

First, legislation should ensure the right of Americans to choose how to protect the privacy and security of their communications and information;

Second, legislation should bar a government-mandated key escrow encryption system;

Third, legislation should establish both procedures and standards for access by law enforcement to decryption keys or decryption assistance for both encrypted communications and stored electronic information and only permit such access upon court order authorization, with appropriate notice and other procedural safeguards;

Fourth, legislation should establish both procedures and standards for access by foreign governments and foreign law enforcement agencies to the plaintext of encrypted communications and stored electronic information of United States persons;

Fifth, legislation should modify the current export regime for encryption to promote the global competitiveness of American companies;

Sixth, legislation should not link the use of certificate authorities with key recovery agents or, in other words, link the use of encryption for confidentiality purposes with use of encryption for authenticity and integrity purposes;

Seventh, legislation should, consistent with these goals of promoting privacy and the global competitiveness of our high-tech industries, help our law enforcement agencies and national security agencies deal with the challenges posed by the use of encryption; and

Eighth, legislation should protect the security and privacy of information provided by Americans to the government by ensuring that encryption products used by the government interoperate with commercial encryption products.

Do you agree with these goals?

Mr. ASHCROFT. Yes, I agree with these goals and will look to these same items as a reference point for the drafting, introducing and passage of encryption reform legislation.

Mr. LEAHY. Would the Senator agree to work with me on encryption legislation that achieves these goals and that we could bring to the floor this Congress?

Mr. ASHCROFT. Yes, I believe it is critical for us to address this issue and soon. I also believe that we should work together to produce a piece of legislation that demonstrates our position on encryption policy.

#### EQUAL PAY DAY

Mr. LEAHY. Mr. President, tomorrow, April 3, 1998, is Equal Pay Day. This is the day by which women will have had to work all of 1997 and the first three months of 1998 to make what a man made in 1997 alone. We are not talking about jobs requiring different skills or abilities. We are talking about equal pay for equal work. This is not a glass ceiling, this is a glass wall. Women cannot break the

glass ceiling until the wall comes down and they are given the equal pay that they deserve.

Early in the next century, women—for the first time ever—will outnumber men in the United States workplace. In 1965, women held 35 percent of all jobs. That has grown to more than 45 percent today. And in a few years, women will make up a majority of the workforce.

Fortunately, there are more business and career opportunities for women today than there were thirty years ago. Unlike 1965, federal, state, and private sector programs now offer women many opportunities to choose their own futures. Working women also have opportunities to gain the knowledge and skills to achieve their own economic security.

But despite these gains, working women still face a unique challenge—achieving pay equity. The average woman earns 74 cents for every dollar that the average man earns. According to a study by the National Academy of Sciences, one-half of the pay gap is due to discrimination. This is unacceptable.

This discrimination is evident even in traditionally female professions such as nursing. For example, Marcelle, my wife, is a registered nurse. Female registered nurses make on average \$7,600 a year less than men. It is unacceptable when female nurses make only 80 percent of the wages of their male counterparts for the same work.

My home state of Vermont is a leader in providing pay equity. According to the Institute for Women's Policy Research, Vermont ranks third in providing equal pay. Even with this ranking, the average woman in Vermont still is making less than 76 cents for every dollar that the average man makes in Vermont. We must work in the Senate and in the workplace to close this gap.

I am pleased to join Senator DASCHLE in reintroducing the Paycheck Fairness Act. This legislation will help to address the problem of pay inequality by redressing past discrimination and increasing enforcement against future abuses.

Senator HARKIN is also a true leader on pay equity. I am an original cosponsor of his bill, the Fair Pay Act, which prohibits pay discrimination based on sex, race or national origin. These two pieces of legislation will help to provide women with what they deserve: equal pay for equal work.

I understand that these bills will not solve all of the problems of pay inequity, but they will close legal loopholes that allow employers to routinely underpay women. By closing these loopholes, we will help women achieve better economic security and provide them with more opportunities.

Women are being advanced in the workplace and the glass ceiling is slowly cracking. Last year, President Clinton appointed Madeline Albright as the first female Secretary of State, and I am proud that Vermont is also a leader

in advancing women in the workplace. The University of Vermont has a female president, Dr. Judith Ramaley, and Martha Rainville was recently elected Adjutant General of the Vermont National Guard—the first woman in the nation to hold this position. While women are advancing in the workplace, we need to ensure that they are receiving fair pay for their work.

I want to commend Senator DASCHLE and Senator HARKIN on their initiative in introducing the Paycheck Fairness Act and the Fair Pay Act. I also want to recognize and commend the hundreds of organizations around the country that will recognize tomorrow as Equal Pay Day.

#### POSITIVE SYSTEMS

Mr. BURNS. Mr. President, I stand today to recognize one of Montana's next generation jewels—Positive Systems in Whitefish, Montana. As a result of the dedication and commitment to their industry, Positive Systems has been recognized by the 1998 Governor's Excellence in Exporting Award Certificate of Appreciation.

Incorporated in 1991, Positive Systems provides a technical service in a rather unique and young industry. Dale Johnson, Cody Benkelman and Ron Behrendt designed a digital aerial photography service that will benefit many sectors of our economy. Positive Systems is the only business using such methods in the rapidly growing aerial mapping industry. These three men from different backgrounds combined their skills to launch this new enterprise.

Positive Systems has mapped landscapes throughout the world working for everyone from farmers to NASA. The four cameras mounted in a small aircraft take pictures in the visible spectrum as well as in the near infrared. Although the human eye is capable of sensing just a portion of the entire light spectrum, the cameras can see much more. The camera lenses pick up the nearest infrared which has several remarkable attributes including the fact that it interacts with chlorophyll, reflecting very well off of healthy plants.

By designating a color to the near infrared the cameras can detect the amount of light bouncing off of a given plant—the more reflective the plant, the healthier it is. In an age of high-tech, precision agriculture, every advantage helps. An acre of farmland, for instance, can support upward of 11,000 heads of lettuce; so to lose even a few acres on a corporate farm can mean a huge financial impact.

Understanding the whole system is a primary focus at NASA, where the Earth sciences program is providing government funds for private sector research into global change over time. In addition, Positive System teams with

NASA for standard education and land use projects. They have recently been awarded a contract with NASA's John C. Stennis Space Center to map 1,000 square miles of Mississippi's coastal region.

The system engineered by the Whitefish company, in fact, is so far out on the cutting edge that Positive Systems has had to wait for the rest of the world to catch up.

I would like to congratulate Positive Systems on the Certificate of Appreciation. This kind of growth and opportunity for a small Montana business is impressive. As a member of the U.S. Senate Small Business Committee, it is becoming increasingly clear that business owners can effectively reach a global market regardless of where they live. Positive Systems has demonstrated they can compete and succeed.

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

#### CONGRESS SHOULD PASS IRS REFORM BY APRIL 15

Mr. FAIRCLOTH. Mr. President, I rise to make a few remarks about legislation to reform the Internal Revenue Service.

Mr. President, April 15 is just around the corner, and I would guess that sometime between now and then, many a taxpayer will curse the IRS, and quite probably the Congress, too, for the tax bill they face. The American people are taxed too much, and they are due for some tax relief this year.

Even figuring out how much tax to pay has become a nightmare. At 17,000 pages, the tax code and regulations are so complicated that no one but a few tax attorneys and accountants who make their living off that tangle of laws can ever hope to understand it, let alone the average working family.

Mr. President, it looks increasingly like the Senate will fail to pass legislation to reform the IRS before adjourning at the end of this week for Easter recess. I am deeply disappointed that we appear unlikely to pass such legislation before April 15. Last week, I asked the Senate leadership to pass IRS reform legislation before April 15. In just a moment, I will describe some of the features I think should be included in such a bill.

The American people deserve an IRS Reform bill as soon as possible. Last December, I held a hearing in Raleigh, North Carolina on IRS abuse of taxpayers. I was shocked at some of the stories I heard. In response, I introduced legislation to create an all private citizen oversight board for the IRS. My bill would give the oversight panel the authority to delve into the auditing and collections practices of the IRS which have lead to well documented abuse of taxpayers. The board would also have oversight of IRS procurement practices. That should help ensure that we never see the IRS waste another \$4 billion, as it did trying to develop a failed computer system.

Why is the Senate about to recess without having passed an IRS reform bill? In the crazy world of Washington, D.C., it seems that when the Congress tries to stop the IRS from improperly collecting taxes, budget rules require that the "loss" of revenue be offset with more taxes, making it almost impossible to clean house at the IRS. And so the Senate has now been diverted over the question of how to "pay" for an IRS reform bill, and which tax increases are least objectionable to use for that purpose.

The referee in such matters is the Joint Committee on Taxation. The accountants and tax experts at this committee review all tax proposals, and make a determination as to which measures result in a loss of revenue, and which are revenue neutral.

No matter what the green eye shade experts say, it just seems wrong to ask the American people to pay for IRS reform. IRS reform legislation should not impose new taxes. Fortunately, there are a great many good ideas for reforming the IRS which even the Joint Committee on Taxation staff have said can be enacted without the need for new taxes.

First among these is the creation of an IRS oversight board, such as the one I have proposed in my own IRS reform legislation, S. 1555. There are a number such reforms which can be implemented without any need for offsetting revenues, including: a requirement that IRS agents explain taxpayers' right to them in interviews; low-income taxpayer clinics; archiving IRS records so that Congress can delve into the inner workings of the agency; cataloging complaints of IRS employee misconduct; prohibiting the IRS from seizing taxpayers' homes in small deficiency cases, among others. One idea that would impose no additional cost, but which I am sure would make a big difference for frustrated taxpayers who struggle to find a person to talk to in within the massive IRS bureaucracy: require that all IRS notices must contain the name and telephone number of an IRS employee to contact.

In fact, of the 75 separate reforms currently being considered by the Senate Committee on Finance, over 50 are revenue neutral, according to the Joint Committee on Taxation. At a minimum, these reforms should be considered as soon as possible. If any revenues are needed to pay for additional reform, I suggest that Congress look first to the IRS's own budget before turning to the American people.

For those who worry that the IRS will not have enough resources to collect taxes, it is worth noting that the IRS budget has grown by a whopping 71 percent in real terms since 1981. Many working families haven't been so fortunate. Simply freezing the IRS budget at 1998 levels would generate an additional \$500 million in savings, which could be applied to offset more costly IRS reforms. That would also help make it clear that Congress considers

taxpayers to be at least as important as the IRS bureaucracy.

Mr. President, I recently wrote an editorial for the Wall Street Journal on the subject of IRS reform, which appeared on March 31, 1998. I ask unanimous consent that this article appear in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. FAIRCLOTH. In conclusion, Mr. President, I believe that the Senate can and should pass IRS reform legislation before April 15. I hope my colleagues will join me in pushing for such a reform bill as soon as possible.

#### EXHIBIT 1

[From the Wall Street Journal, Mar. 31, 1998]

#### WILL IRS REFORM GET "SCORED" INTO TAX INCREASE?

(By Lauch Faircloth)

In the crazy world of Washington, D.C., legislation to reform the Internal Revenue Service is beginning to look more and more like a bill to increase taxes by several billion dollars. This outrage must be stopped, and soon.

Last fall, the House of Representatives passed legislation based on the recommendations of the National Commission on Restructuring the IRS, the so-called Kerrey-Portman Commission. Most of the provisions of that bill are good, commonsense measures that will make the IRS more accountable to the public and reform the way the IRS conducts its business. Some of the "taxpayer bill of rights" provisions, however, have been "scored" by the Joint Committee on Taxation as costing the government revenue. In Washington-speak, this means that these provisions require an "offset"—better known to most Americans as a tax increase.

House bill drafters were creative in finding a "loophole closer" for their IRS reform bill's offset. Their idea is to clarify the deduction for accrued vacation pay, which would net an additional \$2.85 billion over five years. In this case, the loophole closer probably is just that; it's arguable that federal tax court decisions have strayed from the intent of Congress in 1987 legislation concerning the proper treatment of the taxation of vacation pay as deferred compensation. But there are precious few other true loophole closers where that one came from. Virtually every other potential "revenue offset" on the table would come from one of two sources—a laundry list of 43 tax increases proposed by the president, or unspecified tobacco tax settlement money. Either way, they are tax increases.

And there's another problem: The Senate version of IRS reform is shaping up as two to three times more expensive than the bill passed by the House last fall, according to staffers of the Senate Finance Committee. That means that congressional staffers drafting the revised bill must dip into their bag of "loophole closers" (translation—tax increases) suggested by the president to pay for the additional lost revenue to the government.

I find it patently offensive that any reform of the Internal Revenue Service should impose a cost on the American people. After all, the IRS employs more than 100,000 people, 46,000 of whom work in enforcement, with a total budget of over \$8 billion. The entire Drug Enforcement Administration—our frontline defense in the war on drugs—has a staff of only 8,500. The IRS can audit any American at any time, but drug traffickers