

or its environs, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. MCCAIN (for himself, Mr. COVERDELL, and Mr. HAGEL):

S. 312. A bill to require certain entities that operate homeless shelters to identify and provide certain counseling to homeless veterans, and for other purposes; to the Committee on Veterans' Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. ASHCROFT (for himself and Mr. BAUCUS):

S. Con. Res. 4. A concurrent resolution expressing the sense of Congress that assistance to South Korea should be conditioned on South Korea's compliance with its international trade commitments and on South Korea's termination of its unfair trade practices and subsidies; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. WYDEN (for himself and Mr. SMITH of Oregon):

S. 307. A bill to amend title XVIII of the Social Security Act to eliminate the budget neutrality adjustment factor used in calculating the blended capitation rate for Medicare+Choice organizations; to the Committee on Finance.

MEDICARE+CHOICE PAYMENT EQUITY ACT OF 1999

• Mr. WYDEN. Mr. President, my colleague from Oregon Senator GORDON SMITH, and I are introducing this legislation today to correct an inequity in the payment formula for Medicare+Choice plans. In states like Oregon, with historically low cost health care systems, these inequities leave many Medicare beneficiaries with few or no choices in their health care services.

The Balanced Budget Act of 1997 contained a promise to provide seniors with more choices, but that promise has gone unfulfilled because of these inequities.

The legislation that Senator SMITH and I are introducing today will fulfill that promise by fully funding what is known as the "blend" portion of the formula used to determine payment rates. The legislation brings parity to areas that have been historically efficient in delivering health care services. Under the current system, the Medicare payment formula has not rewarded these areas for their efficiency and low costs. As a result, beneficiaries in these areas have not received the range of benefits available in areas with less efficient and more costly health care systems.

This legislation also assures beneficiaries will no longer be penalized because they live in a rural or low-cost area. We must assure that seniors living in Oregon and other low cost areas receive the full promise of Medicare+Choice.

With managed care playing a larger role in Medicare, this bill is needed now more than ever. Nearly 100 plans elected to drop out of the Medicare program for 1999. Many of those plans served seniors in low cost and rural areas, leaving too many beneficiaries not only without choice but also out in the cold. Other managed care plans made benefit changes that limit the promise we all had hoped would occur through Medicare+Choice.

We need to make sure that all seniors are included in the Medicare+Choice promise and that managed care plans in Oregon, Iowa and other low-cost areas are no longer penalized because of their historic efficiency. Senator SMITH and I urge our colleagues to support this bill.

I would like to thank Senator SMITH and his staff for their assistance, and ask unanimous consent that a copy 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. 307

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 "Medicare+Choice Payment Equity Act of 1999".

SEC. 2. ELIMINATION OF BUDGET NEUTRALITY ADJUSTMENT FACTOR IN CALCULATING THE BLENDED CAPITATION RATE FOR MEDICARE+CHOICE ORGANIZATIONS.

(a) IN GENERAL.—Section 1853(c) of the Social Security Act (42 U.S.C. 1395w-23(c)) is amended—

(1) in paragraph (1)(A), by striking the comma at the end of clause (ii) and all that follows before the period at the end; and

(2) by striking paragraph (5) and redesignating paragraphs (6) and (7) as paragraphs (5) and (6) respectively.

(b) CONFORMING AMENDMENTS.—Part C of title XVIII of the Social Security Act (42 U.S.C. 1395w-21 et seq.) is amended—

(1) in section 1853(c)—

(A) in the matter preceding subparagraph (A) of paragraph (1), by striking "(6)(C) and (7)" and inserting "(5)(C) and (6)"; and

(B) in paragraphs (1)(B)(ii) and (3)(A)(i), by striking "(6)(A)" and inserting "(5)(A)"; and (2) in subsections (b)(3)(B)(ii) and (c)(3) of section 1859, by striking "1853(c)(6)" and inserting "1853(c)(5)".

(c) SUBMISSION TO CONGRESS.—Not later than 20 days after the date of enactment of this Act, the Secretary of Health and Human Services shall submit to Congress a legislative proposal that provides for aggregate decreases in Federal expenditures under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) as are equal to the aggregate increases in such expenditures under such program resulting from the amendments to the Social Security Act made by subsections (a) and (b).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to payments made for periods beginning on or after January 1, 2000. •

By Mr. COVERDELL (for himself, Mr. LEVIN, Mr. MCCAIN, Mr. TORRICELLI, Mrs. HUTCHISON, and Mr. CLELAND):

S. 308. A bill to amend the Internal Revenue Code of 1986 to provide a 2-

month extension for the due date for filing a tax return for any member of a uniformed service on a tour of duty outside the United States for a period which includes the normal due date for such a filing; to the Committee on Finance.

THE UNIFORMED SERVICES FILING FAIRNESS ACT

• Mr. COVERDELL. Mr. President, American soldiers in the modern military operate under a great deal of strain. Forced to work harder with fewer resources, our men and women in uniform bear a heavy burden defending our nation. This is especially true for those deployed overseas. Not only must these troops defend American interests, but they also live under constant threat of attack and must spend months away from their homes and their families.

In addition to their duty to protect our nation's security, American service men and women still must fulfill obligations back home, including paying their taxes. However, in an incredible cart-before-the-horse scheme that could only be found in our nation's tax code, the federal government extends for our troops abroad the deadline for filing income tax forms by 2 months, but requires that service men and women still pay interest and penalties during the extension period. Mr. President, this is unconscionable.

The Uniformed Services Filing Fairness Act, which I introduce today with Senators LEVIN, MCCAIN, TORRICELLI, HUTCHISON, and CLELAND is simple. It codifies the current two-month extension period available to our troops and eliminates the interest and penalties that would otherwise be charged. The Joint Committee on Taxation has estimated the cost of this commonsense correction at just \$4 million over 10 years. Mr. President, how can we not afford to pass this bill?

We must show our nation's soldiers that we support them through concrete action. The bill I introduce today will help make the lives of soldiers deployed overseas a little easier. I hope my colleagues will join me in this simple, inexpensive correction of an unfair tax law. •

By Mr. MCCAIN (for himself and Mr. THURMOND):

S. 309. A bill to amend the Internal Revenue Code of 1986 to provide that a member of the uniformed services shall be treated as using a principal residence while away from home or qualified official extended duty in determining the exclusion of gain from the sale of such residence; to the Committee on Finance.

THE UNIFORMED SERVICES HOME SALES ACT OF 1999

• Mr. MCCAIN. Mr. President, I, along with Senator THURMOND, and others are proud to sponsor this bill to allow members of the Uniformed Services, who are away on extended active duty, to qualify for the same tax relief on the profit generated when they sell their main residence as other Americans.

This bill will not create a new tax benefit; it merely modifies current law to include the time members of the Uniformed Services are away from home on active duty when calculating the number of years the homeowners has lived in their primary residence. In short, this bill is narrowly tailored to remedy a specific dilemma.

The Taxpayer Relief Act of 1997 delivered sweeping tax relief to millions of Americans through a wide variety of important tax changes that affect individuals, families, investors and businesses. It was also one of the most complex tax laws enacted in recent history.

Mr. President, as with any complex legislation, there are winners and losers. But in this instance, there are unintended losers: members of the Uniformed Services.

The 1997 act gives taxpayers who sell their principal residence a much-needed tax break. Prior to the 1997 act, taxpayers received a one-time exclusion on the profit they made when they sold their principal residence, but the taxpayer had to be at least 55 years old and live in the residence for 2 of the 5 years preceding the sale. This provision primarily benefitted elderly taxpayers, while not providing any relief to younger taxpayers and their families.

Fortunately, the 1997 act addressed this issue. Under this law, taxpayers who sell their principal residence on or after May 7, 1997, are not taxed on the first \$250,000 of profit from the sale, joint filers are not taxed on the first \$500,000 of profit they make from selling their principal residence. The taxpayer must meet two requirements to qualify for this tax relief. The taxpayer must (1) own the home for at least 2 of the 5 years preceding the sale, and (2) live in the home as their main home for at least 2 years of the last 5 years.

Mr. President, I applaud the bipartisan cooperation that resulted in this much-needed form of tax relief. The home sales provision sounds great, and it is. Unfortunately, the second part of this eligibility test unintentionally and unfairly prohibits many of our women and men in the armed forces from qualifying for this beneficial tax relief.

Constant travel across the United States and abroad is inherent in the Uniformed Services. Nonetheless, some members of the Uniformed Services choose to purchase a home in a certain locale, even though they will not live there much of the time. Under the new law, if a serviceman does not have a spouse who resides in the house during his absence or the spouse is also in the military and also must travel, that service member will not qualify for the full benefit of the new home sales provision, because no one "lives" in the home for the required period of time. The law is prejudiced against dual-military couples who are often away on active duty. They would not qualify for the home sales exclusion because neither spouse "live" in the house for

enough time to qualify for the exclusion.

This bill simply remedies an inequality in the 1997 law. The bill amends the Internal Revenue Code so that members of the Uniformed Services will be considered to be using their house as their main residence for any period that they are away on extended active duty. In short, members of the Uniformed Service will be deemed to be using their house as their main home, even if they are stationed in Bosnia, the Persian Gulf, in the "no man's land," commonly called the DMZ between North and South Korea, or anywhere else on active duty orders.

In 1998 alone, the United States had approximately 37,000 men and women deployed to the Persian Gulf region, preparing to go into combat, if so ordered. There were also 8,000 American troops deployed in Bosnia, and another 70,000 U.S. military personnel deployed in support of other commitments worldwide. That is a total of 108,000 women and men deployed outside of the United States, away from their primary home, protecting and furthering the freedoms we Americans hold so dear.

We are in a period of robust growth. Many Americans are reaping the benefits of our country's growth by investing in the stock market. Many of our nation's recent millionaires became millionaires through the stock market. However, many middle- and lower-income Americans do not hold vast amounts of stocks, bonds, mutual funds, and the like. Therefore, how does the average American participate in our nation's robust growth? Through home ownership.

Appreciation in the value of a home because of our country's overall economic growth allows everyday Americans to participate in our country's prosperity. Fortunately, the Taxpayer Relief Act of 1997 recognized this and provided this break to lessen the amount of tax most Americans will pay on the profit they make when they sell their homes.

The 1997 home sale provision unintentionally discourages home ownership among members of the Uniformed Services, which is bad fiscal policy. Home ownership has numerous benefits for communities and individual homeowners. Having a fixed home provides Americans with a sense of community and adds stability to our nation's neighborhoods. Home ownership also generates valuable property taxes for our nation's communities.

We also cannot afford to discourage military service by penalizing military personnel with higher taxes merely because they are doing their job. Military service entails sacrifice, such as long periods of time away from friends and family and the constant threat of mobilization into hostile territory. We must not use the tax code to heap additional burdens upon our women and men in uniform.

In my view, the way to decrease the likelihood of further inequalities in the

tax code, intentional or otherwise, is to adopt a fairer, flatter tax system that is far less complicated than our current system. But, in the meantime, we must insure that the Tax Code is as fair and equitable as possible.

The Taxpayers' Relief Act of 1997 was designed to provide sweeping tax relief to all Americans, including our women and men in uniform. Yes, it is true that there are winners and losers in any tax code, but, this inequity was unintended. Enacting this narrowly tailored remedy to grant equal tax relief to the members of our Uniformed Services restores fairness and consistency to our increasingly complex Tax Code.●

By Mr. COVERDELL (for himself and Mr. CLELAND):

S. 310. A bill to provide for a Dekalb-Peachtree Airport Buyout initiative; to the Committee on Commerce, Science, and Transportation.

DEKALB-PEACHTREE AIRPORT BUYOUT
COMPLETION ACT

● Mr. COVERDELL. Mr. President, I rise today to introduce legislation—the Dekalb-Peachtree Airport Buyout Completion Act—which accelerates the long-awaited buy-out of homes and businesses around Georgia's second busiest airport. Specifically, this legislation grants a priority airport designation for the Dekalb-Peachtree Airport and authorizes the FAA to make available \$35 million for the buyout initiative.

This is a very import project to the citizens of Dekalb County, Georgia. In the 1990s, the Federal Aviation Administration proposed to buy the businesses and residential properties located in the Dekalb-Peachtree Airport's Runway Protection Zone. This was the result of FAA studies that found increased operations at the airport too noisy and too unsafe for residents and businesses in the northern vicinity. While the citizens of Georgia and myself are grateful that the FAA has assisted in purchasing some of the properties, this financial assistance has been extremely slow. The FAA's failure to provide the remaining federal financial assistance in a timely manner has caused local residents and businesses to remain in limbo and very upset. Businesses cannot expand and poorer residents cannot afford to move out until the buyout is complete. Those residents who have moved out are leasing their homes to lower-income individuals and families. These circumstances have also caused the crime rate in the area to substantially go up.

My proposed legislation would help alleviate this problem by authorizing the federal funds necessary to complete the buyout of the remaining residential and business properties. I look forward to working with my colleagues in the Senate on this important proposal and urge its speedy consideration.●

By Mr. MCCAIN (for himself, Mr. COVERDELL, Mr. CLELAND, and Mr. KERREY):

S. 311. A bill to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes; to the Committee on Energy and Natural Resources.

DISABLED VETERANS MEMORIAL LEGISLATION

• Mr. MCCAIN. Mr. President, I rise to offer legislation to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial on Federal land in the District of Columbia to honor all disabled American veterans. This legislation is not controversial, costs nothing, and deserves prompt consideration and passage during the first session of the 106th Congress.

As a nation, we owe a debt of gratitude to all Americans who have worn their country's uniform in the defense of her core ideals and interests. We honor their service with holidays, like Veterans Day and Memorial Day, and with memorials, including the Vietnam Wall and the Iwo Jima Memorial. But nowhere in Washington can be found a material tribute to those veterans whose physical or psychological well-being was forever lost to a sniper's bullet, a landmine, a mortar round, or the pure terror of modern warfare.

To these individuals, we owe a measure of devotion beyond that accorded those who served honorably but without permanent damage to limb or spirit. For these individuals, a memorial in Washington, D.C. would stand as testament to the sum of their sacrifices, and as proof that the country they served values their contribution to its cause.

We cannot restore the health of those Americans who incurred a disability as a result of their military service. It is within our power, however, to authorize a memorial that would clearly signal the nation's gratitude to all whose disabilities serve as a living reminder of the toll war takes on its victims.

Under the terms of this legislation, the Disabled Veterans' LIFE Memorial Foundation would be solely responsible for raising the necessary funding. Our bill explicitly requires that no Federal funds be used to pay any expense for the memorial's establishment.

I urge my colleagues to join me and Senators COVERDELL, CLELAND, and KERREY in support of this legislation. America's disabled veterans, of whom Senator CLELAND himself is one of our most distinguished, deserve a lasting tribute to their sacrifice. They honored us with their service; let us honor them with our support today.

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

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

S. 311

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

SECTION 1. AUTHORITY TO ESTABLISH MEMORIAL.

(a) IN GENERAL.—The Disabled Veterans' LIFE Memorial Foundation is authorized to

establish a memorial on Federal land in the District of Columbia or its environs to honor disabled American veterans who have served in the Armed Forces of the United States.

(b) COMPLIANCE WITH STANDARDS FOR COMMEMORATIVE WORKS.—The establishment of the memorial authorized by subsection (a) shall be in accordance with the Act entitled "An Act to provide standards for placement of commemorative works on certain Federal lands in the District of Columbia and its environs, and for other purposes", approved November 14, 1986 (40 U.S.C. 1001 et seq.).

SEC. 2. PAYMENT OF EXPENSES.

The Disabled Veterans' LIFE Memorial Foundation shall be solely responsible for acceptance of contributions for, and payment of the expenses of, the establishment of the memorial authorized by section 1(a). No Federal funds may be used to pay any expense of the establishment of the memorial.

SEC. 3. DEPOSIT OF EXCESS FUNDS.

If, upon payment of all expenses of the establishment of the memorial authorized by section 1(a) (including the maintenance and preservation amount provided for in section 8(b) of the Act referred to in section 1(b)), or upon expiration of the authority for the memorial under section 10(b) of such Act, there remains a balance of funds received for the establishment of the memorial, the Disabled Veterans' LIFE Memorial Foundation shall transmit the amount of the balance to the Secretary of the Treasury for deposit in the account provided for in section 8(b)(1) of such Act. •

By Mr. MCCAIN (for himself, Mr. COVERDELL and Mr. HAGEL):

S. 312. A bill to require certain entities that operate homeless shelters to identify and provide certain counseling to homeless veterans, and for other purposes; to the Committee on Veterans' Affairs.

VETERANS LEGISLATION

• Mr. MCCAIN. Mr. President, I rise to introduce legislation to assist homeless veterans and eliminate some of the suffering of these less fortunate Americans who served their country in uniform. This legislation would develop better methods for identifying veterans who utilize federally funded homeless shelters so that they can be educated about veteran benefits to which they are entitled, including Department of Veterans Affairs health care.

A homeless shelter which receives federal funding would be required to inquire if a person entering the shelter is a veteran. This information would be used solely to assist in tracking the number of homeless veterans and providing counseling to the veteran regarding all available benefits, including job search, veterans preference rights, and medical benefits. Additionally, the Secretary of Veterans Affairs and the Secretary of Housing and Urban Development would coordinate these activities and specify a schedule for notifying the Department of Veterans Affairs of the status of these homeless veterans. It is the intent of this legislation to require homeless shelters to follow this procedure if they are to be eligible for additional Federal grants.

It goes without saying that this country owes a great deal to the men and women who bore arms to keep

America free. Today there is no easy way to ensure that veterans who are homeless have access to the benefits they have earned. We do not even know how many of our veterans are homeless. I find this astonishing. The Department of Veterans Affairs estimates the number of homeless veterans to be between 275,000 and 500,000 over the course of a year. Conservatively, one out of every three individuals who is sleeping in a doorway, alley, or box in our cities and rural communities has worn a uniform and served our country. Mr. President, the time is right, right now, to give a helping hand.

Based on the figures the Department of Veterans Affairs does have, homeless veterans are mostly male; about three percent are women. The vast majority are single; most come from poor, disadvantaged communities; forty percent suffer from mental illness; and half have substance abuse problems. More than seventy-five percent served our country for at least four years, and Vietnam veterans account for more than forty percent of the total number estimated.

Mr. President, there are many complex factors affecting all homelessness: extreme shortage of affordable housing, poverty, high unemployment in big cities, and disability. A large number of displaced and at-risk veterans live with the lingering effects of post traumatic stress disorder (PTSD) and substance abuse, compounded by a lack of family and social support networks.

I do not mean to be critical of the Secretary of Veterans Affairs or the Secretary of Housing and Urban Development in offering this legislation. To a great degree, the Department of Veterans Affairs has been very responsive in taking care of some homeless veterans. But the ones who are receiving critical medical treatment and veterans benefits are those who know that such programs exist. It is incumbent on our government to reach out to all veterans, particularly those who are homeless. However, to do that, there must be a process in place.

Homeless veterans need a coordinated effort, between the Secretaries of Veterans Affairs and Housing and Urban Development, that provides secure housing and nutritional meals, essential physical health care, substance abuse aftercare, and mental health counseling. They may need job assessment, training, and placement assistance. To those who may argue that this is a new entitlement program, I would say that these rights and benefits currently exist for veterans today. Why would we as a nation not do everything in our power to provide this help for those less fortunate veterans?

Mr. President, our veterans deserve no less. I hope my colleagues will support this legislation and support our veterans.

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

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

S. 312

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

SECTION 1. REQUIREMENT TO IDENTIFY AND PROVIDE COUNSELING TO HOMELESS VETERANS.

(a) REQUIREMENT.—Each entity that receives a grant from the Federal Government for purposes of providing emergency shelter for homeless individuals shall—

(1) identify whether or not each adult individual seeking such shelter from such entity is a veteran; and

(2) provide each such individual who is a veteran such counseling relating to the availability of veterans benefits (including employment assistance, health care benefits, and other benefits) as the Secretary of Veterans Affairs considers appropriate.

(b) COORDINATION OF ACTIVITIES.—The Secretary of Veterans Affairs and the Secretary of Housing and Urban Development shall jointly coordinate the activities required by subsection (a).

(c) NOTIFICATION.—(1) Entities referred to in subsection (a) shall notify the Secretary of Veterans Affairs of the number and identity of the veterans identified under paragraph (1) of that subsection.

(2) Such entities shall make such notification with such frequency and in such form as the Secretary shall specify.

(d) PROHIBITION ON FUNDS FOR NONCOMPLIANCE.—Notwithstanding any other provision of law, an entity referred to subsection (a) that fails to meet the requirements specified in that subsection shall not be eligible for additional grants or other Federal funds for purposes of carrying out activities relating to emergency shelter for homeless individuals. •

ADDITIONAL COSPONSORS

S. 4

At the request of Mr. WARNER, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 4, a bill to improve pay and retirement equity for members of the Armed Forces; and for other purposes.

S. 13

At the request of Mr. SESSIONS, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 13, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 26

At the request of Mr. FEINGOLD, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 26, a bill entitled the "Bipartisan Campaign Reform Act of 1999."

S. 135

At the request of Mr. DURBIN, the names of the Senator from New Mexico (Mr. BINGAMAN), the Senator from Minnesota (Mr. WELLSTONE), the Senator from South Dakota (Mr. JOHNSON), and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 135, a bill to amend the Internal Revenue Code of 1986 to increase the deduction for the health insurance costs of self-employed individuals, and for other purposes.

S. 146

At the request of Mr. ABRAHAM, the name of the Senator from Arizona (Mr. MCCAIN) was added as a cosponsor of S. 146, a bill to amend the Controlled Substances Act with respect to penalties for crimes involving cocaine, and for other purposes.

S. 185

At the request of Mr. ASHCROFT, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 185, a bill to establish a Chief Agricultural Negotiator in the Office of the United States Trade Representative.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

SENATE RESOLUTION 26

At the request of Mr. MURKOWSKI, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of Senate Resolution 26, a resolution relating to Taiwan's Participation in the World Health Organization.

SENATE CONCURRENT RESOLUTION—EXPRESSING THE SENSE OF CONGRESS THAT ASSISTANCE TO SOUTH KOREA SHOULD BE CONDITIONED ON SOUTH KOREA'S COMPLIANCE WITH ITS INTERNATIONAL TRADE COMMITMENTS AND ON SOUTH KOREA'S TERMINATION OF ITS UNFAIR TRADE PRACTICES AND SUBSIDIES

Mr. ASHCROFT (for himself and Mr. BAUCUS) submitted the following concurrent resolution; which was referred to the Committee on Finance:

S. CON. RES. 4

Whereas Asia is the largest regional export market for America's farmers and ranchers, traditionally purchasing approximately 40 percent of all U.S. agricultural exports;

Whereas the Department of Agriculture forecasts that over the next year American agricultural exports to Asian countries will decline by several billion dollars due to the Asian financial crisis;

Whereas the United States is the producer of the safest agricultural products from farm to table, customizing goods to meet the needs of customers worldwide, and has established the image and reputation as the world's best provider of agricultural products;

Whereas American farmers and ranchers, and more specifically, American pork and beef producers, are dependent on secure, open, and competitive Asian export markets for their product;

Whereas United States pork and beef producers not only have faced the adverse effects of depreciated and unstable currencies and lowered demand due to the Asian financial crisis, but also have been confronted with South Korea's pork subsidies and its

failure to keep commitments on market access for beef;

Whereas it is the policy of the United States to prohibit south Korea from using United States and International Monetary Fund assistance to subsidize targeted industries and compete unfairly for market share against U.S. products;

Whereas the South Korean Government has been subsidizing its pork exports to Japan, resulting in a 973 percent increase in its exports to Japan since 1992, and a 71 percent increase in the last year;

Whereas pork already comprises 70 percent of South Korea's agriculture exports to Japan, yet the South Korean Government has announced plans to invest 100,000,000 won in its agricultural sector in order to flood the Japanese market with even more South Korean pork;

Whereas the South Korean Ministry of Agriculture and Fisheries reportedly has earmarked 25,000,000,000 won for loans to Korea's pork processors in order for them to purchase more Korean pork and to increase exports to Japan;

Whereas any export subsidies on pork, including those on exports from South Korea to Japan, would violate South Korea's international trade agreements and may be actionable under the World Trade Organization;

Whereas South Korea's subsidies are hindering U.S. pork and beef producers from capturing their full potential in the Japanese market, which is the largest export market for U.S. pork and beef, importing nearly \$700,000,000 of U.S. pork and over \$1,500,000,000 of U.S. beef last year alone;

Whereas under the United States-Korea 1993 Record of Understanding on Market Access for Beef, which was negotiated pursuant to a 1989 GATT Panel decision against Korea, South Korea was allowed to delay full liberalization of its beef market (in an exception to WTO rules) if it would agree to import increasing minimum quantities of beef each year until the year 2001;

Whereas South Korea fell woefully short of its beef market access commitment for 1998; and,

Whereas United States pork and beef producers are not able to compete fairly with Korean livestock producers, who have a high cost of production, because South Korea has violated trade agreements and implemented protectionist policies: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) Believes strongly that while a stable global marketplace is in the best interest of America's farmers and ranchers, the United States should seek a mutually beneficial relationship without hindering the competitiveness of American agriculture;

(2) Calls on South Korea to abide by its trade commitments;

(3) Calls on the Secretary of the Treasury to instruct the United States Executive Director of the International Monetary Fund to promote vigorously policies that encourage the opening of markets for beef and pork products by requiring South Korea to abide by its existing international trade commitments and to reduce trade barriers, tariffs, and export subsidies;

(4) Calls on the President and the Secretaries of the Treasury and Agriculture to monitor and report to Congress that resources will not be used to stabilize the South Korean market at the expense of U.S. agricultural goods or services; and

(5) Requests the United States Trade Representative and the U.S. Department of Agriculture to continue bilateral consultations with the Government of South Korea on its failure to abide by its international trade commitments on beef market access, to consider whether Korea's reported plans for subsidizing its pork industry would violate any