Phonograms Treaty, and a ''no reservations'' provision, such as that contained in Article 22 of the Copyright Treaty, have the effect of inhibiting the Senate in its exercise of its constitutional duty to give advice and consent to ratification of a treaty, and the Senate's approval of these treaties should not be construed as a precedent for acquiescence to future treaties containing such provisions.

(2) TREATY INTERPRETATION.—The Senate affirms the applicability to all treaties of the constitutionally based principles of treaty interpretation set forth in Condition (1) of the resolution of ratification of the INF Treaty, approved by the Senate on May 27, 1988, and Condition (8) of the resolution of ratification of the Document Agreed Among the States Parties to the Treaty on Conventional Armed Forces in Europe, approved by the Senate on May 14, 1997.

(c) PROVISOS.—The advice and consent of the Senate is subject to the following provisos:

(1) CONDITION FOR RATIFICATION.—The United States shall not deposit the instruments of ratification for these Treaties until such time as the President signs into law a bill that implements the Treaties, and that shall include clarifications to United States law regarding infringement liability for online service providers, such as contained in H.R. 2281.

(2) REPORT.—On October 1, 1999, and annually thereafter for five years, unless extended by an Act of Congress, the President shall submit to the Committee on Foreign Relations of the Senate, and the Speaker of the House of Representatives, a report that sets out:

(A) RATIFICATION.—A list of the countries that have ratified the Treaties, the dates of ratification and entry into force for each country, and a detailed account of U.S. efforts to encourage other nations that are signatories to the Treaties to ratify and implement them.

(B) DOMESTIC LEGISLATION IMPLEMENTING THE CONVENTION.—A description of the domestic laws enacted by each Party to the Treaties that implement commitments under the Treaties, and an assessment of the compatibility of the laws of each country with the requirements of the Treaties.

(C) ENFORCEMENT.—An assessment of the measures taken by each Party to fulfill its obligations under the Treaties, and to advance its object and purpose, during the previous year. This shall include an assessment of the enforcement by each Party of its domestic laws implementing the obligations of the Treaties, including its efforts to:

(i) investigate and prosecute cases of piracy;

(ii) provide sufficient resources to enforce its obligations under the Treaties;

(iii) provide adequate and effective legal remedies against circumvention of effective technological measures that are used by copyright owners in connection with the exercise of their rights under the Treaties or the Berne Convention and that restrict acts, in respect of their works, which are not authorized by the copyright owners concerned or permitted by law.

(D) FUTURE NEGOTIATIONS.—A description of the future work of the Parties to the Treaties, including work on any new treaties related to copyright or phonogram protection.

(E) EXPANDED MEMBERSHIP.—A description of U.S. efforts to encourage other non-signatory countries to sign, ratify, implement, and enforce the Treaties, including efforts to encourage the clarification of laws regarding Internet service provider liability.

(3) SUPREMACY OF THE CONSTITUTION.—Nothing in the Convention requires or authorizes legislation or other action by the United States of America that is prohibited by the Constitution of the United States as interpreted by the United States.

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. DORGAN:

S. 2629. A bill to amend the Internal Revenue Code of 1986 to provide an investment credit to promote the availability of jet aircraft to underserved communities, to reduce the passenger tax rate on rural domestic flight segments, and for other purposes; to the Committee on Finance.

By Mr. MACK:

S. 2630. A bill to amend the Internal Revenue Code of 1986 to provide a special rule regarding allocation of interest expense of qualified infrastructure indebtedness of taxpayers; to the Committee on Finance.

By Mr. JOHNSON:

S. 2631. A bill to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made; to the Committee on Commerce, Science, and Transportation.

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 2632. A bill for the relief of Thomas J. Sansone, Jr; to the Committee on Labor and Human Resources.

By Mr. FRIST:

S. 2633. A bill to amend the Internal Revenue Code of 1986 to allow registered venders to administer claims for refund of kerosene sold for home heating use; to the Committee on Finance.

By Mr. ASHCROFT:

S. 2634. A bill to require reports on travel of Executive branch officers and employees to international conferences, and for other purposes; to the Committee on Governmental Affairs.

By Mr. GREGG (for himself and Mr. BREAUX):

S. 2635. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings for the 21st century; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 299. A resolution to authorize testimony and representation in BCCI Holdings (Luxembourg), S.A., et al. v. Abdul Raouf Hasan Kahlil, et al; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. DORGAN:

S. 2629. A bill to amend the Internal Revenue Code of 1986 to provide an investment credit to promote the availability of jet aircraft to underserved communities, to reduce the passenger tax rate on rural domestic flight segments, and for other purposes; to the Committee on Finance.

REGIONAL JET INVESTMENT TAX CREDIT

● Mr. DORGAN. Mr. President, today I am introducing legislation to help bring much-needed regional jet service to underserved communities. This legislation is designed to help restore air service to underserved communities and to stimulate airline competition by offering an investment tax credit to new entrant carriers to provide regional jet service to underserved markets. My bill also significantly reduces the current airline ticket tax on passengers flying in and out of rural America. Together, these tax incentives will encourage new entrants to enter thinner rural markets.

This legislation has two objectives: (A) incentivize the purchase and deployment of regional jets for underserved markets; and (B) stimulate competition in rural areas by providing financial incentives for new entrants to serve underserved markets with regional jets. Using tax credits is a fair and effective means to accomplish these goals.

Most small communities have not benefitted from airline deregulation. In fact, airline deregulation has been a steady decline for much of rural America. Since 1978, when the Congress deregulated the airline industry, more than 30 small communities have had jet service replaced with turbo prop service; out of the 320 small communities served by a major airline in 1978 declined from 213 to 33 by 1995; and the number of small communities receiving service to only one major hub airport nearly doubled, increasing from 79 in 1978 to 174 in 1995.

Countless studies from the General Accounting Office and the U.S. Department of Transportation have documented that as the airline industry grows more and more concentrated under deregulation, small rural communities are being left behind with less service and higher fares. Several GAO studies have pointed to the correlation between industry concentration and higher air fares and that small rural communities are being hit especially hard as a result of the chilling of competition in the industry. In 1990, the GAO identified several market barriers thwarting the emergence of competition. In 1996, the GAO found that not only do the same problems continue to exist, but have gotten worse.

In the present deregulated environment, small rural communities see very little to give them hope that air service will improve. The advent of regional jets holds some promise, but most RJs are presently being purchased by the major carriers who are using them to serve high density markets. Thus, if air service to rural America is going to be revitalized, we must find a way to incentivize the deployment of regional jets in underserved markets.

Last August, Northwest Airlines had a pilot strike and therefore a shutdown of their airline service. That might not have meant much to some. In some airports, Northwest was one of a number of carriers that was serving certain airports and serving passengers. But in

North Dakota, the State which I represent, Northwest Airlines was the only airline providing jet service to my State. That is a very different picture than the last time we had an airline strike, which was over 25 years ago.

Nearly a quarter of a century ago when Northwest had another strike and a shutdown prior to deregulation of the airlines, we had five different airline companies flying jets into the State of North Dakota. At roughly the same time, we had folks in Congress saying: ''What we really need to do is foster competition. We need to deregulate the airline industry.'' Thus, Congress deregulated the airline industry about 20 years ago. I wasn't here at the time, but the results for North Dakota was that we went from five jet carriers to one and we pay some of the highest fares of anywhere in the country.

All those folks who swallowed the goal to deregulation in order to stimulate competition are now choking on the word ''competition.'' Today, stimulating competition is likened to re-regulation. What a twist. But, the fact is that competition is more the exception than the rule.

If you live in Chicago and you are flying to New York or Los Angeles, God bless you, because you are going to have a lot of carriers to choose from and you are going to find very inexpensive ticket prices. You have a choice of carriers and ticket prices that are very attractive to you. You live in a city with millions and millions of people and you want to fly to another city with millions and millions of people. This is not an awfully bad deal for you; more choices and low fares. But if you get beyond those cities and ask how has this airline deregulation affected other Americans, what you will find is less selection, fewer choices, and higher prices.

North Dakota is just one example, and the recent shutdown of our state's only jet carrier highlighted the problem. When the strike was called and the airline shut down, just like that, an entire State lost all of its jet service.

A complete shutdown of all jet service chokes the economy very quickly. People can't move in and out. Now, I happen to think Northwest is a good carrier. I believe the same about all the major carriers. Most of them are well-run, good companies.

What I do not admire is what they have done by retreating into regional monopolies—dominating the access points of our Nation's air transportation system. The major carriers have retreated into fortress hubs where one airline controls 60 or 70 or 80 percent of all the traffic at a major hub airport. With that level of market dominance, does anyone believe that another carrier is going to be able to come in and take them on? Competition is not flourishing. It's dying. This is not a free market—new entrants cannot access these dominated hubs and the result is that we now have regional monopolies without any regulation.

What sense does that make, to have monopolies without regulation? The minute I say ''regulation,'' we have people here having apoplectic seizures on the floor of the Senate. Oh, Lord, we cannot talk about ''regulation!'' I am not standing here today talking about regulation and I am not suggesting to re-regulate the airlines. All I want to do is see if we can provide some sort of industrial-strength vitamin B–12 shot right in the rump of those airlines to see if we cannot get them competing again. How do we do that? We do it by creating the conditions that require competition. This legislation is one attempt to do just that.

In order to encourage new startup regional jet service, I am proposing a 10 percent investment tax credit for regional jet purchases. That is, those startup companies that want to begin regional jet service to fly these new regional jets between certain cities and hubs that are not now served with regional jet service, we would say to them that we will help with a 10 percent investment tax credit on the purchase or lease of those regional jets. We will help because we want to provide incentives for the establishment of regional jet service once again in our country.

Under this legislation, qualifying carriers would be eligible for an investment tax credit—up to ten percent of the purchase or lease price—of regional jet aircraft that are used primarily to serve under-served markets. To receive the investment tax credit, an air carrier must have less than $10 billion annual revenue passenger miles and the aircraft for which the tax credit applies must be used primarily (over 50% of its flight segments) to serve underserved markets for 5 years. An under-served market is defined as a community served by an airport with fewer than 60,000 annual emplanements.

The investment tax credit would be offset by closing a corporate tax loophole regarding the deductible liquidating distributions or regulated investment companies and real estate investment trusts. The remaining revenue available from the offset would be used to reduce the airline ticket tax for the domestic segment serving a rural airport.

Under current law, an 8 percent *ad velorem* tax is imposed on all domestic flights, plus a $2 flight segment tax. Beginning in fiscal year 1999, the *ad velorem* tax is reduced to 7.5 percent and the flight segment tax is increased to $2.25. In subsequent years, the *ad velorem* tax remains at 7.5 percent while the flight segment tax increases $0.25 per year through 2003 at which point is capped at $3.00 per flight segment. Current law provides that the flight segment tax is not imposed on domestic flights to and from rural airports, which are defined as an airport with fewer than 100,000 passenger departures and is not located within 75 miles of another airport (that has fewer than 100,000 passenger departures) or is receiving EAS subsidies. Under this legislation, the 7.5 percent *ad velorem* tax on domestic flights to rural airports would be reduced in proportion to the amount remaining from the revenue offset after the regional jet aircraft investment tax credit has been provided.

It is targeted, it makes good sense, and it will stimulate investment in an activity that this country that very much needs more competition. The so-called free market is clogged—a kind of an airline cholesterol here that clogs up the arteries, and they say, ''This is the way we work, these are our hubs, these are out spokes, and you cannot mess with them.''

My legislation simply says we would like to assist areas that no longer have jet service but could support it. We would like to encourage companies that decide they want to come in and serve there to be able to purchase the regional jets and be able to initiate that kind of service.

My legislation has a second provision which reduces the airline ticket tax for certain qualified flights in rural America. This proposal also has a revenue offset so it would not be a net loser for the Federal budget.

We are not in a situation in rural areas of this country where we can just sit back and say what is going to happen to us is going to happen to us and there is nothing we can do about it. There are some, I suppose, who sit around and wring their hands and gnash their teeth and fret and sweat and say, ''I really cannot alter things very much, this is the way it is.''

The way it is not satisfactory to the people of my State. It is not satisfactory to have only one jet carrier serving our entire State. Our State's transportation services and airline service, especially jet airline service, is an essential transportation service. It ought not be held hostage by labor problems or other problems of one jet carrier. We must have competition. If all of those in this Chamber who mean what they say when they talk about competition will weigh in here and say, ''Let's stand for competition, let's stand for the free market, let's try to help new starts, let's breed opportunities for broader based economic ownership and more competition in the airline industry,'' then I think we will have done something important and useful and good for States like mine and for many other rural States in this country.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the RECORD.

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

S. 2627

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

SECTION 1. TAX CREDIT FOR REGIONAL JET AIRCRAFT SERVING UNDERSERVED COMMUNITIES.

(a) ALLOWANCE OF CREDIT.—

(1) IN GENERAL.—Section 46 of the Internal Revenue Code of 1986 (relating to amount of

credit) is amended by striking ''and'' at the end of paragraph (2), by striking the period at the end of paragraph (3) and inserting '', and'', and by inserting after paragraph (3) the following new paragraph:

''(4) in the case of an eligible small air carrier, the underserved community jet access credit.''

(2) UNDERSERVED COMMUNITY JET ACCESS CREDIT.—Section 48 of such Code (relating to the energy credit and the reforestation credit) is amended by adding after subsection (b) the following new subsection:

''(c) UNDERSERVED COMMUNITY JET ACCESS CREDIT.—

''(1) IN GENERAL.—For purposes of section 46, the underserved community jet access credit of an eligible small air carrier for any taxable year is an amount equal to 10 percent of the qualified investment in any qualified regional jet aircraft.

''(2) ELIGIBLE SMALL AIR CARRIER.—For purposes of this subsection and section 46—

''(A) IN GENERAL.—The term 'eligible small air carrier' means, with respect to any qualified regional jet aircraft, an air carrier—

''(i) to which part 121 of title 14, Code of Federal Regulations, applies, and

''(ii) which has less than 10,000,000,000 (10 billion) revenue passenger miles for the calendar year preceding the calendar year in which such aircraft is originally placed in service.

''(B) AIR CARRIER.—The term 'air carrier' means any air carrier holding a certificate of public convenience and necessity issued by the Secretary of Transportation under section 41102 of title 49, United States Code.

''(C) START-UP CARRIERS.—If an air carrier has not been in operation during the entire calendar year described in subparagraph (A)(ii), the determination under such subparagraph shall be made on the basis of a reasonable estimate of revenue passenger miles for its first full calendar year of operation.

''(D) AGGREGATION.—All air carriers which are treated as 1 employer under section 52 shall be treated as 1 person for purposes of subparagraph (A)(ii).

''(3) QUALIFIED REGIONAL JET AIRCRAFT.—For purposes of this subsection, the term 'qualified regional jet aircraft' means a civil aircraft—

''(A) which is originally placed in service by the taxpayer,

''(B) which is powered by jet propulsion and is designed to have a maximum passenger seating capacity of not less than 30 passengers and not more than 100 passengers, and

''(C) at least 50 percent of the flight segments of which during any 12-month period beginning on or after the date the aircraft is originally placed in service are between a hub airport (as defined in section 41731(a)(3) of title 49, United States Code, and an underserved airport.

''(4) UNDERSERVED AIRPORT.—The term 'underserved airport' means, with respect to any qualified regional jet aircraft, an airport which for the calendar year preceding the calendar year in which such aircraft is originally placed in service had less than 600,000 enplanements.

''(5) QUALIFIED INVESTMENT.—For purposes of paragraph (1), the term 'qualified investment' means, with respect to any taxable year, the basis of any qualified regional jet aircraft placed in service by the taxpayer during such taxable year.

''(6) QUALIFIED PROGRESS EXPENDITURES.—

''(A) INCREASE IN QUALIFIED INVESTMENT.—In the case of a taxpayer who has made an election under subparagraph (E), the amount of the qualified investment of such taxpayer for the taxable year (determined under paragraph (5) without regard to this subsection) shall be increased by an amount equal to the aggregate of each qualified progress expenditure for the taxable year with respect to progress expenditure property.

''(B) PROGRESS EXPENDITURE PROPERTY DEFINED.—For purposes of this paragraph, the term 'progress expenditure property' means any property which is being constructed for the taxpayer and which it is reasonable to believe will qualify as a qualified regional jet aircraft of the taxpayer when it is placed in service.

''(C) QUALIFIED PROGRESS EXPENDITURES DEFINED.—For purposes of this paragraph, the term 'qualified progress expenditures' means the amount paid during the taxable year to another person for the construction of such property.

''(D) ONLY CONSTRUCTION OF AIRCRAFT TO BE TAKEN INTO ACCOUNT.—Construction shall be taken into account only if, for purposes of this subpart, expenditures therefor are properly chargeable to capital account with respect to the qualified regional jet aircraft.

''(E) ELECTION.—An election under this paragraph may be made at such time and in such manner as the Secretary may by regulations prescribe. Such an election shall apply to the taxable year for which made and to all subsequent taxable years. Such an election, once made, may not be revoked except with the consent of the Secretary.

''(7) COORDINATION WITH OTHER CREDITS.—This subsection shall not apply to any property with respect to which the energy credit or the rehabilitation credit is allowed unless the taxpayer elects to waive the application of such credits to such property.

''(8) SPECIAL LEASE RULES.—For purposes of section 50(d)(5), section 48(d) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall be applied for purposes of this section without regard to paragraph (4)(B) thereof (relating to short-term leases of property with class life of under 14 years).

''(9) APPLICATION.—This subsection shall apply to periods after the date of the enactment of this subsection and before January 1, 2009, under rules similar to the rules of section 48(m) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).''

(3) RECAPTURE.—Section 50(a) of such Code (relating to recapture in the case of dispositions, etc.) is amended by adding at the end the following new paragraph:

''(6) SPECIAL RULES FOR AIRCRAFT CREDIT.—

''(A) IN GENERAL.—For purposes of determining whether a qualified regional jet aircraft ceases to be investment credit property, an airport which was an underserved airport as of the date such aircraft was originally placed in service shall continue to be treated as an underserved airport during any period this subsection applies to the aircraft.

''(B) PROPERTY CEASES TO QUALIFY FOR PROGRESS EXPENDITURES.—Rules similar to the rules of paragraph (2) shall apply in the case of qualified progress expenditures for a qualified regional jet aircraft under section 48(c).''

(4) TECHNICAL AMENDMENTS.—

(A) Subparagraph (C) of section 49(a)(1) of such Code is amended by striking ''and'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting '', and'', and by adding at the end the following new clause:

''(iv) the portion of the basis of any qualified regional jet aircraft attributable to any qualified investment (as defined by section 48(c)(5)).''

(B) Paragraph (4) of section 50(a) of such Code is amended by striking ''and (2)'' and inserting '', (2), and (6)''.

(C)(i) The section heading for section 48 of such Code is amended to read as follows:

''SEC. 48. OTHER CREDITS.''

(ii) The table of sections for subpart E of part IV of subchapter A of chapter 1 of such Code is amended by striking the item relating to section 48 and inserting the following new item:

''Sec. 48. Other credits.''

(5) EFFECTIVE DATE.—The amendments made by this subsection shall apply to periods after the date of the enactment of this Act, under rules similar to the rules of section 48(m) of the Internal Revenue Code of 1986 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990.

(b) REDUCED PASSENGER TAX RATE ON RURAL DOMESTIC FLIGHT SEGMENTS.—Section 4261(e)(1)(C) of such Code (relating to segments to and from rural airports) is amended to read as follows:

''(C) REDUCTION IN GENERAL TAX RATE.—

''(i) IN GENERAL.—The tax imposed by subsection (a) shall apply to any domestic segment beginning or ending at an airport which is a rural airport for the calendar year in which such segment begins or ends (as the case may be) at the rate determined by the Secretary under clause (ii) for such year in lieu of the rate otherwise applicable under subsection (a).

''(ii) DETERMINATION OF RATE.—The rate determined by the Secretary under this clause for each calendar year shall equal the rate of tax otherwise applicable under subsection (a) reduced by an amount which reflects the net amount of the increase in revenues to the Treasury for such year resulting from the amendments made by subsections (a) and (c) of section ___ of the Wendell H. Ford National Air Transportation System Improvement Act of 1998.

''(iii) TRANSPORTATION INVOLVING MULTIPLE SEGMENTS.—In the case of transportation involving more than 1 domestic segment at least 1 of which does not begin or end at a rural airport, the rate applicable by reason of clause (i) shall be applied by taking into account only an amount which bears the same ratio to the amount paid for such transportation as the number of specified miles in domestic segments which begin or end at a rural airport bears to the total number of specified miles in such transportation.''.

(c) TREATMENT OF CERTAIN DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—

(1) IN GENERAL.—Section 332 of the Internal Revenue Code of 1986 (relating to complete liquidations of subsidiaries) is amended by adding at the end the following new subsection:

''(c) DEDUCTIBLE LIQUIDATING DISTRIBUTIONS OF REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS.—If a corporation receives a distribution from a regulated investment company or a real estate investment trust which is considered under subsection (b) as being in complete liquidation of such company or trust, then, notwithstanding any other provision of this chapter, such corporation shall recognize and treat as a dividend from such company or trust an amount equal to the deduction for dividends paid allowable to such company or trust by reason of such distribution.''.

(2) CONFORMING AMENDMENTS.—

(A) The material preceding paragraph (1) of section 332(b) of such Code is amended by striking ''subsection (a)'' and inserting ''this section''.

(B) Paragraph (1) of section 334(b) of such Code is amended by striking ''section 332(a)'' and inserting ''section 332''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to distributions after May 21, 1998.●

By Mr. MACK:

S. 2630. A bill to amend the Internal Revenue Code of 1986 to provide a special rule regarding allocation of interest expense of qualified infrastructure indebtedness of taxpayers; to the Committee on Finance.

TAX LEGISLATION

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

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

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

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

As the allocation rules increase the double-taxation of foreign income by reducing foreign tax credits, they also increase domestic taxation by shifting interest deductions from U.S. to foreign operations. The unfairness of this misallocation is magnified by the fact that interest expenses are usually associated with domestically-regulated debt, which is tied to domestic production and is not as fungible as the tax code assumes.

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

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

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

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

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

S. 2630

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

SECTION 1. TREATMENT OF INTEREST EXPENSE OF QUALIFIED INFRASTRUCTURE INDEBTEDNESS.

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

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

''(A) IN GENERAL.—Interest expense attributable to qualified infrastructure indebtedness of a taxpayer shall be allocated and apportioned solely to sources within the United States and the taxpayer's assets (whether or not held in the United States) shall be reduced by the amount of qualified infrastructure indebtedness.

''(B) QUALIFIED INFRASTRUCTURE INDEBTEDNESS.—

''(i) IN GENERAL.—For purposes of this paragraph, the term 'qualified infrastructure indebtedness' means debt incurred to carry on, or to acquire, build, or finance property used predominantly in, the trade or business of the furnishing or sale of electrical energy or natural gas in the United States. The determination of whether debt constitutes qualified infrastructure indebtedness under the previous sentence shall be made at the time the debt is incurred.

''(ii) REQUIRED RATE REGULATION.—The rates for the furnishing or sale of electrical energy or natural gas by a trade or business under clause (i) must be established or approved by—

''(I) the District of Columbia or a State or political subdivision thereof,

''(II) any agency or instrumentality of the United States, or

''(III) a public service or public utility commission or other similar body of the District of Columbia or of any State or political subdivision thereof.

''(iii) LIMITATION.—If the rate regulation under clause (ii) applies only to a portion of the trade or business of the furnishing or sale of electrical energy or natural gas, the debt incurred to carry on, or to acquire, build, or finance property used in, such trade or business shall constitute qualified infrastructure indebtedness only to the extent that the ratio of the total outstanding qualified infrastructure indebtedness with respect to such trade or business (including such debt) to the total outstanding indebtedness with respect to such trade or business does not exceed the ratio of the assets used in the portion of the trade or business that is subject to such rate regulation to the total assets used in such trade or business. For purposes of the determination under the preceding sentence, assets shall be measured using book value for taxation purposes unless the taxpayer makes an election to use fair market value. Such election shall apply to the taxable year for which the election is made and all subsequent taxable years unless revoked with the consent of the Secretary.''

(b) EFFECTIVE DATE.—

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

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

By Mr. JOHNSON:

S. 2631. A bill to establish a toll free number in the Department of Commerce to assist consumers in determining if products are American-made; to the Committee on Commerce, Science, and Transportation.

MADE IN AMERICA CONSUMER HOTLINE LEGISLATION

● Mr. JOHNSON. Mr. President, today I introduce common-sense legislation which will greatly benefit America's manufacturers and consumers. My colleague, Senator DEWINE of Ohio, is joining me as an original cosponsor of this bill. The ''Made In America'' Consumer Hotline bill will establish a toll free number in the Department of Commerce to assist consumers in determining whether the products they buy are American-made. The House has passed this legislation and I urge my colleagues to move this bill swiftly in our remaining days of the Congress.

As the world economy becomes more inter-related, determining to what extent a product is ''Made in America'' is increasingly difficult for American consumers. We have come to expect access to information about so many of the products and services we rely on every day, information to help us make decisions about what's best for our families, our communities and our economy. With auto parts, computers, clothing, or appliances, American consumers know that the ''Made in America'' designation on products represents quality, reliability, and value.

This legislation would establish a pilot program for the operation of a three-year, toll-free number to assist consumers in determining what products are ''Made in America.'' This legislation will have no cost to American taxpayers. Instead, fees collected from manufacturers who voluntarily choose to register their product will fully fund the toll-free line. In the past, I cosponsored this hotline legislation in the House and I applaud my House colleagues for passing this bill.

Providing consumers access to accurate and reliable information on the content of the products they buy is common-sense legislation that is long overdue. Some may object to the creation of such an information hotline as a protectionist endeavor. On the contrary, I believe there is nothing more conducive to fair trade than providing consumers the freedom to decide what product is best for them. This legislation is not about telling consumers what to buy, it's about providing consumers the resources they need to make their own decisions.

I have worked hard to advance the issue of freedom of information on country of origin labeling, but we need to do more to facilitate consumer access to information. As you and I know, we can easily determine which country manufactured the automobiles we drive. We trust the tags on our shirts or trousers and we can see where our computers, stereos, and telephones were made by simply looking at the products' label. But many areas remain void of information on product origin. For example, when we go to the grocery store to purchase meat products for our families to eat, we have no idea where that meat originated.

Throughout my service in the United States Congress, I have been a strong believer in country of origin labeling for all types of consumer products. I have been an especially strong supporter of country of origin labeling for meat products because of its commonsense nature, its benefits to ranchers, farmers, and consumers, its strong bipartisan and agricultural group support, its cost-free benefit to taxpayers as scored by the Congressional Budget Office (CBO), and its trade friendly provisions. I don't intend to stop at agricultural products. The legislation I am introducing today targets general consumer products greater than $250 in value.

Freedom of information about country of origin labeling is fair trade because it provides global consumers with freedom of choice. In today's global economy, consumers deserve access to information on where the products their families use are from. By passing this ''Made in America'' toll-free hotline legislation, Congress will help consumers assert their right to know.●

By Mr. D'AMATO (for himself and Mr. MOYNIHAN):

S. 2632. A bill for the relief of Thomas J. Sansone, Jr.; to the Committee on Labor and Human Relations.

PRIVATE RELIEF BILL FOR TOMMY SANSONE, JR.

Mr. D'AMATO. Mr. President, I rise today to introduce a bill for myself and for Senator MOYNIHAN that will provide compensation under the National Vaccine Injury Compensation Program (VICP) to Tommy Sansone, Jr. Tommy was injured by a DPT vaccine in June 1994 and continues to suffer seizures and brain damage to this day. Tommy is the unintended and helpless victim of a drug designed to help him. He needs our help because while the Vaccine Injury Program is meant to make reparations for these injuries, it is hampered by regulations that challenges the worthiest of claims.

Let me be clear, I am not advocating against our national immunization program. Vaccines are an integral part of our preventive health program, and in no way should we stop vaccinating our kids. However, in rare instances, a child will receive a shot designed to keep him safe from whooping cough or measles or other illness but react violently to the serum and end up crippled or sometimes killed. The answer is not to stop inoculating our children. We must review the program to ensure we provide our children with the greatest protection possible against the tragic diseases that older generations of Americans knew all too well, and we must review the Vaccine Injury Act.

Back in 1986, Congress passed the Vaccine Injury Act to take care of vaccine injuries because the shots that we required our children to get were not as safe as they could have been. Since the program was established, more than 1100 children have been compensated. Over the first ten years, a great percentage of those with seizures or brain damage or other symptoms were recognized to be DPT-injured, and, they were summarily compensated. But, by 1995, the Institutes of Medicine (IOM) and others concluded that because the symptoms had no unique clinical profile, they were not necessarily DPT injuries. So, HHS changed the definitions of *encephalopathy* (inflammation of the brain), and of *vaccine injury*. Those new definitions had unintended consequences. Now, the program that we set up to be expeditious and fair, uses criteria that are so strict that the fund from which these claims are paid pays fewer claims than before and the fund has ballooned to over $1.2 billion. As a result, families of children like Tommy find it nearly impossible to win a claim against the Vaccine Injury Compensation Program. Most importantly, the program is failing its mission.

Today, the Vaccine Injury Compensation Program is seen as a Fort Knox of government funds that not even the worthiest claim can access without a high-priced lawyer to guide it through a labyrinth of bureaucratic regulations. It is no longer the ''no-fault compensation program under which awards can be made to vaccine-injured persons quickly, easily, and with certainty and generosity,'' as we originally intended in 1986.

To be clear, VICP is not a medical insurance policy. The program is not designed to take care of those who cannot get or receive care. VICP is a compensation program, where the government makes amends for a failure in the system that it established. Claims are paid from a trust fund established from surcharged that are paid on each shot a child receives. The fund serves as an insurance policy against vaccine injuries. But, following the regulatory changes made in 1995, the government is not recognizing even the most legitimate of claims. We are failing the very children we are trying to protect.

Senator JEFFORDS, the chairman of the Senate Labor Committee and I have commissioned the GAO to study the vaccine injury program. We asked them to examine the overall operation and effectiveness of the Vaccine Injury Compensation Program and the National Vaccine Program. They will look at how revenues in the compensation fund are being managed and dispersed and whether vaccine injury claims are reviewed and processed in a fair and timely manner. They will look for those barriers, if any, that petitioners face in proving vaccine-related injuries. We've asked them to look into how well information about vaccine safety and injuries is collected, maintained and distributed, and to recommend changes (legislative or regulatory) to improve the Vaccine Injury Compensation Program and the National Vaccine Program. We want to fix VICP for children nationwide who needlessly suffer twice at the hands of the federal government; once with an adverse reaction to a vaccine they are required to receive and a second time when they cannot hold the federal government liable for their pain and suffering. But, there is something we can do now. We need to take care of this little guy, Tommy Sansone, Jr.

Over the years after his DPT shot (the combined shot for diphtheria, pertussis and tetanus), Tommy suffers severe seizures and from brain damage that has hampered his mental development. When he wakes in the morning or from a nap, either his mother or father is at his side waiting for the inevitable. Tommy's eyes tear and his face cringes in agony as his entire body is wracked with a muscle-clenching seizure. His parents hold him helplessly

until the seizure subsides, sometimes for as long as five minutes. Tommy will then look into his mother's loving eyes, and say, ''No more, mommy. Make them stop.''

At the very least, Tommy's parents know that the strain of vaccine used on Tommy is now being phased out because of the rash of adverse reactions it caused. But, this does nothing for Tommy or his parents who have been in and out of countless hospitals, and consulted with doctors and experts at the Centers for Disease Control and the Health Resources and Services Administration. Their claim for compensation was dismissed in the Federal Court of Claims, but they and Tommy's doctor feel (and I agree with them) that they should have known more about the potential dangers of the DPT vaccine that Tommy received on June 1, 1994. No one told them that there was a chance that the DPT vaccine could cause such trauma. No one told them about ''hot lots,'' an unofficial team for a batch of shots that has had an abundance of adverse reactions. The lot that Tommy received is known to have had 44 such reactions from March–November 1994, including 2 deaths. These are reactions beyond the short-lived fever and rashes that accompany many vaccines. Their doctor didn't know about the availability of the ''new'' acellular strain of pertussis vaccine that is replacing the whole cell version that has been used since the 1930s. Sure, it costs a couple of dollars more, but who wouldn't choose that for their child—given the choice?

Tommy's claim would have been covered before the 1995 changes, but that is not the case any longer. He's the victim of a bad DPT vaccine, yet his case continues to be denied because the first seizure didn't occur within 72 hours of the shot. It occurred 18 days later, and he suffers to this day. Tommy also has brain damage (encephalopathy) because of the DPT shot, but it doesn't fit that new definition either. He cried and moaned at a shrill pitch from the moment of the shot until his first seizure, but that doesn't matter either. For the first six months of his life, tommy was in all ways normal, but for 4 and a half years since the DPT vaccine he and his family have suffered. As a parent and grandparent, I would do anything to protect my family from such pain and suffering. Tom Senior has done everything he knows how to help his son. Now he has turned to me because he knows I am in a position to help and I will not relent in my pursuit of relief for the Sansone family. The Vaccine Injury Compensation Program should take care of Tommy, but it doesn't. This bill will enable us to ensure that it does.

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. 2632

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

SECTION 1. COMPENSATION FOR VACCINE-RELATED INJURY.

(a) CAUSE OF INJURY.—In consideration of the petition filed under subtitle 2 of title XXI of the Public Health Service Act (42 U.S.C. 300aa–10 et seq.) (relating to the National Vaccine Injury Compensation Program) by the legal representatives of Thomas J. Sansone, Jr., including the claims contained in that petition that the injury described in that petition was cause by a vaccine covered in the Vaccine Injury Table specified in section 2114 of such Act (42 U.S.C. 300aa–14) and given on June 1, 1994, such injury is deemed to have been caused by such vaccine for the purposes of subtitle 2 of title XXI of such Act.

(b) PAYMENT.—The Secretary of Health and Human Services shall pay compensation to Thomas J. Sansone, Jr. for the injury referred to in subsection (a) in accordance with section 2115 of the Public Health Service Act (42 U.S.C. 300aa–15).

By Mr. FIRST:

S. 2633. A bill to amend the Internal Revenue Code of 1986 to allow registered venders to administer claims for refund of kerosene sold for home heating use; to the Committee on Finance.

TAX CLAIMS FOR REFUND OF KEROSENE SOLD FOR HOME HEATING USE

● Mr. FRIST. Mr. President, today I introduce a bill that will correct a grave injustice to users of kerosene for home heating. My bill would amend last year's change to the tax code concerning kerosene to allow registered vendors to administer claims for the refund of kerosene sold for home heating use.

As many of you know, on July 1, 1998, new regulations regarding the taxation of kerosene went into effect, and I have heard from many Tennesseans who are concerned about the new tax policies. These provisions were included in the House version of the ''Taxpayer Relief Act of 1997.'' While these provisions were not included in the Senate version of the bill, the House language prevailed when the Senate and House worked out the conference agreement on this bill. Prior to the 1997 change in law, kerosene was not taxable unless it was blended with taxable diesel fuel or used as an aviation fuel, nor was it subject to dyeing requirements.

There have been continued problems with the use of untaxed kerosene being blended with taxable highway fuel, like diesel. As a result, some members of the House of Representatives determined and diesel fuel compliance measures, like dyeing, should be extended to kerosene. According to the new law, kerosene is taxed at 24.4 cents per gallon unless it is indelibly dyed and used only for a nontaxable use like home heating.

I am concerned about these changes, especially since kerosene is often used as a heating oil or in space heaters. This is a nontaxable use; however, it is unclear whether dyed kerosene may be used in space heaters due to health concerns. In addition, many small oil companies and kerosene venders do not have sufficient facilities to sell both dyed and undyed kerosene, and many states have regulations mandating that only undyed kerosene may be used in home heaters. As a result, many consumers of kerosene for non-taxable home heating purposes will either be forced, or will choose for safety reasons, to purchase the taxable undyed kerosene. Under current law and IRS regulation, only the taxpayer is allowed to file a claim for a fuel credit if he or she purchases taxable kerosene for a non-taxable purpose other than from a blocked pump.

The Internal Revenue Service (IRS) has provided refund and credit procedures for vendors and/or purchasers of the clear, taxed kerosene when the kerosene is intended for nontaxable purposes like home heating. This process, however, is complex and potentially unwieldy. Individual purchasers may claim a credit on line 59 of the 1040 tax form for whatever amount of tax they paid on clear kerosene bought for a nontaxable use. It is true that an individual must file a return, even if he or she otherwise would not, in order to receive the credit from the IRS. Vendors may claim a credit on their tax returns or may claim a quarterly refund if at least $750 is owed.

Because many of these kerosene consumers do not file tax return form 1040, this provision is an undue burden on hundreds, perhaps thousands, of Tennesseans, and many thousands of Americans. The complex nature of the kerosene tax refund policies on individual consumers who use kerosene for home heating is unduly burdensome. Additionally, for the consumers to pay a 24.4 cent tax per gallon at all strikes me as unjust taxation. Many of those who use kerosene for home heating are poor and can ill-afford to pay approximately 25% more per gallon of kerosene—even if it is to be refunded at a later time.

I sent a letter to the Internal Revenue Service (IRS) on August 13, 1998 asking Commissioner Rossotti to issue a regulation that would allow kerosene vendors to file refund claims on behalf of their consumers. The Commissioner responded that such a regulation would require Congressional action to actually change the statute.

This bill would do just that. I urge my colleagues to support this measure and I strongly urge passage of this bill.●

By Mr. GREGG (for himself and Mr. BREAUX):

S. 2635. A bill to amend the Internal Revenue Code of 1986 to provide for retirement savings for the 21st century; to the Committee on Finance.

21ST CENTURY RETIREMENT SAVINGS ACT

Mr. GREGG. Mr. President, I rise, along with my colleague Senator JOHN BREAUX, to introduce the 21st Century Retirement Savings Act.

Earlier this year, I joined Senator BREAUX as two of six co-sponsors of S.

2313, a bill to strengthen and preserve Social Security. This legislation was developed through the expertise of the National Commission on Retirement Policy, convened by the Center of Strategic and International Studies.

The Commission was unique among such efforts in that it looked at the entire picture surrounding retirement saving, and did not seek to increase income through one venue at the expense of another. It was our finding that income through all of the components of the national retirement structures—Social Security, employer-provided pensions, and individual savings—needed to be increased if we are to meet the needs of the 21st century.

This legislation to shore up private retirement savings is a companion piece to S. 2313, which dealt with Social Security. I am pleased that it will also be introduced by Congressmen KOLBE and STENHOLM in the House.

ADDITIONAL COSPONSORS

S. 244

At the request of Mr. MCCAIN, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 244, a bill to amend the Internal Revenue Code of 1986 to repeal the increase in the tax on social security benefits.

S. 859

At the request of Mr. KYL, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 859, a bill to repeal the increase in tax on social security benefits.

S. 1529

At the request of Mr. KENNEDY, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1529, a bill to enhanceFederal enforcement of hate crimes, and for other purposes.

S. 1855

At the request of Mr. WYDEN, the name of the Senator from Michigan (Mr. ABRAHAM) 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. 2054

At the request of Mr. JEFFORDS, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2054, a bill to amend title XVIII of the Social Security Act to require the Secretary of Veterans Affairs and the Secretary of Health and Human Services to carry out a model project to provide the Department of Veterans Affairs with medicare reimbursement for medicare health-care services provided to certain medicare-eligible veterans.

S. 2145

At the request of Mr. SHELBY, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 2145, a bill to modernize the requirements under the National Manufactured Housing Construction and Safety Standards Act of 1974 and to establish a balanced consensus process for the development, revision, and interpretation of Federal construction and safety standards for manufactured homes.

S. 2263

At the request of Mr. GORTON, the names of the Senator from Michigan (Mr. ABRAHAM) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. 2263, a bill to amend the Public Health Service Act to provide for the expansion, intensification, and coordination of the activities of the National Institutes of Health with respect to research on autism.

S. 2281

At the request of Mr. DEWINE, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 2281, a bill to amend the Tariff Act of 1930 to eliminate disincentives to fair trade conditions.

S. 2288

At the request of Mr. WARNER, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. 2288, a bill to provide for the reform and continuing legislative oversight of the production, procurement, dissemination, and permanent public access of the Government's publications, and for other purposes.

S. 2295

At the request of Mr. MCCAIN, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 2295, a bill to amend the Older Americans Act of 1965 to extend the authorizations of appropriations for that Act, and for other purposes.

S. 2324

At the request of Mr. DURBIN, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 2324, a bill to amend section 922(t) of title 18, United States Code, to require the reporting of information to the chief law enforcement officer of the buyer's residence and to require a minimum 72-hour waiting period before the purchase of a handgun, and for other purposes.

S. 2353

At the request of Mr. DURBIN, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 2353, a bill to redesignate the legal public holiday of ''Washington's Birthday'' as ''Presidents' Day'' in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

S. 2378

At the request of Mr. AKAKA, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2378, a bill to amend title XVIII of the Social Security Act to increase the amount of payment under the Medicare program for pap smear laboratory tests.

S. 2597

At the request of Mr. TORRICELLI, the name of the Senator from New York (Mr. D'AMATO) was added as a cosponsor of S. 2597, a bill to amend the Federal Agriculture Improvement and Reform Act of 1996 to improve the farmland protection program.

S. 2598

At the request of Mr. TORRICELLI, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 2598, a bill to require proof of screening for lead poisoning and to ensure that children at highest risk are identified and treated.

SENATE JOINT RESOLUTION 56

At the request of Mr. GRASSLEY, the names of the Senator from Michigan (Mr. ABRAHAM), the Senator from Wyoming (Mr. ENZI), and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of Senate Joint Resolution 56, a joint resolution expressing the sense of Congress in support of the existing Federal legal process for determining the safety and efficacy of drugs, including marijuana and other Schedule I drugs, for medicinal use.

SENATE RESOLUTION 199

At the request of Mr. TORRICELLI, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of Senate Resolution 199, a resolution designating the last week of April of each calendar year as ''National Youth Fitness Week.''

SENATE RESOLUTION 299—AUTHORIZING TESTIMONY AND REPRESENTATION BY THE SENATE LEGAL COUNSEL

Mr. LOTT (for himself and Mr. DASCHLE) submitted the following resolution; which was considered and agreed to:

S. RES. 299

Whereas, in the case of *BCCI Holdings (Luxembourg), S.A., et al.* v. *Abdul Raouf Hasan Khalil, et al.*, C.A. No. 95–1252 (JHG), pending in the United States District Court for the District of Columbia, the plaintiffs have requested testimony from Jack Blum, a former employee on the staff of the Committee on Foreign Relations;

Whereas, pursuant to sections 703(a) and 704(a)(2) of the Ethics in Government Act of 1978, 2 U.S.C. §§288b(a) and 288c(a)(2), the Senate may direct its counsel to represent Members, officers, and employees of the Senate with respect to any subpoena, order, or request for testimony relating to their official responsibilities;

Whereas, by the privileges of the Senate of the United States and Rule XI of the Standing Rules of the Senate, no evidence under the control or in the possession of the Senate may, by the judicial or administrative process, be taken from such control or possession but by permission of the Senate;

Whereas, when it appears that evidence under the control or in the possession of the Senate may promote the administration of justice, the Senate will take such action as will promote the ends of justice consistently