

adopt a constitution that grants women equal rights under the law and to work to protect such rights; considered and agreed to.

By Mr. KENNEDY (for himself, Mr. REID, Mr. LEAHY, Mr. FEINGOLD, Mr. DURBIN, Mr. KOHL, Mr. JEFFORDS, Mr. LAUTENBERG, Mr. BIDEN, Mr. LEVIN, Ms. MIKULSKI, Ms. LANDRIEU, Mr. OBAMA, Mr. SCHUMER, Mr. KERRY, and Mr. SPECTER):

S. Res. 232. A resolution celebrating the 40th anniversary of the enactment of the Voting Rights Act of 1965 and reaffirming the commitment of the Senate to ensuring the continued effectiveness of the Act in protecting the voting rights of all citizens of the United States; to the Committee on the Judiciary.

By Mr. KENNEDY (for himself, Mr. ROCKEFELLER, Mr. BAUCUS, Mr. BINGAMAN, Mr. REID, Mr. DURBIN, Ms. STABENOW, Mrs. MURRAY, Mr. CORZINE, Mr. SCHUMER, Mr. JEFFORDS, Mr. OBAMA, Ms. LANDRIEU, Mr. HARKIN, Mr. REED, Mr. SARBANES, Mr. KOHL, Mr. DORGAN, Ms. CANTWELL, Mrs. CLINTON, Mr. WYDEN, Mr. FEINGOLD, Mr. NELSON of Florida, Mrs. FEINSTEIN, Mr. BIDEN, Mr. DAYTON, Mr. LEVIN, Mr. KERRY, Mr. JOHNSON, Mrs. LINCOLN, Mr. LAUTENBERG, Ms. MIKULSKI, Mr. SALAZAR, Mrs. BOXER, Mr. PRYOR, Mr. DODD, Mr. BAYH, Mr. LIEBERMAN, Mr. CONRAD, Mr. INOUE, Mr. AKAKA, Mr. LEAHY, Mr. BYRD, and Mr. CARPER):

S. Con. Res. 49. A concurrent resolution expressing the sense of the Congress with respect to the importance of Medicaid in the health care system of our Nation; to the Committee on Finance.

By Ms. STABENOW (for herself, Mr. REID, Mr. BAUCUS, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. BINGAMAN, Mr. DURBIN, Mrs. MURRAY, Mr. CORZINE, Mr. SCHUMER, Mr. JEFFORDS, Mr. OBAMA, Ms. LANDRIEU, Mr. HARKIN, Mr. REED, Mr. SARBANES, Mr. KOHL, Mr. DORGAN, Ms. CANTWELL, Mrs. CLINTON, Mr. WYDEN, Mr. FEINGOLD, Mr. NELSON of Florida, Mrs. FEINSTEIN, Mr. BIDEN, Mr. DAYTON, Mr. LEVIN, Mr. KERRY, Mr. JOHNSON, Mrs. LINCOLN, Mr. LAUTENBERG, Ms. MIKULSKI, Mr. SALAZAR, Mrs. BOXER, Mr. PRYOR, Mr. DODD, Mr. BAYH, Mr. LIEBERMAN, Mr. CONRAD, Mr. INOUE, and Mr. CARPER):

S. Con. Res. 50. A concurrent resolution expressing the sense of Congress concerning the vital role of Medicare in the health care system of our Nation over the last 40 years; to the Committee on Finance.

#### ADDITIONAL COSPONSORS

S. 7

At the request of Mr. KYL, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 7, a bill to increase American jobs and economic growth by making permanent the individual income tax rate reductions, the reduction in the capital gains and dividend tax rates, and the repeal of the estate, gift, and generation-skipping transfer taxes.

S. 37

At the request of Mrs. FEINSTEIN, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 37, a bill to extend the special postage stamp for breast cancer research for 2 years.

S. 103

At the request of Mr. TALENT, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 103, a bill to respond to the illegal production, distribution, and use of methamphetamine in the United States, and for other purposes.

S. 211

At the request of Mrs. DOLE, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 211, a bill to facilitate nationwide availability of 2-1-1 telephone service for information and referral on human services, volunteer services, and for other purposes.

S. 241

At the request of Ms. SNOWE, the name of the Senator from Texas (Mr. CORNYN) was added as a cosponsor of S. 241, a bill to amend section 254 of the Communications Act of 1934 to provide that funds received as universal service contributions and the universal service support programs established pursuant to that section are not subject to certain provisions of title 31, United States Code, commonly known as the Antideficiency Act.

S. 375

At the request of Mr. BAYH, the name of the Senator from Illinois (Mr. OBAMA) was added as a cosponsor of S. 375, a bill to amend the Public Health Service Act to provide for an influenza vaccine awareness campaign, ensure a sufficient influenza vaccine supply, and prepare for an influenza pandemic or epidemic, to amend the Internal Revenue Code of 1986 to encourage vaccine production capacity, and for other purposes.

S. 392

At the request of Mr. LEVIN, the names of the Senator from Wisconsin (Mr. FEINGOLD), the Senator from Kansas (Mr. BROWNBACK), the Senator from Pennsylvania (Mr. SPECTER), the Senator from North Dakota (Mr. DORGAN), the Senator from Virginia (Mr. WARNER), the Senator from New Mexico (Mr. DOMENICI), the Senator from Alaska (Ms. MURKOWSKI), the Senator from Delaware (Mr. CARPER), the Senator from Indiana (Mr. BAYH), the Senator from Arizona (Mr. KYL), the Senator from Louisiana (Mr. VITTER), the Senator from Missouri (Mr. BOND), the Senator from Maine (Ms. COLLINS), the Senator from Maine (Ms. SNOWE), the Senator from Florida (Mr. MARTINEZ), the Senator from Rhode Island (Mr. REED) and the Senator from Tennessee (Mr. ALEXANDER) were added as cosponsors of S. 392, a bill to authorize the President to award a gold medal on behalf of Congress, collectively, to the Tuskegee Airmen in recognition of their unique military record, which inspired revolutionary reform in the Armed Forces.

S. 467

At the request of Mr. DODD, the name of the Senator from Missouri (Mr. TALENT) was added as a cosponsor of S. 467, a bill to extend the applicability of the Terrorism Risk Insurance Act of 2002.

S. 558

At the request of Mr. REID, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 558, a bill to amend title 10, United States Code, to permit certain additional retired members of the Armed Forces who have a service-connected disability to receive both disability compensation from the Department of Veterans Affairs for their disability and either retired pay by reason of their years of military service or Combat-Related Special compensation and to eliminate the phase-in period under current law with respect to such concurrent receipt.

S. 566

At the request of Mr. ROCKEFELLER, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 566, a bill to continue State coverage of medicaid prescription drug coverage to medicare dual eligible beneficiaries for 6 months while still allowing the medicare part D benefit to be implemented as scheduled.

S. 577

At the request of Ms. COLLINS, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 577, a bill to promote health care coverage for individuals participating in legal recreational activities or legal transportation activities.

S. 603

At the request of Mr. HAGEL, his name was added as a cosponsor of S. 603, a bill to amend the Consumer Credit Protection Act to assure meaningful disclosures of the terms of rental-purchase agreements, including disclosures of all costs to consumers under such agreements, to provide certain substantive rights to consumers under such agreements, and for other purposes.

S. 604

At the request of Mr. CRAIG, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 604, a bill to amend title XVIII of the Social Security Act to authorize expansion of medicare coverage of medical nutrition therapy services.

S. 678

At the request of Mr. REID, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 678, a bill to amend the Federal Election Campaign Act of 1971 to exclude communications over the Internet from the definition of public communication.

S. 695

At the request of Mr. BYRD, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 695, a bill to suspend temporarily new shipper bonding privileges.

S. 705

At the request of Mr. SARBANES, the names of the Senator from Colorado (Mr. ALLARD) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 705, a bill to

establish the Interagency Council on Meeting the Housing and Service Needs of Seniors, and for other purposes.

S. 841

At the request of Mrs. CLINTON, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 841, a bill to amend the Fair Labor Standards Act of 1938 to provide more effective remedies to victims of discrimination in the payment of wages on the basis of sex, and for other purposes.

S. 1002

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1002, a bill to amend title XVIII of the Social Security Act to make improvements in payments to hospitals under the medicare program, and for other purposes.

At the request of Mr. BAUCUS, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 1002, *supra*.

S. 1007

At the request of Mr. BINGAMAN, the names of the Senator from Arkansas (Mrs. LINCOLN), the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Arkansas (Mr. PRYOR) were added as cosponsors of S. 1007, a bill to prevent a severe reduction in the Federal medical assistance percentage determined for a State for fiscal year 2006.

S. 1047

At the request of Mr. SUNUNU, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 1047, a bill to require the Secretary of the Treasury to mint coins in commemoration of each of the Nation's past Presidents and their spouses, respectively to improve circulation of the \$1 coin, to create a new bullion coin, and for other purposes.

S. 1086

At the request of Mr. HATCH, the name of the Senator from Nebraska (Mr. NELSON) was added as a cosponsor of S. 1086, a bill to improve the national program to register and monitor individuals who commit crimes against children or sex offenses.

S. 1190

At the request of Mr. SALAZAR, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1190, a bill to provide sufficient blind rehabilitation outpatient specialists at medical centers of the Department of Veterans Affairs.

S. 1191

At the request of Mr. SALAZAR, the names of the Senator from South Dakota (Mr. JOHNSON), the Senator from Maine (Ms. SNOWE) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 1191, a bill to establish a grant program to provide innovative transportation options to veterans in remote rural areas.

S. 1215

At the request of Mr. GREGG, the name of the Senator from Rhode Island

(Mr. CHAFEE) was added as a cosponsor of S. 1215, a bill to authorize the acquisition of interests in underdeveloped coastal areas in order better to ensure their protection from development.

S. 1227

At the request of Ms. STABENOW, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1227, a bill to improve quality in health care by providing incentives for adoption of modern information technology.

S. 1272

At the request of Mr. NELSON of Nebraska, the names of the Senator from Alaska (Ms. MURKOWSKI), the Senator from California (Mrs. BOXER) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of S. 1272, a bill to amend title 46, United States Code, and title II of the Social Security Act to provide benefits to certain individuals who served in the United States merchant marine (including the Army Transport Service and the Naval Transport Service) during World War II.

S. 1305

At the request of Mr. BROWNBACK, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. 1305, a bill to amend the Internal Revenue Code of 1986 to increase tax benefits for parents with children, and for other purposes.

S. 1308

At the request of Mr. BAUCUS, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1308, a bill to establish an Office of Trade Adjustment Assistance, and for other purposes.

S. 1309

At the request of Mr. BAUCUS, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1309, a bill to amend the Trade Act of 1974 to extend the trade adjustment assistance program to the services sector, and for other purposes.

S. 1313

At the request of Mr. CORNYN, the names of the Senator from Maine (Ms. SNOWE) and the Senator from North Carolina (Mr. BURR) were added as cosponsors of S. 1313, a bill to protect homes, small businesses, and other private property rights, by limiting the power of eminent domain.

S. 1317

At the request of Mr. HATCH, the name of the Senator from Georgia (Mr. CHAMBLISS) was added as a cosponsor of S. 1317, a bill to provide for the collection and maintenance of cord blood units for the treatment of patients and research, and to amend the Public Health Service Act to authorize the Bone Marrow and Cord Blood Cell Transplantation Program to increase the number of transplants for recipients suitable matched to donors of bone marrow and cord blood.

S. 1319

At the request of Mrs. LINCOLN, the name of the Senator from Louisiana

(Ms. LANDRIEU) was added as a cosponsor of S. 1319, a bill to amend the Internal Revenue Code of 1986 to improve the operation of employee stock ownership plans, and for other purposes.

S. 1321

At the request of Mr. SANTORUM, the names of the Senator from Alabama (Mr. SESSIONS) and the Senator from Colorado (Mr. ALLARD) were added as cosponsors of S. 1321, a bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communications.

S. 1338

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1338, a bill to require the Secretary of the Interior, acting through the Bureau of Reclamation and the United States Geological Survey, to conduct a study on groundwater resources in the State of Alaska, and for other purposes.

S. 1350

At the request of Mr. SPECTER, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 1350, a bill to amend the Communications Act of 1934 to protect the privacy rights of subscribers to wireless communications services.

S. 1405

At the request of Mr. NELSON of Nebraska, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 1405, a bill to extend the 50 percent compliance threshold used to determine whether a hospital or unit of a hospital is an inpatient rehabilitation facility and to establish the National Advisory Council on Medical Rehabilitation.

S. 1411

At the request of Ms. SNOWE, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S. 1411, a bill to direct the Administrator of the Small Business Administration to establish a pilot program to provide regulatory compliance assistance to small business concerns, and for other purposes.

S. 1418

At the request of Mr. ENZI, the names of the Senator from Georgia (Mr. CHAMBLISS) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. 1418, a bill to enhance the adoption of a nationwide interoperable health information technology system and to improve the quality and reduce the costs of health care in the United States.

S. 1424

At the request of Mr. ENSIGN, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 1424, a bill to remove the restrictions on commercial air service at Love Field, Texas.

S. 1462

At the request of Mr. CORZINE, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from

Massachusetts (Mr. KERRY) were added as cosponsors of S. 1462, a bill to promote peace and accountability in Sudan, and for other purposes.

At the request of Mr. BROWNBACk, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 1462, *supra*.

S. 1479

At the request of Mr. DODD, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 1479, a bill to provide for the expansion of Federal efforts concerning the prevention, education, treatment, and research activities related to Lyme and other tick-borne diseases, including the establishment of a Tick-Borne Diseases Advisory Committee.

S. 1488

At the request of Mr. VITTER, the names of the Senator from Wyoming (Mr. THOMAS) and the Senator from Utah (Mr. HATCH) were added as cosponsors of S. 1488, a bill to withhold funding from the United Nations if the United Nations abridges the rights provided by the Second Amendment to the Constitution, and for other purposes.

S. 1496

At the request of Mr. CRAPO, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 1496, a bill to direct the Secretary of the Interior to conduct a pilot program under which up to 15 States may issue electronic Federal migratory bird hunting stamps.

S. 1500

At the request of Ms. LANDRIEU, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1500, a bill to authorize the National Institute of Environmental Health Sciences to develop multidisciplinary research centers regarding women's health and disease prevention and to conduct and coordinate a research program on hormone disruption, and for other purposes.

S. 1512

At the request of Mr. SARBANES, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 1512, a bill to grant a Federal charter to Korean War Veterans Association, Incorporated.

S. 1520

At the request of Mrs. FEINSTEIN, the names of the Senator from New York (Mr. SCHUMER), the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. 1520, a bill to prohibit human cloning.

S. 1524

At the request of Mr. CRAPO, the names of the Senator from Arizona (Mr. KYL) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 1524, a bill to repeal the sunset on the reduction of capital gains rates for individuals and on the taxation of dividends of individuals at capital gain rates.

S. 1538

At the request of Mr. ROCKEFELLER, the name of the Senator from Massa-

chusetts (Mr. KERRY) was added as a cosponsor of S. 1538, a bill to amend the Internal Revenue Code of 1986 to expand the incentives for the construction and renovation of public schools.

S.J. RES. 15

At the request of Mr. BROWNBACk, the name of the Senator from South Dakota (Mr. THUNE) was added as a cosponsor of S.J. Res. 15, a joint resolution to acknowledge a long history of official depredations and ill-conceived policies by the United States Government regarding Indian tribes and offer an apology to all Native Peoples on behalf of the United States.

S.J. RES. 20

At the request of Mr. LEAHY, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S.J. Res. 20, a joint resolution disapproving a rule promulgated by the Administrator of the Environmental Protection Agency to delist coal and oil-direct utility units from the source category list under the Clean Air Act.

S. CON. RES. 37

At the request of Mr. DEWINE, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. Con. Res. 37, a concurrent resolution honoring the life of Sister Dorothy Stang.

S. CON. RES. 48

At the request of Mr. DURBIN, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. Con. Res. 48, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued to promote public awareness of Down syndrome.

S. RES. 184

At the request of Mr. SANTORUM, the name of the Senator from Louisiana (Mr. VITTER) was added as a cosponsor of S. Res. 184, a resolution expressing the sense of the Senate regarding manifestations of anti-Semitism by United Nations member states and urging action against anti-Semitism by United Nations officials, United Nations member states, and the Government of the United States, and for other purposes.

S. RES. 204

At the request of Mr. DURBIN, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. Res. 204, a resolution recognizing the 75th anniversary of the American Academy of Pediatrics and supporting the mission and goals of the organization.

S. RES. 220

At the request of Mr. GRAHAM, the name of the Senator from Georgia (Mr. ISAKSON) was added as a cosponsor of S. Res. 220, a resolution to express the concern of the Senate regarding the passage of the anti-secession law by the National People's Congress of the People's Republic of China and Taiwan on an equal footing without preconditions.

AMENDMENT NO. 1435

At the request of Ms. STABENOW, the names of the Senator from South Da-

kota (Mr. THUNE), the Senator from Indiana (Mr. BAYH) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of amendment No. 1435 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1524

At the request of Mrs. DOLE, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of amendment No. 1524 intended to be proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1556

At the request of Mr. MCCAIN, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of amendment No. 1556 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1557

At the request of Mr. MCCAIN, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Maine (Ms. SNOWE) were added as cosponsors of amendment No. 1557 proposed to S. 1042, an original bill to authorize appropriations for fiscal year 2006 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

AMENDMENT NO. 1619

At the request of Mr. CORZINE, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 1619 proposed to S. 397, a bill to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

AMENDMENT NO. 1620

At the request of Mr. LAUTENBERG, the names of the Senator from Connecticut (Mr. DODD) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of amendment No. 1620 proposed to S. 397, a bill to prohibit civil liability actions from being

brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

## AMENDMENT NO. 1642

At the request of Mr. REED, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of amendment No. 1642 proposed to S. 397, a bill to prohibit civil liability actions from being brought or continued against manufacturers, distributors, dealers, or importers of firearms or ammunition for damages, injunctive or other relief resulting from the misuse of their products by others.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BOND:

S. 1553. A bill to amend the Internal Revenue Code of 1986 to enhance tax incentives for small property and casualty insurance companies; to the Committee on Finance.

Mr. BOND. Mr. President, I rise today to introduce a bill that addresses an inequity and helps clarify a tax exemption that exists for small property and casualty (P&C) insurance companies under the Internal Revenue Code Sections 501(c)(15) and 831(b). These small P&C insurers, often originally organized as mutual companies to offer insurance coverage to specific groups, mainly serve rural areas and farming communities that otherwise may not have been able to obtain affordable coverage. This tax exemption helps to provide additional surplus and cash flow for these small companies.

The Pension Funding Equity Act of 2004, "2004 Act", amended the small P&C insurer exemption because there were concerns that certain investment companies offering only a small amount of insurance could use the exemption to improperly shelter investment income from federal income tax. Now, under current law, the exemption applies only to P&C (i.e., non-life) insurance companies if their "gross receipts" for the taxable year do not exceed \$600,000 and if premiums make up more than 50 percent of those gross receipts. A mutual P&C insurance company also may be exempt if its premiums make up more than 35 percent of its gross receipts and its gross receipts do not exceed \$150,000. Additionally, P&C companies that have direct or net written premiums, whichever is greater, exceeding \$350,000 but not exceeding \$1.2 million, Income Election Limit, can elect to be taxed under a similar tax structure on their net investment income.

While the 2004 Act helped to close a potential loophole, the special provisions for small P&C insurers are in need of further clarification or reform. The term "gross receipts" is not defined uniformly for purposes of the Internal Revenue Code and the Income Election Limit has not been adjusted

for inflation since the Tax Reform Act of 1986.

Without a clear definition of the term "gross receipts," many unanswered questions remain with respect to determining whether a small P&C insurance company qualifies for exemption under section 501(c)(15). For example, such a company typically invests a large portion of its assets in government bonds. If the gross proceeds on the sale of an asset are included in the measure of "gross receipts," based on a broad cash-flow definition of gross receipts, the mere maturation of bonds and reinvestment could cause a small P&C insurance company to fall out of the exemption even though there has been no change in the size of the business and even if the company realizes a loss on the sale or redemption. On the other hand, this arbitrary result would not occur if a definition of gross receipts that includes gains from the sale or exchange of assets is used. Such a definition of gross receipts looks to the size of the business in terms of income and overall profitability, which in turn ties into the reason for the tax exemption.

If the Income Election Limit is not adjusted to keep pace with inflation, the impact could be severe. Take, for instance, a small P&C insurer in my State that started insuring the local farmers in the late 1980s. Over the ensuing years, the company's client base changed very little, but the insurance premiums increased gradually to keep pace with inflationary pressures. As a result, while the business itself has not grown in absolute terms, its premium base has, therefore resulting in the loss of the elective alternative and simpler tax on investment income.

For the farmers and consumers covered by the small P&C insurer, this loss of the tax exemption or a simpler, more limited tax structure is certain to mean higher insurance premiums, leaving the client with the choice of cutting coverage or paying higher costs, neither of which is a preferred option. This is the last thing our agricultural community needs.

The legislation I am introducing today addresses both of these concerns. This legislation would add definitional language for "gross receipts" clarifying that gross receipts means premiums, plus gross investment income. In addition, the proposal simply increases the Income Election Limit from \$1.2 million to \$1.971 million, and indexes it annually for inflation.

According to the National Association of Mutual Insurance Companies, this legislation will help hundreds of small P&C insurance companies nationwide. Under this proposed legislation, at least 56 of the 82 small insurance companies in my State will be covered, thereby enabling them to continue providing critical insurance coverage to small businesses across Missouri.

With this legislation, we have an opportunity to infuse some fairness into

our tax code and at the same time help the thousands of farmers, homeowners, and entrepreneurs covered by small P&C insurers in this country. I ask my colleagues to support this legislation, and I look forward to working with the Finance Committee to see it enacted into law.

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

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

S. 1553

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

**SECTION 1. CLARIFICATION OF DEFINITION OF GROSS RECEIPTS FOR PURPOSES OF DETERMINING TAX EXEMPTION OF SMALL PROPERTY AND CASUALTY INSURANCE COMPANIES.**

(a) IN GENERAL.—Section 501(c)(15) of the Internal Revenue Code is amended by adding at the end the following:

"(D) For purposes of subparagraph (A), the term 'gross receipts' means the gross amount received during the taxable year from the items described in section 834(b) and premiums (including deposits and assessments)."

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 2003.

**SEC. 2. INCREASE IN LIMITATION FOR ALTERNATIVE TAX LIABILITY FOR SMALL PROPERTY AND CASUALTY INSURANCE COMPANIES.**

(a) IN GENERAL.—Clause (i) of section 831(b)(2)(A) of the Internal Revenue Code of 1986 is amended to read as follows:

"(i) the net written premiums (or, if greater, direct written premiums) for the taxable year do not exceed \$1,971,000, and"

(b) INFLATION ADJUSTMENT.—Paragraph (2) of section 831(b) of such Code is amended by adding at the end the following new subparagraph:

"(C) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2006, the \$1,971,000 amount set forth in subparagraph (A) shall be increased by an amount equal to—

"(i) \$1,971,000, multiplied by

"(ii) the cost-of-living adjustment determined under section 1(f)(3) for such calendar year by substituting 'calendar year 2005' for 'calendar year 1992' in subparagraph (B) thereof. If the amount as adjusted under the preceding sentence is not a multiple of \$1,000, such amount shall be rounded to the next lowest multiple of \$1,000."

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2005.

By Ms. CANTWELL (for herself, Ms. COLLINS, Mr. BINGAMAN, Mrs. MURRAY, Ms. MIKULSKI, Mr. KOHL, and Mr. CORZINE):

S. 1555. A bill to amend the Farm Security and Rural Investment Act of 2002 to reform funding for the Seniors Farmers' Market Nutrition Program, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

Ms. CANTWELL. Mr. President, I am proud to rise today with my colleagues Senators COLLINS, BINGAMAN, MURRAY, MIKULSKI, KOHL and CORZINE, to introduce bipartisan legislation enhancing the Seniors Farmers' Market Nutrition Program. As all of my colleagues