By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute and an amendment to the title:

S. 1419. A bill to deem the activities of the Miccosukee Tribe on the Tamiani Indian Reserve to be consistent with the purposes of the Everglades National Park, and for other purposes (Rept. No. 105–361).

By Mr. SPECTER, from the Committee on Veterans' Affairs, with amendments and an amendment to the title:

S. 2358. A bill to provide for the establishment of a service-connection for illnesses associated with service in the Persian Gulf War, to extend and enhance certain health care authorities relating to such service, and for other purposes (Rept. No. 105–362).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1905. A bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes (Rept. No. 105–363).

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, with an amendment in the nature of a substitute:

S. 2217. A bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes (Rept. No. 105–364).

By Mr. CHAFEE, from the Committee on Environment and Public Works, without amendment:

H.R. 81. A bill to designate the United States courthouse located at 401 South Michigan Street in South Bend, Indiana, as the ''Robert K. Rodibaugh United States Bankruptcy Courthouse.''

H.R. 2225. A bill to designate the Federal building and United States courthouse to be constructed on Las Vegas Boulevard between Bridger Avenue and Clark Avenue in Las Vegas, Nevada, as the ''Lloyd D. George Federal Building and United States Courthouse.''

H.R. 2379. A bill to designate the Federal building and United States courthouse located at 251 North Main Street in Winston-Salem, North Carolina, as the ''Hiram H. Ward Federal Building and United States Courthouse.''

H.R. 3223. A bill to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the ''J.J. 'Jake' Pickle Federal Building.''

H.R. 3696. A bill to designate the Federal Courthouse located at 316 North 26th Street in Billings, Montana, as the ''James F. Battin Federal Courthouse.''

H.R. 3982. A bill to designate the Federal building located at 310 New Bern Avenue in Raleigh, North Carolina, as the ''Terry Sanford Federal Building.''

H.R. 4595. A bill to redesignate a Federal building located in Washington, D.C., as the ''Sidney R. Yates Federal Building.''

S. 2523. A bill to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the ''J.J. 'Jake' Pickle Federal Building.''

EXECUTIVE REPORTS OF COMMITTEE

The following executive reports of committees were submitted:

By Mr. CHAFEE, from the Committee on Environment and Public Works:

Greta Joy Dicus, of Arkansas, to be a Member of the Nuclear Regulatory Commission for the term of five years expiring June 30, 2003. (Reappointment)

Jeffrey S. Merrifield, of New Hampshire, to be a Member of the Nuclear Regulatory Commission for the term expiring June 30, 2002.

(The above nominations were reported with the recommendation that they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. DEWINE (for himself and Mr. GLENN):

S. 2541. A bill to name the Department of Veterans Affairs outpatient clinic located at 543 Taylor Avenue, Columbus, Ohio, as the ''Chalmers P. Wylie Veterans Outpatient Clinic''; to the Committee on Veterans Affairs.

By Mr. CHAFEE:

S. 2542. A bill to amend the Internal Revenue Code of 1986 to modify the tax on commercial aviation to and from airports located on sparsely populated islands; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. KERREY, and Mr. ROCKEFELLER):

S. 2543. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on persons who acquire structured settlement payments in factoring transactions, and for other purposes; to the Committee on Finance.

By Mr. FAIRCLOTH:

S. 2544. A bill to enhance homeownership through community development financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. DODD:

S. 2545. A bill to amend title XVIII of the Social Security Act to prevent sudden disruption of medicare beneficiary enrollment in Medicare+Choice plans; to the Committee on Finance.

By Mr. HATCH (for himself, Mr. DODD, Mr. ASHCROFT, Mr. LIEBERMAN, Mr. SESSIONS, and Mr. TORRICELLI):

S. 2546. A bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes; to the Committee on the Judiciary.

By Mr. ROBB:

S. 2547. A bill to amend title 38, United States Code, to authorize the memorialization at the columbarium at Arlington National Cemetery of veterans who have donated their remains to science, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. TORRICELLI:

S. Res. 284. A resolution expressing the sense of the Senate that the President should renegotiate the Extradition Treaty between the United States of America and the United Mexican States; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CHAFEE:

S. 2542. A bill to amend the Internal Revenue Code of 1986 to modify the tax on commercial aviation to and from airports located on sparsely populated islands, to the Committee on Finance.

LEGISLATION PROVIDING RELIEF FOR CERTAIN ISLAND AIRPORTS

● Mr. CHAFEE. Mr. President, today, I am introducing legislation to provide relief to communities for whom air transportation is vital to their survival.

Last year, Congress altered the structure of the aviation excise tax which funds the Airport and Airway Trust Fund. As part of the Taxpayer Relief Act of 1997, the 10% ad valorem ticket tax was replaced with a combination ad valorem/flight segment charge. When fully phased in, the tax will consist of an ad valorem tax of 7.5% of the price of a ticket and a $3.00 charge per flight segment.

This change has dramatically increased the tax imposed on low-fare flights. A typical flight to or from the Block Island community located in my state costs $28. Prior to last year, the tax on this flight would be 10% or $2.80. When fully implemented, however, the new structure will increase the tax on the same ticket by 82%, to $5.10.

This new structure was intended to provide a user-based approach to paying for the use of FAA services and facilities. However, short distance flights between islands and a mainland make little demand on Air Traffic Control services as these flight segments do not use ATC centers, rarely use departure or arrive control, often operate under visual flight rules and usually are transferred from the departure control tower to the destination control tower.

Congress recognized that this new tax structure would adversely affect rural communities. Consequently, flights to or from rural airports are taxed at a rate of 7.5% of the ticket price, with no per passenger segment charge. For purposes of this exemption, a rural airport is one that is located at least 75 miles away from an airport with more than 100,000 passengers. Unfortunately, this restrictive definition fails to recognize the unique nature of island communities.

Island communities face transportation problems similar to those encountered by passengers from rural areas. Air and ferry transportation provide islands with a vital link to the mainland for shopping, employment, health care, and other needs. Most commercial passenger enplanements at island airports are for short-distance flights simply to get off the island. For those communities, air and ferry service maintain a delicate balance, and both are needed to meet the communities' needs for mainland access.

The current excise tax structure provides a disincentive to providing service to remote island communities. This result is contrary to Congress' intent to increase air service to these remote communities.

My legislation reinstates the prior tax structure for flights to or from an

island community. Thus, a passenger flying to or from such a community would pay a tax equal to 10% of the price of a ticket. It is important to note that this is less favorable than the exemption currently provided to passengers to and from rural airports.

I encourage my colleagues to join me as cosponsors of this important health initiative.

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. 2542

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

SECTION 1. MODIFICATION OF TAX ON AIR TRANSPORTATION TO AND FROM SPARSELY POPULATED ISLANDS.

(a) IN GENERAL.—Subsection (e) of section 4261 of the Internal Revenue Code of 1986 is amended by redesignating paragraphs (4) and (5) as paragraphs (5) and (6) and by inserting after paragraph (3) the following new paragraph:

''(4) SEGMENTS TO AND FROM CERTAIN ISLAND AIRPORTS.—

''(A) EXCEPTION FROM SEGMENT TAX.—The tax imposed by subsection (b)(1) shall not apply to any domestic segment beginning or ending at an airport which is a qualified island airport for the calendar year in which such segment begins or ends (as the case may be).

''(B) QUALIFIED ISLAND AIRPORT.—For purposes of this paragraph, the term 'qualified island airport' means, with respect to any calendar year, any airport if—

''(i) such airport is located on an island having a population of 20,000 or less (determined under the 1990 decennial census), and

''(ii) during the second preceding calendar year—

''(I) there were 400,000 or fewer commercial passengers departing by air from such airport, and

''(II) 50 percent or more of the initial flight segments of such commercial passengers are 100 miles or less.

''(C) TICKET TAX.—In the case of any domestic segment beginning or ending at an airport which is a qualified island airport for the calendar year in which such segment begins or ends (as the case may be), subsection (a) shall be applied by substituting '10 percent' for '7.5 percent' and paragraph (6) shall not apply. A rule similar to the rule of paragraph (1)(C)(ii) shall apply for purposes of this subparagraph.''

(b) CONFORMING AMENDMENT.—Clause (i) of section 4261(e)(1)(C) of such Code is amended by striking ''Paragraph (5)'' and inserting ''Paragraph (6)''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to transportation beginning 7 days after the date of enactment of this Act.

(2) TREATMENT OF AMOUNTS PAID.—The amendments made by this section shall not apply to amounts paid before 7 days after the date of enactment of this Act.●

By Mr. CHAFEE (for himself, Mr. BAUCUS, Mr. GRASSLEY, Ms. MOSELEY-BRAUN, Mr. KERREY, and Mr. ROCKEFELLER):

S. 2543. A bill to amend the Internal Revenue Code of 1986 to impose an excise tax on persons who acquire structured settlement payments in factoring transactions, and for other purposes; to the Committee on Finance.

STRUCTURED SETTLEMENT PROTECTION ACT

● Mr. CHAFEE. Mr. President, today I am introducing legislation, together with Senators BAUCUS, GRASSLEY, MOSELEY-BRAUN, ROCKEFELLER, and KERREY of Nebraska, the Structured Settlement Protection Act. Companion legislation has been introduced in the House as H.R. 4314, cosponsored by Representative CLAY SHAW and PETE STARK and a broad bipartisan group of members of the House Ways and Means Committee.

The Act protects structured settlements and the injured victims who are the recipients of the structured settlement payments from the problems caused by a growing practice known as structured settlement factoring.

Structured settlements were developed because of the pitfalls associated with the traditional lump sum form of recovery in serious personal injury cases, where all too often a lump sum meant to last for decades or even a lifetime swiftly eroded away. Structured settlements have proven to be a very valuable tool. They provide long-term financial security in the form of an assured stream of payments to persons suffering serious, often profoundly disabling, physical injuries. These payments enable the recipients to meet ongoing medical and basic living expenses without having to resort to the social safety net.

Congress has adopted special tax rules to encourage and govern the use of structured settlements in physical injury cases. By encouraging the use of structured settlements Congress sought to shield victims and their families from pressures to prematurely dissipate their recoveries. Structured settlement payments are nonassignable. This is consistent with worker's compensation payments and various types of Federal disability payments which are also non-assignable under applicable law. In each case, this is done to preserve the injured person's long-term financial security.

I am very concerned that in recent months there has been sharp growth in so-called structured settlement factoring transactions. In these transactions, companies induce injured victims to sell off future structured settlement payments for a steeply-discounted lump sum, thereby unraveling the structured settlement and the crucial long-term financial security that it provides to the injured victim. These factoring company purchases directly contravene the intent and policy of Congress in enacting the special structured settlement tax rules. The Treasury Department shares these concerns as is evidenced with a similar proposal included in the Administration's FY 1999 budget.

Court records from across the country are shedding light on factoring company purchases of structured settlement payments from gravely-injured victims. Recent cases involve a quadriplegic in Oklahoma, a paraplegic in Texas, a person in Connecticut with traumatic brain injuries dating from childhood, and an injured worker receiving workers' compensation in Mississippi. Realizing the long-term risk being inflicted on these seriously-injured individuals, this legislation has the active support of the National Spinal Cord Injury Association, as well as the American Association of Persons With Disabilities (AAPD).

The National Spinal Cord Injury Association recently wrote to the Chairman of the Finance Committee strongly supporting the legislation. They state: ''[o]ver the past 16 years, structured settlements have proven to be an ideal method for ensuring that persons with disabilities, particularly minors, are not tempted to squander resources designed to last years or even a lifetime. That is why the National Spinal Cord Injury Association is so deeply concerned about the emergence of companies that purchase payments intended for disabled persons at drastic discount. This strikes at the heart of the security Congress intended when it created structured settlements.''

It is appropriate to address this problem through the federal tax system because these purchases directly contravene the Congressional policy reflected in the structured settlement tax rules and jeopardize the long-term financial security that Congress intended to provide for the injured victim. This problem is nationwide, and it is growing rapidly.

Accordingly, the legislation we are introducing would impose substantial penalty tax on a factoring company that purchases the structured settlement payments from the injured victim. This is a penalty, not a tax increase. Similar penalties are imposed in a variety of other contexts in the Internal Revenue Code to discourage transactions that undermine Code provisions, such as private foundation prohibited transactions and greenmail. The factoring company would pay the penalty only if it engages in the transaction that Congress has sought to discourage. An exception is provided for genuine court-approved hardship cases to protect the limited instances where a true hardship warrants the sale of a structured settlement.

This bipartisan legislation, which is supported by the Treasury Department, should be enacted as soon as possible to stem this growing nationwide problem.

Mr. President, I ask unanimous consent that the text of the bill and a summary be printed in the RECORD.

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

S. 2543

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Structured Settlement Protection Act''.

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

SEC. 2. IMPOSITION OF EXCISE TAX ON PERSONS WHO ACQUIRE STRUCTURED SETTLEMENT PAYMENTS IN FACTORING TRANSACTIONS.

Subtitle E is amended by adding at the end thereof the following new chapter:

''CHAPTER 55—STRUCTURED SETTLEMENT FACTORING TRANSACTIONS

''Sec. 5891. Structured settlement factoring transactions.

''SEC. 5891. STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

''(a) IMPOSITION OF TAX.—There is hereby imposed on any person who acquires directly or indirectly structured settlement payment rights in a structured settlement factoring transaction a tax equal to 50 percent of the factoring discount as determined under subsection (c)(4) with respect to such factoring transaction.

''(b) EXCEPTION FOR COURT-APPROVED HARDSHIP.—The tax under subsection (a) shall not apply in the case of a structured settlement factoring transaction in which the transfer of structured settlement payment rights is—

''(1) otherwise permissible under applicable law, and

''(2) undertaken pursuant to the order of the relevant court or administrative authority finding that the extraordinary, unanticipated, and imminent needs of the structured settlement recipient or the recipient's spouse or dependents render such a transfer appropriate.

''(c) DEFINITIONS.—For purposes of this section—

''(1) STRUCTURED SETTLEMENT.—The term 'structured settlement' means an arrangement—

''(A) established by—

''(i) suit or agreement for the periodic payment of damages excludable from the gross income of the recipient under section 104(a)(2), or

''(ii) agreement for the periodic payment of compensation under any workers' compensation act that is excludable from the gross income of the recipient under section 104(a)(1), and

''(B) where the periodic payments are—

''(i) of the character described in subparagraphs (A) and (B) of section 130(c)(2), and

''(ii) payable by a person who is a party to the suit or agreement or to the workers' compensation claim or by a person who has assumed the liability for such periodic payments under a qualified assignment in accordance with section 130.

''(2) STRUCTURED SETTLEMENT PAYMENT RIGHTS.—The term 'structured settlement payment rights' means rights to receive payments under a structured settlement.

''(3) STRUCTURED SETTLEMENT FACTORING TRANSACTION.—The term 'structured settlement factoring transaction' means a transfer of structured settlement payment rights (including portions of structured settlement payments) made for consideration by means of sale, assignment, pledge, or other form of encumbrance or alienation for consideration.

''(4) FACTORING DISCOUNT.—The term 'factoring discount' means an amount equal to the excess of—

''(A) the aggregate undiscounted amount of structured settlement payments being acquired in the structured settlement factoring transaction, over

''(B) the total amount actually paid by the acquirer to the person from whom such structured settlement payments are acquired.

''(5) RELEVANT COURT OR ADMINISTRATIVE AUTHORITY.—The term 'relevant court or administrative authority' means—

''(A) the court (or where applicable, the administrative authority) which had jurisdiction over the underlying action or proceeding that was resolved by means of the structured settlement, or

''(B) in the event that no action or proceeding was brought, a court (or where applicable, the administrative authority) which—

''(i) would have had jurisdiction over the claim that is the subject of the structured settlement, or

''(ii) has jurisdiction by reason of the residence of the structured settlement recipient.

''(d) COORDINATION WITH OTHER PROVISIONS.—

''(1) IN GENERAL.—In any case where the applicable requirements of sections 72, 130, and 461(h) were satisfied at the time the structured settlement was entered into, the subsequent occurrence of a structured settlement factoring transaction shall not affect the application of the provisions of such sections to the parties to the structured settlement (including an assignee under a qualified assignment under section 130) in any taxable year.

''(2) REGULATIONS.—The Secretary is authorized to prescribe such regulations as may be necessary to clarify the treatment in the event of a structured settlement factoring transaction of amounts received by the structured settlement recipient.''

SEC. 3. TAX INFORMATION REPORTING OBLIGATIONS.

Subpart B of part III of subchapter A of chapter 61 is amended by adding at the end thereof the following new section:

''SEC. 6050T. REPORTING REQUIREMENTS REGARDING STRUCTURED SETTLEMENT FACTORING TRANSACTIONS.

''(a) IN GENERAL.—In the case of a transfer of structured settlement payment rights in a structured settlement factoring transaction—

''(1) described in section 5891(b) and of which the person making the structured settlement payments has actual notice and knowledge, such person shall make such return and furnish such written statement to the acquirer of the structured settlement payment rights as would be applicable under the provisions of section 6041 (except as provided in subsection (c) of this section), or

''(2) subject to tax under section 5891(a) and of which the person making the structured settlement payments has actual notice and knowledge, such person shall make such return and furnish such written statement to the acquirer of the structured settlement payment rights at such time, and in such manner and form, as the Secretary shall by regulations prescribe.

''(b) COORDINATION WITH OTHER PROVISIONS.—The provisions of this section shall apply in lieu of any other provisions of this part to establish the reporting obligations of the person making the structured settlement payments in the event of a structured settlement factoring transaction. The provisions of section 3405 regarding withholding shall not apply to the person making the structured settlement payments in the event of a structured settlement factoring transaction.

''(c) DEFINITION.—For purposes of this section, the term 'acquirer of the structured settlement payment rights' shall include any person described in section 7701(a)(1).''

SEC. 4. EFFECTIVE DATE.

The amendments made by this Act shall be effective with respect to structured settlement factoring transactions (as defined in section 5891(c)(3) of the Internal Revenue Code of 1986, as added by this Act) occurring after the date of enactment of this Act.

SUMMARY OF THE STRUCTURED SETTLEMENT PROTECTION ACT

1. Stringent excise tax on persons who acquire structured settlement payments in factoring transactions

In its analysis of the Administration's proposal, the Joint Tax Committee notes the potential concern that in some cases the imposition of a 20-percent excise tax may result in the factoring company passing the tax along by reducing even further the already-heavily discounted lump sum paid to the injured victim for his or her structured settlement payments. The Joint Committee notes that ''[o]ne possible response to the concern relating to excessively discounted payments might be to raise the excise tax to a level that is certain to stop the transfers (perhaps 100 percent). . .'' (Joint Committee on Taxation, Description of Revenue Provisions Contained in the President's Fiscal Year 1999 Budget Proposal (JCS–4–98) (February 4, 1998), p. 223).

Factoring company purchases of structured settlement payments so directly subvert the Congressional policy underlying structured settlements and raise such serious concerns for structured settlements and the injured victims that it is appropriate to impose a more stringent excise tax against the amount of the discount reflected in the factoring transaction (subject to a limited exception described below for genuine court-approved hardships). Accordingly, the Act would impose on the factoring company that acquires structured settlement payments directly or indirectly from the injured victim an excise tax equal to 50 percent of the difference between (i) the total amount of the structured settlement payments purchased by the factoring company, and (ii) the heavily-discounted lump sum paid by the factoring company to the injured victim.

Similar to the stuff excise taxes imposed on prohibited transactions in the private foundation and pension contexts—which can range as high as 100 to 200 percent—this stringent excise tax is necessary to address the very serious public policy concerns raised by structured settlement factoring transactions.

Unlike the Administration's proposal, the excise tax imposed on the factoring company under this legislation would use a more stringent tax rate of 50 percent and would apply it to the excess of the total amount of the structured settlement payments purchased by the factoring company over the heavily-discounted lump sum paid to the injured victim.

The excise tax under the Act would apply to the factoring or structured settlements in tort cases and in workers' compensation. A structured settlement factoring transaction subject to the excise tax is broadly defined under the Act as a transfer of structured settlement payment rights (including portions of payments) made for consideration by means of sale, assignment, pledge, or other form of alienation or encumbrance for consideration.

2. Exception from excise tax for genuine, court-approved hardship

The stringent excise tax would be coupled with a limited exception for genuine, court-approved financial hardship situations. Drawing upon the hardship standard enunciated in the Treasury proposal, the excise tax would apply to factoring companies in

all structured settlement factoring transactions except those in which the transfer of structured settlement payment rights (1) is otherwise permissible under applicable Federal and State law and (2) is undertaken pursuant to the order of a court (or where applicable, an administrative authority) finding that the extraordinary, unanticipated, and imminent needs of the structured settlement recipient or his or her spouse or dependents render such a transfer appropriate.

This exception is intended to apply to the limited number of cases in which a genuinely extraordinary, unanticipated, and imminent hardship has actually arisen and been demonstrated to the satisfaction of a court (e.g., serious medical emergency for a family member). In addition, as a threshold matter, the transfer of structured settlement payment rights must be permissible under applicable law, including State law. The hardship exception under this legislation is not intended to override any Federal or State law prohibition of restriction on the transfer of the payment rights or to authorize factoring of payment rights that are not transferable under Federal or State law. For example, the States in general prohibit the factoring of workers' compensation benefits. In addition, State laws often prohibit or directly restrict transfers of recoveries in various types of personal injury cases, such as wrongful death and medical malpractice.

The relevant court for purposes of the hardship exception would be the original court which had jurisdiction over the underlying action or proceeding that was resolved by means of the structured settlement. In the event that no action had been brought prior to the settlement, the relevant court would be that which would have had jurisdiction over the claim that is the subject of the structured settlement or which would have jurisdiction by reason of the residence of the structured settlement recipient. In those limited instances in which an administrative authority adjudicates, resolves, or otherwise has primary jurisdiction over the claim (e.g., the Vaccine Injury Compensation Trust Fund), the hardship matter would be the province of that applicable administrative authority.

3. Need to protect tax treatment of original structured settlement

In the limited instances of extraordinary and unanticipated hardship determined by court order to warrant relief under the hardship exception, adverse tax consequences should not be visited upon the other parties to the original structured settlement. In addition, despite the anti-assignment provisions included in the structured settlement agreements and the applicability of a stringent excise tax on the factoring company, there may be a limited number of non-hardship factoring transactions that still go forward. If the structured settlement tax rules under I.R.C. Sections 72, 130 and 461(h) had been satisfied at the time of the structured settlement, the original tax treatment of the other parties to the settlement—i.e., the settling defendant (and its liability insurer) and the Code section 130 assignee—should not be jeopardized by a third party transaction that occurs years later and likely unbeknownst to these other parties to the original settlement.

Accordingly, the Act would clarify that if the structured settlement tax rules under I.R.C. Sections 72, 130, and 461(h) had been satisfied at the time of the structured settlement, the section 130 exclusion of the assignee, the section 461(h) deduction of the settling defendant, and the Code section 72 status of the annuity being used to fund the periodic payments would remain undisturbed. That is, the assignee's exclusion of income under Code section 130 arising from satisfaction of all of the section 130 qualified assignment rules at the time the structured settlement was entered into years earlier would not be challenged. Similarly, the settling defendant's deduction under Code section 461(h) of the amount paid to the assignee to assume the liability would not be challenged. Finally, the status under Code section 72 of the annuity being used to fund the periodic payments would remain undisturbed.

The Act provides the Secretary of the Treasury with regulatory authority to clarify the treatment of a structured settlement recipient who engages in a factoring transaction. This regulatory authority is provided to enable Treasury to address issues raised regarding the treatment of future periodic payments received by the structured settlement recipient where only a portion of the payments has been factored away, the treatment of the lump sum received in a factoring transaction qualifying for the hardship exception, and the treatment of the lump sum received in the non-hardship situation. It is intended that where the requirements of section 130 are satisfied at the time the structured settlement is entered into, the existence of the hardship exception to the excise tax under the Act shall not be construed as giving rise to any concern over constructive receipt of income by the injured victim at the time of the structured settlement.

4. Tax information reporting obligations with respect to a structured settlement factoring transaction

The Act would clarify the tax reporting obligations of the person making the structured settlement payments in the event that a structured settlement factoring transaction occurs. The Act adopts a new section of the Code that is intended to govern the payor's tax reporting obligations in the event of a factoring transaction.

In the case of a court-approved transfer of structured settlement payments of which the person making the payments has actual notice and knowledge, the fact of the transfer and the identity of the acquirer clearly will be known. Accordingly, it is appropriate for the person making the structured settlement payments to make such return and to furnish such tax information statement to the new recipient of the payments as would be applicable under the annuity information reporting procedures of Code section 6041 (e.g., form 1099–R), because the payor will have the information necessary to make such return and to furnish such statement.

Despite the anti-assignment restrictions applicable to structured settlements and the applicability of a stringent excise tax, there may be a limited number of non-hardship factoring transactions that still go forward. In these instances, if the person making the structured settlement payments has actual notice and knowledge that a structured settlement factoring transaction has taken place, the payor would be obligated to make such return and to furnish such written statement to the payment recipient at such time, and in such manner and form, as the Secretary of the Treasury shall by regulations provide. In these instances, the payor may have incomplete information regarding the factoring transaction, and hence a tailored reporting procedure under Treasury regulations is necessary.

The person making the structured settlement payments would not be subject to any tax reporting obligation if that person lacked such actual notice and knowledge of the factoring transaction. Under the Act, for purposes of the reporting obligations, the term ''acquirer of the structured settlement payment rights'' would be broadly defined to include an individual, trust, estate, partnership, company, or corporation.

The provisions of section 3405 regarding withholding would not apply to the person making the structured settlement payments in the event that a structured settlement factoring transaction occurs.

5. Effective date

The provisions of the Act would be effective with respect to structured settlement factoring transactions occurring after the date of enactment of the Act.

By Mr. FAIRCLOTH:

S. 2544. A bill to enhance homeownership through community development financial institutions; to the Committee on Banking, Housing, and Urban Affairs.

THE COMMUNITY DEVELOPMENT AND HOMEOWNERSHIP ACT OF 1998

Mr. FAIRCLOTH. Mr. President, today I introduce legislation that will allow Community Development Financial Institutions (CDFIs) and their affiliates to borrow from the Home Loan Bank System.

Since the 1930's the Home Loan Bank System has provided the nation's savings institutions with advances that can be used to make home mortgages. In 1989, the System was opened up to banks and credit unions. The Home Loan Bank System is critical for homeownership in the U.S. The Bank System has nearly 7,000 members and has outstanding nearly $181 billion in housing advances.

The membership of the system is reserved for insured institutions. My legislation, however, would permit Community Development Financial Institutions to have ''non-member'' borrowing status. This would allow approximately 200 CDFIs to borrow from the System, with the approval of their regional Home Loan Bank and on the same terms as all other members.

Mr. President, this is a small, but important step toward creating more homeownership opportunities, particularly for low income individuals. CDFIs were created for the purpose of reaching out to provide housing and economic opportunity in distressed areas. My home state of North Carolina is home to more CDFIs than any other state in the United States, except for California, New York and Illinois. North Carolina has been a leader in finding new and different ways to foster economic growth and home ownership.

Very simply, this legislation will allow CDFIs to have a source of credit to make home loans. These loans will have to meet the normal collateral requirements of any other institution that belongs to the Home Loan Bank System. Because CDFIs are chartered to target distressed communities, however, this could be an important source of credit for homeownership that might not otherwise exist. We know from experience that once an individual has a home—he or she has a stake in the community. This can help turn distressed communities into thriving communities. We have made great

progress in the last few years. Welfare rolls are at their lowest point since 1969. Homeownership is at its highest level ever. We are no longer running our federal budgets in the red. Now we can begin to take new and creative steps to continue promoting economic growth and opportunity.

I would urge my colleagues to cosponsor and support this legislation.

By Mr. HATCH (for himself, Mr. DODD, Mr. ASHCROFT, Mr. LIEBERMAN, Mr. SESSIONS, and Mr. TORRICELLI):

S. 2546. A bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes; to the Committee on the Judiciary.

THE FAIRNESS IN ASBESTOS COMPENSATION ACT OF 1998

Mr. HATCH. Mr. President, I am pleased to introduce today the ''Fairness in Asbestos Compensation Act of 1998''. With me, sponsoring this important legislation are: Senator DODD, Senator ASCROFT, Senator LIEBERMAN, Senator SESSIONS and Senator TORRICELLI.

Asbestos litigation is a national crisis. Today, state and federal courts are overwhelmed by up to 150,000 asbestos lawsuits. Over 30,000 new suits are added to the dockets annually. Unfortunately, those that are truly sick with asbestosis and various asbestos-related cancers and illnesses spend years in court before receiving any compensation, and then lose 60% of that compensation to attorneys' fees and other costs. The best available data show that on average asbestos suits take 31 months to reach resolution, compared to 18 months for other product liability suits. One cause of this extraordinary delay in compensation is the large number of lawsuits filed by those who, without any symptoms or signs of asbestos-related illness, bring suits for future medical monitoring and fear of cancer.

In a lottery-like system, juries award enormous compensation and outrageous punitive damages to non-impaired plaintiffs, while others in identical cases or with actual illness receive little or no compensation. Excessive Damage awards, along with the transaction costs associated with the lawsuits, deplete the financial resources of defendant companies and lead them to file for bankruptcy. As legal and financial resources are tied up and exhausted, it is increasingly unclear whether those who are truly inflicted with asbestos-caused diseases will be able to recover anything at all in the years ahead.

Courts have tried unsuccessfully to cope with and alleviate the problems associated with the more than half a million asbestos cases. The major parties involved attempted to compromise on a fair and equitable solution that included prompt compensation. The Third Circuit Court of Appeals overturned one such compromise, known as the Amchem or Georgine agreement, on civil procedural rule grounds but found the settlement to be ''arguably a brilliant partial solution.'' Justice Ruth Bader Ginsburg, writing for the Supreme Court, upheld the Appellate decision and stated, ''[t]he argument is sensibly made that a nationwide administrative claims processing regime would provide the most secure, fair and efficient means of compensating victims of asbestos exposure. Congress, however, has not adopted such a solution.'' The Court accurately recognized that Congress is the most appropriate body to resolve the asbestos crisis. That is what we intend to do by introducing this important legislation.

Mr. President, by virtue of the hundreds of thousands of cases that already have been litigated in the court system, the legal and scientific issues relating to asbestos litigation have been thoroughly explored and punishments have been exacted on defendant companies. Recognizing the potential dangers of asbestos exposure, we have seen asbestos consumption in the United States drop to historic lows since peak consumption in the early 1970's. These factors along with the recent court decisions demonstrate that the asbestos litigation issue is now ripe for a legislative solution.

The bill that I introduce today will correct the asbestos litigation crisis problems. It is crafted to reflect as closely as possible the original settlement agreed to by the involved parties in the Amchem settlement. This bill will eliminate the asbestos litigation burden in the courts, get fair compensation for those who currently are sick, and enable the businesses to manage their liabilities in order to ensure that compensation will be available for future claimants. It is important to note that no tax-payer money will fund this bill. It will be entirely funded by asbestos defendants.

Specifically, the bill reforms asbestos litigation in the judicial system by establishing a national claims facility to provide fair and prompt compensation for persons suffering from asbestos-associated illnesses. Eligibility for compensation will be determined by objective predetermined criteria. The legislation provides for alternative dispute resolution and allows plaintiffs who go through the system without resolving their claims through the claims facility to use the tort system. Again no taxpayer dollars will fund this facility or any part of this program.

I have carefully crafted this legislation so that it is at least as favorable—and, in many cases, more favorable—to claimants as the original Amchem settlement. As this bill makes its way through the legislative process, I look forward to working with my colleagues to further refine the language in order to achieve the maximum public benefit from this legislation.

Mr. DODD: Mr. President, I am pleased to join with my colleague, Senator HATCH, to introduce the ''Fairness in Asbestos Compensation Act of 1998.'' This legislation would expedite the provision of financial compensation to the victims of asbestos exposure by establishing a nationwide administrative system to hear and adjudicate their claims.

Mr. President, millions of American workers have been exposed to asbestos on the job. Tragically, many have contracted asbestos-related illness, which can be devastating and deadly. Others will surely become similarly afflicted. These individuals—who have or will become terribly ill due to no fault to their own—deserve swift and fair compensation to help meet the costs of health care, lost income, and other economic and non-economic losses.

Unfortunately, many victims of asbestos exposure are not receiving the efficient and just treatment they deserve from our legal system. Indeed, it can be said that the current asbestos litigation system is in a state of crisis. Today, more than 150,000 lawsuits clog the state and federal courts. In 1996 alone, more than 36,000 new suits were filed. Those who have been injured by asbestos exposure must often wait years for compensation. And when that compensation finally arrives, it is often eaten up by attorneys' fees and other transaction costs.

In the early 1990's, an effort was made to improve the management of federal asbestos litigation. Cases were consolidated, and a settlement to resolve them administratively was agreed to between defendant companies and plaintiffs' attorneys. This settlement also obtained the backing of the Building and Construction Trades Union of the AFL–CIO. Regrettably, the settlement was overturned by the Third Circuit Court of Appeals in 1996. Though the Court termed the settlement ''arguably a brilliant partial solution,'' it found that the class of people created by the settlement—namely, those exposed to asbestos—was too large and varied to be certified pursuant to Rule 23 of the Federal Rules of Civil Procedure. The Supreme Court affirmed that decision. In its decision, the Court effectively invited the Congress to provide for the existence of such a settlement as a fair and efficient way to resolve asbestos litigation claims.

Hence this bill. In simple terms, it codifies the settlement reached between companies and the representatives of workers who were exposed to asbestos on the job. It would establish a body to review claims by those who believe that they have become ill due to exposure to asbestos. It would provide workers with mediation and binding arbitration to promote the fair and swift settlement of their claims. It would allow plaintiffs to seek additional compensation if their non-malignant disease later developed into cancer. And it would limit attorneys' fees so as to ensure that a claimant receives a just portion of any settlement amount.

All in all, Mr. President, this is a good bill. I commend Senator HATCH for his leadership in crafting it. However, it is not a perfect bill. My office has received comments on the bill from representatives of a number of parties affected by asbestos litigation. I hope and expect that those comments will be given the consideration that they deserve by the Judiciary Committee and the full Senate as this legislation moves forward, as I hope it will early in the 106th Congress.

Mr. ASHCROFT. Mr. President, I rise today as a co-sponsor of the Fairness in Asbestos Compensation Act of 1998 to speak in favor of this important, bipartisan measure. I support this bill for a simple reason—it makes sense. The problems caused by the manufacture and use of asbestos are well-documented. Although some companies initially denied responsibility and fought suits to recover for asbestos-related injuries in court, the injuries associated with asbestos and the fact that manufacturers are liable for those injuries are now well-established.

The courts—both state and federal—have done an admirable job of establishing the facts and legal rules concerning asbestos. That is a job the courts do well. However, now that the basic facts and liability rules have been established, the courts are being asked simply to process claims. That is not a job the courts do particularly well. The rules governing court actions give parties rights to dispute facts that have been conclusively established in other proceedings. All the while the meter is running for the lawyers on both sides. Dollars that could go to compensate deserving victims, instead go to lawyers and court costs.

In the asbestos context, these problems are exacerbated by the finite amount of resources available to compensate victims and the fact that legal rules concerning both punitive damages and what constitutes a sufficient injury to bring suit make for jury awards that do not correspond to the seriousness of the injury. Someone filing suit because of a preliminary manifestation of a minor injury, i.e., pleural thickening, which may never lead to more severe symptoms, may receive more compensation than another person with more serious asbestos-related injuries. None of this is to suggest that it is somehow wrong for plaintiffs with a minor injury to file suit. To the contrary, some state rules concerning when injury occurs obligate plaintiffs to file suit or risk having their suit dismissed as time-barred. What is more, in light of the finite number of remaining solvent asbestos defendants, potential plaintiffs have every incentive to file suit as soon as legally permissible.

The Fairness in Asbestos Compensation Act of 1998 attempts to address these problems by establishing an administrative claims systems that aims to compensate victims of asbestos rationally and efficiently. The Act accomplishes this goal by ensuring that more serious injuries receive greater awards, by securing a compensation fund so that victims whose conditions are not yet manifest can recover in the future, and by eliminating the statute of limitations and injury rules that force plaintiffs into court prematurely. Although I wish I could claim some pride of authorship in these mechanisms, these basic features were all part of a proposed settlement worked out by representatives of both plaintiffs and defendants.

At the end of last term, the Supreme Court rejected the proposed global asbestos settlement in Amchem Products versus Windsor. The District Court had certified a settlement class under Rule 23 that included extensive medical and compensation criteria that both plaintiffs and defendants had accepted. The Supreme Court ruled that this type of global, nationwide settlement of tort claims brought under fifty different state laws could not be sustained under Rule 23. The Court recognized that such a global settlement would conserve judicial resources and likely would promote the public interest. Nonetheless, the Court concluded that Rule 23 was too thin a reed to support this massive settlement, and that if the parties desired a nationwide settlement they needed to direct their attention to the Congress, rather than the Courts.

I believe the Supreme Court was right on both counts—the proposed settlement criteria were in the public interest, but the proposed class simply could not be sustained under Rule 23. The Rules Enabling Act and the inherent limits on the power of federal courts preclude an interpretation of Rule 23 that would result in a federal court overriding or homogenizing varying state laws. However, as the Supreme Court pointed out, Congress has the power to do directly what the courts lack the power to do through a strained interpretation of Rule 23.

This bill takes up the challenge of the Supreme Court and addresses the tragic problem of asbestos. The bill incorporates the medical and compensation criteria agreed to by the parties in the Amchem settlement and employs them as the basis for a legislative settlement. In the simplest terms, the legislation proposes an administrative claims process to compensate individuals injured by asbestos as a substitute for the tort system (although individuals retain an ability to opt-in to the tort system at the back end). The net effect of this legislation should be to funnel a greater percentage of the pool of limited resources to injured plaintiffs, rather than to lawyers for plaintiffs and defendants.

I want to be clear, however, that I am not here to suggest that this is a perfect bill. This bill represents a complex solution to a complex problem. A number of groups will be affected by this legislation, and it may be necessary to make changes to make sure that no one is unfairly disadvantaged by this legislation. But that said, I am confident that we can make any needed changes. We have a bipartisan group of Senators who have agreed to cosponsor this legislation, and the bill represents a sufficient improvement in efficiency over the existing litigation quagmire that there should be ample room to work out any differences.

Finally, let me also note that this bill also plays a minor, but important role in preserving a proper balance in the separation of powers. I have been a strong and consistent critic of judicial activism. Judges who make legal rules out of whole cloth in the absence of constitutional or statutory text damage the standing of the judiciary and our constitutional structure. On the other hand, when judges issue opinions in which they recognize that the outcome sought by the parties might well be in the public interest, but nonetheless is not supported by the existing law, they reinforce the proper, limited role of the judiciary. Too often, federal judges are tempted to reach the result they favor as a policy matter without regard to the law. When judges succumb to that temptation, they are justly criticized. But when they resist that temptation, their self-restraint should be recognized and applauded. The Court in Amchem rightly recognized a problem that the judiciary acting alone could not solve. By offering a legislative solution to that problem the bill provides the proper incentives for courts to be restrained and reinforces the proper roles of Congress and the judiciary.

In short, this bill provides a proper legislative solution to the asbestos litigation problem. It ensures that in an area in which extensive litigation has already established facts and assigned responsibility, scarce dollars compensate victims, not lawyers. I want to thank Chairman HATCH for his leadership on this issue and to thank my cosponsors for their work on the bill. I look forward to working with them to ensure final passage of this legislation. The courts have completed their proper role in ascertaining facts and liability. It is time for Congress to step in to provide a better mechanism to direct scarce resources to deserving victims.

Mr. LIEBERMAN. Mr. President, I want to thank Senator HATCH for introducing this important legislation, which I am pleased to co-sponsor with him and Senators DODD, ASHCROFT, SESSIONS, and TORRICELLI. As Senator HATCH already has explained, this bill addresses an issue—asbestos litigation—that has clogged the federal and state courts for some time now. Due to the huge number of these cases and the massive verdicts they often yield, it is unclear whether those who have been exposed to asbestos, but have not yet become sick, will be able to gain full compensation for their injuries should they become sick in the future.

To address these concerns, and respond to calls from the courts and others for creating an alternative mechanism for resolving these disputes outside of the court system, a settlement was reached several years ago that, among other things, would have created an alternative claims resolution system for dealing with certain asbestos claims. Unfortunately, despite the desire of representatives of the interested parties—both victims and defendants—to enter into this settlement, and despite the trial court's belief that the settlement was fair, the Supreme Court voided it. The Supreme Court acted, however, not because it believed that the settlement was in any respect unfair, but instead because it concluded that only Congress has the authority to sanction such a settlement.

That is the goal of this goal—for Congress to step up to the plate and authorize a solution to the asbestos litigation problem that will ensure that all those who become sick from asbestos are fairly and efficiently compensated, as contemplated by the parties' earlier settlement. Because I believe this is a problem crying out for Congressional action, and because I believe the settlement reached by the parties was a fair one, I am supporting the bill.

With that said, I understand that representatives of some of those exposed to asbestos who supported the settlement are not currently supporting this proposed legislation. Because I firmly believe that this should go forward as a consensus bill, I remain open to supporting any reasonable changes that would be required to gain the support of all parties with an interest in asbestos litigation. I am hopeful that we can gain their support and move forward with and pass this legislation.

By Mr. ROBB:

S. 2547. A bill to amend title 38, United States Code, to authorize the memorialization at the columbarium at Arlington National Cemetery of veterans who have donated their remains to science, and for other purposes; to the Committee on Veterans' Affairs.

TO MEMORIALIZE VETERANS AT ARLINGTON NATIONAL CEMETERY WHO DONATE THEIR ORGANS

● Mr. ROBB. Mr. President, several months ago, one of my constituents, Ms. Llewellyn Hedgbeth of Arlington, Virginia, contacted my office to request my intervention in a matter which has brought considerable anguish and frustration to her family.

It so happened that Ms. Hedgbeth's father, Mr. Roger A. Hedgbeth, Sr., a decorated veteran of World War II, and a career civil servant, had recently passed away. Before his death, however, he made two simple requests: one, that his body be donated to science, and two, that his ashes be placed at Arlington National Cemetery. His widow, now 71, honored the first of those wishes. But in honoring the one, it seemed that the second was precluded.

The Hedgbeths learned that due to various legal concerns, no ashes of organ donors who donate their bodies to science are returned to the respective families of these donors. This situation presented an insurmountable obstacle for the Hedgbeth family who were informed by a regretful staff at Arlington National Cemetery, that current regulations prohibit memorializing veterans in the Columbarium unless their remains were actually inurned there.

While I can appreciate that limited space at Arlington has necessitated adherence to strict guidelines for burial and memorialization, I cannot see the virtue in denying appropriate recognition for an entitled veteran simply because he has donated his remains to science. In fact, I would like to encourage more veterans to do just that.

All of us recognize the great need for viable remains for both transplantation and for medical study. Mr. Roger Hedgbeth and other veterans who make this courageous commitment should be suitably recognized and their loved ones should know that a grateful nation has made a place for them at one of our country's most sacred memorials.

With that said, I submit this bill which seeks to modify current regulations to allow otherwise qualified veterans, who have donated their remains to science, to be memorialized at the Columbarium in Arlington National Cemetery, not withstanding the absence of their cremated remains.

Mr. President, I salute these veterans and their devoted families, and 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. 2547

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

SECTION 1. MEMORIALIZATION AT COLUMBARIUM AT ARLINGTON NATIONAL CEMETERY OF VETERANS WHO HAVE DONATED THEIR REMAINS TO SCIENCE.

(a) AUTHORITY TO MEMORIALIZE.—(1) Chapter 24 of title 38, United States Code, is amended by adding at the end the following:

"§ 2412. Arlington National Cemetery: memorialization at columbarium of veterans who have donated their remains to science

''The Secretary of the Army may honor, by marker or other appropriate means at the columbarium at Arlington National Cemetery, the memory of any veteran eligible for inurnment in the columbarium whose cremated remains cannot be inurned in the columbarium as a result of the donation of the veteran's organs or remains for medical or scientific purposes.''.

(2) The table of sections at the beginning of that chapter is amended by adding at the end the following:

''2412. Arlington National Cemetery: memorialization at columbarium of veterans who have donated their remains to science.''.

(b) APPLICABILITY.—Section 2412 of title 38, United States Code, as added by subsection (a), shall apply to veterans who die on or after January 1, 1996.●

ADDITIONAL COSPONSORS

S. 982

At the request of Mr. MCCONNELL, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 982, a bill to provide for the protection of the flag of the United States and free speech, and for other purposes.

S. 1529

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. DASCHLE) was added as a cosponsor of S. 1529, a bill to enhance Federal enforcement of hate crimes, and for other purposes.

S. 1855

At the request of Mr. WYDEN, the name of the Senator from Minnesota (Mr. GRAMS) was added as a cosponsor of S. 1855, a bill to require the Occupational Safety and Health Administration to recognize that electronic forms of providing MSDSs provide the same level of access to information as paper copies.

S. 1868

At the request of Mr. HAGEL, his name was withdrawn as a cosponsor of S. 1868, a bill to express United States foreign policy with respect to, and to strengthen United States advocacy on behalf of, individuals persecuted for their faith worldwide; to authorize United States actions in response to religious persecution worldwide; to establish an Ambassador at Large on International Religious Freedom within the Department of State, a Commission on International Religious Persecution, and a Special Adviser on International Religious Freedom within the National Security Council; and for other purposes.

S. 2217

At the request of Mr. FRIST, the names of the Senator from Georgia (Mr. COVERDELL) and the Senator from Virginia (Mr. ROBB) were added as cosponsors of S. 2217, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 2230

At the request of Mr. CHAFEE, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2230, a bill to amend the Internal Revenue Code of 1986 to extend the work opportunity tax credit for 3 additional years.

S. 2283

At the request of Mr. DEWINE, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 2283, a bill to support sustainable and broad-based agricultural and rural development in sub-Saharan Africa, and for other purposes.

S. 2296

At the request of Mr. MACK, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 2296, a bill to amend the Internal Revenue Code of 1986 to repeal the limitation on the amount of receipts attributable to military property which