, Admiral, U.S. Navy (Ret.), Former Chief of Naval Operations.
Carlisle A.H. Trost, Admiral, U.S. Navy (Ret.), Former Chief of Naval Operations.
Re the honor and reputations of Admiral Husband Kimmel and General Walter Short.

DEAR SENATOR: We ask that the honor and reputations of two fine officers who dedicated themselves to the service of their country be restored. Admiral Husband Kimmel and General Walter Short were singularly scapegoated as responsible for the success of the Japanese attack on Pearl Harbor December 7, 1941. The time is long overdue to reverse this inequity and treat Admiral Kimmel and General Short fairly and justly. The appropriate vehicle for that is the current Roth-Biden Resolution.

The Resoltuion calls for the posthumous advancement on the retirement list of Admiral Kimmel and General Short to their highest WWII wartime ranks of four-star admiral and three-star general as provided by the Officer Personnel Act of 1947. They are the only two eligible officers who have been singled out for exclusion from that privilege; all other eligible officers have been so privileged.

We urge you to support this Resolution.

We are career military officers who have served over a period of several decades and through several wartime eras in the capacities of Chairman, Joint Chiefs of Staff and/or Chief of Naval Operations. Each of us is familiar with the circumstances leading up to the attack on Pearl Harbor.

We are unanimous in our conviction that Admiral Husband Kimmel and General Walter Short were not responsible for the success of that attack, and that the fault lay with the command structure at the seat of government in Washington. The Roth-Biden Resolution details specifics of this case and requests the President of the United States to nominate Kimmel and Short for the appropriate advancement in rank.

As many of you know, Admiral Kimmel and General Short were the Hawaiian Commanders in charge of naval and ground forces on Hawaii at the time of the Japanese attack. After a hurried investigation in January, 1942 they were charged with having been ''derelict in their duty'' and given no opportunity to refute that charge which was publicized throughout the country.

As a result, many today believe the ''dereliction'' charge to be true despite the fact that a Naval Court of Inquiry exonerated Admiral Kimmel of blame; a Joint Congressional Committee specifically found that neither had been derelict in his duty; a four-to-one majority of the members of a Board for the Correction of Military Records in the Department of the Army found that General Short had been ''unjustly held responsible'' and recommended his advancement to the rank of lieutenant general on the retired list.

This injustice has been perpetuated for more than half a century by their sole exclusion from the privilege of the Act mentioned above.

As professional military officers we support in the strongest terms the concept of holding commanders accountable for the performance of their forces. We are equally strong in our belief in the fundamental American principle of justice for all Americans, regardless of creed, color, status or rank. In other words, we believe strongly in fairness.

These two principles must be applied to the specific facts of a given situation. History as well as innumerable investigations have proven beyond any question that Admiral Kimmel and General Short were not responsible for the Pearl Harbor disaster. And we submit that where there is no responsibility there can be no accountability.

But as a military principle—both practical and moral—the dynamic of accountability works in both directions along the vertical line known as the chain of command. In view of the facts presented in the Roth-Biden Resolution and below—with special reference to the fact that essential and critical intelligence information was withheld from the Hawaiian Commanders despite the commitment of the command structure to provide that information to them—we submit that while the Hawaiian Commanders were responsible and accountable as anyone could have been given the circumstances, their superiors in Washington were sadly and tragically lacking in both of these leadership commitments.

A review of the historical facts available on the subject of the attack on Pearl Harbor demonstrates that these officers were not treated fairly.

1. They accomplished all that anyone could have with the support provided by their superiors in terms of operating forces (ships and aircraft) and information (instructions and intelligence). Their disposition of forces, in view of the information made available to them by the command structure in Washington, was reasonable and appropriate.

2. Admiral Kimmel was told of the capabilities of U.S. intelligence (MAGIC, the code-breaking capability of PURPLE and other Japanese codes) and he was promised he could rely on adequate warning of any attack based on this special intelligence capability. Both Commanders rightfully operated under the impression, and with the assurance, that they were receiving the necessary intelligence information to fulfill their responsibilities.

3. Historical information now available in the public domain through declassified files, and post-war statements of many officers involved, clearly demonstrate that vital information was routinely withheld from both commanders. For example, the ''Bomb Plot'' message and subsequent reporting orders from Tokyo to Japanese agents in Hawaii as to location, types and number of warships, and their replies to Tokyo.

4. The code-breaking intelligence of PURPLE did provide warning of an attack on Pearl Harbor, but the Hawaiian Commanders were not informed. Whether deliberate or for some other reason should make no difference, have no bearing. These officers did not get the support and warnings they were promised.

5. The fault was not theirs. It lay in Washington.

We urge you, as Members of the United States Senate, to take a leadership role in assuring justice for two military careerists who were willing to fight and die for their country, but not to be humiliated by its government. We believe that the American people—with their national characteristic of fair play—would want the record set straight. Thank you.

Respectfully,

ADMIRAL THOMAS H. MOORER (USN, Ret.).
ADMIRAL WILLIAM J. CROWE (USN, Ret.).
ADMIRAL J.L. HOLLOWAY III (USN, Ret.).
ADMIRAL ELMO R. ZUMWALT (USN, Ret.).
ADMIRAL CARLISLE A.H. TROST (USN, Ret.).

WASHINGTON, DC, *March 11, 1999*.

Hon. WILLIAM V. ROTH, Jr.,
Hart Senate Office Building,
Washington, DC.

DEAR BILL: I will join my voice with yours in support of the Kimmel-Short Resolution of 1999.

The responsibility for the Pearl Harbor disaster should be shared by many. In light of the more recent disclosures of withheld information Admiral Kimmel and Lieutenant General Short should have had, I agree these two commanders have been unjustly stigmatized.

Please keep me informed of the progress of this resolution.

Sincerely,

BOB DOLE.

RESOLUTION NO. 441

RESTORE PRE-ATTACK RANKS TO ADMIRAL HUSBAND E. KIMMEL AND GENERAL WALTER C. SHORT

Whereas, Admiral Husband E. Kimmel and General C. Short were the Commanders of Record for the Navy and Army Forces at Pearl Harbor, Hawaii, on December 7, 1941, when the Japanese Imperial Navy launched its attack; and

Whereas, following the attack, President D. Roosevelt appointed Supreme Court Justice Owen J. Roberts to a commission to investigate such incident to determine if there had been any dereliction to duty; and

Whereas, the Roberts Commission conducted a rushed investigation in only five weeks. It charged Admiral Kimmel and General Short with dereliction of their duty. The findings were made public to the world; and

Whereas, the dereliction of duty charge destroyed the honor and reputations of both Admiral Kimmel and General Short, and due to the urgency neither man was given the opportunity to defend himself against the accusation of dereliction of duty; and

Whereas, other investigations showed that there was no basis for the dereliction of duty charges, and a Congressional investigation in 1946 made specific findings that neither Admiral Kimmel nor General Short had been ''derelict in his duty'' at the time of the bombing of Pearl Harbor; and

Whereas, it has been documented that the United States military had broken the Japanese codes in 1941. With the use of a cryptic machine known as ''Magic,'' the military was able to decipher the Japanese diplomatic code known as ''Purple'' and the military code known as JN–25. The final part of the diplomatic message that told of the attack on Pearl Harbor was received on December 6, 1941. With this vital information in hand, no warning was dispatched to Admiral Kimmel or General Short to provide sufficient time to defend Pearl Harbor in the proper manner; and

Whereas, it was not until after the tenth investigation of the attack on Pearl Harbor was completed in December of 1995 that the United States Government acknowledge in the report of Under Secretary of Defense Edwin S. Dorn that Admiral Kimmel and General Short were not solely responsible for the disaster, but that responsibility must be broadly shared; and

Whereas, at this time the American public had been deceived for the past fifty-six years regarding the unfound charge of dereliction of duty against two fine military officers whose reputations and honor have been tarnished; Now, therefore, be it

Resolved, by the Veterans of Foreign Wars of the United States, That we urge the President of the United States to restore the honor and reputations of Admiral Husband E. Kimmel and General Walter C. Short; and be it further

Resolved, That we urge the President of the United States to take necessary steps to posthumously advance Admiral Kimmel and General Short to their highest wartime rank of four-star admiral and lieutenant general. Such action would be appreciated greatly to restore the honor of these two great American servicemen.

Adopted by the 99th National Convention of the Veterans of Foreign Wars of the United States held in San Antonio, Texas, August 29–September 4, 1998.

DELAWARE VFW RESOLUTION PASSED BY DELAWARE STATE CONFERENCE, JUNE 1998

Resolution to the President of the United States with respect to offering an apology on behalf of the Government of the United States to Admiral Husband E. Kimmel and General Walter C. Short. The Naval and Army Commanders at Hawaii at the time of the Japanese attack December 7, 1941 and urging the President to take such steps as are necessary to advance these two officers posthumously on the list of retired Navy and Army officers to their pre-attack ranks of Four-Star Admiral and Three-Star General.

Whereas, Admiral Husband E. Kimmel and General Walter C. Short were the Commanders of record for the Navy and Army forces at Pearl Harbor, Hawaii, on December 7, 1941 when the Japanese Imperial Navy launched its attack; and

Whereas, Following the attack, President Franklin D. Roosevelt appointed Supreme Court Justice Owen J. Roberts to a Commission to investigate such incident to determine if there has been any dereliction of duty; and

Whereas, The Roberts Commission conducted a rush investigation in only five weeks. It charged Admiral Kimmel and General Short with dereliction of their duty. These findings were made public to the world; and

Whereas, The dereliction of duty charge destroyed the honor and reputations of both Admiral Kimmel and General Short, and due to the urgency of the war neither man was given the opportunity to defend himself against the accusation of dereliction of duty; and

Whereas, Other investigations showed that there was no basis for the dereliction of duty charges, and a Congressional Investigation in 1946 made specific findings that neither Admiral Kimmel nor General Short had been ''derelict in his duty'' a the time of the bombing of Pearl Harbor; and

Whereas, It has been documented that the United States Military had broken the Japanese codes in 1941. With the use of a cryptic machine known as ''Magic,'' the Military was able to decipher the Japanese diplomatic code known as ''Purple'' and the military code known as JN–25. The final part of the diplomatic message that told of the attack on Pearl Harbor was received on December 6, 1941. With this vital information in hand, no warning was dispatched to Admiral Kimmel or General Short to provide sufficient time to defend Pearl Harbor in the proper manner; and

Whereas, It was not until after the tenth investigation of the attack on pearl Harbor was completed in December of 1995, that the United States Government acknowledged in the report of Under Secretary of Defense Edwin S. Dorn, that Admiral Kimmel and General Short were not soley responsible for the disaster but that responsibility must be broadly shared; and

Whereas, as this time the American public have been deceived for the past fifty-six years regarding the unfounded charge of dereliction of duty against two fine military officers whose reputations and honor have been tarnished; now, therefore be it

Resolved, That the Veterans of Foreign Wars urges the President of the United States to restore the honor and reputations of Admiral Husband E. Kimmel and General Walter C. Short by making a public apology to them and their families for the wrongful actions of past administrations for allowing these unfounded charges of dereliction of duty to stand.

Be It Resolved, That the Veterans of Foreign Wars urges the President of the United States to take the necessary steps to posthumously advance Admiral Kimmel and General Short to their highest wartime ranks of Four-Star Admiral and Three-Star General. Such action would correct the injustice suffered by them and their families for the past fifty-six years.

Mr. BIDEN. Mr. President, I and my colleagues—Senators ROTH, KENNEDY, DURBIN, KERRY, HOLLINGS, LANDRIEU, HELMS, STEVENS, SPECTER, THURMOND, DOMENICI, KYL, MURKOWSKI, COCHRAN, CRAIG, ENZI, ABRAHAM, SMITH, COLLINS, VOINOVICH, and DEWINE—are introducing a resolution that seeks long overdue justice for the two commanders at Pearl Harbor fifty-eight years ago, Admiral Husband Kimmel and General Walter Short.

Some will ask, ''why now?'' After all, fifty-eight years have passed. I believe it is more important than ever to take this action now. It is not just the simple truth—that there can be no statute of limitations for restoring honor and dignity to men who spent their lives dedicated to serving America and yet, were unfairly treated. It is also because we have brave men and women in the military today who are fighting one of the most professional and precise battles ever seen against a brutal, genocidal dictator in Kosovo. They know that their cause is just. What too many people do not know is the sacrifice and dedication it takes to be able to do their jobs.

The tremendous ability of our pilots, our maintainers, and our support crews is a direct result of their commitment to professional excellence and service and their willingness to defend the values Americans cherish. We owe it to them to defend those same values here at home. When it comes to serving truth and justice, the time must always be ''now.'' When it comes to treating people with fairness and honoring their service, the time must always be ''now.''

This is the second year we are bringing a resolution before our colleagues. We cannot give up because it is important that the Senate understand and act to end the injustice done to these fine officers. Ultimately, it is the President who must take action, but it is important that we send the message that the historical truth matters. At Pearl Harbor, these two officers should not bear all of the blame. If they continue to do so, both our nation and our military lose.

Today's military is a testament to our ability to confront and learn from our mistakes, but that can only happen if the record is accurate. Admiral Kimmel and General Short served with selfless dedication and honor. They were in command during a devastating surprise attack. They deserved to be treated as officers who used their best judgement to follow the orders they were given and to meet their command responsibilities. Instead, they were made singular scapegoats for that tragedy for fifty-eight years, without full consideration of the circumstances and options available to them.

I hope that most of my colleagues will read this resolution. The majority of the text details the historic case on behalf of Admiral Kimmel and General Short and expresses Congress's opinion that both officers performed their duty competently. Most importantly, it requests that the President submit the names of Kimmel and Short to the Senate for posthumous advancement on the retirement lists to their highest held wartime rank.

This action would not require any form of compensation. Instead, it would acknowledge, once and for all, that these two officers were not treated fairly by the U.S. government and it would uphold the military tradition that responsible officers take the blame for their failures, not for the failures of others.

Before I go into a more detailed review of the historical case, I also want my colleagues to know that this resolution has the support of various veterans groups, including the Veterans of Foreign Wars (VFW) and the Pearl Harbor Survivors Association. The Delaware VFW passed a resolution in support last June and the national VFW passed a resolution in support in last September.

Now, let me review what happened. First, I want to discuss the treatment of Kimmel and Short. Like most Americans, Admiral Kimmel and General Short requested a fair and open hearing of their case, a court martial. They were denied their request. After lifetimes of honorable service to this nation and the defense of its values, they were denied the most basic form of justice—a hearing by their peers.

Here are some of the historic facts. On December 18, 1941, a mere 11 days after Pearl Harbor, the Roberts Commission was formed to determine whether derelictions of duty or errors of judgement by Kimmel and Short contributed to the success of the Japanese attack. This commission concluded that both commanders had been derelict in their duty and the President ordered the immediate public release of these findings. The Roberts Commission was the only investigative body that found these two officers derelict in their duty.

Several facts about the Roberts Commission force us to question its conclusions.

First, Kimmel and Short were denied the right to counsel and were not allowed to be present when witnesses were questioned. They were then explicitly told that the Commission was a fact-finding body and would not be passing judgement on their performance. When the findings accusing them of a serious offense were released, they immediately requested a court-martial. That request was refused. It is difficult to imagine a fair review of the evidence given the rules of procedure followed by the Commission.

It is also important to note the timing here. It would be difficult to provide a fair hearing in the charged atmosphere immediately following America's entry into the war in the Pacific. In fact, Kimmel and Short were the objects of public vilification. The Commission was not immune to this pressure. One Commission member, for example, Admiral Standley, expressed strong reservations about the Commission's findings, later characterizing them as a ''travesty of justice''. He did sign the Report, however, because of concerns that doing otherwise might adversely affect the war effort. As you will see, the war effort played an important role in how Kimmel and Short were treated.

In 1944, an Army Board investigated General Short's actions at Pearl Harbor. The conclusions of that investigation placed blame of General Marshall, the Chief of Staff of the Army at the time of Pearl Harbor and in 1944. This report was sequestered and kept secret from the public on the groups that it would be detrimental to the war effort.

That same year, a Naval Court of Inquiry investigated Admiral Kimmel's actions at Pearl Harbor. The Naval Court's conclusions were divided into two sections in order to protect information indicating that America had the ability to decode and intercept Japanese messages. The first and longer, section therefore, was classified ''top secret''.

The second section, was written to be unclassified and completely exonerated Admiral Kimmel and recognized the Admiral Stark bore some of the blame for Pearl Harbor because of his failure to provide Kimmel with critical information available in Washington. Then Secretary of the Navy James Forrestal instructed the Court that it had to classify both sections ''secret'' and not release any findings to the public.

The historic record is not flattering to our government. A hastily convened and procedurally flawed Commission released condemning findings to the public, while two thorough military reviews which had opposite conclusions were kept secret.

I hope that I have made my point that these officers were not treated fairly and that there is good reason to question where the blame for Pearl Harbor should lie.

The whole story was re-evaluated in 1995 at the request of Senator THURMOND by Under Secretary for Defense Edwin Dorn. In his report, Dorn concluded that responsibility for the disaster at Pearl Harbor should be broadly shared. I agree.

Where Dorn's conclusions differ from mine and my co-sponsors, is that he also found that he also found that ''the official treatment of Admiral Kimmel and General Short was substantively temperate and procedurally proper.'' I disagree.

These officers were publicly vilified and never given a chance to clear their names. If we lived in a closed society, fearful of the truth, then there would be no need for the President to take any action today. But we don't. We live in an open society. Eventually, we are able to declassify documents and evaluate our past based on at least a good portion of the whole story. I believe sincerely that one of our greatest strengths as a nation comes from our ability to honor truth and the lessons of our past.

Like many, I accept that there was a real need to protect our intelligence capabilities during the war. What I can not accept, however, is that there is a reason for continuing to deny the culpability of others in Washington at the expense of these two office's reputations fifty-seven years later. Continuing to falsely scapegoat two dedicated and competent officers dishonors the military tradition of taking responsibility for failure. The message that is sent is a travesty to American tradition and honor—that the truth will be suppressed to protect some responsible parties and distorted to sacrifice others.

This is not to say that the sponsors of this resolution want to place blame. We are not seeking to place blame in a new quarter. This is not a witch-hunt aimed at those superior officers who were advanced in rank and continued to serve, despite being implicated in the losses at Pearl Harbor. I think the historic record has become quite clear that blame should be shared.

The unfortunate reality is that Admiral Kimmel and General Short were blamed entirely and forced into early retirement.

After the war, in 1947, they were singled out as the only eligible officers from World War II not advanced to their highest held wartime ranks on the retirement lists, under the Officer Personnel Act of 1947. By failing to advance them, the government and the Departments of the Navy and Army perpetuate the myth that these two officers bear a unique and disproportionate part of the blame.

The government that denied these officers a fair hearing and suppressed findings favorable to their case while releasing hostile information owes them an official apology. That's what this resolution calls for.

The last point that I want to make deals with the military situation at Pearl Harbor. It is legitimate to ask whether Admiral Kimmel and General Short, as commanding officers, properly deployed their forces. I think reasonable people may disagree on this point.

I have been struck by the number of qualified individuals who believe the commanders properly deployed their assets based on the intelligence available to them. I am including this partial list of flag officers into the RECORD following my statement for my colleagues to review. Among those listed is Vice Admiral Richardson, a distinguished naval commander, who wrote an entire report refuting the conclusions of the Dorn Report. My colleagues will also see the names of four Chiefs of Naval Operations and the former chairman of the Joint Chiefs of Staff Admiral Thomas Moorer. It was Admiral Moorer who observed that, ''If Nelson and Napoleon had been in command at Pearl Harbor, the results would have been the same.''

In conclusion, Mr. President, I believe this case is unique and demands our attention. As we honor those who served in World War II and who serve today in Kosovo, we must also honor the ideals for which they fought. High among those American ideals is upholding truth and justice. Those ideals give us the strength to admit and, where possible, correct our errors.

I urge my colleagues to support this resolution and move one step closer to justice for Admiral Kimmel and General Short.

Mr. KENNEDY. Mr. President, I strongly support this resolution, which will at long last restore the reputations of two distinguished military officers in World War II—Admiral Husband E. Kimmel of the United States Navy and General Walter C. Short of the United States Army.

This resolution gives us an opportunity to correct a grave injustice in the history of that war. Despite their loyal and distinguished service to the nation, Admiral Kimmel and General Short were unfairly singled out for blame as scapegoats after the Japanese attack on Pearl Harbor on December 7, 1941, which caught America unprepared.

In fact, wartime investigations of the attack on Pearl Harbor concluded that our fleet in Hawaii under the command of Admiral Kimmel and our forces under the command of General Short had been properly positioned, given the information they had received. However, as the investigations found, their superior officers had not given them vital intelligence that could have made a difference, perhaps all the difference, in their preparedness for the attack. These conclusions of the wartime investigations were kept secret, in order to protect the war effort. Clearly, there is no longer any justification to ignore these facts.

I learned more about this injustice from Edward B. Hanify, a close friend who is a distinguished attorney in Boston and who was assigned in 1944 as a young Navy lieutenant to be one of the lawyers for Admiral Kimmel. I believe

that members of the Senate will be very interested in Mr. Hanify's perspective, and I ask unanimous consent that a letter he wrote to me last September may be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. KENNEDY. No action by the Senate can ever fully atone for the injustice suffered by these two officers. But we can correct the historical record, and restore the distinguished reputations of Admiral Kimmel and General Short.

I commend Senator BIDEN and Senator ROTH for their leadership in sponsoring this measure, and I urge the Senate to act expeditiously on this long-overdue resolution.

EXHIBIT 1

SEPTEMBER 3, 1998.

Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: I am advised that a Resolution known as the Roth/Biden Resolution has been introduced in the Senate and that it has presently the support of the following Senators: Roth; Biden; Helms; Thurmond; Inouye; Stevens; Specter; Hollings; Faircloth; Cochran and McCain. The substance of the Resolution is to request the President to advance the late Rear Admiral Husband E. Kimmel to the grade of Admiral on the retired list of the Navy and to advance the late Major General Walter C. Short to the grade of Lieutenant General on the retired list of the Army.

Admiral Kimmel at the time of Pearl Harbor was Commander in Chief of the Pacific Fleet then based in Pearl Harbor and General Short was the Commanding General of the Hawaiian Department of the Army.

The reason for my interest in this Resolution is as follows: IN early 1944 when I was a Lieutenant j.g. (U.S.N.R.) the Navy Department gave me orders which assigned me as one of counsel to the defense of Admiral Kimmel in the event of his promised court martial. As a consequence, I am probably one of the few living persons who heard the testimony before the Naval Court of Inquiry, accompanied Admiral Kimmel when he testified before the Army Board of Investigation and later heard substantially all the testimony before the members of Congress who carried on the lengthy Congressional investigation of Pearl Harbor. In the intervening fifty years I have followed very carefully all subsequent developments dealing the the Pearl Harbor catastrophe and the allocation of responsibility for that disaster.

On the basis of this experience and further studies over a fifty year period I feel strongly:

(1) That the odious charge of ''dereliction of duty'' made by the Roberts Commission was the cause of almost irreparable damage to the reputation of Admiral Kimmel despite the fact that the finding was later repudiated and found groundless;

(2) I am satisfied that Admiral Kimmel was subject to callous and cruel treatment by his superiors who were attempting to deflect the blame ultimately ascribed to them, particularly on account of their strange behavior on the evening of December 6th and morning of December 7th in failing to warn the Pacific Fleet and the Hawaiian Army Department that a Japanese attack on the United States was scheduled for December 7th at 1:00 p.m. Washington time (dawn at Pearl Harbor) and that intercepted intelligence indicated that Pearl Harbor was a most probable point of attack; (Washington had this intelligence and knew that the Navy and Army in Hawaii did not have it or any means of obtaining it)

(3) Subsequent investigations by both services repudiated the ''dereliction of duty'' charge and in the case of Admiral Kimmel the Naval Court of Inquiry found that his plans and dispositions were adequate and competent in light of the information which he had from Washington.

The proposed legislaiton provides some measure of remedial Justice to a conscientious officer who for years unjustly bore the odium and disgrace associated with the Pearl Harbor catastrophe. You may be interested to know that a Senator from Massachusetts, Honorable David I. Walsh then Chairman of the Naval Affairs Committee, was most effective in securing legislaiton by Congress which ordered the Army and Navy Departments to investigate the Pearl Harbor disaster—an investigation conducted with all the ''due process'' safeguards for all interested parties not observed in other investigations or inquiries.

I sincerely hope that you will support the Roth/Biden Resolution.

Sincerely,

EDWARD B. HANIFY,
Ropes & Gray.

ADDITIONAL COSPONSORS

S. 38

At the request of Mr. CAMPBELL, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. 38, a bill to amend the Internal Revenue Code of 1986 to phase out the estate and gift taxes over a 10-year period.

S. 74

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 74, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 218

At the request of Mr. MOYNIHAN, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 218, a bill to amend the Harmonized Tariff Schedule of the United States to provide for equitable duty treatment for certain wool used in making suits.

S. 242

At the request of Mr. JOHNSON, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 242, a bill to amend the Federal Meat Inspection Act to require the labeling of imported meat and meat food products.

S. 249

At the request of Mr. ROBB, his name was added as a cosponsor of S. 249, a bill to provide funding for the National Center for Missing and Exploited Children, to reauthorize the Runaway and Homeless Youth Act, and for other purposes.

S. 322

At the request of Mr. CAMPBELL, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 322, a bill to amend title 4, United States Code, to add the Martin Luther King Jr. holiday to the list of days on which the flag should especially be displayed.

S. 327

At the request of Mr. HAGEL, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 327, a bill to exempt agricultural products, medicines, and medical products from U.S. economic sanctions.

S. 331

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

S. 348

At the request of Ms. SNOWE, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 348, a bill to authorize and facilitate a program to enhance training, research and development, energy conservation and efficiency, and consumer education in the oilheat industry for the benefit of oilheat consumers and the public, and for other purposes.

S. 387

At the request of Mr. MCCONNELL, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 387, a bill to amend the Internal Revenue Code of 1986 to provide an exclusion from gross income for distributions from qualified State tuition programs which are used to pay education expenses.

S. 414

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

S. 446

At the request of Mrs. BOXER, the names of the Senator from Massachusetts (Mr. KENNEDY) and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of S. 446, a bill to provide for the permanent protection of the resources of the United States in the year 2000 and beyond.

S. 459

At the request of Mr. BREAUX, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 472

At the request of Mr. GRASSLEY, the names of the Senator from Iowa (Mr.

HARKIN) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 512

At the request of Mr. GORTON, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 512, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the Department of Health and Human Services with respect to research on autism.

S. 531

At the request of Mr. ABRAHAM, the names of the Senator from Nevada (Mr. BRYAN), the Senator from Maine (Ms. SNOWE), and the Senator from Tennessee (Mr. THOMPSON) were added as cosponsors of S. 531, a bill to authorize the President to award a gold medal on behalf of the Congress to Rosa Parks in recognition of her contributions to the Nation.

S. 541

At the request of Ms. COLLINS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 541, a bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the medicare program.

S. 566

At the request of Mr. LUGAR, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 566, a bill to amend the Agricultural Trade Act of 1978 to exempt agricultural commodities, livestock, and value-added products from unilateral economic sanctions, to prepare for future bilateral and multilateral trade negotiations affecting United States agriculture, and for other purposes.

S. 631

At the request of Mr. DEWINE, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements.

S. 660

At the request of Mr. BINGAMAN, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 660, a bill to amend title XVIII of the Social Security Act to provide for coverage under part B of the medicare program of medical nutrition therapy services furnished by registered dietitians and nutrition professionals.

S. 664

At the request of Mr. CHAFEE, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 664, a bill to amend the Internal Revenue Code of 1986 to provide a credit against income tax to individuals who rehabilitate historic homes or who are the first purchasers of rehabilitated historic homes for use as a principal residence.

S. 732

At the request of Mr. TORRICELLI, the names of the Senator from North Carolina (Mr. HELMS) and the Senator from New Jersey (Mr. LAUTENBERG) were added as cosponsors of S. 732, a bill to require the Inspector General of the Department of Defense to conduct an audit of purchases of military clothing and related items made during fiscal year 1998 by certain military installations of the Army, Navy, Air Force, and Marine Corps.

S. 767

At the request of Mr. ABRAHAM, his name was added as a cosponsor of S. 767, a bill to amend the Internal Revenue Code of 1986 to provide a 2-month extension for the due date for filing a tax return for any member of a uniformed service on a tour of duty outside the United States for a period which includes the normal due date for such filing.

At the request of Mr. COVERDELL, the names of the Senator from Kansas (Mr. BROWNBACK), the Senator from Vermont (Mr. JEFFORDS), the Senator from Nevada (Mr. REID), the Senator from Ohio (Mr. DEWINE), and the Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 767, supra.

At the request of Mr. COVERDELL, the name of the Senator from Texas (Mrs. HUTCHISON) was withdrawn as a cosponsor of S. 767, supra.

S. 779

At the request of Mr. ABRAHAM, the name of the Senator from Vermont (Mr. JEFFORDS) was added as a cosponsor of S. 779, a bill to provide that no Federal income tax shall be imposed on amounts received by Holocaust victims or their heirs.

S. 784

At the request of Mr. ROCKEFELLER, the names of the Senator from North Carolina (Mr. HELMS) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 786

At the request of Ms. MIKULSKI, the name of the Senator from Hawaii (Mr. INOUYE) was added as a cosponsor of S. 786, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

S. 788

At the request of Mr. BURNS, the name of the Senator from Missouri (Mr. BOND) was added as a cosponsor of S. 788, 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.

SENATE CONCURRENT RESOLUTION 22

At the request of Mr. DODD, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from New Jersey (Mr. TORRICELLI), and the Senator from Louisiana (Mr. BREAUX) were added as cosponsors of Senate Concurrent Resolution 22, a concurrent resolution expressing the sense of the Congress with respect to promoting coverage of individuals under long-term care insurance.

SENATE RESOLUTION 22

At the request of Mr. CAMPBELL, the names of the Senator from Louisiana (Ms. LANDRIEU), the Senator from Indiana (Mr. BAYH), the Senator from Missouri (Mr. ASHCROFT), and the Senator from California (Mrs. BOXER) were added as cosponsors of Senate Resolution 22, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives serving as law enforcement officers.

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the names of the Senator from Illinois (Mr. DURBIN), and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of Senate Resolution 59, a bill designating both July 2, 1999, and July 2, 2000, as ''National Literacy Day.''

SENATE RESOLUTION 68

At the request of Mrs. BOXER, the names of the Senator from New York (Mr. SCHUMER), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Maine (Ms. SNOWE), and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of Senate Resolution 68, a resolution expressing the sense of the Senate regarding the treatment of women and girls by the Taliban in Afghanistan.

SENATE RESOLUTION 71

At the request of Mr. ABRAHAM, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of Senate Resolution 71, a resolution expressing the sense of the Senate rejecting a tax increase on investment income of certain associations.

AMENDMENT NO. 210

At the request of Mr. DOMENICI his name was added as a cosponsor of amendment No. 210 proposed to S. Con. Res. 20, an original concurrent resolution setting forth the congressional budget for the United States Government for fiscal years 2000 through 2009.

SENATE CONCURRENT RESOLUTION 26—EXPRESSING THE SENSE OF THE CONGRESS THAT THE CURRENT FEDERAL INCOME TAX DEDUCTION FOR INTEREST PAID ON DEBT SECURED BY A FIRST OR SECOND HOME SHOULD NOT BE FURTHER RESTRICTED

Mr. ASHCROFT submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 26

Whereas homeownership is a fundamental American ideal, which promotes social and economic benefits beyond the benefits that accrue to the occupant of the home;

Whereas homeownership is an important factor in promoting economic security and stability for American families;

Whereas it is proper that the policy of the Federal Government is, and should continue to be, to encourage homeownership;

Whereas the rate of homeownership grew from 64.7 percent of households in 1995 to 67 percent in 1998;

Whereas the housing needs of the population will change as the population ages;

Whereas the greatest growth sectors in homeownership are minorities and first-time homebuyers;

Whereas the level of homeownership among foreign-born naturalized citizens who have been in the United States for at least 6 years is the same as the level of homeownership of the Nation as a whole (67 percent in 1998);

Whereas the value of a home represents a valuable source of savings for a family;

Whereas the provisions related to homeownership are among the simplest and most easily administered provisions of the Internal Revenue Code of 1986;

Whereas the current Federal income tax deduction for interest paid on debt secured by a first home has been a valuable cornerstone of this Nation's housing policy for most of this century and may well be the most important component of housing-related tax policy in America today;

Whereas the current Federal income tax deduction for interest paid on debt secured by second homes is of crucial importance to the economies of communities in each of the 50 States: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that the Federal income tax deduction for interest paid on debt secured by a first or second home should not be further restricted.

Mr. ASHCROFT. Mr. President, on this April 15, Tax Day 1999, I rise in support of one aspect of our deservedly maligned tax code—the mortgage interest deduction. The mortgage interest deduction provides invaluable assistance to American families seeking the stability and comfort of a home they can call their own.

I purchased my first home, a small fieldstone farmhouse in the Ozarks, in the Spring of 1967, just before proposing to my wife, Janet. Like most families, paying for it was the single largest task in our young lives. It was, with the wisdom of 30 plus years, a transformational event. For it represented our first real taste of what James Truslow Adams called the ''American Dream.''

The experience Janet and I had paying for that farm is not uncommon. In fact, the largest debt most families take on in their lifetimes is a home. Two-thirds of Americans own a home, as do approximately 80 percent of Americans over the age of 50 (unfortunately, Janet and I now fall into both categories). This represents real progress. In 1940, fully 56 percent of Americans were renters. Clearly, America has come a long way.

People buy homes for different reasons. For us, our Ozark farmhouse offered many things: a place of safety to raise a family, the potential of financial security, a sense of community. As I travel across this great country, couples of all ages suggest that they are looking for the same things Janet and I sought over a quarter century ago. They seem to know, as we did, that buying a home is among the essential steps a family takes to ensure stability and prosperity in their lives.

Unfortunately, while homes are a worthwhile investment, they also are expensive. Real estate experts recommend that families buy homes valued at over three times their annual income—a sum far greater than what families could pay back in a year, or two, or even five. So, most Americans take out a mortgage. It is, frequently, a commitment to repay the loan (with interest) over a 30-year period.

Historically, the Federal Government has encouraged such behavior. It has done so to promote stable families in stable homes. Through the home mortgage tax deduction, one of the best and most praise-worthy parts of our highly-flawed tax code, the government allows taxpayers to deduct the cost of interest on their mortgages from their income taxes. In the early years of a mortgage, nearly 90 percent of payments go to interest charges and are therefore tax deductible.

The home mortgage deduction not only encourages home buying, it also helps to promote community and family. In my home state of Missouri, 526,744 tax filers claim the interest deduction out of 2,416,434 returns. These are families trying to build their homes, getting what advantages they can out of the overly-burdensome tax code.

Across the rest of the country, homeownership is an important factor in promoting economic security and stability for American families. In fact, homeownership is one of the most valuable sources of saving for American families and, unlike other forms of saving, it is encouraged and facilitated by our tax code.

The home mortgage deduction is also of great assistance to many of our citizens who are trying hardest to establish the stability and security of homeownership. The greatest growth sectors in homeownership today are among minorities and first-time homebuyers, who are frequently just on the cusp of attaining the American dream.

Similarly, immigrants, who come to this country seeking a new way of life, are beneficiaries of the mortgage deduction. In fact, the level of homeownership among foreign-born naturalized citizens who have been in the United States for at least six years is the same as the level of homeownership of the Nation as a whole. When families such as these, who are new to our shores, prosper, we as a nation prosper.

In short, the home mortgage deduction is an important benefit to citizens across this great land. It is in our national interest to maintain this portion of the tax code so that new generations can also experience the safety and security of homeownership. I urge my colleagues to join me in support of this resolution.

SENATE RESOLUTION 77—COMMENDING AND CONGRATULATING THE UNIVERSITY OF CONNECTICUT HUSKIES FOR WINNING THE 1999 NCAA MEN'S BASKETBALL CHAMPIONSHIP

Mr. DODD (for himself and Mr. LIBERMAN) submitted the following resolution; which was considered and agreed to:

S. RES. 77

Whereas the University of Connecticut men's basketball team capped a remarkable season by defeating the top-ranked Duke Blue Devils 77–74, on March 29, 1999, in St. Petersburg, Florida, to win its 1st national championship in its 1st ''Final Four'' appearance;

Whereas the Huskies finished with a regular season record of 34–2, the best in the program's proud 96 years of competition;

Whereas the Huskies firmly established themselves as the dominant team of the decade in the storied Big East Conference, winning their 6th regular season title and their 4th tournament championship of the 1990s;

Whereas UConn's Richard ''Rip'' Hamilton distinguished himself in the championship game and throughout the season as one of the premier players in all of college basketball, winning his 2d Big East Player of the Year award, earning 1st team All-America honors, and closing out a spectacular offensive performance in the NCAA tournament by being named the most valuable player of the Final Four.

Whereas UConn's senior co-captain Ricky Moore distinguished himself as one of the Nation's top defensive players, personifying the grit, determination, and fierce will to win that carried the Huskies throughout the year;

Whereas UConn coach Jim Calhoun instilled in his players an unceasing ethic of dedication, sacrifice, and teamwork in the pursuit of excellence, and instilled in the rest of us a renewed appreciation of what it means to win with dignity, integrity, and true sportsmanship;

Whereas the Huskies' thrilling victory in the NCAA championship game enraptured their loyal and loving fans from Storrs to Stamford, taking ''Huskymania'' to new heights and filling the State with an overwhelming sense of pride, honor, and community;

Whereas the UConn basketball team's national championship spotlighted one of the Nation's premier State universities, that is committed to academic as well as athletic excellence: Now, therefore be it

Resolved, That the Senate commends and congratulates the Huskies of the University

of Connecticut for winning the 1999 NCAA Men's Basketball Championship.

SEC. 2. The Secretary of the Senate shall transmit a copy of this resolution to the president of the University of Connecticut.

SENATE RESOLUTION 78—TO AUTHORIZE REPRESENTATION OF MEMBERS AND OFFICERS OF THE SENATE

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 78

Whereas, in the case of *Jim Russell* v. *Albert Gore, et al.*, Case No. 99–2–00749–1, pending in Yakima County Superior Court, Yakima County, Washington, the plaintiff has named as defendants Vice President Albert Gore, Senator Slade Gorton, and Senator Patty Murray;

Whereas, pursuant to sections 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members and officers of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Vice President Gore, Senator Gorton, and Senator Murray in the case of *Jim Russell* v. *Albert Gore, et al.*

SENATE RESOLUTION 79—DESIGNATING THE CHAIRMAN OF THE JOINT ECONOMIC COMMITTEE FOR THE 106TH CONGRESS

Mr. LOTT submitted the following resolution; which was considered and agreed to:

S. RES. 79

Resolved, That the following Senator is designated as the Chairman of the following committee for the 106th Congress, or until his successor is chosen:

Joint Economic Committee: Mr. Mack, Chairman.

SENATE RESOLUTION 80—CONGRATULATING BOYD CLINES, LARRY ROGERS, AND MATT MOSELEY FOR THEIR BRAVERY AND COURAGE IN THE APRIL 12, 1999, RESCUE MISSION OF MR. IVERS SIMS

Mr. COVERDELL (for himself and Mr. CLELAND) submitted the following resolution; which was considered and agreed to:

S. RES. 80

Whereas on April 12, 1999, a treacherous fire erupted in a historic cotton mill in Atlanta, Georgia, and Mr. Ivers Sims, a construction worker, found himself suspended 180 feet in the air trapped by raging flames surrounding him;

Whereas Boyd Clines, a Georgia Department of Natural Resources pilot, and his navigator, Larry Rogers, arrived on the scene and negotiated a helicopter through the menacing wind, smoke, and fire which emanated from the cotton mill, while an Atlanta firefighter, Matt Moseley, dangled from a rope near the flames, all in an attempt to save Mr. Sims;

Whereas Boyd Clines, Larry Rogers, and Matt Moseley, in the true spirit of heroism, demonstrated amazing courage and valor in risking their lives in order to save the life of Mr. Sims;

Whereas the teamwork, dedication, and bravery that Boyd Clines, Larry Rogers, and Matt Moseley displayed during the rescue mission enabled the mission to be successful;

Whereas Atlanta firefighters, police officers, Sheriffs deputies, and residents diligently worked together in order to fight the massive fire that engulfed the historic cotton mill;

Whereas Atlanta residents at home during the fire helped during the crisis by rescuing pets and using garden hoses to extinguish the flames emanating from burning debris;

Whereas the Atlanta firefighters, facing shortages of equipment and personnel, heroically contained a fire that could have spread beyond the cotton mill and enveloped a historic neighborhood now being revitalized;

Whereas the fire crisis of April 12, 1999, shall be remembered not for the tragic loss of the historic cotton mill, but instead for the heroism and bravery displayed by Boyd Clines, Larry Rogers, and Matt Moseley; and

Whereas it should be recognized that Boyd Clines, Larry Rogers, and Matt Moseley have brought pride and honor to the State of Georgia: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates Boyd Clines, Larry Rogers, and Matt Moseley for the bravery and heroism that they displayed during the April 12, 1999, rescue mission of Mr. Ivers Sims; and

(2) commends Atlanta firefighters, police officers, Sheriffs deputies, and residents for the outstanding teamwork that they displayed in fighting the fire of the cotton mill.

NOTICES OF HEARINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, April 21, 1999, at 9:30 a.m. in room SD–366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on whether the United States has the natural gas supply and infrastructure necessary to meet projected demand.

Because of the limited time available, 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, 364 Dirksen Senate Office Building, Washington, D.C. 20510–6150.

For further information, please contact Dan Kish at (202) 224–8276.

SUBCOMMITTEE ON FORESTS AND PUBLIC LAND MANAGEMENT

Mr. CRAIG. Mr. President, I would like to announce for the public that we will receive testimony on one additional bill, S. 416 a bill to direct the Secretary of Agriculture to convey the city of Sisters, Oregon, a certain parcel of land for use in connection with a sewage treatment facility, before the Subcommittee on Forests and Public Land Management of the Senate Committee on Energy and Natural Resources on Wednesday, April 29, 1999, at 2:00 p.m. in room SD–366 of the Dirksen Senate Office building in Washington, D.C.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, D.C. 20510. For further information, please call Amie Brown or Mike Menge (202) 224–6170.

AUTHORITY FOR COMMITTEE'S TO MEET

COMMITTEE ON ARMED SERVICES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Armed Services be authorized to meet at 9:30 a.m. on Thursday, April 15, 1999, in open session, to receive testimony on U.S. policy regarding Kosovo, and a revised strategic concept for NATO.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, April 15, for purposes of conducting a full committee hearing which is scheduled to begin at 9:30 a.m. The purpose of this hearing is to receive testimony on S. 501, a bill to address resource management issues in Glacier Bay National Park, Alaska; and S. 744, a bill to provide for the continuation of higher education through the conveyance of certain lands in the State of Alaska to the University of Alaska, and for other purposes.

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

COMMITEE ON FINANCE

Mr. DOMENICI. The Finance Committee requests unanimous consent to conduct a hearing on Thursday, April 15, 1999 beginning at 10 a.m. in room 215 Dirksen.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Thursday, April 15, 1999 at 10 a.m. to hold a hearing.

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

COMMITTEE ON THE JUDICIARY

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for an executive business meeting to mark up S. 625, a bill to amend Title 11, United States Code (bankruptcy reform), during the session of the Senate on Thursday, April 15, 1999, at 10 a.m.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Thursday, April 15, 1999 at 2 p.m. to hold a closed hearing on intelligence matters.

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

SUBCOMMITTEE ON NATIONAL PARKS, HISTORIC PRESERVATION AND RECREATION

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on National Parks, Historic Preservation and Recreation of the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Thursday, April 15, for purposes of conducting a subcommittee hearing which is scheduled to begin at 2:00 p.m. The purpose of this hearing is to receive testimony on S. 109, a bill to improve protection and management of the Chattahoochee River National Recreation Area in the State of Georgia; S. 340, a bill to amend the Cache La Poudre River Corridor Act to make technical corrections, and for other purposes; S. 582, a bill to authorize the Secretary of the Interior to enter into an agreement for the construction and operation of the Gateway Visitor Center at Independence National Historic Park; S. 589, a bill to require the National Park Service to undertake a study of the Loess Hills Area in western Iowa to review options for the protection and interpretation of the area's natural, cultural, and historical resources; S. 591, a bill to authorize a feasibility study for the preservation of the Loess Hills in western Iowa; and H.R. 149, a bill to make technical corrections to the Omnibus Parks and Public Land Management Act of 1996 and to other laws related to parks and public lands.

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

SUBCOMMITTEE ON SCIENCE, TECHNOLOGY AND SPACE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Science, Technology and Space Subcommittee of the Committee on Commerce, Science, and Transportation be allowed to meet on Thursday, April 15, 1999, at 10 a.m. on R&D FY/2000 budget.

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

SUBCOMMITTEE ON TRANSPORTATION AND INFRASTRUCTURE

Mr. DOMENICI. Mr. President, I ask unanimous consent that the Subcommittee on Transportation and Infrastructure be granted permission to conduct a hearing regarding the implementation of the Transportation Equity Act for the 21st Century Thursday, April 15, 9:30 a.m., hearing room (SD–406).

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

ADDITIONAL STATEMENTS

JUDGE BARRY RUSSELL

• Mrs. FEINSTEIN. Mr. President, as a representative of the great state of California, it is always a pleasure to learn about and recognize the great achievements made by members of the Law Enforcement community.

Today, I am delighted to commend Judge Barry Russell, for selflessly dedicating his personal time, energy, and money to coordinating the Federal Bar Association's Federal Law Enforcement Medal of Valor and Distinguished Service Award Luncheon.

Judge Russell has chaired this program for the past ten years, without expecting anything in return. He makes this special effort to ensure that members of the Los Angeles area Federal Law Enforcement community are honored for their selfless acts of valor and exemplary investigative achievements.

On behalf of the United States Senate, and all who have benefitted from your inspirational service, I commend you and wish you all the best in your future endeavors.•

ACCOMPLISHMENTS OF THE UNIVERSITY OF ALASKA

• Mr. MURKOWSKI. Mr. President, I rise today to honor students from my home State of Alaska who have garnered a host of honors recently—all very well deserved.

As an avid outdoorsman and hunter I have more than passing skill with a rifle, but I am in awe at the accomplishments of the University of Alaska Fairbanks Rifle Team. On Friday, March 12 the team won the NCAA national title in team rifle competition during the annual championships held at Norwich University in Northfield, VT.

While the Nanooks won the team Rifle Championships, the students had several other firsts. Ms. Kelly Mansfield, a junior at the University, became the first person ever to win both the small-bore and individual titles in the same year. And the Nanooks set a record with eight team members earning All-American status, record number of All-Americans in rifle competition from a single University. Of the team's eight All-Americans six earned honors in both the small-bore and air rifle disciplines, another record.

Besides Ms. Mansfield, I would like to congratulate the other seven All-Americans who competed with such distinction during the national collegiate championships. Earning praise are sophomore Dan Jordan, freshman Johan Lindberg and sophomore Melissa Mulloy, all double All-Americans first team in both events. Also earning praise are junior Joacim Trybom, who earned first-team, small-bore and second team air rifle honors; Grant Mecozzi, who earned second-team honors in both categories; and Amber Darland, who made the second team in small-bore.

I also would like to mention senior Kelly Bushong, who won honorable mention on the small-bore squad.

All of the students from the University's Fairbanks campus performed wonderfully, an obvious reflection on their coach, Randy Pitney, who has done a sensational job of teaching and preparing his team this year. All Alaskans wish to offer our praise and our thanks for the team's hard work and dedication. Excellence in marksmanship takes skill and discipline. It also takes desire—the desire to practice, the desire to be the best. That was particularly hard this past January in Fairbanks when the temperature was often −50 degrees F.

I can't say enough for the accomplishments of these young women and men. Everyone in Alaska is very proud of the Nanooks' achievements during the 1998–99 season. Again, congratulations on a great year.•

IN RECOGNITION OF HENRY S. LANDAU

• Mr. LEVIN. Mr. President, I rise to congratulate Henry S. Landau on receiving the Humanitarian Award of the Jewish Federation of Washtenaw County, Michigan. Mr. Landau is being honored by the Jewish Federation as a ''builder of our future,'' because of the outstanding work he has done to establish programs and institutions to provide education and job training in the community.

Henry Landau has served his community, state, and country in countless ways. He served as a trustee of Washtenaw Community College from 1976 to 1982. He also served as chair of the Washtenaw Community College Foundation and was later honored by the college with a lifetime achievement award and an endowed scholarship. Mr. Landau was a Senior Life Director of the National Association of Home Builders and a trustee of the Home Builders Institute. Mr. Landau also served as President of the Michigan Association of Home Builders and was a board member for eighteen years.

Henry Landau was instrumental in establishing a unique and innovative program in the Ann Arbor Public School System to teach high school students about the building trades by allowing them to build an actual home. This successful program continues and is now financed through the sale of the homes built by students. The construction industry later honored Mr. Landau's efforts with the H.S. Landau Scholarship, which is awarded annually and benefits a graduate of the Ann Arbor student building program.

Mr. President, I have mentioned only a small sampling of the many ways in which Henry Landau has used his vitality, creativity and hard work to make his community and our nation a better place to live. I know my colleagues will join me in honoring Henry Landau for

his many extraordinary efforts on behalf of his community.●

AUTHORIZING REPRESENTATION OF MEMBERS AND OFFICERS OF THE SENATE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Senate resolution 78 submitted earlier today by Senators LOTT and DASCHLE.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 78) to authorize representation of Members and officers of the Senate in the case of Jim Russell v. Albert Gore, et al.

There being no objection, the Senate proceeded to consider the resolution.

Mr. LOTT. Mr. President, this resolution concerns a civil action commenced by a pro se plaintiff in Yakima County Superior Court, Yakima County, Washington, against Vice President ALBERT GORE, as President of the Senate, and Senators GORTON and MURRAY. The complaint attacks the validity of federal tax laws essentially by challenging the validity of all legislation enacted subsequent to the Seventeenth Amendment, on the basis that the Constitution prohibits the direct election of Senators provided for by the amendment.

This action is subject to removal from state court to the United States District Court for the Eastern District of Washington. This resolution authorizes the Senate Legal Counsel to represent the Senate defendants in this suit to move for its removal to federal court, and then to seek its dismissal for failure to state a claim for relief.

Mr. COVERDELL. I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 78) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 78

Whereas, in the case of *Jim Russell* v. *Albert Gore, et al.*, Case No. 99–2–00749–1, pending in Yakima County Superior Court, Yakima County, Washington, the plaintiff has named as defendants Vice President Albert Gore, Senator Slade Gorton, and Senator Patty Murray;

Whereas, pursuant to section 703(a) and 704(a)(1) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(1), the Senate may direct its counsel to defend Members and officers of the Senate in civil actions relating to their official responsibilities: Now, therefore, be it

Resolved, That the Senate Legal Counsel is directed to represent Vice President Gore, Senator Gorton, and Senator Murray in the case of *Jim Russell* v. *Albert Gore, et al.*

DESIGNATING THE CHAIRMAN OF THE JOINT ECONOMIC COMMITTEE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Senate resolution 79, submitted earlier today by Senator LOTT.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 79) designating the Chairman of the Joint Economic Committee for the 106th Congress.

There being no objection, the Senate proceeded to consider the resolution.

Mr. COVERDELL. I ask unanimous consent that the resolution be agreed to, and the motion to reconsider be laid upon the table.

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

The resolution (S. Res. 79) was agreed to, as follows:

S. RES. 79

Resolved, That the following Senator is designated as the Chairman of the following committee for the 106th Congress, or until his successor is chosen:

Joint Economic Committee: Mr. Mack, Chairman.

CONGRATULATING BOYD CLINES, LARRY ROGERS, AND MATT MOSELEY FOR THEIR BRAVERY AND COURAGE

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Senate resolution 80 submitted earlier today by myself and Senator CLELAND.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A resolution (S. Res. 80) congratulating Boyd Clines, Larry Rogers, and Matt Moseley for their bravery and courage in the April 12, 1999, rescue mission of Mr. Ivers Sims.

There being no objection, the Senate proceeded to consider the resolution.

Mr. COVERDELL. 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 any statements relating to this resolution be printed at the appropriate place in the RECORD.

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

The resolution (S. Res. 80) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 80

Whereas on April 12, 1999, a treacherous fire erupted in a historic cotton mill in Atlanta, Georgia, and Mr. Ivers Sims, a construction worker, found himself suspended 180 feet in the air trapped by raging flames surrounding him;

Whereas Boyd Clines, a Georgia Department of Natural Resources pilot, and his navigator, Larry Rogers, arrived on the scene and negotiated a helicopter through the menacing wind, smoke, and fire which emanated from the cotton mill, while an Atlanta firefighter, Matt Moseley, dangled from a rope near the flames, all in an attempt to save Mr. Sims;

Whereas Boyd Clines, Larry Rogers, and Matt Moseley, in the true spirit of heroism, demonstrated amazing courage and valor in risking their lives in order to save the life of Mr. Sims;

Whereas the teamwork, dedication, and bravery that Boyd Clines, Larry Rogers, and Matt Moseley displayed during the rescue mission enabled the mission to be successful;

Whereas Atlanta firefighters, police officers, Sheriffs deputies, and residents diligently worked together in order to fight the massive fire that engulfed the historic cotton mill;

Whereas Atlanta residents at home during the fire helped during the crisis by rescuing pets and using garden hoses to extinguish the flames emanating from burning debris;

Whereas the Atlanta firefighters, facing shortages of equipment and personnel, heroically contained a fire that could have spread beyond the cotton mill and enveloped a historic neighborhood now being revitalized;

Whereas the fire crisis of April 12, 1999, shall be remembered not for the tragic loss of the historic cotton mill, but instead for the heroism and bravery displayed by Boyd Clines, Larry Rogers, and Matt Moseley; and

Whereas it should be recognized that Boyd Clines, Larry Rogers, and Matt Moseley have brought pride and honor to the State of Georgia: Now, therefore, be it

Resolved, That the Senate—

(1) congratulates Boyd Clines, Larry Rogers, and Matt Moseley for the bravery and heroism that they displayed during the April 12, 1999, rescue mission of Mr. Ivers Sims; and

(2) commends Atlanta firefighters, police officers, Sheriffs deputies, and residents for the outstanding teamwork that they displayed in fighting the fire of the cotton mill.

Mr. COVERDELL. Mr. President, to digress for just a moment, this is a resolution acknowledging the heroism of Boyd Clines, Larry Rogers, and Matt Moseley. I doubt that there is hardly an American alive who did not watch that stunning and chilling event when these three men exemplified all the virtues of American heroism. It is a stark reminder of what Americans, who work for our fire departments, our rescue units, our law enforcement agencies all across the country, are capable of doing, and their total dedication where they will often set all their own personal safety aside in the name of helping another citizen.

It was all embodied in this enormous event that occurred in Atlanta, GA several days ago. It was an incredible sight and witness of American heroism. I am particularly pleased to be able to join with my colleague, Senator CLELAND, in the authorship of that resolution which has just been approved.

REFERRAL OF MEASURE—S. 754

Mr. COVERDELL. Mr. President, I ask unanimous consent that calendar No. 86, S. 754 be referred to the Environment and Public Works Committee.

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

TERRY SANFORD FEDERAL BUILDING

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of H.R. 911 just received from the House.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

A bill (H.R. 911) to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the ''Terry Sanford Federal Building''.

There being no objection, the Senate proceeded to consider the bill.

Mr. COVERDELL. Mr. President, I ask unanimous consent that the bill be read three times, passed, the motion to reconsider be laid upon the table, and that any statements relating thereto be printed at the appropriate place in the RECORD.

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

The bill (H.R. 911) was read a third time and passed.

REREFERRAL OF S. 302

Mr. COVERDELL. Mr. President, I ask unanimous consent that S. 302 be discharged from the Committee on Health, Education, Labor, and Pensions and be referred to the Committee on the Judiciary.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. COVERDELL. Mr. President, I ask unanimous consent that the Senate immediately proceed to executive session to consider the following nominations on the executive calendar: Nos. 23 and 24. I finally ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed at the appropriate place in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session.

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

The nominations considered and confirmed en bloc are as follows:

THE JUDICIARY

William J. Hibbler, of Illinois, to be United States District Judge for the Northern District of Illinois.

Matthew F. Kennelly, of Illinois, to be United States District Judge for the Northern District of Illinois.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

APPOINTMENTS BY THE PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The Chair, on behalf of the President pro tempore, pursuant to Public Law 100–418, appoints the following individuals to serve as Congressional advisers on trade policy and negotiations to International conferences, meetings and negotiation sessions relating to trade agreements:

WILLIAM V. ROTH, Jr. of Delaware, JOHN H. CHAFEE of Rhode Island, CHARLES E. GRASSLEY of Iowa, DANIEL PATRICK MOYNIHAN of New York, and MAX BAUCUS of Montana.

The Chair, on behalf of the President pro tempore, pursuant to Public Law 103–419, appoints the following individual to the United States Commission on Civil Rights: Elsie M. Meeks of South Dakota.

ORDERS FOR MONDAY, APRIL 19, 1999

Mr. COVERDELL. Mr. President, I ask unanimous consent that when the Senate completes its business today it stand in adjournment until 12 noon on Monday, April 19. I further ask 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, and the Senate then begin a period of morning business until 2 p.m. with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator MURKOWSKI, 20 minutes; Senator BOND, 10 minutes.

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

PROGRAM

Mr. COVERDELL. For the information of all Senators, the Senate will reconvene on Monday at 12 noon and begin a period of morning business until 2:00 p.m. Following morning business, the Senate may begin consideration of any legislative or executive items cleared for action with at least one rollcall vote expected at approximately 5:30 p.m. All Senators will be notified of the particular item to be considered on Monday as well as the exact voting schedule when that information becomes available.

The majority leader would again like to remind all Senators that there will be no session of the Senate tomorrow and next Friday, April 23. I better repeat that. The majority leader would like to remind all Senators that there will be no session of the Senate tomorrow and next Friday, April 23.

ADJOURNMENT UNTIL MONDAY, APRIL 19, 1999

Mr. COVERDELL. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 5:50 p.m., adjourned until Monday, April 19, 1999, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate April 15, 1999:

STATE JUSTICE INSTITUTE

JOSEPH FRANCIS BACA, OF NEW MEXICO, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 2001. (REAPPOINTMENT)

ROBERT NELSON BALDWIN, OF VIRGINIA, TO BE A MEMBER OF THE BOARD OF DIRECTORS OF THE STATE JUSTICE INSTITUTE FOR A TERM EXPIRING SEPTEMBER 17, 2001. (REAPPOINTMENT)

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. RONALD T. KADISH, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. PAUL V. HESTER, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. RALPH E. EBERHART, 0000.

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS VICE CHIEF OF STAFF, UNITED STATES AIR FORCE, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 8034:

To be general

LT. GEN. LESTER L. LYLES, 0000.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS ASSISTANT SURGEON GENERAL AND CHIEF OF THE DENTAL CORPS, UNITED STATES ARMY, AND FOR APPOINTMENT TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 3039:

To be major general

BRIG. GEN. PATRICK D. SCULLEY, 0000.

IN THE MARINE CORPS

THE FOLLOWING NAMED LIMITED DUTY OFFICER FOR APPOINTMENT TO THE TEMPORARY GRADE INDICATED IN THE UNITED STATES MARINE CORPS IN ACCORDANCE WITH SECTION 6222 OF TITLE 10, U.S.C.:

To be colonel

TIMOTHY W. FOLEY, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

REAR ADM. THOMAS R. WILSON, 0000.

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be rear admiral (lower half)

DAVID J. ANTANITUS, 0000
DALE E. BAUGH, 0000
RICHARD E. BROOKS, 0000
EVAN M. CHANIK, JR., 0000
BARRY M. COSTELLO, 0000
DAVID M. CROCKER, 0000
KIRKLAND H. DONALD, 0000
DENNIS M. DWYER, 0000
MARK J. EDWARDS, 0000
BRUCE B. ENGELHARDT, 0000
TOM S. FELLIN, 0000
JAMES B. GODWIN III, 0000
CHARLES H. JOHNSTON, JR., 0000
JOHN M. KELLY, 0000
STEVEN A. KUNKLE, 0000
WILLIE C. MARSH, 0000
GEORGE E. MAYER, 0000
JOHN G. MORGAN, JR., 0000
DENNIS G. MORRAL, 0000

ERIC T. OLSON, 0000
JAMES J. QUINN, 0000
ANN E. RONDEAU, 0000
FREDERICK R. RUEHE, 0000
LINDELL G. RUTHERFORD, 0000
JOHN D. STUFFLEBEEM, 0000
WILLIAM D. SULLIVAN, 0000
GERALD L. TALBOT, JR., 0000
HAMLIN B. TALLENT, 0000
RICHARD P. TERPSTRA, 0000
THOMAS J. WILSON III, 0000
JAMES M. ZORTMAN, 0000

IN THE COAST GUARD

THE FOLLOWING NAMED CADETS OF THE UNITED STATES COAST GUARD ACADEMY FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES COAST GUARD UNDER 14 U.S.C., SECTION 211:

To be ensign

ASHLEY B. ACLIN, 0000
MICAH N. ACREE, 0000
MELODY C. ADAMES, 0000
MARCUS J. AKINS, 0000
PINSUDA ALEXANDER, 0000
NAHSHON I. ALMANDMOSS, 0000
JAMIE T. AMON, 0000
SHAMEEN E. ANTHANIO, 0000
JEFFREY A. APPS, 0000
LORI A. ARCHER, 0000
KATHRYN M. ARNOLD, 0000
JORDAN M. BALDUEZA, 0000
BRANDI A. BALDWIN, 0000
KELLY A. BANKE, 0000
JASON P. BARRETT, 0000
DAVID M. BARTRAM, 0000
JOSH L. BAUER, 0000
DEREK C. BEATTY, 0000
BRIAN J. BEHLER, 0000
ANDREW R. BENDER, 0000
LEAH B. BENTLEY, 0000
MATT A. BOURNONVILLE, 0000
JASON P. BRAND, 0000
SCOT A. BROWN, 0000
NICHOLAS R. BUDERUS, 0000
JANICE T. CARRELL, 0000
JUSTIN M. CARTER, 0000
DREW M. CASEY, 0000
STEPHEN N. CASEY, 0000
SEAN R. CASHELL, 0000
ROBERT B. CHAMBERS, 0000
RANDALL T. CHONG, 0000
MICHAEL A. CILENTI, 0000
JOSEPH A. COMAR, 0000
ZACHARIAH S. CONOVER, 0000
STEPHANIE S. CONRAD, 0000
JEFFREY K. COON, 0000
DANIEL H. COST, 0000
THOMAS G. COWELL, 0000
ERIKA L. CRAWLEY, 0000
DOUGLAS K. DANIELS, 0000
LUKE C. DAVIGNON, 0000
CAROLYN A. DEGON, 0000
AUGUST M. DELARUE, 0000
JASON J. DORVAL, 0000
RYAN S. ENGEL, 0000
ELLEN A. FAIRLEIGH, 0000
PETER E. FANT, 0000
LAUREN E. FELIX, 0000
MICHAEL P. FISHER, 0000
AMY E. FLORENTINO, 0000
CRAIG R. FOOS, 0000
KATHERINE A. FOX, 0000
JULIE P. GAMBLE, 0000
MATTHEW G. GEER, 0000
THOMAS A. GILL, 0000
SUZANNE E. GILLE, 0000
LINDSEY C. GILLICK, 0000
GARRY E. GRABINS, 0000
JEFFREY R. GRAHAM, 0000
ANNA K. HAGER, 0000
SHELBY A. HARRINGTON, 0000
CHAD R. HARVEY, 0000
ANTHONY H. HAWES, 0000
JOHN HENRY, 0000
ANNE M. HERMAN, 0000
AZIZA A. HILL, 0000
THOMAS J. HOPKINS, 0000
TIMOTHY A. HUNTER, 0000
CASSIE Q. JANSSEN, 0000
JEANNETTE E. JERABEK, 0000
RYAN R. JOHNSON, 0000
BRADLEY K. JOHNSON, 0000
BECKY K. JONES, 0000
SARAH E. JUCKETT, 0000
AIMEE R. JULCH, 0000
KIMBLEY K. KASTNER, 0000
DANIEL P. KEANE, 0000
HEATHER J. KELLY, 0000
ROBERT R. KISTNER, 0000
BREANNA L. KNUTSON, 0000
ZACHARY A. KOEHLER, 0000
MICHAEL R. LACHOWICZ, 0000
ERIN G. LAMBIE, 0000
PAUL G. LANG, 0000
SARAH E. LARRABEE, 0000
SCOTT P. MARLETT, 0000
RUSSELL D. MAYER, 0000
NOVA MCCONNICO, 0000
EUGENE D. MCGUINNESS, 0000
KERRY D. MCKEEVER, 0000
BRIAN J. MCLAUGHLIN, 0000
MARION O. MCQUEEN, III, 0000
BRIAN J. MCSORLEY, 0000
DAVID L. MELTON, 0000
ANDREW J. MEYERS, 0000
SEAN R. MITCHELL, 0000
JASON W. MORGAN, 0000
MAURICE D. MURPHY, 0000
RACHEL M. NORTON, 0000
MICHAEL P. ONEIL, II, 0000
DANIEL R. ORCHARD, 0000
KIMBERLY J. ORR, 0000
JESSICA A. OWSIANY, 0000
HEATHER J. PARADISE, 0000
MARK B. PATTON, 0000
JOSHUA D. PENNINGTON, 0000
ERIC C. PERDUE, 0000
KRISTA J. PETERS, 0000
EBEN H. PHILLIPS, 0000
KEVIN L. PLYLAR, 0000
ROBERT H. POTTER, JR., 0000
RYAN M. REARDON, 0000
HELENA H. ROBINSON, 0000
PAUL A. RODRIGUEZ, 0000
AARON J. ROE, 0000
RHETT R. ROTHBERG, 0000
GREGORY K. SABRA, 0000
SCOTT M. SANBORN, 0000
JEFFREY A. SANCHEZ, 0000
GREGORY H. SCOTT, 0000
JOSHUA S. SEBASTIAN, 0000
MICHAEL D. SHARP, 0000
SARAH P. SNYDER, 0000
ANNA L. STAMPER, 0000
BRIAN S. THOMAS, 0000
GEORGE M. TOBEY, 0000
BORIS K. TOWNS, 0000
ERIN N. TRABER, 0000
TODD C. TROUP, 0000
DANIEL R. URSINO, 0000
REBECCA A. WAITT, 0000
MATTHEW J. WALDRON, 0000
THOMAS W. WALLIN, JR., 0000
RICHARD B. WALSH, 0000
STEPHEN M. WASYLENKO, 0000
WILLIAM C. WOITYRA, 0000
HEATHER J. WOLF, 0000
MICHAEL J. WOODRUM, II, 0000
ERIK A. WOZNIAK, 0000
FRANCINE A. YAKIMO, 0000
MICHAEL J. ZERUTO, 0000

CONFIRMATIONS

Executive nominations confirmed by the Senate April 15, 1999:

THE JUDICIARY

WILLIAM J. HIBBLER, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS.

MATTHEW F. KENNELLY, OF ILLINOIS, TO BE UNITED STATES DISTRICT JUDGE FOR THE NORTHERN DISTRICT OF ILLINOIS.