(3) CHANGE IN EFFECTIVE DATE.—Section 4603(d) of the Balanced Budget Act of 1997 (42 U.S.C. 1395fff note) (as amended by section 5101(c)(2) of the Tax and Trade Relief Extension Act of 1998 (contained in Division J of Public Law 105–277)) is amended by striking ''October 1, 2000'' and inserting ''October 1, 1999''.

(4) ELIMINATION OF CONTINGENCY 15 PERCENT REDUCTION.—Subsection (e) of section 4603 of the Balanced Budget Act of 1997 (42 U.S.C. 1395fff note) is repealed.

(5) EFFECTIVE DATE.—The amendments made by this subsection shall take effect on the date of enactment of this Act.

(b) PAYMENT RATES BASED ON LOCATION OF HOME HEALTH AGENCY RATHER THAN PATIENT.—

(1) CONDITIONS OF PARTICIPATION.—Section 1891 of the Social Security Act (42 U.S.C. 1395bbb) is amended by striking subsection (g).

(2) WAGE ADJUSTMENT.—Section 1861(v)(1)(L)(iii) (42 U.S.C. 1395x(v)(1)(L)(iii)) is amended by striking ''service is furnished'' and inserting ''agency is located''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to services provided on or after October 1, 1999.

By Mr. HATCH:

S. 1415. A bill to amend the Internal Revenue Code of 1986 to provide for S corporation reform, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, today I am introducing legislation that would provide critical and direct improvements to the competitiveness of the over 2.1 million S corporations nationwide. The vast majority of S corporations operate as small businesses. By 1995, they comprised 48 percent of all corporations. In my home state of Utah, S corporations make up half of the 21,600 corporations in the state.

Despite the reforms that were enacted in 1996 and in previous years, the tax laws that currently govern S corporations remain too restrictive, complex, and burdensome, particularly in comparison with the laws that are imposed on other entities. As a result, Mr. President, many of these small businesses are unable to attract sufficient capital and to grow to their full potential.

For example, the inability to issue preferred stock denies S corporations access to badly needed senior equity. Capital is also eliminated by a requirement that prevents straight debt from being converted into stock. Substantial reforms need to be enacted to ensure better competition for small businesses in today's increasingly sophisticated and global economy.

Mr. President, the current law is threatening the multi-generational family business in our country. Law allows only for 75 shareholders under an S corporation, and each member of a family is currently treated as a single, distinct shareholder. In addition, nonresident aliens are not allowed as shareholders. This ban on nonresident alien shareholders is an outmoded restriction dating back to the creation of Subchapter S. Since that time, partnerships have been allowed to involve nonresidential aliens. And, as the economy becomes more global, S corporations will be at a disadvantage relative to the more flexible partnerships. Mr. President, this bill would eliminate these outdated provisions and allow for all family members to be counted as one shareholder for purposes of S corporation eligibility, as well as permitting nonresident aliens to be shareholders.

Mr. President, I urge my colleagues to review and support the Subchapter S Revision Act. This legislation will help American families pass their businesses from one generation to the next and to create a level playing field for small business. We should not allow the more than 10,000 S corporations in my home state, as well as the many others across the country, to be subject to rules and regulations that limit their competitiveness. I am looking forward to working with my fellow members of the Finance Committee in enacting this bill.

I ask that a description of the bill's provisions be in included in the RECORD.

The description follows:

TITLE 1—SUBCHAPTER S EXPANSION

SUBTITLE A—ELIGIBLE SHAREHOLDERS OF AN S CORPORATION

Sec. 101. Members of a family treated as one shareholder—All family members within seven generations who own stock could elect to be treated as one shareholder. The election would be made available to only one family per corporation, must be made with the consent of all shareholders of the corporation and would remain in effect until terminated. This provision is intended to keep S corporations within families that might span several generations.

Sec. 102. Nonresident Aliens—This section would provide the opportunity for aliens to invest in domestic S corporations and S corporations to operate abroad with a foreign shareholder by allowing nonresident aliens to own S corporation stock.

SUBTITLE B—QUALIFICATIONS AND ELIGIBILITY REQUIREMENTS OF S CORPORATIONS

Sec. 111. Issuance of preferred stock permitted—An S corporation would be allowed to issue either convertible or plain vanilla preferred stock. Holders of preferred stock would not be treated as shareholders; thus, ineligible shareholders like corporations or partnerships could own preferred stock interests in S corporations. Subchapter S corporations would receive the same recapitalization treatment as family-owned C corporations. This provision would afford S corporations and their shareholders badly needed access to senior equity.

Sec. 112. Safe harbor expanded to include convertible debt—An S corporation is not considered to have more than one class of stock if outstanding debt obligations to shareholders meet the ''straight debt'' safe harbor. Currently, the safe harbor provides that straight debt cannot be convertible into stock. The legislation would permit a convertibility provision so long as that provision is substantially the same as one that could have been obtained by a person not related to the S corporation or S corporation shareholders.

Sec. 113. Repeal of excessive passive investment income as a termination event: This provision would repeal the current rule that terminates S corporation status for certain corporations that have both Subchapter C earnings and profits and that derive more than 25 percent of their gross receipts from passive sources for three consecutive years.

Sec. 114. Repeal passive income capital gain category—The legislation would retain the rule that imposes a tax on those corporations possessing excess net passive investment income, but, to conform to the general treatment of capital gains, it would exclude capital gains from classification as passive income. Thus, such capital gains would be subject to a maximum 20 percent rate at the shareholder level in keeping with the 1997 tax law change. Excluding capital gains also parallels their treatment under the PHC rules.

Sec. 115. Allowance of charitable contributions of inventory and scientific property—This provision would allow the same deduction for charitable contributions of inventory and scientific property used to care for the ill, needy, or infants for Subchapter S as for Subchapter C corporations. In addition, S corporations would no longer be disqualified from making ''qualified research contributions'' (charitable contributions of inventory property to educational institutions or scientific research organizations) for use in research or experimentation.

Sec. 116. C corporation rules to apply for fringe benefit purposes—The current rule that limits the ability of ''more-than-two-percent'' S corporation shareholder-employees to exclude certain fringe benefits from wages would be repealed for benefits other than health insurance.

SUBTITLE C—TAXATION OF S CORPORATION SHAREHOLDERS

Sec. 120. Treatment of losses to shareholders—A loss recognized by a shareholder in complete liquidation of an S corporation would be treated as an ordinary loss to the extent the shareholder's adjusted basis in the S corporation stock is attributable to ordinary income that was recognized as a result of the liquidation. Suspended passive activity losses from C corporation years would be allowed as deductions when and to the extent they would be allowed to C corporations.

SUBTITLE D—EFFECTIVE DATE

Sec. 130. Effective Date—Except as otherwise provided, the amendments made by this legislation shall apply to taxable years beginning after December 31, 1999.●

By Mr. FEINGOLD (for himself and Mr. KOHL):

S. 1416. A bill to amend the Agricultural Marketing Agreement of 1937 to allow a modified bloc voting by cooperative associations of milk producers in connection with the scheduled August referendum on Federal Milk Marketing Order reform; to the Committee on Agriculture, Nutrition, and Forestry.

DEMOCRACY FOR DAIRY PRODUCERS ACT OF 1999

● Mr. FEINGOLD. Mr. President, I rise to introduce a measure that will begin to restore to many dairy farmers throughout the nation, part of the market power they have lost in recent years.

Mr. President, on March 31 of this year, Secretary Glickman put forth the Department of Agriculture's final rule on the Federal Milk Marketing Order system. As many of you know, that proposal consolidated federal orders and made changes to various pricing formulas in current law.

As mandated in last year's Omnibus Appropriations bill, this new federal policy is scheduled to take effect no later than October 1, 1999. However, prior to October, this nation's farmers will put USDA's proposal to a referendum. Farmers will have the opportunity to vote on their futures. Or at least that is what is supposed to happen.

Mr. President, most farmers in the country won't actually get to vote on this, the most significant change in dairy policy in sixty years. Their dairy marketing cooperatives will cast their votes for them.

This procedure is called bloc voting and it is used all the time. Basically, a Cooperative's Board of Directors decides that, in the interest of time, bloc voting will be implemented for that particular vote. In the interest of time, but not always in the interest of their producer owner-members.

Mr. President, I do think that bloc voting can be a useful tool in some circumstances, but I have serious concerns about its use in the August referendum on USDA's plan. Farmers in Wisconsin and in other states tell me that they do not agree with their Cooperative's view on the upcoming vote. Yet, they have no way to preserve their right to make their single vote count.

After speaking to farmers and officials at USDA, I have learned that if a Cooperative bloc votes, individual members simply have no opportunity to voice opinions separately. That seems unfair when you consider what a monumental issue is at stake. Coops and their members do not always have identical interests. We shouldn't ask farmers to ignore that fact.

Mr. President, the Democracy for Dairy Producers Act of 1999 is simple and fair. It provides that a cooperative cannot deny any of its members a ballot if one or two or ten or all of the members chose to vote on their own.

This will in no way slow down the process at USDA; implementation of the final rule will proceed on schedule. Also, I do not expect that this would change the final outcome of the vote. Coops could still cast votes for their members who do not exercise their right to vote individually. And to the extent that coops represent farmers interest, farmers are likely to vote along with the coops, but whether they join the coops or not, farmers deserve the right to vote according to their own views.

I urge my colleagues to return just a little bit of power to America's farmers, and a little bit of pure democracy to the vote on the USDA plan which is sure to have such an impact on their future.

I urge my colleagues to support the Democracy for Dairy Producers Act, a dairy bill without regional bias.●

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

S. 1417. A bill to amend title XIX of the Social Security Act to extend the authority of State Medicaid fraud control units to investigate and prosecute fraud in connection with Federal health care programs and abuse of residents of board and care facilities; to the Committee on Finance.

HEALTH CARE FRAUD CONTROL ACT OF 1999

Mr. GRASSLEY. Mr. President, I am joined today by Senator BREAUX in introducing the Health Care Fraud Control Act of 1999. This bill is an effective, efficient and economical way to fight fraud, waste and abuse in publicly funded health care programs. It takes a system that is successful in combating Medicaid fraud and expands its authority to pursue investigations in other federal programs when investigators uncover or suspect fraudulent or abusive activities. This bill is common sense.

State Medicaid Fraud Control Units have long been at the forefront of health care fraud enforcement. The Health Care Fraud Control Act would give these units the authority needed to investigate other fraud and abuse cases, including Medicare cases, at the same time as Medicaid cases. This bill, which will be introduced by Rep. RICK LAZIO (R–N.Y.) in the House, would streamline the enforcement process for anti-fraud agents, cutting down on bureaucracy and allowing investigators to pursue anti-fraud cases more efficiently. This bill is an important weapon in the war against health care fraud in the Medicaid and Medicare programs.

The streamlined effort would be especially effective in fighting nursing home fraud and neglect. Many times seniors are eligible for both Medicare and Medicaid payments. Combined, these two programs cover the bulk of the cost of nursing home care in our country. When a nursing home receives both Medicare and Medicaid payments, the potential for fraud is much too high. As the law stands, even if a fraud control unit establishes a strong case showing Medicaid fraud and uncovers Medicare fraud at the same time, it must wait while various federal agencies investigate the Medicare side before the case can be prosecuted.

Any effort to combat fraud is critical. Medicaid's annual budget is $178 billion, and fraud cases can involve significant amounts of money. Meanwhile, improper payments through Medicare were $12.6 billion in Fiscal Year 1998.

Expanding the Medicaid anti-fraud units' jurisdiction will help us erode health care fraud. With billions of tax dollars wasted each year, we need every weapon we can find in the anti-fraud arsenal. We can't afford to waste a single health care dollar.

By Mr. MCCAIN:

S. 1419. A bill to amend title 36, United States Code, to designate May as ''National Military Appreciation Month''; to the Committee on the Judiciary.

NATIONAL MILITARY APPRECIATION MONTH

Mr. MCCAIN. Mr. President, I rise today to introduce a bill to designate the month of May National Military Appreciation Month. As my colleagues may recall, I had sponsored a resolution earlier in the year, cosponsored by 61 Senators, designating May 1999 as National Military Appreciation Month. That resolution, S. Res. 33, passed by a vote of 93–0 on April 30. The new bill will make that designation permanent.

The introduction of an All-Volunteer Army was an outgrowth of the disenchantment many Americans felt in the wake of the Vietnam War. The end of conscription and the transition to the All-Volunteer concept has been criticized by some for not adequately reflecting socioeconomic divisions within our country. In point of fact, however, with the requisite attention and care, it produced the finest armed forces in history. How far we had come since the tumultuous times of the 1970s when military readiness descended to abysmal levels was evident for all the world to see in the overwhelming victory over Iraqi forces during Operation Desert Storm. But that success has been taken for granted too long. Over 15 years of declining military budgets, combined with record high levels of deployments, have stretched the military to precarious levels.

The end of conscription had another, more far-reaching and subtle implication: it diminished the percentage of the public, including its elected officials, with military experience. This is not a criticism of those who did not serve; on the contrary, as a strong supporter of the All-Volunteer Army, I remain committed to its survival and success. This gradual diminishment in the shared experience of having served in uniform, however, makes it increasingly important that the public reflect every year on the enormous role their armed forces have on preserving freedom.

As thousands of American soldiers move into position in Kosovo, while others continue to serve in Bosnia as well as on the demilitarized zone in Korea and around the world, it is imperative that our men and women in uniform know of the strong continuing support of their country for their dedication and service to this country. Whether we individually agree with each and every deployment or not, we have learned to separate our support every deployment or not, we have learned to separate our support for the armed forces from our differences over the policies that sent them into harm's way. Dedicating one month every year to express our appreciation for the armed forces, the same month in which we recognize Victory in Europe Day, Military Spouse Day, Armed Forces Day, and, most importantly, Memorial Day, is an appropriate measure that I hope will have the support of all my colleagues in Congress.

Mr. President, I generally take a somewhat dim view of celebratory resolutions. But those who fought on the battlefields of Lexington, Gettysburg, Normandy, in the Ardennes and on

Okinawa, in Hue and at Khe Sanh, in the deserts of the Persian Gulf and the dusty streets of Mogadish, in the skies over Kosovo and who stand a lonely vigil on the DMZ, must not be forgotten. Too much blood has been spilled in defense of liberty. We owe to those who perished and those who survived, to devote one month out of the year to reflect on the sacrifices of those who have worn their nation's uniform throughout its history.

Mr. President, I ask unanimous consent that the bill, the attached correspondence in support of S. Res. 33 from the Secretary of the Air Force and Air Force Chief of Staff, as well as a letter from retired General Gordon Sullivan, president of the Association of the United States Army, be printed in the RECORD.

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

S. 1419

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

SECTION 1. NATIONAL MILITARY APPRECIATION MONTH.

(a) FINDINGS.—Congress makes the following findings:

(1) The freedom and security that citizens of the United States enjoy today are direct results of the vigilance of the United States Armed Forces.

(2) Recognizing contributions made by members of the United States Armed Forces will increase national awareness of the sacrifices that such members have made to preserve the freedoms and liberties that enrich this Nation.

(3) It is important to preserve and foster admiration and respect for the service provided by members of the United States Armed Forces.

(4) It is vital for youth in the United States to understand that the service provided by members of the United States Armed Forces has secured and protected the freedoms that United States citizens enjoy today.

(5) Recognizing the unfailing support that families of members of the United States Armed Forces have provided to such members during their service and how such support strengthens the vitality of our Nation is important.

(6) Recognizing the role that the United States Armed Forces plays in maintaining the superiority of the United States as a nation and in contributing to world peace will increase awareness of all contributions made by such Forces.

(7) It is appropriate to recognize the importance of maintaining a strong, equipped, well-educated, well-trained military for the United States to safeguard freedoms, humanitarianism, and peacekeeping efforts around the world.

(8) It is proper to foster and cultivate the honor and pride that citizens of the United States feel towards members of the United States Armed Forces for the protection and service that such members provide.

(9) Recognizing the many sacrifices made by members of the United States Armed Forces is important.

(10) It is proper to recognize and honor the dedication and commitment of members of the United States Armed Forces, and to show appreciation for all contributions made by such members since the inception of such Forces.

(b) NATIONAL MILITARY APPRECIATION MONTH.—Chapter 1 of part A of subtitle I of title 36, United States Code, is amended by adding at the end the following:

"§ 144. National Military Appreciation Month.

''The President shall issue each year a proclamation—

''(1) designating May as 'National Military Appreciation Month'; and

''(2) calling on the people of the United States to honor the dedicated service provided by the members of the United States Armed Forces and to observe the month with appropriate ceremonies and activities.''.

(c) TABLE OF CONTENTS.—The table of contents in chapter 1 of part A of subtitle I of title 36, United States Code, is amended by inserting after the item relating to section 143 the following new item:

''144. National Military Appreciation Month.''.

ASSOCIATION OF THE U.S. ARMY,
Arlington, VA, April 2, 1999.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the 100,000 members of the Association of the United States Army, I applaud your introduction of Senate Resolution 33, which would designate May, 1999, as National Military Appreciation Month.

AUSA agrees that Americans should reflect more often on the sacrifices of our military personnel throughout history. Designating a month in which we observe Victory in Europe Day, Armed Forces Week, Military Spouse Day, and Memorial Day, is particularly fitting.

AUSA supports your efforts and recommends that the resolution be amended to make the observance of National Military Appreciation Month an annual event.

Sincerely,

GORDON R. SULLIVAN,
General, USA Retired.

DEPARTMENT OF DEFENSE,
SECRETARY OF THE AIR FORCE,
Washington, DC, May 6, 1999.

Hon. JOHN MCCAIN,
U.S. Senate,
Washington, DC.

DEAR SENATOR MCCAIN: On behalf of the men and women of the United States Air Force, we thank you and the Senate for designating May 1999 as National Military Appreciation Month. As you well know, our airmen are not only engaged in the Balkan operations, but all around the world, with over 100,000 people either forward stationed or deployed. We are proud of the personal sacrifice and tremendous service they give our great nation, and it is heartwarming to see the Senate recognize their efforts. Thank you for your gracious show of support.

MICHAEL E. RYAN,
General, USAF, Chief of Staff.
F. WHITTEN PETERS,
Acting Secretary of the Air Force.

By Mr. KERRY (for himself, Mr. HOLLINGS, Mr. BREAUX, Mr. INOUYE, Mrs. BOXER, Mrs. FEINSTEIN, and Mr. KENNEDY):

S. 1420. A bill to establish a fund for the restoration and protection of ocean and coastal resources, to amend and reauthorize the Coastal Zone Management Act of 1972, and for other purposes; to the Committee on Commerce, Science, and Transportation.

COASTAL STEWARDSHIP ACT

Mr. KERRY. Mr. President, I will shortly be sending to the desk for appropriate referral the Coastal Stewardship Act which I am introducing today, along with Senators HOLLINGS, BREAUX, INOUYE, BOXER, FEINSTEIN and KENNEDY. The goal of the Coastal Stewardship Act is to significantly strengthen our national commitment to and capacity to protect the coastal communities and all of our coastal and ocean environment.

Our coasts—I know the Chair knows this because he represents a State that has enormous fishing interests—our coasts and our oceans are increasingly fragile environments, and they are increasingly threatened. Their health depends on a very complex chain of ecosystems that includes rainwater runoff from inland, estuaries, wetlands, flood plains, tidal basins, coral reefs, our fisheries and the whole deal more. Damage to any one of those ecosystems can wind up degrading and damaging the others, and they can cause severe cultural and economic impact for all of our coastal communities.

Moreover, as our coastal population grows and as coastal development increases, as it has been almost every year for the last 50 years, we are placing more and more stress on these fragile and increasingly unique and interconnecting ecosystems.

Since 1960, the coastal population in the United States has increased by over 50 percent, and that trend is expected to continue. Indeed, it is predicted that over the course of the next 10 years or so, well over 75 percent of the American population will live within 50 miles of coastline of one kind or another. In the next decade alone, an additional 14 million Americans are expected to settle in coastal areas.

The impact is very clear. On the Atlantic coast, we have had toxic outbreaks of pfiesteria. In the Gulf of Mexico, we have a dead zone that has formed that harms shrimp stocks and kills off other species. Our Nation has lost more than 89 million acres of coastal wetlands, and our commercial fisheries are depleted from a combination of mismanagement and also ecosystem impacts. Parts of the Great Lakes have suffered from nutrient enrichment which is destructive to those ecosystems. Finally, even urban areas along our coasts face a unique challenge as they work to clean up polluted industrial sites and bring their waterfronts back to life.

The Coastal Stewardship Act creates the Ocean and Coast Conservation Fund to receive permanent funding from Federal oil and gas leasing on the Outer Continental Shelf. The fund would accrue 10 percent, or a minimum of $250 million of OCS revenues each year.

The CSA uses funds from the Ocean and Coast Conservation Fund and general revenues to support the restoration and preservation of our coastal and marine resources. The specific investments include the following:

First, the CSA provides increased support to the Coastal Zone Management Act. The CZMA is a highly flexible program that allows States to prioritize, design, and implement management plans, meeting broad national objectives for coastal environmental protection and economic development.

Second, the CSA establishes a new highly flexible program within the Department of Commerce to fund coastal habitat, restoration, and preservation projects. With these block grants for conservation, States set priorities and decide how and when projects proceed within broad national goals.

Third, it enhances the Federal commitment to the National Marine Sanctuary Program, a very successful program that designates unique ocean habitat for protection and research. Our 12 national marine sanctuaries restore and rebuild marine habitats to their natural condition and monitor and maintain already healthy areas.

Four, the CSA creates a coral reef restoration and conservation program at the Department of Commerce. The legislation recognizes the importance of maintaining the health and stability of coral reefs for their environmental and economic value, and it builds on the work of the U.S. Coral Reef Task Force.

Five, one of the most difficult challenges to overcome in developing sound policy for U.S. fisheries has been the lack of high-quality information. The CSA establishes a comprehensive program to improve the quality and quantity of fisheries information available to evaluate stock status, design control measures, and monitor effectiveness of those control measures.

Six, the CSA increases Federal support of State and local enforcement by expanding existing cooperative enforcement agreements. These joint ventures allow States and local governments to tailor enforcement procedures to fit the local needs and available resources, and also allow for collaboration between State and local enforcement agencies and Federal agencies.

I will close my comments, Mr. President, by saying to my colleagues that some have expressed concern that somehow this broader effort might have an impact on reauthorization of coastal zone management and national marine sanctuaries, et cetera.

I assure my colleagues this legislation is in addition to and supportive of and supplementary to each of those other efforts which I have personally had the privilege of leading in the past years when I was chairman of the committee. We have reauthorized those in past years, and always we have found that a comprehensive approach has been a far more effective and a, frankly, far more needed approach. But nothing will stand in the way, I am confident, of our efforts to cooperate on each and every one of those efforts.

We need to better meet the needs of our coastal communities, and it is absolutely essential that we look in this country at this issue, not as individual pieces that come at us one by one, but as the sum total of the parts they represent. We need a national policy to reflect that sum total.

I say to Senator BOXER and Senator LANDRIEU, who have legislation of their own regarding the Outer Continental Shelf, that I am proud to be an original cosponsor of Senator BOXER's Resources 2000 effort, and I look forward to working with them to try to address all the concerns we share regarding these issues.

Finally, I am very pleased my colleagues on the Commerce Committee have joined in this. As the Senate knows, the Commerce Committee has primary jurisdiction over our Nation's major coastal programs, and Senators HOLLINGS, BREAUX, INOUYE, and others bring very valuable experience to these issues. I am pleased to include their efforts in this legislation.

By Mr. SCHUMER:

S. 1422. A bill to amend the Elementary and Secondary Education Act of 1965 to improve the quality of education and raise student achievement by strengthening accountability, raising standards for teachers, rewarding success, and providing better information to parents; to the Committee on Health, Education, Labor, and Pensions.

SCHOOL QUALITY COUNTS ACT

By Mr. SCHUMER:

S. 1423. A bill to amend the Internal Revenue Code of 1986 to exclude from income $40,000 of the salary of certain teachers who teach high-poverty schools; to the Committee on Finance.

TEACHER TAX RELIEF ACT OF 1999

Mr. SCHUMER. Mr. President, I rise today to introduce the School Quality Counts Act and the Teacher Tax Relief Act of 1999. Mr. President, the National Center for Education Statistics estimates that our nation will require two million teachers over the next decade. In New York State this problem is particularly acute: 40,000 new teachers will be needed over the next four years. In New York City, where there are 10,000 emergency-certified teachers overwhelmingly concentrated in the highest poverty schools, there is virtually no incentive for qualified professionals to teach at the highest poverty schools and as a result there exists an uneven distribution of well trained teachers.

Across the nation, many school districts are experiencing both geographic and subject area teacher shortages. In many instances, school districts with lower tax bases are forced to compete with districts that can afford to pay their teachers higher salaries thus creating a drain on the pool of experienced and qualified teachers in lower income school districts. Attracting and retaining well-qualified teachers, and compensating them appropriately, is critical to raising student achievement.

Mr. President, the School Quality Counts Act deals directly with the teacher quality issue in three ways: First, the bill strengthens state and local accountability for student results by requiring that school districts take specific steps to improve teacher quality within two years of the bill's enactment; second, the legislation would empower parents and taxpayers by providing information on student and school performance through the issuance of school report cards; third, the bill would provide ''achievement awards'' to those schools that demonstrate continuous student improvement.

In addition to these steps, Mr. President, one of the most concrete and important steps we can take now is to create real financial incentives for qualified individuals to teach in high-poverty schools. The Teacher Tax Relief Act of 1999 would create these incentives by exempting the first $40,000 of a teacher's salary from federal income tax for qualified individuals teaching academic subjects in schools where at least 50 percent of the students qualify for the free or reduced price lunch programs. In order to qualify for the exemption, the teacher must be qualified to provide instruction in each and every academic course they teach. No individual who is teaching under an ''emergency'' designation is eligible for the exemption and no teacher whose gross family income exceeds $120,000 is eligible for the exemption. Mr. President, this legislation would increase take-home pay for a teacher earning $40,000 by over $5,000 and would steer high quality teachers to underperforming school districts in addition to providing middle class tax relief. I ask for unanimous consent that the text of both bills be printed in the RECORD.

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

S. 1422

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''School Quality Counts Act''.

TITLE I—STATE PLANS FOR IMPROVING BASIC PROGRAMS OPERATED BY STATE AND LOCAL EDUCATIONAL AGENCIES.

SEC. 101. ACCOUNTABILITY.

(a) IN GENERAL.—Section 1111(b)(2) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)(2)) is amended—

(1) in subparagraph (A)—

(A) by striking ''and'' at the end of clause (i);

(B) by striking the period at the end of clause (ii) and inserting ''; and''; and

(C) by adding at the end the following:

''(iii) the State toward enabling all children in schools receiving assistance under this part to meet the State's student performance standards.'';

(2) in subparagraph (B), by striking clauses (i) and (ii) and inserting the following:

''(i) that establishes a single high standard of performance for all students;

''(ii) that takes into account the progress of all students of each local educational agency and school served under section 1114 or 1115;

''(iii) that compares the proportions of students who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' at the grade levels at which assessments are conducted with the proportions of students in each of the 4 categories at the same grade level in the previous school year;

''(iv) that considers separately, within each State, local educational agency, and school, the performance and progress of students by gender, by each major ethnic and racial group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in a case where the number of students in a category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student); and

''(v) that includes annual numerical goals for improving the performance of all groups specified in clause (iv) and narrowing gaps in performance between these groups.''; and

(3) by adding at the end the following:

''(C) The Secretary shall collect and review the information from States on the adequate yearly progress of schools and local educational agencies required under subparagraphs (A) and (B) for the purpose of determining State and local compliance with section 1116.''.

(b) REGULATIONS.—The Secretary shall promulgate regulations and amendments to regulations to carry out the amendments made by subsection (a) not later than 6 months after the date of the enactment of this Act and shall review State plans submitted under section 1111 of the Elementary and Secondary Education Act of 1965 before such date to determine their compliance with the regulations. The Secretary shall require States to revise their plans if necessary to satisfy the requirements of the regulations. Such revised plans shall be submitted to the Secretary for approval not later than 1 year after the date of enactment of this Act.

SEC. 102. SCHOOL REPORT CARDS.

Section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)) is amended—

(1) by amending the subsection heading to read as follows: ''(b) STANDARDS, ASSESSMENTS, AND ACCOUNTABILITY.—''

(2) by redesignating paragraphs (4) through (8) as paragraphs (6) through (10), respectively; and

(3) by inserting after paragraph (3) the following:

''(4) DISSEMINATION OF RESULTS TO PARENTS.—Each State plan shall contain assurances that, beginning in the 2001–2002 school year, and annually thereafter, all schools served under this part shall—

''(A) report the results of all assessments described in paragraph (3) used to measure the performance of a student attending the school to each parent or legal guardian of the student;

''(B) report the results in a uniform and understandable format;

''(C) ensure that the reports are based on the same assessments described in paragraph (3);

''(D) include in the reports a description of whether the student has demonstrated 'advanced', 'proficient', 'partially proficient', or 'not proficient' levels of performance in each subject area;

''(E) include in the reports—

''(i) a comparison of the proportions of students enrolled in that school, in the local educational agency, and in the State who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' in each subject area, for each grade level at which assessments are conducted, with proportions in each of the same 4 categories at the same grade levels in the previous school year;

''(ii) the percentage of students in the school on which the results in clause (i) are based; and

''(iii) information, in the aggregate, on the qualifications of classroom teachers in the student's school, including—

''(I) the percentage of classroom teachers in the school who meet all State and local requirements to teach at all grade levels and in all subject areas in which they provide instruction;

''(II) in middle and secondary schools, the percentage of classes taught by teachers who do not have a college major, or who have not passed a rigorous subject area test, in the subject being taught; and

''(III) the percentage of classroom teachers in the school teaching under 'emergency' or other provisional credentials.

''(5) DISSEMINATION OF RESULTS TO THE PUBLIC.—Each State plan shall contain assurances that, beginning in the 2001–2002 school year, and annually thereafter, each State shall—

''(A) ensure that overall student performance data on all assessments described in paragraph (3) are compiled, published, and disseminated widely to the general public;

''(B) ensure that the data includes a comparison of the proportions of students who are 'not proficient', 'partially proficient', 'proficient', and 'advanced' at the grade levels at which assessments are conducted with proportions in each of the same 4 categories at the same grade levels in the previous school year;

''(C) ensure that the data is disaggregated within the State, local educational agency, and school by gender, by each major racial and ethnic group, by English proficiency status, by migrant status, by students with disabilities as compared to nondisabled students, and by economically disadvantaged students as compared to students who are not economically disadvantaged (except that such disaggregation shall not be required in a case where the number of students in any category is insufficient to yield statistically reliable information or the results would reveal individually identifiable information about an individual student);

''(D) ensure that the reports are—

''(i) distributed to local print and broadcast media; and

''(ii) posted on a web site on the Internet.''.

SEC. 103. TEACHER QUALITY.

Section 1111 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311) is amended—

(1) by redesignating subsections (c) through (g) as subsections (e) through (i), respectively; and

(2) by inserting after subsection (b) the following:

''(c) TEACHER QUALITY.—

''(1) DISSEMINATION TO PARENTS.—Each State plan shall contain assurances that all schools served under this part make available to each parent, in a uniform and understandable format, information on the qualifications of their child's classroom teachers with regard to the subject areas and grade levels in which the teacher provides instruction. Such information shall include—

''(A) whether the teacher has met all State qualification and licensing criteria for the grade levels and subject areas in which the teacher provides instruction;

''(B) whether the teacher is teaching under 'emergency' or other provisional status;

''(C) the college major of the teacher and any other graduate certification or degree held by the teacher, and the field or discipline of each certification or degree.

''(2) SPECIAL PARENTAL NOTIFICATION.—Each State plan shall contain assurances that—

''(A) the State shall ensure that all schools served under this part notify in writing the parents or guardians of any student who is receiving academic instruction from a teacher who has not fully met all State requirements to provide instruction at the grade level at which, and in the subject areas in which, the teacher is providing instruction to the student;

''(B) the notification required under subparagraph (A) shall be made—

''(i) to parents or guardians of any student who is receiving instruction from a teacher who has been exempted from State qualification and licensing criteria or for whom State qualification or licensing criteria have been waived under 'emergency', 'provisional', or other similar procedures;

''(ii) not more than 15 days after the student has been assigned to a teacher described in the subparagraph; and

''(C) before being allowed to accept a teaching assignment in the State, a teacher who has not fully met all State requirements to provide instruction at a grade level or in a subject area in which the teacher is to provide instruction is informed of the notification requirement under this paragraph.

''(3) PUBLIC REPORTING.—Each State plan shall contain assurances that the State shall compile, aggregate, publish, distribute to major print and broadcast media outlets throughout the State and post on a web site on the Internet the information described in paragraph (1) for each school, local educational agency, and the State.

''(4) QUALIFICATIONS OF CERTAIN INSTRUCTIONAL STAFF.—

''(A) Each State plan shall contain assurances that, not later than 2 years after the date of the enactment of the School Quality Counts Act—

''(i) all instructional staff who provide services to students under section 1114 or 1115 have demonstrated the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which they provide instruction, according to the criteria described in this paragraph;

''(ii) except as provided in subparagraph (F), funds under this part may not be used to support instructional staff who provide services to students under section 1114 or 1115 for whom State qualification or licensing requirements have been waived or who are teaching under an 'emergency' or other provisional credential.

''(B) For purposes of subparagraph (A), instructional staff who teach elementary school students are required, at a minimum, to hold a bachelors's degree and demonstrate general knowledge, teaching skill, and subject matter knowledge required to teach effectively in reading, writing, mathematics, social studies, science, and other elements of a liberal arts education.

''(C) For purposes of subparagraph (A), instructional staff who teach in middle schools and secondary schools are required, at a minimum, to hold a bachelor's degree or higher and demonstrate a high level of competence in all subject areas in which they teach through—

''(i) a high level of performance on rigorous academic subject area tests; or

''(ii) completion of an academic major in each of the subject areas in which they provide instruction and at least a B average.

''(D) For purposes of subparagraph (A) funds under this part may be used to employ teacher aides or other paraprofessionals who

do not meet the requirements under subparagraphs (B) and (C) only if such aides or paraprofessionals—

''(i) provide instruction only when under the direct and immediate supervision, and in the immediate presence, of instructional staff who meet the criteria of this paragraph; and

''(ii) possess particular skills necessary to assist instructional staff in providing services to students served under this Act.

''(E) Each State plan shall contain assurances that beginning on the date of the enactment of the School Quality Counts Act, no school served under this part may use funds received under this Act to hire instructional staff who do not fully meet all the criteria for instructional staff described in this paragraph.

''(F) Each State plan shall contain assurances that not later than 6 months after the date of the enactment of the School Quality Counts Act, and annually thereafter, the principal of each school served under this part shall, in writing, attest to the fact that all members of their instructional staff meet the requirements of this paragraph. In a case in which there are instructional staff who have yet to meet all requirements to provide instruction in each of the subject areas and at each of the grade levels to which they are assigned to teach, the principal shall submit, in writing, a plan for ensuring that not later than 2 years after the date of the enactment of the School Quality Counts Act all instructional staff will either meet all requirements under this paragraph or will no longer provide instruction to students served under this part.

''(G) For purposes of this paragraph, the term 'instructional staff' includes any individual who has responsibility for providing any student or group of students with instruction in any of the core academic subject areas, including reading, writing, language arts, mathematics, science, and social studies.

''(d) Each State plan shall describe how the State educational agency will help each local educational agency and school develop the capacity to comply with the requirements of this section.''.

SEC. 104. QUALIFIED TEACHER IN EVERY CLASSROOM.

(a) IN GENERAL.—Title I of the Elementary and Secondary Education Act of 1965 is amended by inserting after section 1119 the following new section:

''SEC. 1119A. A QUALIFIED TEACHER IN EVERY CLASSROOM.

''(a) USES OF FUNDS.—In order to meet the goal under section 1111(c)(4) of ensuring that all instructional staff have the subject matter knowledge, teaching knowledge, and teaching skill necessary to teach effectively in the content area or areas in which they provide instruction, local educational agencies may, notwithstanding any other provision of law, use funds received under title II, title VI, and section 307 of the Department of Education Appropriations Act, 1999, the Higher Education Act of 1965, or the Goals 2000: Educate America Act—

''(1) to recruit fully qualified teachers, including through the use of signing bonuses or other financial incentives;

''(2) to collaborate with programs that recruit, place, and train qualified teachers; or

''(3) to provide the necessary education and training, including paying the costs of college tuition and other student fees (for programs that meet the criteria under section 203(2)(A)(i) of the Higher Education Amendments of 1998), to help current teachers or other school personnel who do not meet these criteria attain the necessary qualifications and licensing requirements, except that in order to qualify for college tuition payments under this clause, an individual must be within 2 years of completing an undergraduate degree and must agree to teach for at least 2 subsequent years after receiving such degree in a school that—

''(A) is located in a local educational agency that is eligible in that academic year for assistance under this title; and

''(B) for that academic year, has been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) exceeds 50 percent of the total enrollment of that school.

''(b) CORRECTIVE ACTION.—The State educational agency shall take corrective action consistent with section 1116(c)(5)(B)(i), with the goal of meeting the requirements under this paragraph, against any local educational agency that does not make sufficient effort to comply with section 103 within the time specified. Such corrective action shall be taken regardless of the conditions set forth in section 1116(c)(5)(B)(ii). In a case in which the State fails to take corrective action, the Secretary shall withhold funds from such State up to an amount equal to that reserved under sections 1003(a) and 1603(c).''.

(b) INSTRUCTIONAL AIDES.—Section 1119 of Elementary and Secondary Education Act of 1965 is amended by striking subsection (i).

(c) CLERICAL AMENDMENT.—The table of sections for the Elementary and Secondary Education Act of 1965 is amended by inserting after the item relating to section 1119 the following new item:

''Sec. 1119A. A qualified teacher in every classroom.''.

SEC. 105. LIMITATION.

Part E of title XIV of the Elementary and Secondary Education Act of 1965 is amended by adding at the end the following:

''SEC. 14515. PROHIBITION REGARDING PROFESSIONAL DEVELOPMENT SERVICES.

''None of the funds provided under this Act may be used for any professional development services for a teacher that are not directly related to the curriculum and content areas in which the teacher provides instruction.''.

TITLE II—ACADEMIC ACHIEVEMENT AWARDS PROGRAM

SEC. 201. ACADEMIC ACHIEVEMENT AWARDS.

Subpart 1 of part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311–6323) is amended—

(1) by redesignating sections 1120, 1120A, and 1120B as sections 1120A, 1120B, and 1120C, respectively; and

(2) by inserting after section 1119A, as added by section 104 of this Act, the following:

''SEC. 1120. ACADEMIC ACHIEVEMENT AWARDS.

''(a) ESTABLISHMENT OF PROGRAMS.—Each State receiving a grant under this title shall establish an Academic Achievement Awards Program to recognize and reward—

''(1) local educational agencies and schools that operate programs under section 1114 or 1115 and that demonstrate outstanding yearly progress, consistent with section 1111(b)(2)(A), for 2 or more consecutive years; and

''(2) teachers who provide instruction in such programs.

''(b) RESERVATION.—Each State receiving a grant under this title shall reserve, from the amount (if any) by which the funds received by the State under this title for the fiscal year exceed the amount received by the State in the preceding fiscal year, 25 percent of such additional amount (plus any additional amount the State may find necessary to address a demonstrated need for an academic achievement award program), for awards to local educational agencies, schools, and teachers of classes that demonstrate outstanding yearly progress (consistent with section 1111(b)(2)(B)) for 2 or more consecutive years.

''(c) TYPES OF AWARDS.—Each State shall use funds reserved under this section to present financial awards to—

''(1) the schools and local educational agencies that the State determines have demonstrated the greatest progress in improving student achievement (consistent with section 1111(b)(2)(B)); and

''(2) teachers who demonstrate the ability to consistently help students make significant achievement gains, consistent with section 1111(b)(2)(B), in the subject areas in which the teacher provides instruction.

''(d) CALCULATION OF AWARD AMOUNTS.—Award amounts to local educational agencies and schools shall be proportionate to the amount of aid such local educational agency or school received under this part for the preceding fiscal year. The amount awarded to a teacher that qualifies for an award under this section shall be uniform throughout the State.

''(e) SPECIAL RULE.—Each State shall allocate not less than 85 percent of funds reserved under subsection (b) to schools that—

''(1) reside in a local educational agency that is eligible in that academic year for assistance under section 1124; and

''(2) for that academic year, have been determined by the Secretary to be a school in which the enrollment of children counted under section 1124(c) exceeds 50 percent of the total enrollment of that school,

or to teachers providing instruction within such schools.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such additional sums as may be necessary to supplement the academic achievement awards program. Such funds shall be allocated to a State in an amount proportionate to the amount of aid such State received under this part for the preceding fiscal year.''.

TITLE III—CONFORMING AMENDMENTS; EFFECTIVE DATE

SEC. 301. CONFORMING AMENDMENTS.

(a) SECTION 102 CONFORMING AMENDMENTS.—

(1) STANDARDS AND ASSESSMENTS.—Section 1111(b) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(b)) is amended—

(A) in paragraph (1)(C), by striking ''paragraph (6)'' and inserting ''paragraph (8)''; and

(B) in paragraph (7)(A), by striking ''paragraph (6)(B)'' and inserting ''paragraph (8)(B)''.

(2) SCHOOL IMPROVEMENT.—Section 1116(c)(1)(C) of such Act (20 U.S.C. 6317(c)(1)(C)) is amended by striking ''section 1111(b)(7)(B)'' and inserting ''section 1111(b)(9)(B)''.

(3) STATE REVIEW AND LOCAL EDUCATIONAL AGENCY IMPROVEMENT.—Section 1116(d)(3)(A)(ii) of such Act (20 U.S.C. 6317(d)(3)(A)) is amended by striking ''section 1111(b)(7)(B)'' and inserting ''section 1111(b)(9)(B)''.

(4) BUILDING CAPACITY FOR INVOLVEMENT.—Section 1118(e)(1) of such Act (20 U.S.C. 6319(e)(1)) is amended by striking ''section 1111(b)(8)'' and inserting ''section 1111(b)(10)''.

(b) SECTION 103 CONFORMING AMENDMENTS.—Section 1111(d)(1) of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311(d)(1)) is amended—

(1) in subparagraphs (C) and (E)(ii), by striking ''and (c)'' and inserting ''and (e)''; and

(2) in subparagraph (D), by striking ''or (c)'' and inserting ''or (d)''.

(c) SECTION 201 CONFORMING AMENDMENTS.—

(1) AUTHORIZATION OF APPROPRIATIONS.—Section 1002 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6302) is amended—

(A) in subsection (a), by striking ''section 1120(e)'' and inserting ''section 1120A(e)''; and

(B) in subsection (e), by striking ''section 1120(e)'' and inserting ''section 1120A(e)''.

(2) ADDITIONAL STATE ALLOCATIONS FOR SCHOOL IMPROVEMENT.—Section 1003(b) of such Act (20 U.S.C. 6303(b)) is amended by striking ''section 1120(e)'' both places it appears and inserting ''section 1120A(e)''.

(3) ASSURANCES.—Section 1112(c)(1)(F) of such Act (20 U.S.C. 6312(c)(1)(F)) is amended by striking ''section 1120'' and inserting ''section 1120A''.

(4) LOCAL EDUCATIONAL AGENCY DISCRETION.—Section 1113(b)(1)(C)(i) of such Act (20 U.S.C. 6313(b)(1)(C)(i)) is amended by striking ''section 1120A(c)'' and inserting ''section 1120B(c)''.

(5) ASSURANCES.—Section 1304(c)(2) of such Act (20 U.S.C. 6394(c)(2)) is amended—

(A) by striking ''section 1120'' and inserting ''section 1120A''; and

(B) by striking ''section 1120A'' and inserting ''section 1120B''.

(6) PROGRAMS AND PROJECTS.—Section 1415(a)(2)(C) of such Act (20 U.S.C. 6435(a)(2)(C)) is amended by striking ''section 1120A'' and inserting ''section 1120B''.

(7) SUPPLEMENT, NOT SUPPLANT.—Section 1415(b) of such Act (20 U.S.C. 6435(b)) is amended by striking ''section 1120A'' and inserting ''section 1120B''.

SEC. 302. EFFECTIVE DATE.

Except as otherwise provided, the amendments made by this Act shall take effect on the date of the enactment of this Act.

S. 1423

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Teacher Tax Relief Act of 1999''.

SEC. 2. EXCLUSION FROM GROSS INCOME OF WAGES OF CERTAIN TEACHERS IN HIGH-POVERTY SCHOOLS.

(a) IN GENERAL.—Part III of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to items specifically excluded from gross income) is amended by redesignating section 138 as section 139 and by inserting after section 137 the following new section:

''SEC. 138. WAGES OF TEACHERS IN HIGH-POVERTY SCHOOLS.

''(a) IN GENERAL.—Gross income does not include amounts received as wages by a qualified teacher employed at a high-poverty school.

''(b) LIMITATIONS.—

''(1) AMOUNT OF EXCLUSION.—The amount excluded under subsection (a) for any taxable year shall not exceed $40,000.

''(2) ADJUSTED GROSS INCOME.—The exclusion under subsection (a) shall not apply to any taxpayer whose adjusted gross income for the taxable year exceeds $120,000.

''(c) QUALIFIED TEACHER DEFINED.—For purposes of this section—

''(1) IN GENERAL.—The term 'qualified teacher' means an academic teacher, a special education teacher, or a bilingual teacher. The term does not include an individual teaching under an emergency or other provisional status in which any State teaching qualification or licensing criteria have been waived.

''(2) ACADEMIC TEACHER.—The term 'academic teacher' means an individual who meets all of the following criteria:

''(A) The teacher has performed at a high level on academic subject matter tests, or has a bachelor's degree or higher with an academic major in each of the subjects taught by the teacher.

''(B) The principal of the school where the teacher is assigned asserts that the teacher is qualified to provide instruction in each academic course and in each grade level taught at the school.

''(C) In the case of a teacher of students in elementary school, the teacher must have demonstrated the teaching skill and general subject matter knowledge required to teach effectively in reading, writing, mathematics, social studies, science, and other elements of a liberal arts education.

''(D) In the case of a teacher of students in middle school or secondary school, the teacher must have demonstrated a high level of teaching skill and subject matter knowledge in all of the subject areas that they teach.

''(d) OTHER DEFINITIONS.—For purposes of this section—

''(1) ACADEMIC SUBJECTS.—The term 'academic subjects' includes English, language arts, social studies, history, mathematics, science, and related subjects.

''(2) HIGH-POVERTY SCHOOL.—The term 'high-poverty school' means a school in which at least 50 percent of the students attending such school are eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.

''(3) SCHOOL.—The term 'school' means any public school which provides elementary education or secondary education (through grade 12), as determined under State law.

''(4) WAGES.—The term 'wages' has the meaning provided by section 3401(a).''.

(b) CLERICAL AMENDMENT.—The table of sections for part III of subchapter B of chapter 1 of such Code is amended by striking the item relating to section 139 and inserting the following:

''Sec. 138. Wages of teachers in high-poverty schools.

''Sec. 139. Cross references to other Acts.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts received in taxable years beginning after December 31, 1999.

By Mr. EDWARDS (for himself and Mrs. HUTCHISON):

S. 1424. A bill to amend the Internal Revenue Code of 1986 to provide the same tax treatment for special pay as for combat pay; to the Committee on Finance.

TAX EXEMPT MILITARY PAY ORDERS (TEMPO) ACT

Mr. EDWARDS. Mr. President, I rise to introduce with my colleague KAY BAILEY HUTCHISON the Tax Exempt Military Pay Orders (TEMPO) Act. This measure will not only correct an inequity in the way we treat our deployed armed forces, but it also will help let our soldiers know that we recognize and appreciate the sacrifices they and their families make.

Our proposal would provide that income received by a member of the Armed Forces of the United States, while receiving special pay, should be tax exempt. Currently, members of the U.S. Armed Forces who serve in a Presidentially designated ''combat zone'' receive special tax exemptions. I think we all recall that this exemption was in effect during Kosovo. During Kosovo, soldiers did not have to pay excise taxes on phone calls that they make from the combat zone. Nor did they have to pay income taxes on the money earned while in that zone.

The measure we introduce today provides that these same tax exemptions would be triggered when the Secretary of Defense designates his employees as eligible for ''special pay'' based on hostile conditions. Under current law, members of the Armed Forces receive special pay when: subject to hostile fire; on duty in which he, or others with him, are in imminent danger of such fire; were killed, injured or wounded by hostile fire or were on duty in a foreign area in which he was subject to the threat of physical harm or imminent danger on the basis of civil insurrection, civil war, terrorism, or wartime conditions. In the last few years soldiers in Somalia and Haiti have received special pay.

Let me explain why I believe we need to change the tax treatment of special pay. The original tax exemption for combat pay was put in place during the Korean war. From that time until the fall of the Berlin Wall, the employment of U.S. forces almost always was in combat zones. But since the end of the cold war, as we all know, our Armed Forces have been deployed more often, and in a wider variety of circumstances. Today, a soldier with the 82nd Airborne from North Carolina may be sent on a mission that is as dangerous as any combat mission, but because it is not precisely in a combat zone, he cannot receive any tax benefits.

Given the current uses of our Armed Forces, I believe the measure we propose today makes a great deal of sense. I also believe that making this change in the tax code would correct an inequity. Now, I think it is only right that soldiers in the Kosovo engagement are receiving tax exemptions. But during a recent visit to Fort Bragg, many soldiers and their families commented that the same benefits should have been extended to the soldiers who served in Somalia and Haiti. I have to say that I agreed with them.

And so, this bill addresses the new realities of the post-code-war world. As the Senate knows all too well, the end of the cold war brought with it a significant drawdown in the size of our armed forces. Additionally, we shifted from an overseas-based force to one based primarily in the United States. Almost concurrently, our national security strategy has lead us into an era of seemingly continuous deployments. In the 40 years between 1950 and 1990, elements of the U.S. Army were deployed 10 times. In the less than 10 years since the fall of the Berlin Wall, elements of the Army have been deployed 34 times. The Navy's responses have doubled in the 90's. The Air Force has seen its deployed forces rise 400% while its active duty personnel dropped 33%. Some of these deployments are a few months in duration; some are part

of a continuous presence—such as our forces in the Sinai. All work hardship on both the members deployed and their families, particularly when there are repeated or back-to-back deployments.

These demands contribute to both recruitment and retention problems. In recognition of these demands and of the likelihood that we will continue to see more of these deployments, this bill recognizes that we need to bring our tax code up to date so that it acknowledges these new realities.

Mr. President, let me tell you more about what this proposal would do. As I previously said, members of the military who receive combat pay get certain tax exemptions. For example:

The income of the soldier while in the combat zone is tax exempt. So is the income of a soldier while hospitalized for injuries received in the combat zone and that portion of a pension or retirement acquired while in a combat zone. In addition, pay received while a prisoner of war as a result of service in the combat zone is tax exempt.

Special tax rates apply for the surviving spouse of a soldier who is missing in action (or presumed dead) in a combat zone.

All taxes are eliminated for the years the soldier served in the combat zone if he is killed in the combat zone.

There are other exemptions, and I ask unanimous consent that this copy of the relevant exemptions be printed in the RECORD.

My bill would give those exact same exemptions to soldiers who receive special pay.

Mr. President, as we close out this century and address the realities of the new century, I ask the Senate approve this measure as a means of acknowledging the sacrifices being demanded of our service members and their families.

Mr. President, I ask unanimous consent that additional material be printed in the RECORD.

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

SECTION 1: SHORT TITLE.

This Act may be cited as the ''Tax Exempt Military Pay Orders (TEMPO) Act''.

S. 1424

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

SEC. 2. TAX TREATMENT OF SPECIAL PAY FOR MEMSERS OF THE ARMED FORCES.

(a) IN GENERAL.—Subchapter C of chapter 80 of the Internal Revenue Code of 1986 (relating to provisions affecting more than one subtitle) is amended by adding at the end the following:

''SEC. 7874. TREATMENT OF SPECIAL PAY FOR MEMBERS OF THE ARMED FORCES.

''(a) GENERAL RULE.—For purposes of the following provisions, a special pay area shall be treated in the same manner as if it were a combat zone (as determined under section 112):

''(1) Section 2(a)(3) (relating to special rule where deceased spouse was in missing status.—

''(2) Section 112 relating to the exclusion of certain combat pay of members of the Armed Forces.

''(3) Section 692 (relating to income taxes of members of Armed Forces on death).

''(4) Section 2201 (relating to members of the Armed Forces dying in combat zone or by reason of combat-zone-incurred wounds, etc.).

''(5) Section 3401(a)(1) (defining wages relating to combat pay for members of the Armed Forces).

''(6) Section 4253(d) (relating to the taxation of phone service originating from a combat zone from members of the Armed Forces).

''(7) Section 6013(f)(1) (relating to joint return where individual is in missing status).

''(8) Some 7508 (relating to time for performing certain acts postponed by reason of service in combat zone).

''(b) SPECIAL PAY AREA.—For purposes of this section, the term 'special pay area' means any area in which an individual receives special pay under section 310 of title 37, United States Code, for services performed in such area.''

''(b) CONFORMING AMENDMENT.—The table of sections of subchapter C of chapter 80 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''Sec. 7874. Treatment of special pay.''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to remuneration paid to taxable years ending after the date of the enactment of this Act.

CURRENT TAX EXEMPTIONS IN EFFECT FOR COMBAT PAY

Under current law, these exemptions are in effect for members of the Armed Services who receive combat pay:

The income of the soldier while in the combat zone is tax exempt. So is the income of a soldier while hospitalized for injuries received in the combat zone and that portion of a pension or retirement acquired while in a combat zone. In addition, pay received while a prisoner of war as a result of service in the combat zone is tax exempt. (26 U.S.C. §112)

Special tax rates apply for the surviving spouse of a soldier who is missing in action (or presumed dead) in a combat zone. (26 U.S.C. §2(a)(3))

All taxes are eliminated for the years the soldier served in the combat zone if he is killed in the combat zone. (27 U.S.C. §692)

If the soldier is killed in the combat zone, his survivors are entitled to a lower estate tax. (26 U.S.C. §2201)

While in the combat zone, the soldier does not have to pay certain federal excise taxes on phone calls. (26 U.S.C. §4253(d))

The surviving spouse of a soldier who is missing in action gets the option of filing a joint tax return for up to two years after the termination of the combat zone. (26 U.S.C. §6013(f)(1))

Certain tax deadlines and liabilities while in the combat zone are defeated. (26 U.S.C. §7508)

Mrs. HUTCHISON. Mr. President, I am pleased to join Senator EDWARDS of North Carolina to offer legislation very important to those members of our Armed Forces who are deployed in defense of our nation's interests around the world. Our bill will provide for federal tax exemption to those serving in hostile areas not officially designated as combat zones. The current restrictions on this exemption to formally designated combat zones—which do not include many of our peacekeepers who face daily threats to their lives—are a half-century old relic of the Korean War that do not address the realities of the military missions in our post-cold-war world.

Today there are two combat zones as designated by the President in Executive Orders. One is in the Middle East, including the Persian Gulf, the Red Sea, the Gulf of Oman, the Gulf of Aden, as well as Iraq, Kuwait, Saudi Arabia, Oman, Bahrain, Qatar, and the United Arab Emirates. This area has been a combat zone since January 1991. The other combat zone is the Kosovo Area of Operations including the Federal Republic of Yugoslvia (Serbia/Montenegro), Albania, the Adriatic Sea, and the Ionian Sea. This combat zone has been in effect since March 1999. Members serving in those areas get a tax exemption.

Yet, today there are 17 areas considered so dangerous that our troops there get a special allowance known as Imminent Danger Pay that do not receive the same tax relief that those in a designated combat zone get. In fact, combat zone tax provisions did not apply to our troops in Somalia, where we lost 18 Rangers in one bloody gunfight.

Our bill argues, in effect, that if a location is dangerous enough to earn the allowance reserved for imminent danger, then it's dangerous enough to get favorable tax treatment, too. This would include troops that are in some of the most dangerous parts of the world, including Algeria, Burundi, Pakistan, Sudan, and Yemen.

When our troops are deployed in harm's way anywhere, there should not be a discrepancy in tax benefits from one location to another. This is an administrative distinction that matters little to the brave young Americans who are out there defending us. These determinations are made after careful study by the Secretary of Defense, based on the inherent dangers in a foreign area.

The Senate expressed its support for addressing this inequity in a resolution we passed as part of the FY2000 Defense Authorization Bill. Not only is this the right and fair thing to do, but during these times of increased deployments and personnel shortages, it is in our national interest to continue to show our dedicated service members that we appreciate their sacrifice and commitment.

I commend the Senator from North Carolina for his leadership on this issue and urge other Senators to join us in this effort.

By Mr. SPECTER:

S. 1425. A bill to amend the Internal Revenue Code of 1986 to allow a 10 percent biotechnology investment tax credit and to reauthorize the Research and Development tax credit for ten years; to the Committee on Finance.

BIOTECHNOLOGY TAX CREDIT ACT OF 1999

Mr. SPECTER. Mr. President, we are faced today with the unique challenges brought by the extraordinary biological, technological, and medical advances of this decade. We have seen miraculous breakthroughs in the fight

against communicable diseases: the complete eradication of small pox, the near global eradication of polio, vaccines for ailments such as measles, rubella, and even the flu. Revolutionary new drugs and improved surgical techniques allow us all to lead longer, more productive lives. But past success is not a guarantee of future progress and science does not bear fruit overnight. Breaking the code for complex problems takes a steady and sustained commitment of people and money. As we enter the next century, we have a responsibility to perpetuate and improve upon our enormous capacity to prevent, detect, treat, and cure diseases of all types.

The Congress continues to be gravely concerned with rising health care costs, as demonstrated by contentious debate as recently as last week during consideration of the Patients' Bill of Rights. According to the Health Care Financing Administration (HCFA), health care spending in this country had risen to $1.1 trillion in 1997, or an average of just under $4,000 per person. Private sources paid for a little over half of that, about $585 billion, with the remainder coming from public programs like Medicare and Medicaid. HCFA further predicts that public spending on health will nearly double over the next decade, reaching $2.1 trillion in 2007.

I disagree with the premise that this is simply a dollars and cents problem. I believe science holds our best chance for both combating disease and controlling the ever-spiraling costs it imposes on society. For victims of cancer and heart disease, scientific research represents their only hope for new drugs and medical treatments that can add years to life. Research can produce miracle vaccines that save the lives of children stricken with deadly diseases like leukemia. And for growing numbers of elderly, research holds the key to stopping the ruinous effects of Alzheimer's disease, stroke and arthritis—all very expensive ailments to treat. To me, the equation is a simple one: less disease and illness mean less human suffering and lower health care costs.

Over the next three decades, the number of Americans over age 65 will double. My state of Pennsylvania houses the second highest elderly population, currently totaling nearly 2 million citizens. Mr. President, unless science finds cures and effective treatments for disease and illness, our society will face even higher costs and our hospitals and nursing facilities will be strained to the breaking point.

As Chairman of the Appropriations Subcommittee on Labor, Health and Human Services, and Education, I have said many times that I firmly believe that the National Institutes of Health (NIH) is the crown jewel of the Federal government, and substantial investment is crucial to allow the continuation of the breakthrough research into the next decade. In 1981, NIH funding was less than $3.6 billion. For the past three years, NIH funding has increased by 6.8 percent in fiscal year 1997, 7.1 percent in fiscal year 1998, and 15 percent in fiscal year 1999, for a total of $15.7 billion. I am continuing to fight to double the NIH budget, a sentiment which was unanimously supported in the United States Senate during the 105th Congress. Further, on January 19th of this year, I joined my colleagues, Senators MACK, FRIST and HARKIN in introducing S. Res. 19, a Sense of the Senate resolution to increase biomedical research funding by $2 billion for fiscal year 2000.

Mr. President, I cite continued efforts to increase the Federal investment in biomedical research in order to highlight the public policy importance of scientific investment. I believe that the Federal government also has the responsibility to provide an economic environment that promotes Research and Development in biomedical research in the private sector as well. To make good business decisions, particularly relating to investment in R&D, biomedical and ''biotech'' firms need to have reliable and well defined tax laws. Today I am introducing legislation that would establish a 10 percent tax credit for investment in biomedical research, and would extend the R & D tax credit to 10 years.

The purpose of the investment tax credit is to encourage biomedical research and to stimulate the economy, as well as to enhance our long-term competitiveness in the global biomedical arena. The investment tax credit would provide a 10 percent tax credit for purchases of capital equipment, instruments and supplies used in a laboratory setting by a biotechnology company. Without this tax credit, American companies will be competing with one hand tied behind their backs.

The R & D tax credit has proven to be critical to the U.S. biomedical research industry. The credit has allowed for many successes in U.S. scientific research and innovation, such as rapid progress in finding cures for life threatening diseases such as AIDS, cancer, and multiple sclerosis. My Subcommittee has held hearings on the state of affairs in biomedical research, and I understand from many scientists that we are on the cusp of breakthroughs many of today's most complex diseases—Alzheimer's, AIDS, heart disease, diabetes, and arthritis, to name a few. But, the scientists caution, it will only be through sustained investment, both public and private, that we will reap the rewards of biomedical research. If we cut investment in medical progress today, the consequence may be irrevocable and society may rue that decision for years to come.

As we prepare for the 21st century, we must remain committed to providing an environment that fosters technological investment, scientific exploration, and global competitiveness. Future economic growth and the prosperity of all Americans depends on continued R&D in all sectors of our nation.

Mr. President, we must act now to extend the R&D credit and send the right signal to our nation's researchers. Failure to act will not only jeopardize our research efforts, but it will also threaten the United States's world leadership in R&D and perpetuate the rising health care costs we so desperately have tried to contain. It should be noted that everything that is good and desirable is not necessarily worthy of a tax credit, but targeted tax credits are particularly appropriate where an activity engaged in by one company or individual provides such considerable benefits to society at large.

We must constantly remind ourselves that medical innovation is the most viable, long-term solution for cost-effective quality care. Our task in Congress should be to assure that the path of innovation remains open, unobstructed and attractive to both public and private investors.

For me, creating a better atmosphere for investment in medical research is more than a symbolic goal. It is a recognition that expanding our base of scientific knowledge inevitably leads to better health, lower health care costs, and an improved quality of life for all Americans. Mr. President, I urge my colleagues to support this important legislation, and urge its swift adoption.

In my capacity as chairman of the Appropriations Subcommittee for Labor, Health, Human Services and Education, our subcommittee has the responsibility for funding the National Institutes of Health. The Senate passed a resolution targeting a doubling of National Institutes of Health funding over a 5-year period. That requires an enormous increase.

Last year, with the cooperation of my distinguished ranking member, Senator HARKIN, we increased NIH funding by $2 billion. The year before the Senate voted an increase of some $950 million, which was conferenced out at $907 million.

This year the subcommittee faces a 302(b) allocation—if anyone is listening on C-Span II, that's how much money the subcommittee is allotted under the budget—that is some $12 billion under the President's request, about $12 billion under any logical sum of money to fund those three departments: The Department of Labor, the Department of Health and Human Services, and the Department of Education. We are struggling to try to find the funds to match last year's $2 billion increase. If we were to reach the goal set by the sense-of-the-Senate resolution we would have to come up with $2.3 billion.

In talking to the people in the biotech industry, they are very much interested in having an investment tax credit. An investment tax credit of 10 percent would provide a real tax incentive to induce biotech companies to do

research. We are on the brink of some phenomenal advances as a result of what happened with stem cell research late last year. Stem cell research has the potential to be a veritable fountain of youth, to tackle ailments like Alzheimer's or Parkinson's, or perhaps heart disease or cancer.

There is a controversy on that question, as to whether embryos may appropriately be used for research. So far the Department of Health and Human Services and their legal counsel concluded that the current limitation on research would not apply to research on stem cells after they are extracted from embryos. Realistically, there ought to be no limitation at all, because in dealing with embryos we are not dealing with an entity which could produce life. These are discarded embryos from in vitro fertilization.

This controversy is very similar to the controversy which existed with respect to fetal tissue, where arguments were made that using fetal tissue would lead to induced abortions where the fact of the matter was the fetal tissue was discarded fetal tissue, did not induce abortions.

But the opportunities for phenomenal advances in medical research are virtually unlimited. In the absence of the ability of the Congress, given budget limitations, to meet the doubling goal within 5 years, an investment tax credit would be an enormous help in stimulating investments by the biotech companies.

The research and development tax credit has been extended year by year, and a firm statement by Congress extending it for 10 years again would be an inducement for biotech.

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

S. 1425

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Biotechnology Tax Credit Act of 1999''.

SEC. 2. TEN YEAR EXTENSION OF THE RESEARCH AND DEVELOPMENT TAX CREDIT.

(a) IN GENERAL.—Section 41 of the Internal Revenue Code of 1986 (relating to credit for increasing research activities) is amended by striking subsection (h) and in its place, insert the following new section:

''(h) IN GENERAL.—This section shall not apply to any amount paid or incurred after June 30, 2009.''

(b) CONFORMING AMENDMENT.—Paragraph (1) of section 45C(b) of such Code is amended by striking subparagraph (D).

SEC. 3. BIOTECHNOLOGY INVESTMENT TAX CREDIT.

(a) ALLOWANCE OF CREDIT.—Section 46(a) of the Internal Revenue Code of 1986 (relating to amount of investment 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 adding at the end thereof the following new paragraph:

''(4) the biotechnology investment credit.''

(b) AMOUNT OF CREDIT.—Section 48 of such Code is amended by adding at the end thereof the following new subsection:

''(c) BIOTECHNOLOGY INVESTMENT CREDIT.—

''(1) IN GENERAL.—For purposes of section 46, the biotechnology investment credit for any taxable year is an amount equal to 10 percent of the qualified investment for such taxable year.

''(2) QUALIFIED INVESTMENT.—

''(A) IN GENERAL.—For purposes of paragraph (1), the qualified investment for any taxable year is the aggregate of—

''(i) the applicable percentage of the basis of each new biotechnology property placed in service by the taxpayer during such taxable year, plus

''(ii) the applicable percentage of the cost of each used biotechnology property placed in service by the taxpayer during such taxable year.

''(B) APPLICABLE PERCENTAGE.—For purposes of subparagraph (A), the applicable percentage for any property shall be determined under paragraphs (2) and (7) of section 46(c) (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990).

''(C) CERTAIN RULES MADE APPLICABLE.—The provisions of subsections (b) and (c) of section 48 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990) shall apply for purposes of this paragraph.

''(3) DEFINITIONS.—For purposes of this section:

''(A) 'Biotechnology Property' means capital equipment, instruments and supplies used in a laboratory setting by a biotechnology company. These items would include but would not be limited to microscopes, various laboratory machines, glassware, chemical reagents, and technical books and manuals purchased by a manufacturer for research purposes. Also included are computers and software used primarily to develop data for research and development.

''(B) 'Biotechnology Company' is an organization that deals with the application of technologies, such as recombinant DNA techniques, biochemistry, molecular and cellular biology, genetics and genetic engineering, biological cell fusion techniques, and new bioprocesses, using living organisms, or parts of organisms, to produce or modify products, to develop microorganisms for specific uses, to identify targets for small molecular pharmaceutical development, to transform biological systems into useful processes and products or to develop microorganisms for specific uses. Potential endpoints for these products, developments and uses shall be for societal benefit through improving human healthcare.''

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

''(5) CERTAIN PROGRESS EXPENDITURE RULES MADE APPLICABLE.—Rules similar to rules of subsection (c)(4) and (d) of section 46 (as in effect on the day before the date of the enactment of the Revenue Reconciliation Act of 1990 shall apply for purposes of this subsection.''

(c) TECHNICAL AMENDMENTS.—

(1) 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 thereof the following new clause:

''(iv) the basis of any new biotechnology property and the cost of any used biotechnology property.''

(2) Subparagraph (E) of section 50(a)(2) of such Code is amended by striking 'section 48(a)(5)(A)' and inserting 'section 48(a)(5) or 48(c)(5)'.

(3) Paragraph (5) of section 50(a) of such Code is amended by adding at the end thereof the following new subparagraph:

''(D) SPECIAL RULES FOR CERTAIN PROPERTY.—In the case of any biotechnology property which is 3-year property (within the meaning of section 168(e))—

''(i) the percentage set forth in clause (ii) of the table contained in paragraph (1)(B) shall be 66 percent,

''(ii) the percentage set forth in clause (iii) of such table shall be 33 percent, and

''(iii) clauses (iv) and (v) of such table shall not apply.'

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

''Section 48: OTHER CREDITS.''

(B) 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:

''SEC. 48. Other Credits.''

SEC. 4. EFFECTIVE DATE.

The amendments made by this bill shall apply to amounts paid or incurred after June 30, 1999.

By Mr. HARKIN (for himself, Mr. DASCHLE, Mr. LEAHY, Mr. KERREY, Mr. CONRAD, and Mr. JOHNSON):

S. 1426. A bill to amend the Food Security Act of 1985 to promote the conservation of soil and related resources, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

THE CONSERVATION SECURITY ACT OF 1999

Mr. HARKIN. Mr. President, I will take a few minutes to talk about America's farmers and ranchers and the promise they hold for us and the future for our environment, for production of bountiful, safe, and nourishing food for us and for the population around the globe.

Specifically on the issue of conservation, it became a national priority in the days of the Dust Bowl, leading to the creation in the 1930s of the Soil Conservation Service at the Department of Agriculture, which is now the Natural Resources Conservation Service. With the very foundation of our food supply at risk, the Government stepped forward with billions of dollars in assistance to help farmers preserve their precious soils.

Since that time, Federal spending on conservation has steadily declined. Yet today agriculture faces a wide range of environmental challenges, from overgrazing and manure management to fertilizer runoff and water pollution. Urban and rural citizens alike are increasingly concerned about the environmental impact of agriculture.

Farmers and ranchers pride themselves on being good stewards of the land, and there are farm-based solutions to these problems being implemented all over the country. But every dollar spent on constructing a filter strip or developing a nutrient management plan is a dollar that farmers don't have in hard times like these. And even in better times, there is a lot of competition for that dollar.

So who benefits from conservation on farm lands? As much or more than the

farmer, it is the rest of us, who depend on the careful stewardship of the water that travels across fields and pastures before reaching rivers, streams, and our groundwater. Farmers and ranchers tend not only to their crops and animals, but also to our public resources.

Since we all share in these benefits, it is only right that we share in their costs. It is time to enter into a true conservation partnership with our farmers and ranchers to help ensure that conservation is not a luxury that comes and goes but an essential and permanent part of sustainable agricultural production nationwide.

In the 1985 farm bill, we required that farmers who wanted to participate in USDA farm programs develop soil conservation plans for their highly erodible land. This provision helped put new conservation plans in place for our most fragile farmlands. In the most recent farm bill, we streamlined conservation programs and established new cost-share and incentive payments for certain practices.

Today I am introducing the Conservation Security Act of 1999, proposed legislation that builds on our past successes and takes a bold step forward in farm and conservation policy.

My bill would establish a universal and voluntary incentive payment program to support and encourage conservation activities by all farmers and ranchers. Under this program, farmers and ranchers could receive up to $50,000 per year in conservation payments. Under this conservation security program, farmers would enter into 3- to 5-year contracts with USDA and choose from one of three classes of conservation practices for which they would receive a payment based on the number of acres covered and the county rental rate for those acres.

This program is directed toward conservation on working lands. It is not a set-aside. It is not an easement program. It is not a conservation reserve program. It is a conservation program so that we farm in the best way possible to conserve our resources and to prevent pollution.

For implementing a basic set of practices, farmers would receive an annual payment of 10 percent of the rental rate of the land covered. I call this basic category class I, and it would include such practices as nutrient management, conservation tillage, and runoff and drainage control.

There would be a class II under which farmers could receive up to 20 percent of the rental rate, where farmers would add to their class I practices by choosing from a menu of class II practices that would be established by the USDA—such things as nutrient management, composting, intensive grazing, partial field practices such as buffer strips and windbreaks, wetland restoration, and wildlife habitat enhancement.

Then the third class, farmers who wanted to do class III conservation practices would enroll their whole farm under a total resource management plan that addresses all aspects of air, land, water, and wildlife. For that, the farmers would receive a 40-percent payment, 40 percent of the rental rate of land in that county.

This bill also provides an incentive for livestock producers. In payment for preparing and adopting comprehensive manure management plans, producers raising under 1,000 animal units at any given time—that would be 2,500 hogs, 1,000 beef cattle, 700 dairy cattle, 55,000 turkeys, or 100,000 chickens—they would be given a per animal incentive payment equal to 10 percent of the 5-year average market price.

This program would not replace or otherwise affect any other conservation program, not at all, this is to add on, except that a farmer could not receive incentive payments under this program in addition to incentive payments under another program in addition to incentive payments for land already enrolled in a program such as the Conservation Reserve Program. In other words, you couldn't have your land in the Conservation Reserve Program and then enter this program with that same land.

Again, I emphasize, the Conservation Security Program would be totally voluntary. It would be up to the farmer to decide if they want to do it. If they do, then they would get additional payments. A lot of these practices farmers are already doing now, for which they receive little or no support.

Again, these practices don't just benefit the farmer; in fact, a lot of times it may burden the farmer. That farmer may have to do extra work, require a little extra time. Maybe some equipment for these kinds of conservation practices. The beneficiaries of this are all of us. We all will benefit from cleaner air, cleaner streams and rivers, protecting our groundwater, wildlife habitats for those of us who like to hunt and fish.

Our private lands are a national resource, and conservation on farm and ranchlands provides environmental benefits that are just as important as the production of abundant and safe food. I am introducing the Conservation Security Act because I believe it will help secure both the economic future of our farmers, help them a little bit with the safety net, and it will be a cornerstone, I think, of our national farm policy and the environmental future of agriculture.

I am introducing this bill for myself, Senator DASCHLE, Senator LEAHY, Senator KERREY of Nebraska, Senator CONRAD, and Senator JOHNSON.

I ask other Senators who are interested to contact my staff. We are now actively seeking cosponsors for this new voluntary conservation program.

I thank the Chair.

By Mr. HATCH (for himself, Mrs. FEINSTEIN, Mr. DEWINE, Mr. BIDEN, Mr. THURMOND, Mr. BOND, Mr. SMITH of Oregon, Mr. HELMS, Mr. REID, and Mr. BRYAN):

S. 1428. A bill to amend the Controlled Substances Act and the Controlled Substances Import and Export Act relating to the manufacture, traffick, import and export of amphetamine and methamphetamine, and for other purposes; to the Committee on the Judiciary.

METHAMPHETAMINE ANTI-PROLIFERATION ACT OF 1999

Mr. HATCH. Mr. President, I rise today to introduce the Methamphetamine Anti-Proliferation Act of 1999, a very important piece of legislation in America's on-going war on drugs. Three years ago I introduced the Comprehensive Methamphetamine Act of 1999, which this body passed, to address the frightening and very real problem of methamphetamine abuse in this country. That legislation has provided law enforcement with necessary tools to combat methamphetamine and has helped us track and slow the proliferation of methamphetamine manufacturing and abuse. However, there remain too many people in this country who are determined to undermine our drug laws and turn America into one colossal metamphetamine laboratory. For this reason, I, along with Senators FEINSTEIN, DEWINE, BOND, THURMOND, BIDEN, BRYAN, and REID, are introducing this bipartisan bill that seeks to shield America against the proliferation of methamphetamine Manufacturing.

The methamphetamine threat differs in kind from the threat of other illegal drugs because methamphetamine can be made from readily available and legal chemicals and substances, and because it poses serious dangers to both human life and to the environment. America's history of fighting illegal drugs has been long and tiring but with so many young Americans still being exposed to so many destructive drugs, now is not the time to give up—it is a time to fight smarter and harder. The provisions of this bill will provide law enforcement with several effective tools that will help us turn the tide of proliferation of methamphetamine manufacturing in America.

Traditionally, the overwhelming majority of illegal drugs consumed in America has been manufactured outside of our borders and then illegally smuggled into America. The rapid spread and growing use of methamphetamine threatens to change the future of where drugs are manufactured. Drug pushers are threatening to turn America into a producing country of a drug that affects the lives of every American because it not only destroys the lives of those who use the drug, but also can have devastating effects on people situated around lab sites, on law enforcement officials that have to clean the labs, and on the environment.

According to a report prepared by the Community Epidemiology Work Group, which is part of the National Institute

on Drug Abuse, methamphetamine ''abuse levels remain high . . . and there is strong evidence to suggest this drug will continue to be a problem in West Coast areas and to spread to other areas of the United States.'' the reasons given for the ominous prediction are that methamphetamine can be produced easily in small, clandestine labs and the chemicals used to make methamphetamine are readily available.

This threat is real and immediate, and the numbers are telling. According to the Drug Enforcement Administration, the DEA, the number of labs cleaned up by the Administration has almost doubled each year since 1995. Last year 5,786 amphetamine and methamphetamine labs were seized by DEA and State and local law enforcement officials, and millions of dollars were spent on cleaning up the pollutants and toxins created and left behind by operators of these labs. In Utah alone, there were 266 lab seizures last year, a number which elevated Utah to the unenviable position of being ranked third among all states for higher per capita clan lab seizures. The problem with the high number of manufacturing labs is compounded by the fact that the chemicals and substances utilized in the manufacturing process are unstable, volatile, and highly combustible. The smallest amounts of these chemicals, when mixed improperly, can cause explosions and fires. And of course, those operating these labs are not scientists, but rather unskilled, ignorant, criminals and fly-by-nights who are completely apathetic to the destructive powers that are inherent in the manufacturing process. This fact is even more frightening when you consider that most of these labs are situated in residences, motels, trailers, and vans.

Let me take a moment to highlight some of the provisions of this bill that will assist Federal, State, and local law enforcement in preventing the proliferation of methamphetamine manufacturing in America.

First, the bill will bolster the DEA's ability to combat the manufacturing and trafficking of methamphetamine and other drugs by authorizing the hiring of new agents to carry out a variety of anti-drug initiatives. Agents will be hired to assist State and local law enforcement officials in small and mid-sized communities in all phases of methamphetamine manufacturing investigations. Due to the large number of manufacturers and traffickers that are setting up shop in small and rural cities, law enforcement agencies located in these areas are in dire need of the DEA's expert guidance and knowledge of methamphetamine investigations, including assistance in interrogating suspects, conducting surveillance operations, and collecting evidence to build a case. This bill also authorizes the expansion of the number of DEA resident offices and posts-of-duty, which are smaller DEA offices often set up in small and rural cities that are overwhelmed by methamphetamine manufacturing and trafficking.

Another way this legislation will help the DEA assist State and local officials is to provide for the training of State and local law enforcement personnel in techniques used in methamphetamine investigations and to provide them with certification training in handling the dangerously-volatile and toxic wastes produced by methamphetamine labs. It also provides for the creation of another DEA program that will enable certain State and local law enforcement officials to recertify other law enforcement in their regions. These programs are authorized for a three year period and designed to pass on the DEA's knowledge and expertise to State and local officials so that they can become more independent of the DEA and thereafter rely rather on each other in combating the scourge of methamphetamine manufacturing.

This bill contains many references to the drug amphetamine, a lesser known, but equally dangerous drug. Because the process of manufacturing amphetamine is as dangerous as manufacturing methamphetamine, this bill seeks to equalize the punishment for manufacturing the two drugs. Other than being slightly less potent, amphetamine is manufactured, sold, and used in the same manner as methamphetamine. In fact, many times a person can set out to manufacture a batch of methamphetamine and end up with amphetamine if just one precursor chemical is used in place of another. When this happens, drug dealers sell amphetamine as methamphetamine and users buy and use it thinking it is methamphetamine. The dangers posed to the environment are also the same. Amphetamine labs have the same destructing and polluting ability as methamphetamine labs. Every law enforcement officer with whom I have spoken, including federal and State prosecutors and federal and State law enforcement officials, agreed that the penalties for amphetamine should be the same as those for methamphetamine.

Another important section of this bill will assist in preventing the manufacture of methamphetamine and other illegal drugs by banning the dissemination of drug ''recipes'' and other demonstrative information relating to the manufacturing and use of controlled substances. The dissemination of this type of information is prohibited if the intent of the person disseminating the information is for it to be used for, or in furtherance of, a federal crime or if the person disseminating the information has knowledge that the person receiving the information intends to use the information for, or in furtherance, of a federal crime. Currently, there are hundreds of sites on the Internet that instruct how to manufacture methamphetamine and other illegal drugs, including what ingredients are required, what instruments or equipment is needed, and how to combine precisely the ingredients. These step-by-step instructions will be illegal under this bill if the person posting the information or the person receiving the information intends to engage in activity that violates our drug laws.

I was shocked to discover that those who embrace the drug counter-culture these days are using the Internet to promote, advertise, and sell illegal drugs and drug paraphernalia. In 1992, Congress passed a law that made it illegal for anyone to sell or offer for sale drug paraphernalia. This law resulted in the closings of numerous ''head shops,'' yet, now the out-of-business store owners are selling their illegal drug paraphernalia on the Internet. This bill will amend the anti-drug paraphernalia statute to clarify that advertisements for sale include the use of any communication facility, including the Internet, to post or publicize in any way any matter, including a telephone number or electronic or mail address, knowing that such matter is designed to be used to buy, distribute, or otherwise facilitate a transaction in drug paraphernalia. This will not only prevent web sites from advertising drug paraphernalia for sale, but it will also prohibit web sites that do not sell drug paraphernalia from allowing other sites that do from advertising on its web site. Currently, anyone can log on to the Internet, go to one of the numerous pro-drug sites, and purchase illegal drug paraphernalia, such bongs, water pipes, ''Toke'' bottles and ''High Again'' bottles, along with descriptions of how these devices can assist in getting a better ''high'' from smoking marijuana. There are even web sites that advertise for sale marijuana and poppy seeds, along with growing and nurturing instructions. This type of behavior is not only reprehensible, but it is also illegal, and this clarifying provision can help stop this behavior from continuing over the Internet.

Finally, this legislation seeks to impose harsher penalties on manufacturers of illegal drugs when their actions create a substantial risk of harm to human life or to the environment. The inherent dangers of killing innocent bystanders and, at the same time, contaminating the environment during the methamphetamine manufacturing process warrant a punitive penalty that will deter some from engaging in the activity.

Mr. President, many people have grown increasingly more skeptical as to whether America can ever rid our nation of the dreadful plague of illegal drug use. I say to all those skeptics that now is not the time to take a defeatist attitude. Too many bright young people are depending on us to do what is right. Sure, some measures taken in the past have not been as helpful as some may have hoped, but that just means we need to keep persevering to find the right answers. I believe that this bill contains many of

the right answers and will help in one of our nation's most difficult struggles. We can defeat the drug dealers and traffickers. We must fight back for the sake of our children and grandchildren. I hope that Senators will join me in this fight and support this very important piece of legislation. Mr. President, I ask unanimous consent that a copy of this legislation and a summary be printed in the RECORD.

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

S. 1428

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Methamphetamine Anti-Proliferation Act of 1999''.

SEC. 2. MANUFACTURING AND DISTRIBUTION OF AMPHETAMINE.

(a) MANUFACTURE OR DISTRIBUTION OF SUBSTANTIAL QUANTITIES OF AMPHETAMINE.—Subparagraph (A) of section 401(b)(1) of the Controlled Substances Act (21 U.S.C. 841(b)(1)) is amended—

(1) by striking ''or'' at the end of clause (vii);

(2) by adding ''or'' at the end of clause (viii); and

(3) by inserting after clause (viii) the following new clause:

''(ix) 50 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 500 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

(b) MANUFACTURE OR DISTRIBUTION OF LESSER QUANTITIES OF AMPHETAMINE.—Subparagraph (B) of such section 401(b)(1) is amended—

(1) by striking ''or'' at the end of clause (vii);

(2) by adding ''or'' at the end of clause (viii); and

(3) by inserting after clause (viii) the following new clause:

''(ix) 5 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 50 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

SEC. 3. IMPORT AND EXPORT OF AMPHETAMINE.

(a) IMPORT OR EXPORT OF SUBSTANTIAL QUANTITIES OF AMPHETAMINE.—Paragraph (1) of section 1010(b) of the Controlled Substances Import and Export Act (21 U.S.C. 960(b)) is amended—

(1) by striking ''or'' at the end of subparagraph (G);

(2) by striking the period at the end of subparagraph (H) and inserting ''; or''; and

(3) by inserting after subparagraph (H) the following new subparagraph:

''(I) 50 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 500 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

(b) IMPORT OR EXPORT OF LESSER QUANTITIES OF AMPHETAMINE.—Paragraph (2) of such section 1010(b) is amended—

(1) by striking ''or'' at the end of subparagraph (G);

(2) by striking the period at the end of subparagraph (H) and inserting ''; or''; and

(3) by inserting after subparagraph (H) the following new subparagraph:

''(I) 5 grams or more of amphetamine, its salts, optical isomers, and salts of its optical isomers or 50 grams or more of a mixture or substance containing a detectable amount of amphetamine, its salts, optical isomers, or salts of its optical isomers;''.

SEC. 4. ENHANCED PUNISHMENT OF METHAMPHETAMINE AND AMPHETAMINE LABORATORY OPERATORS.

(a) FEDERAL SENTENCING GUIDELINES.—

(1) IN GENERAL.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines in accordance with paragraph (2) with respect to any offense relating to the manufacture, import, export, or traffick in amphetamine or methamphetamine (including an attempt or conspiracy to do any of the foregoing) in violation of—

(A) the Controlled Substances Act (21 U.S.C. 801 et seq.);

(B) the Controlled Substances Import and Export Act (21 U.S.C. 951 et seq.); or

(C) the Maritime Drug Law Enforcement Act (46 U.S.C. App. 1901 et seq.).

(2) REQUIREMENTS.—In carrying out this subsection, the United States Sentencing Commission shall, with respect to each offense described in paragraph (1)—

(A) increase the base offense level for the offense so that the base offense level is the same as the base offense level applicable to an identical amount of methamphetamine; or

(B) if the offense created a substantial risk of danger to the health and safety of a minor or incompetent, increase the base offense level for the offense by not less than 6 offense levels above the level established under subparagraph (A).

(3) EMERGENCY AUTHORITY TO SENTENCING COMMISSION.—The United States Sentencing Commission shall promulgate amendments pursuant to this subsection as soon as practicable after the date of the enactment of this Act in accordance with the procedure set forth in section 21(a) of the Sentencing Act of 1987 (Public Law 100–182), as though the authority under that Act had not expired.

(b) EFFECTIVE DATE.—The amendments made pursuant to this section shall apply with respect to any offense occurring on or after the date that is 60 days after the date of the enactment of this Act.

SEC. 5. ADVERTISEMENTS FOR DRUG PARAPHERNALIA AND SCHEDULE I CONTROLLED SUBSTANCES.

(a) DRUG PARAPHERNALIA.—Section 422 of the Controlled Substances Act (21 U.S.C. 863) is amended—

(1) in subsection (a)(1), by inserting '', directly or indirectly advertise for sale,'' after ''sell''; and

(2) by adding at the end the following:

''(g) In this section, the term 'directly or indirectly advertise for sale' includes the use of any communication facility (as that term is defined in section 403(b)) to post, publicize, transmit, publish, link to, broadcast, or otherwise advertise any matter (including a telephone number or electronic or mail address) knowing that such matter has the purpose of seeking or offering, or is designed to be used, to receive, buy, distribute, or otherwise facilitate a transaction in.''.

(b) SCHEDULE I CONTROLLED SUBSTANCES.—Section 403(c) of such Act (21 U.S.C. 843(c)) is amended—

(1) in the first sentence, by inserting before the period the following: '', or to directly or indirectly advertise for sale (as that term is defined in section 422(g)) any Schedule I controlled substance''; and

(2) in the second sentence, by striking ''term 'advertisement' '' and inserting ''term 'written advertisement' ''.

SEC. 6. CONTINUING CRIMINAL ENTERPRISES.

Section 408 of the Controlled Substances Act of (21 U.S.C. 848) is amended—

(1) in subsection (c)(2)—

(A) in the matter preceding subparagraph (A), by striking ''violations of'' and inserting ''3 or more acts made punishable by''; and

(B) in subparagraph (A), by striking ''are'' and inserting ''series is''; and

(2) by inserting after subsection (e) the following new subsection:

''(f) This section may not be construed to require, in any trial before a jury, unanimity as to the identities of—

''(1) the predicate acts specified in subsection (c)(2); or

''(2) the other persons specified in subsection (c)(2)(A).''.

SEC. 7. MANDATORY RESTITUTION FOR VIOLATIONS OF CONTROLLED SUBSTANCES ACT AND CONTROLLED SUBSTANCES IMPORT AND EXPORT ACT RELATING TO AMPHETAMINE AND METHAMPHETAMINE.

(a) MANDATORY RESTITUTION.—Section 413(q) of the Controlled Substances Act (21 U.S.C. 853(q)) is amended—

(1) in the matter preceding paragraph (1), by striking ''may'' and inserting ''shall'';

(2) by inserting ''amphetamine or'' before ''methamphetamine'' each place it appears; and

(3) in paragraph (2)—

(A) by inserting '', the State or local government concerned, or both the United States and the State or local government concerned'' after ''United States'' the first place it appears; and

(B) by inserting ''or the State or local government concerned, as the case may be,'' after ''United States'' the second place it appears.

(b) DEPOSIT OF AMOUNTS IN DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND.—Section 524(c)(4) of title 28, United States Code, is amended—

(1) by striking ''and'' at the end of subparagraph (B);

(2) by striking the period at the end of subparagraph (C) and inserting ''; and''; and

(3) by adding at the end the following:

''(D) all amounts collected—

''(i) by the United States pursuant to a reimbursement order under paragraph (2) of section 413(q) of the Controlled Substances Act (21 U.S.C. 853(q)); and

''(ii) pursuant to a restitution order under paragraph (1) or (3) of section 413(q) of the Controlled Substances Act for injuries to the United States.''.

SEC. 8. ENDANGERING HUMAN LIFE OR THE ENVIRONMENT WHILE ILLEGALLY MANUFACTURING CONTROLLED SUBSTANCES.

(a) HARM TO THE ENVIRONMENT.—(1) Section 417 of the Controlled Substances Act (21 U.S.C. 858) is amended by inserting ''or the environment'' after ''to human life''.

(2) The table of contents for that Act is amended in the item relating to section 417 by inserting ''or the environment'' after ''to human life''.

(b) ENHANCED PENALTY FOR ESTABLISHMENT OF MANUFACTURING OPERATION.—That section is further amended—

(1) by inserting ''(a)'' before ''Whoever'';

(2) in subsection (a), as so designated—

(A) by inserting ''or violating section 416,'' after ''to do so,'' the first place it appears; and

(B) by striking ''shall be fined'' and all that follows and inserting ''shall be imprisoned not less than 10 years nor more than 40 years, and, in addition, may be fined in accordance with title 18, United States Code.''; and

(3) by adding at the end the following:

''(b) Any penalty under subsection (a) for a violation that is also a violation of section 416 shall be in addition to any penalty under section 416 for such violation.''.

(c) NATURE OF PARTICULAR CONDUCT.—That section is further amended by adding at the end the following:

''(c) In any case where the conduct at issue is, relates to, or involves the manufacture of amphetamine or methamphetamine, such conduct shall, by itself, be rebuttably presumed to constitute the creation of a substantial risk of harm to human life or the environment within the meaning of subsection (a).''.

SEC. 9. CRIMINAL PROHIBITION ON DISTRIBUTION OF CERTAIN INFORMATION RELATING TO THE MANUFACTURE OF CONTROLLED SUBSTANCES.

(a) IN GENERAL.—Part I of title 18, United States Code, is amended by inserting after chapter 21 the following new chapter:

''CHAPTER 22—CONTROLLED SUBSTANCES

''Sec.

''421. Distribution of information relating to manufacture of controlled substances.

''§ 421. Distribution of information relating to manufacture of controlled substances

''(a) PROHIBITION ON DISTRIBUTION OF INFORMATION RELATING TO MANUFACTURE OF CONTROLLED SUBSTANCES.—

''(1) CONTROLLED SUBSTANCE DEFINED.—In this subsection, the term 'controlled substance' has the meaning given that term in section 102(6) of the Controlled Substances Act (21 U.S.C. 802(6)).

''(2) PROHIBITION.—It shall be unlawful for any person—

''(A) to teach or demonstrate the manufacture of a controlled substance, or to distribute by any means information pertaining to, in whole or in part, the manufacture or use of a controlled substance, with the intent that the teaching, demonstration, or information be used for, or in furtherance of, an activity that constitutes a Federal crime; or

''(B) to teach or demonstrate to any person the manufacture of a controlled substance, or to distribute to any person, by any means, information pertaining to, in whole or in part, the manufacture or use of a controlled substance, knowing that such person intends to use the teaching, demonstration, or information for, or in furtherance of, an activity that constitutes a Federal crime.

''(b) PENALTY.—Any person who violates subsection (a) shall be fined under this title, imprisoned not more than 10 years, or both.''.

(b) CLERICAL AMENDMENT.—The table of chapters at the beginning of part I of title 18, United States Code, is amended by inserting after the item relating to chapter 21 the following new item:

''22. Controlled Substances ..... 421''.

SEC. 10. NOTICE; CLARIFICATION.

(a) NOTICE OF ISSUANCE.—Section 3103a of title 18, United States Code, is amended by adding at the end the following new sentence: ''With respect to any issuance under this section or any other provision of law (including section 3117 and any rule), any notice required, or that may be required, to be given may be delayed pursuant to the standards, terms, and conditions set forth in section 2705, unless otherwise expressly provided by statute.''.

(b) CLARIFICATION.—(1) Section 2(e) of Public Law 95–78 (91 Stat. 320) is amended by adding at the end the following:

''Subdivision (d) of such rule, as in effect on this date, is amended by inserting 'tangible' before 'property' each place it occurs.''.

(2) The amendment made by paragraph (1) shall take effect on the date of the enactment of this Act.

SEC. 11. TRAINING FOR DRUG ENFORCEMENT ADMINISTRATION AND STATE AND LOCAL LAW ENFORCEMENT PERSONNEL RELATING TO CLANDESTINE LABORATORIES.

(a) IN GENERAL.—

(1) REQUIREMENT.—The Administrator of the Drug Enforcement Administration shall carry out the programs described in subsection (b).

(2) DURATION.—The duration of any program under that subsection may not exceed 3 years.

(b) COVERED PROGRAMS.—The programs described in this subsection are as follows:

(1) ADVANCED MOBILE CLANDESTINE LABORATORY TRAINING TEAMS.—A program of advanced mobile clandestine laboratory training teams, which shall provide information and training to State and local law enforcement personnel in techniques utilized in conducting undercover investigations and conspiracy cases, and other information designed to assist in the investigation of the illegal manufacturing and trafficking of amphetamine and methamphetamine.

(2) BASIC CLANDESTINE LABORATORY CERTIFICATION TRAINING.—A program of basic clandestine laboratory certification training, which shall provide information and training—

(A) to Drug Enforcement Administration personnel and State and local law enforcement personnel for purposes of enabling such personnel to meet any certification requirements under law with respect to the handling of wastes created by illegal amphetamine and methamphetamine laboratories; and

(B) to State and local law enforcement personnel for purposes of enabling such personnel to provide the information and training covered by subparagraph (A) to other State and local law enforcement personnel.

(3) CLANDESTINE LABORATORY RECERTIFICATION AND AWARENESS TRAINING.—A program of clandestine laboratory recertification and awareness training, which shall provide information and training to State and local law enforcement personnel for purposes of enabling such personnel to provide recertification and awareness training relating to clandestine laboratories to additional State and local law enforcement personnel.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for each of fiscal years 2000, 2001, and 2002 amounts as follows:

(1) $1,500,000 to carry out the program described in subsection (b)(1).

(2) $3,000,000 to carry out the program described in subsection (b)(2).

(3) $1,000,000 to carry out the program described in subsection (b)(3).

SEC. 12. COMBATTING METHAMPHETAMINE AND AMPHETAMINE IN HIGH INTENSITY DRUG TRAFFICKING AREAS.

(a) IN GENERAL.—

(1) IN GENERAL.—The Director of National Drug Control Policy shall use amounts available under this section to combat the trafficking of methamphetamine and amphetamine in areas designated by the Director as high intensity drug trafficking areas.

(2) ACTIVITIES.—In meeting the requirement in paragraph (1), the Director shall—

(A) employ additional Federal law enforcement personnel, or facilitate the employment of additional State and local law enforcement personnel, including agents, investigators, prosecutors, laboratory technicians, and chemists; and

(B) carry out such other activities as the Director considers appropriate.

(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section—

(1) $5,000,000 for fiscal year 2000; and

(2) such sums as may be necessary for each of fiscal years 2001 through 2004.

(c) APPORTIONMENT OF FUNDS.—

(1) FACTORS IN APPORTIONMENT.—The Director shall apportion amounts appropriated for a fiscal year pursuant to the authorization of appropriations in subsection (b) for activities under subsection (a) among and within areas designated by the Director as high intensity drug trafficking areas based on the following factors:

(A) The number of methamphetamine manufacturing facilities and amphetamine manufacturing facilities discovered by Federal, State, or local law enforcement officials in the previous fiscal year.

(B) The number of methamphetamine prosecutions and amphetamine prosecutions in Federal, State, or local courts in the previous fiscal year.

(C) The number of methamphetamine arrests and amphetamine arrests by Federal, State, or local law enforcement officials in the previous fiscal year.

(D) The amounts of methamphetamine, amphetamine, or listed chemicals (as that term is defined in section 102(33) of the Controlled Substances Act (21 U.S.C. 802(33)) seized by Federal, State, or local law enforcement officials in the previous fiscal year.

(E) Intelligence data from the Drug Enforcement Administration showing trafficking and transportation patterns in methamphetamine, amphetamine, and listed chemicals (as that term is so defined).

(2) CERTIFICATION.—Before the Director apportions any funds under this subsection to a high intensity drug trafficking area, the Director shall certify that the law enforcement entities responsible for clandestine methamphetamine and amphetamine laboratory seizures in that area are providing laboratory seizure data to the national clandestine laboratory database at the El Paso Intelligence Center.

(d) LIMITATION ON ADMINISTRATIVE COSTS.—Not more than 5 percent of the amount appropriated in a fiscal year pursuant to the authorization of appropriations for that fiscal year in subsection (b) may be available in that fiscal year for administrative costs associated with activities under subsection (a).

SEC. 13. COMBATING AMPHETAMINE AND METHAMPHETAMINE MANUFACTURING AND TRAFFICKING.

(a) ACTIVITIES.—In order to combat the illegal manufacturing and trafficking in amphetamine and methamphetamine, the Administrator of the Drug Enforcement Administration may—

(1) assist State and local law enforcement in small and mid-sized communities in all phases of investigations related to such manufacturing and trafficking;

(2) staff additional regional enforcement and mobile enforcement teams related to such manufacturing and trafficking;

(3) establish additional resident offices and posts of duty to assist State and local law enforcement in rural areas in combating such manufacturing and trafficking;

(4) provide the Special Operations Division of the Administration with additional agents and staff to collect, evaluate, interpret, and disseminate critical intelligence targeting the command and control operations of major amphetamine and methamphetamine manufacturing and trafficking organizations; and

(5) carry out such other activities as the Administrator considers appropriate.

(b) ADDITIONAL POSITIONS AND PERSONNEL.—In carrying out activities under subsection (a), the Administrator may establish in the Administration not more than 50 full-time positions, including not more than

31 special-agent positions, and may appoint personnel to such positions.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for the Drug Enforcement Administration for each fiscal year after fiscal year 1999, $6,500,000 for purposes of carrying out the activities authorized by subsection (a) and employing personnel in positions established under subsection (b).

SEC. 14. ENVIRONMENTAL HAZARDS ASSOCIATED WITH ILLEGAL MANUFACTURE OF AMPHETAMINE AND METHAMPHETAMINE.

(a) USE OF AMOUNTS OR DEPARTMENT OF JUSTICE ASSETS FORFEITURE FUND.—Section 524(c)(1)(E) of title 28, United States Code, is amended—

(1) by inserting ''(i) for'' before ''disbursements'';

(2) by inserting ''and'' after the semicolon; and

(3) by adding at the end the following:

''(ii) for payment for—

''(I) costs incurred by or on behalf of the Drug Enforcement Administration in connection with the removal of any hazardous substance or pollutant or contaminant associated with the illegal manufacture of amphetamine or methamphetamine; and

''(II) costs incurred by or on behalf of a State or local government in connection with such removal in any case in which such State or local government has assisted in a Federal prosecution relating to amphetamine or methamphetamine;''.

(b) GRANTS UNDER DRUG CONTROL AND SYSTEM IMPROVEMENT GRANT PROGRAM.—Section 501(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 is amended by inserting before the semicolon the following: ''and to remove any hazardous substance or pollutant or contaminant associated with the illegal manufacture of amphetamine or methamphetamine''.

(c) AMOUNTS SUPPLEMENT AND NOT SUPPLANT.—

(1) ASSETS FORFEITURE FUND.—Any amounts made available from the Department of Justice Assets Forfeiture Fund in a fiscal year by reason of the amendment made by subsection (a) shall supplement, and not supplant, any other amounts made available to the Drug Enforcement Administration in such fiscal year for payment of costs described in section 524(c)(1)(E)(ii) of title 28, United States Code, as so amended.

(2) GRANT PROGRAM.—Any amounts made available in a fiscal year under the grant program under section 501(b)(3) of the Omnibus Crime Control and Safe Streets Act of 1968 for the removal of hazardous substances or pollutants or contaminants associated with the illegal manufacture of amphetamine or methamphetamine by reason of the amendment made by subsection (b) shall supplement, and not supplant, any other amounts made available in such fiscal year for such removal.

SEC. 15. ANTIDRUG MESSAGES ON FEDERAL GOVERNMENT INTERNET WEBSITES.

Not later than 90 days after the date of the enactment of this Act, the head of each department, agency, and establishment of the Federal Government shall, in consultation with the Director of the Office of National Drug Control Policy, place antidrug messages on appropriate Internet websites controlled by such department, agency, or establishment which messages shall, where appropriate, contain an electronic hyperlink to the Internet website, if any, of the Office.

SEC. 16. MAIL ORDER REQUIREMENTS.

Section 310(b)(3) of the Controlled Substances Act (21 U.S.C. 830(b)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as subparagraphs (B) and (C), respectively;

(2) by inserting before subparagraph (B), as so redesignated, the following new subparagraph (A):

''(A) As used in this paragraph:

''(i) The term 'drug product' means an active ingredient in dosage form that has been approved or otherwise may be lawfully marketed under the Food, Drug, and Cosmetic Act for distribution in the United States.

''(ii) The term 'valid prescription' means a prescription which is issued for a legitimate medical purpose by an individual practitioner licensed by law to administer and prescribe the drugs concerned and acting in the usual course of the practitioner's professional practice.'';

(3) in subparagraph (B), as so redesignated, by inserting ''or who engages in an export transaction'' after ''nonregulated person''; and

(4) adding at the end the following:

''(D) Except as provided in subparagraph (E), the following distributions to a nonregulated person, and the following export transactions, shall not be subject to the reporting requirement in subparagraph (B):

''(i) Distributions of sample packages of drug products when such packages contain not more than 2 solid dosage units or the equivalent of 2 dosage units in liquid form, not to exceed 10 milliliters of liquid per package, and not more than one package is distributed to an individual or residential address in any 30-day period.

''(ii) Distributions of drug products by retail distributors to the extent that such distributions are consistent with the activities authorized for a retail distributor as specified in section 102(46).

''(iii) Distributions of drug products to a resident of a long term care facility (as that term is defined in regulations prescribed by the Attorney General) or distributions of drug products to a long term care facility for dispensing to or for use by a resident of that facility.

''(iv) Distributions of drug products pursuant to a valid prescription.

''(v) Exports which have been reported to the Attorney General pursuant to section 1004 or 1018 or which are subject to a waiver granted under section 1018(e)(2).

''(vi) Any quantity, method, or type of distribution or any quantity, method, or type of distribution of a specific listed chemical (including specific formulations or drug products) or of a group of listed chemicals (including specific formulations or drug products) which the Attorney General has excluded by regulation from such reporting requirement on the basis that such reporting is not necessary for the enforcement of this title or title III.

''(E) The Attorney General may revoke any or all of the exemptions listed in subparagraph (D) for an individual regulated person if he finds that drug products distributed by the regulated person are being used in violation of this title or title III. The regulated person shall be notified of the revocation, which will be effective upon receipt by the person of such notice, as provided in section 1018(c)(1), and shall have the right to an expedited hearing as provided in section 1018(c)(2).''.

SUMMARY OF THE METHAMPHETAMINE ANTI-PROLIFERATION ACT OF 1999

Sec. 1. Short Title.

Methamphetamine Anti-Proliferation Act of 1999

Sec. 2. Manufacture and Distribution of Amphetamine and Methamphetamine.

Section 1 amends title 21 U.S.C. 841(b)(1) to make the statutory punishment for the manufacture and distribution of amphetamine the same as that of methamphetamine.

Sec. 3. Import and Export of Amphetamine and Methamphetamine.

Section 2 amends the Import and Export Act (21 U.S.C. 960(b)) to make the statutory punishment for amphetamine the same as that of methamphetamine.

Sec. 4. Sentencing Guidelines.

Section 3 amends the Sentencing Guidelines to adjust the penalty for amphetamine to meet the penalty for methamphetamine. It also provides for a 6 level enhancement if the manufacturing either meth or amphetamine created a substantial risk of danger to the health and safety of a minor or incompetent.

Sec. 5. Advertisements For Drug Paraphernalia and Schedule I Controlled Substances.

Section 8 amends 21 U.S.C. 863 (drug paraphernalia statute) to prohibit direct or indirect advertisements for the sale of paraphernalia. It defines advertisements for sale to include the use of any communication facility to post or publicize in any way any matter, including a telephone number or electronic or mail address, knowing that such matter has the purpose of seeking or offering, or is designed to be used, to receive, buy, distribute, or otherwise facilitate a transaction.

It also amends 21 U.S.C. 843(c) to prohibit direct or indirect advertising for the sale of a Schedule I Controlled Substance. The current statute arguably only prohibited the direct advertising of a schedule I drug in the print media.

Sec. 6. Continuing Criminal Enterprise.

Section 11 amends the Continuing Criminal Enterprise statute (21 U.S.C. 848) by replacing the phrase ''continuing series of violations of'' with the phrase ''continuing series of 3 or more acts made punishable by.'' This change is in response to the recent Supreme Court case *Richardson* v. *United States* (decided June 1, 1999) where the Court held that a jury in a CCE case must unanimously agree not only that the defendant committed some ''continuing series of violations,'' but also about which specific ''violations'' make up that ''continuing series.'' There was previously a split among the circuits (the 4th Circuit and the D.C. Circuit both had ruled unanimity with respect to particular ''violations'' was not required).

Sec. 7. Mandatory Restitution for Meth Lab Clean-Up.

Section 7 makes reimbursement for the costs incurred by the U.S. or State and local governments for the cleanup associated with the manufacture of amphetamine or methamphetamine mandatory. It also provides that the restitution money will go to the Asset Forfeiture Fund instead of the treasury.

Sec. 8. Endangering Human Life or the Environment While Illegally Manufacturing Amphetamine or Methamphetamine.

Section 8 increases the penalty under 21 U.S.C. 858 to not less than 10 years for manufacturing or trafficking a controlled substance that creates a substantial risk of harm to human life or the environment. It creates a rebuttable presumption that the manufacturing of amphetamine or methamphetamine constitutes the creation of a substantial risk of harm to human life and the environment.

Sec. 9. Criminal Prohibition on Distribution of Certain Information Relating to the Manufacture of Controlled Substances.

Section 9 prohibits teaching or demonstrating the manufacture or use of a Controlled Substance or distributing by any means information pertaining to the manufacture or use of a Controlled Substance (1) with the intent that this information be used for, or in furtherance of, an activity that constitutes a federal crime; or (2) knowing

that such person intends to use this information for, or in furtherance of, an activity that constitutes a federal crime. The penalty for violation is not more than 10 years in prison.

Sec. 10. Notice; Clarification.

This section amends 18 U.S.C. 3103a to allow for the delay of any notice that is, or may be, required pursuant to the issuance of a warrant under this section or any other law.

Sec. 11. Training for Drug Enforcement Administration and State and Local Law Enforcement Personnel Relating to Clandestine Laboratories.

Section 11 authorizes $5.5 million in funding for DEA training programs designed to (1) train State and local law enforcement in techniques used in meth investigations; (2) provide a certification program for State and local law enforcement enabling them to meet requirements with respect to the handling of wastes created by meth labs; (3) create a certification program that enables certain State and local law enforcement to recertify other law enforcement in their regions; and (4) staff mobile training teams which provide State and local law enforcement with advanced training in conducting clan lab investigations and with training that enables them to recertify other law enforcement personnel. The training programs are authorized for 3 years after which the States, either alone or in consultation/combination with other States, will be responsible for training their own personnel. The States will be required to submit a report detailing what measures they are taking to ensure that they have programs in place to take over the responsibility after the three year federal program expires.

Sec. 12. Combating Methamphetamine in High Intensity Drug Trafficking Areas.

This section authorizes $5 million a year for fiscal years 2000–2004 to be appropriated to ONDCP to combat trafficking of methamphetamine in designated HIDTA's by hiring new federal, State, and local law enforcement personnel, including agents, investigators, prosecutors, lab technicians and chemists. It provides that the funds shall be apportioned among the HIDTA's based on the following factors: (1) number of Meth labs discovered in the previous year; (2) number of Meth prosecutions in the previous year; (3) number of Meth arrests in the previous year; (4) the amounts of Meth seized in the previous year; and (5) intelligence data from the DEA showing trafficking and transportation patterns in methamphetamine, amphetamine and listed chemicals. Before apportioning any funds, the Director must certify that the law enforcement entities responsible for clan lab seizures are providing lab seizure data to the national clandestine laboratory database at the El Paso Intelligence Center. It also provides that not more than five percent of the appropriated amount may be used for administrative costs.

Sec. 13. Combating Amphetamine and Methamphetamine Manufacturing and Trafficking.

This section authorizes $6.5 million to be appropriated for the hiring of new agents to (1) assist State and local law enforcement in small and mid-sized communities in all phases of drug investigations; (2) staff additional regional enforcement and mobile enforcement teams; (3) establish additional resident offices and posts of duty to assist State and local law enforcement in rural areas; and (4) provide the Special Operations Division with additional agents for intelligence and investigative operations.

Sec. 14. Environmental Hazards Associated With Illegal Manufacture of Amphetamine and Methamphetamine.

Authorizes the DEA to receive money from the Asset Forfeiture Fund to pay for cleanup costs associated with the illegal manufacture of amphetamine or methamphetamine. It also allows for reimbursements to State and local entities for cleanup costs when they assist in a federal prosecution on amphetamine or methamphetamine related charges.

Sec. 15. Antidrug Messages on Federal Government Internet Websites.

Requires all federal departments and agencies, in consultation with ONDCP, to place antidrug messages on their Internet websites and an electronic hyperlink to ONDCP's website. Numerous government agencies have children's websites, including the Social Security Administration.

Sec. 16. Mail Order Requirements.

This section represents changes to the reporting requirements of 21 U.S.C. 830(b)(3) worked out between the DEA and industry. Reporting will no longer be required for valid prescriptions, limited distributions of sample packages, distributions by retail distributors if consistent with authorized activities, distributions to long term care facilities, and any product which has been exempted by the AG. It also allows the AG to revoke an exemption if he finds the drug product being distributed is being used in violation of the Controlled Substances Act.

Mr. BIDEN. Mr. President, 3 years ago this week I joined with my distinguished friend and colleague, Senator HATCH, to introduce the ''Hatch-Biden Methamphetamine Control Act'' to address the growing threat of methamphetamine use in our country before it was too late.

Our failure to foresee and prevent the crack cocaine epidemic is one of the most significant public policy mistakes in recent history. Despite the warning signs of an outbreak, few took action until it was too late. But we did learn an important lesson from that mistake. When we began to see similar warning signs with methamphetamine, we acted swiftly to make sure that history would not repeat itself.

That Act provided crucial tools that we needed to stay ahead of the methamphetamine epidemic and avoid the mistakes made during the early stages of the crack epidemic. We increased penalties for possessing and trafficking in methamphetamine and the precursor chemicals and equipment used to manufacture the drug. We tightened the reporting requirements and restrictions on the legitimate sales of products containing precursor chemicals to prevent their diversion, and imposed even greater requirements on firms that sell those products by mail. We ensured that meth manufacturers who endanger the life of any individual or endanger the environment while making this drug receive enhanced prison sentences. And finally, we created a national working group of law enforcement and public health officials to monitor any growth in the methamphetamine epidemic.

I have no doubt that our 1996 legislation slowed this epidemic significantly. But we are up against a powerful and highly addictive drug. Meth stimulates the central nervous system, making the user feel energetic, clever and powerful. Unlike crack, whose effects sometimes last only a matter of minutes, a meth high lasts for hours.

Last year in my home State of Delaware law enforcement officers busted what was described as ''the largest and most sophisticated drug lab in the Northeast,'' seizing 50 pounds of meth and meth base. This was only one of the 5,786 reported clandestine laboratory seizures in the United States last year.

We have countless heart wrenching stories of violence and families being tragically ripped apart by methamphetamine use, sadly reminiscent of what we saw with crack cocaine. A recent news story reported that a woman in California has been charged with the murder of her infant son. High on meth, she left him in a sealed car in the summer heat while she and her boyfriend slept in an air-conditioned motel room nearby. The innocent infant died a tragic and senseless death.

Unfortunately, this unspeakable tragedy is not an isolated incident. It is not unusual for a meth user to remain awake for days. And as the high begins to wane, the user is likely to be violent, delusional and paranoid. Not surprisingly, this behavior often leads to crime. In areas like San Diego where the meth epidemic rages, more than 33 percent of people arrested in 1998 tested positive for the drug.

On top of the violence associated with methamphetamine users, there is also the enormous problem of violence among methamphetamine traffickers and the environmental and life-threatening conditions endemic in the clandestine labs where the drug is produced.

But perhaps the most frightening fact of all is that despite all of the evidence that methamphetamine is a horribly destructive substance, the percentage of kids who perceive it as a harmful drug is on the decline.

And that I why I am joining my friend from Utah once again —along with Senators DEWINE, FEINSTEIN and BOND—to build on the 1996 methamphetamine legislation and continue to fight this pernicious drug.

Our Methamphetamine Anti-Proliferation Act, first and foremost, addresses the growing problem of amphetamines as a meth substitute by making the penalties for manufacturing, importing, exporting or trafficking amphetamine equivalent to those established for methamphetamine in our 1996 law. The two drugs are nearly identical —they differ by only one chemical. Whereas methamphetamine is made with ephedrine, a substance found in some over-the-counter cold remedies, amphetamine is produced with phenylpropanolamine, a chemical found in over-the-counter diet pills. The two drugs are produced in the same dangerous clandestine labs and are often sold interchangeably on the streets; the penalties for dealing in both substances should be the same.

This legislation also provides the Drug Enforcement Administration with much needed funding to clean up clandestine labs after they are seized

as well as to train state and local law enforcement officers to handle the hazardous wastes produced in the meth labs. Methamphetamine is made from an array of hazardous substances—battery acid, lye, ammonia gas, hydrochloric acid, just to name a few—that produce toxic fumes and often lead to fires or explosions when mixed. I am revealing nothing by naming some of these chemical ingredients. Anyone with access to the Internet can download a detailed meth recipe with a few simple keystrokes. Our legislation would make such postings illegal.

This bill also tightens the restrictions on direct and indirect advertising of illegal drug paraphernalia and Schedule I drugs. Under this legislation, it would be illegal for on-line magazines and other websites to post advertisements for such illegal material or provide ''links'' to websites that do. We crafted this language carefully so that we restrict the sale of drug paraphernalia without restricting the First Amendment.

Finally, the bill provides more money for law enforcement. This includes hiring more Drug Enforcement Administration agents to assist state and local law enforcement in small and mid-size cities and rural areas and providing more money to combat meth in places designated as High Intensity Drug Trafficking Areas.

While I clearly support the goals of this legislation, I want to make it clear that I think we may need to tweak it as it goes through the process to ensure that we do not stymie a good idea with the fine print. Specifically, I have concerns about how we fund meth lab clean up. As written, some of the money would come from the asset forfeiture fund, a most important resource for law enforcement. We are now struggling with reforming the overall structure of asset forfeiture in this country and I would hope we could find an alternative pot of money to tap to do the important work of cleaning up meth lab sites.

That being said, I am confident that any concerns I may have at this time will be resolved during the committee process.

I want to commend Senator HATCH for his continued leadership on this issue. I urge all my colleagues to join us in protecting our children and our society from the devastations of methamphetamine by supporting this vital legislation.

ADDITIONAL COSPONSORS

S. 71

At the request of Ms. SNOWE, the name of the Senator from New Mexico (Mr. BINGAMAN) was added as a cosponsor of S. 71, a bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes.

S. 296

At the request of Ms. COLLINS, her name was added as a cosponsor of S. 296, a bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes.

S. 313

At the request of Mr. GRAMM, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 313, a bill to repeal the Public Utility Holding Company Act of 1935, to enact the Public Utility Holding Company Act of 1999, and for other purposes.

S. 376

At the request of Mr. BURNS, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 376, a bill to amend the Communications Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

S. 542

At the request of Mr. ABRAHAM, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 542, a bill to amend the Internal Revenue Code of 1986 to expand the deduction for computer donations to schools and allow a tax credit for donated computers.

S. 632

At the request of Mr. DEWINE, the name of the Senator from Tennessee (Mr. FRIST) was added as a cosponsor of S. 632, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 680

At the request of Mr. HATCH, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 680, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, and for other purposes.

S. 745

At the request of Mr. ABRAHAM, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 745, a bill to amend the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 to modify the requirements for implementation of an entry-exit control system.

S. 792

At the request of Mr. MOYNIHAN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 792, a bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women, children, and blind or disabled medically needy individuals to be eligible for medical assistance under the medicaid program, and for other purposes.

S. 894

At the request of Mr. CLELAND, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 894, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 922

At the request of Mr. ABRAHAM, the names of the Senator from Alabama (Mr. SESSIONS), the Senator from Pennsylvania (Mr. SANTORUM), the Senator from Massachusetts (Mr. KERRY), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 922, a bill to prohibit the use of the ''Made in the USA'' label on products of the Commonwealth of the Northern Mariana Islands and to deny such products duty-free and quota-free treatment.

S. 1044

At the request of Mr. KENNEDY, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1044, a bill to require coverage for colorectal cancer screenings.

S. 1053

At the request of Mr. BOND, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1053, a bill to amend the Clean Air Act to incorporate certain provisions of the transportation conformity regulations, as in effect on March 1, 1999.

S. 1109

At the request of Mr. MCCONNELL, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1109, a bill to conserve global bear populations by prohibiting the importation, exportation, and interstate trade of bear viscera and items, products, or substances containing, or labeled or advertised as containing, bear viscera, and for other purposes.

S. 1244

At the request of Mr. THOMPSON, the name of the Senator from Virginia (Mr. ROBB) was added as a cosponsor of S. 1244, a bill to establish a 3-year pilot project for the General Accounting Office to report to Congress on economically significant rules of Federal agencies, and for other purposes.

S. 1277

At the request of Mr. GRASSLEY, the names of the Senator from Hawaii (Mr. AKAKA) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 1277, a bill to amend title XIX of the Social Security Act to establish a new prospective payment system for Federally-qualified health centers and rural health clinics.

S. 1334

At the request of Mr. AKAKA, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 1334, a bill to amend chapter 63 of title 5, United States Code, to increase the amount of leave time available to a Federal employee in any year in connection with serving as an organ donor, and for other purposes.

S. 1381

At the request of Mr. COCHRAN, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1381, a bill to amend the Internal