families pay more in total Social Security payroll taxes than they pay in income taxes.

In addition to costing the poor and middle class more, the payroll tax also burdens individuals more than businesses. Although employers and employees both have to pay 7.65% of a worker's income in payroll taxes, this burden strikes individuals disproportionately. Employers currently have the ability to deduct payroll taxes as a business expense. Employees do not have this same option. In the interest of fairness, employees and self-employed individuals—even those who do not itemize—should have the same opportunity.

It is for these reasons—the high rates, the double taxation, the overall tax burden, the disproportionate impact on lower and middle-income wage earners—that taxpayers need to have a payroll tax deduction. Americans should no longer be forced to pay federal income tax on their Social Security payroll taxes.

Providing payroll tax relief would not be a tax cut for the rich, but a tax cut for the poor and the middle class, who are paying payroll taxes from their first dollar of earnings. If taxpayers were no longer forced to pay income tax on their Social Security taxes, the average two-income family would see its annual tax bill slashed $1,400.

This change would be extremely helpful to taxpayers in my home state of Missouri. 85% of Missouri tax filers, over two million Missourians, pay payroll taxes and would benefit from this deduction.

Employers, who are already able to deduct payroll taxes, overwhelmingly support making this change to help their workers. According to a National Federation of Independent Business survey of small business owners, 73% support making the employee share of the payroll tax fully deductible. These employers know what a burden the double-tax imposes on workers, and these employers understand better than anyone the importance of making the payroll tax deductible.

Preliminary estimates suggest that this proposal would increase the gross domestic product of 0.5% and produce 500,000 new jobs. Making the payroll tax deductible is good for workers, good for businesses, good for Missouri, and good for the American economy.

Mr. President, the case is clear: it is time to make the payroll tax deductible. On this April 15, let us dedicate ourselves to providing payroll tax relief to American workers. I urge my colleagues to join me in support of this legislation.

By Mr. JEFFORDS (for himself and Mr. CHAFEE):

S. 808. A bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes; to the Committee on Finance.

THE CONSERVATION TAX INCENTIVES ACT OF 1999

Mr. JEFFORDS. Mr. President, on this day when Americans must file their tax returns, I am introducing the Conservation Tax Incentives Act of 1999, a bill that will result in a reduction in the capital gains tax for landowners who sell property for conservation purposes. This bill creates a new incentive for private, voluntary land protection. This legislation is a cost-effective nonregulatory, market-based approach to conservation, and I urge my colleagues to join me in support of it.

Our tax code already has a tax incentive to encourage people to donate land for conservation purposes or to donate conservation easements. The charitable contribution deduction provides this incentive, and this deduction has been instrumental in the conservation of environmentally significant land across the country.

Not all land worth preserving, however, is owned by people who are able to give it away. For many landowners, their land is their primary financial asset, and they simply cannot afford to donate it for conservation purposes. While they might like to see their land preserved in its undeveloped state, the tax code's incentive for donations is of no help to them.

The Conservation Tax Incentives Act will provide a new tax incentive for sales of land for conservation by reducing the amount of income that landowners would ordinarily have to report—and pay tax on—when they sell their land. The bill provides that when land is sold for conservation purposes, only one half of any gain will be included in income. The other half can be excluded from income; the effect of this exclusion is to cut in half the capital gains tax the seller would otherwise have to pay. The bill will enable landowners to permanently protect their property's environmental value without forgoing the financial security it provides. The bill's benefits are available to landowners who sell land either to a government agency or to a qualified nonprofit conservation organization. They are also available when landowners sell partial interests in land for conservation. Thus owners of farms and forests may be able to take advantage of the bill's benefits, yet still continue to harvest crops or timber from their land, if they sell a conservation easement on the property. The purchaser must provide the seller with a letter of intent manifesting the purchaser's intent that the land acquisition will serve such conservation purposes as protection of fish, wildlife or plant habitat, or provision of open space for agriculture, forestry, outdoor recreation or scenic beauty.

Land is being lost to development and commercial use at an alarming rate. By Department of Agriculture estimates, more than four square miles of farmland are lost to development every day, often with devastating effects on the habitat wildlife need to thrive. Without additional incentives for conservation, we will continue to lose ecologically valuable land.

This bill provides an incentive-based means for accomplishing conservation in the public interest. It helps tax dollars accomplish more, allowing public and charitable conservation funds to go to higher-priority conservation projects. Preliminary estimates indicate that with the benefits of this bill, nine percent more land could be acquired, with no increase in the amount governments currently spend for conservation land acquisition. At a time when little money is available for conservation, it is important that we stretch as far as possible the dollars that are available.

State and local governments will be important beneficiaries of this bill. Many local communities have voted in favor of raising taxes to finance bond initiatives to acquire land for conservation. My bill will help stretch these bond proceeds so that they can go further in improving the conservation results for local communities. In addition, because the bill applies to sales to publicly-supported national, regional, State and local citizen conservation groups, its provisions will strengthen private, voluntary work to save places important to the quality of life in communities across the country. Private fundraising efforts for land conservation will be enhanced by this bill, as funds will be able to conserve more, or more valuable, land.

Let me provide an example to show how I intend the bill to work. Let's suppose that in 1952 a young couple purchased a house and a tract of adjoining land, which they have maintained as open land. Recently, the county where they live passed a bond initiative to buy land for open space, as county residents wanted to protect the quality of their life from rampant development and uncontrolled sprawl. Let's further assume that the couple, now contemplating retirement, is considering competing offers for their land. One offer comes from the county, which will preserve the land in furtherance of its open-space goals. The other offer has been made by an individual who does not plan to conserve the land. Originally purchased for $25,000, the land is now worth $250,000 on the open market. If they sell the land at its fair market value to the individual, the couple would realize a gain of $225,000 ($250,000 sales price minus $25,000 cost), owe tax of $45,000 (at a rate of 20% on the $225,000 gain), and thus net $205,000 after tax.

Under my bill, if the couple sold the land to the county for conservation purposes, they would be able to exclude from income one half of the gain realized upon the sale. This means they would pay a lower capital gains tax; consequently, they would be in a position to accept a lower offer from a local government or a conservation organization, yet still end up with more money in their pockets than they

would have had if they had accepted the developer's offer. Continuing with the example from the preceding paragraph, let's assume the couple sold the property to the county, for the purpose of conservation, at a price of $240,000. They would realize a gain of $215,000 ($240,000 sales price minus $25,000 cost). Under my bill, only half of this gain $107,500, would be includible in income. The couple would pay $21,500 in capital gains tax (at a rate of 20% on the $107,500 gain includible in income) and thus net $218,500 ($240,000 sales price minus $21,500 tax). Despite having accepted a sales price $10,000 below the individual's offer, the couple will keep $13,000 more than they would have kept if they had accepted his offer.

The end result is a win both for the landowners, who end up with more money in their pocket than they would have had after a sale to an outsider, and for the local community, which is able to preserve the land at a lower price. This example illustrates how the exclusion from income will be especially beneficial to middle-income, ''land rich/cash poor'' landowners who can't avail themselves of the tax benefits available to those who can afford to donate land.

A real-life example from my home state illustrates the need for this bill. A few years ago, in an area of Vermont known as the Northeast Kingdom, a large well-managed forested property came on the market. The land had appreciated greatly over the years and was very valuable commercially. With more than 3,000 acres of mountains, forests, and ponds, with hiking trails, towering cliffs, scenic views and habitat for many wildlife species, the property was also very valuable environmentally. Indeed, the State of Vermont was anxious to acquire it and preserve it for traditional agricultural uses and habitat conservation.

After the property had been on the market for a few weeks, the seller was contacted by an out-of-state buyer who planned to sell the timber on the land and to dispose of the rest of the property for development. Upon learning of this, the State moved to obtain appraisals and a quick legislative appropriation in preparation for a possible State purchase. Indeed, the State and The Nature Conservancy subsequently made a series of purchase offers to the landowner. The out-of-state buyer, however, prevailed upon the landowner to accept his offer. Local newspaper headlines read, ''State of Vermont Loses Out On Northeast Kingdom Land Deal.'' The price accepted by the landowner was only slightly higher than the amount offered by the State. Had the bill I'm introducing today been on the books, the lower State offer may well have been as attractive—perhaps more so—than the amount offered by the individual.

In drafting the bill's language, I was careful to ensure that the tax incentive applies to lands that truly serve conservation purposes. First, only publicly-supported conservation charities and governmental entities qualify as purchasers for transactions that make use of this tax incentive. Conservation organizations and governmental natural resource and environmental agencies have a long and respected record of serving the public interest in acquiring and managing land for conservation purposes. This bill builds on that record of trust and responsible stewardship, without imposing new and administratively cumbersome requirements to ensure that the public purpose is served. The tax code already provides for adequate oversight to guard against a potential breach of the public trust by a conservation organization.

Second, the bill requires a statement of intent from the purchaser reflecting the purchaser's intent that the acquisition will serve one of the specified conservation purposes. This language was crafted to protect the public's conservation investment by establishing the purchaser's intent, but not creating a tax-driven land use restriction. In essence, I wanted to make sure that the purchaser's intent to conserve the land does not rob the land of commercial value, for which the landowner must be justly compensated if this conservation incentive is to work effectively. The purchaser's letter of intent should not be construed to impose new restrictions on the property or covenants running with the land; to do so would create an appraisal problem that would defeat the very purpose that this bill is designed to address. Thus, the property being acquired should be appraised at its unencumbered, full fair market value. Furthermore, the value of the property in the hands of the purchasing conservation entity should be its full fair market value, notwithstanding both the purchaser's intended conservation use of the property and the required statement of intent. This principle would apply even when the original conservation purchaser, like a land trust, subsequently conveys the property to another cooperating conservation purchaser (e.g., a governmental agency) on behalf of which the land trust may have pre-acquired the property.

As this bill also applies to partial interests in land, the exclusion from income—and the resulting reduction in capital gains tax—will, in certain instances, also be available to landowners selling partial interests in their land for conservation purposes. A farmer could, for example, sell a conservation easement, continuing to remain on and farm his land, yet still be able take advantage of the provisions in this bill. The conservation easement must meet the tax code's requirements i.e., it must serve a conservation purpose, such as the protection of fish or wildlife habitat or the preservation of open space (including farmland and forest land).

There are some things this bill does not do. It does not impose new regulations or controls on people who own environmentally-sensitive land. It does not compel anyone to do anything; it is entirely voluntary. Nor will it increase government spending for land conservation. In fact, the effect of this bill will be to allow better investment of tax and charitable dollars used for land conservation.

I urge all my colleagues to join me in support of the Conservation Tax Incentives Act of 1999.

By Mr. BURNS (for himself and Mr. WYDEN):

S. 809. A bill to require the Federal Trade Commission to prescribe regulations to protect the privacy of personal information collected from and about private individuals who are not covered by the Children's Online Privacy Protection Act of 1998 on the Internet, to provide greater individual control over the collection and use of that information, and for other purposes; to the Committee on Commerce, Science, and Transportation.

ONLINE PRIVACY PROTECTION ACT OF 1999

Mr. BURNS. Mr. President, I am pleased to be joined by the distinguished Senator from Oregon, Mr. WYDEN, in introducing a very important piece of legislation, the Online Privacy Protection Act of 1999. Last year, Congress worked together to protect our most vulnerable citizens from unprincipled information gathering online by passing the Children's Online Privacy Protection Act of 1998. That law provided online privacy protection for children up through age 13. Although teens and adults have a greater ability to identify the risks associated with online shopping and browsing, some guidance and protection is needed to ensure that web sites treat information in a fair and uniform way.

Before I tell you what this bill does, let me first tell you what this bill does not do. It does not bury online companies with regulatory paperwork. It does not impose a congressional mandate on privacy policies. It does not force compliance with arcane rules. It does not regulate the internet.

I want to be clear. We are trying to pilot the ship of internet commerce with a very light hand while trying to encourage the efforts currently underway within the online industry.

This bill sets very general guidelines for how an online company treats information it gathers from people interacting with their web sites. First of all, there must be a clear and conspicuous posting of the companies information collection policy. They must note what information is collected, and what they do with it. There must be a clear means for people to opt out of providing this information, if the data collected is not relevant to the web transaction. In fairness, we do allow the web site host to cancel the online transaction if the site visitor doesn't provide all of the needed information. For example, if a person buys a product, but won't give a mailing address, the company can terminate the sale.

A key provision of this bill allows people access to information that was collected and shared with outside companies. We recognize that there are many web sites that collect information to better serve their visitors. Amazon.com keeps track of book requests to help identify other potential books of interest to the customer. We appreciate the prosperity of that data and its use and want to protect and encourage that creativity. As long as the company discloses up front what information it is collecting and keeps that data internal, it won't be forced into disclosure and lose its competitive edge. However, all companies are required to establish and maintain procedures to protect the information that it collects.

To the uninformed listener, this may sound like a lot of regulation and paperwork for online companies to follow. The good news is that this bill recognizes the continuing progress being made in the commercial sector in providing secure and private transactions for customers. Concerns about misuse of information can drive many customers away, and many companies are recognizing the need for establishing some type of privacy rules. It's telling that 60 percent of Fortune 500 Chief Information Officers in a recent poll stated that they wouldn't divulge personal information online.

Fortunately, we finally got the right balance in crafting privacy policy on the internet. It isn't through congressional or FTC mandates. It's by encouraging private industry to band together to establish minimum requirements for a safe haven for consumer information. Companies can meet the intent of this bill by showing that their privacy policy complies with the Safe Haven requirements established in industry. Congress and the FTC are only there to give the Safe Haven some teeth by providing incentives and ensuring compliance with these self-established regulations. We also allow states to use existing law to challenge and remove irresponsible online privacy behavior. A strong team of business, Congress, States, and regulators will bring a balanced and fair approach to the needs of consumers.

The Online Privacy Protection Act of 1999 is an important effort to shape the future of online commerce. By getting out front and then staying out of the way, we can create an electronic medium free from big-brother mentality that allows people to move freely through commercial sites without fearing for the data trail they leave behind. This bill is good for industry and good for consumers. I strongly encourage my colleagues to support the passage of this bill.

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, Mr. KENNEDY, and Mr. KOHL):

S. 810. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, to increase the availability and affordability of professional development for child care providers, to expand youth development opportunities, to ensure the safety of children placed in child care centers in Federal facilities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Finance.

CARING FOR AMERICA'S CHILDREN ACT

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. DODD, and Mr. KOHL):

S. 811. A bill to amend the Internal Revenue Code of 1986 to expand alternatives for families with children, to establish incentives to improve the quality and supply of child care, and for other purposes; to the Committee on Finance.

TAX RELIEF FOR FAMILIES WITH CHILDREN ACT

By Mr. JEFFORDS (for himself, Mr. DODD, and Ms. LANDRIEU):

S. 812. A bill to provide for the construction and renovation of child care facilities, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

CHILD CARE CONSTRUCTION AND RENOVATION ACT

By Mr. JEFFORDS (for himself, Ms. LANDRIEU, Mr. Dodd, Mr. SARBANES, and Mr. KENNEDY):

S. 813. A bill to ensure the safety of children placed in child care centers in Federal facilities, and for other purposes; to the Committee on Governmental Affairs.

FEDERAL EMPLOYEES CHILD CARE ACT

By Mr. JEFFORDS (for himself, Mr. DODD, Ms. LANDRIEU, and Mr. KENNEDY):

S. 814. A bill to establish incentives to improve the quality and supply of child care providers, to expand youth development opportunities, to ensure adequate child care subsidies for low-income working families, and for other purposes; to the Committee on Health, Education, Labor, and Pension.

CREATING HEALTHY OPPORTUNITIES AND IMPROVING CHILD EDUCATION AND SUPPORT (CHOICES) ACT

Mr. JEFFORDS. Mr. President, I rise today to introduce a comprehensive child care bill, the ''Caring for America's Children Act''. This legislation recognizes that quality child care is a shared responsibility that ultimately benefits government, communities, and, most importantly, families and their children.

Parents know best how to care for their children, and will choose the best if it is affordable and accessible. This legislation increases the opportunities for American children and their parents to choose the best care for their children, including the choice to forgo a second income to stay home with their children.

But for many families, staying home is simply not an option. Today, more than 12 million children under the age of five—including half of all infants under one year of age—spend at least part of their day being cared for by someone other than their parents. In Vermont alone, there are approximately 22,000 children, under the age of 6, in state-regulated child care.

There are millions of school-aged children who are in some form of child care at the beginning and end of the school day as well as during school holidays and vacations. And just as many six to twelve year olds are latchkey kids—returning home from school with no supervision until their parents get home from work. Far too many of these children spend that time in front of the television with a soda and a bag of chips.

Child care is a necessity for most working parents and high quality child care is a critical investment in our country's future. In the first three years of life, the brain either makes the connections it needs for learning or it atrophies, making later efforts at remediation in learning, behavior, and thinking difficult, at best. The experiences and stimulation that a caretaker provides to a child are the foundations upon which all future learning is built.

The brain's greatest and most critical growth spurt is between birth and ten years of age—precisely the time when non-parental child care is most frequently utilized. A Time magazine special report on ''How a Child's Brain Develops'' (February 3, 1997) said it best, ''. . . Good, affordable day care is not a luxury or a fringe benefit for welfare mothers and working parents but essential brain food for the next generation.''

The ''Caring for Children Act'' embodies two important goals. First, to expand the choices available to parents—including the most basic choice—to stay at home and care for their children. And second, to move child care from babysitting to early childhood education and positive youth development.

How does the ''Caring for Children Act'' accomplish this? By increasing the tax benefits for all families with children we provide more opportunities for families, whether they stay at home or place their children in the care of others. We provide families with additional income to spend on child care or to manage the household budget without a second income.

Through state incentives to improve the quality and remove barriers to higher quality care the legislation provides the opportunity to improve child care for everyone. By creating more after school activities that promote positive youth development and making them more affordable for low-income families, the bill increases gives parents and their children the opportunity to choose activities that will be fun and help in the acquisition of the skills necessary to become a productive, happy adult.

The ''Caring for Children Act'' is good for families. The legislation creates more equity between the tax benefits received by working parents who pay others to care for their children, and parents who stay home to care for their children. It increases the Dependent Care Tax Credit (DCTC) for low- and middle-income families who use child care while they work. It increases current $500 Child Tax Credit to $900 per child. It increases the Dependent Care Assistance Plan (DCAP) for two or more dependents and permits DCAP funds to be used to reimburse a parent or grandparent who provides full-time care for a child under the age of mandatory school attendance. Taxpayers are given the opportunity to select the best tax benefit option for each of their children, based on the individual family's economic and child care circumstances.

The ''Caring for Children Act'' expands current consumer education services so that parents have better access to information on high-quality child care and can feel more confident as they make decisions about who will care for their children. It creates new opportunities to meet the needs of school-aged children and their parents during the non-school hours.

The ''Caring for America's Children Act'' is good for child care providers. Almost every child care provider that I have talked with over the past few years wants the opportunity to expand their services, increase their skills, and improve their facilities. But the child care business is a financially unstable endeavor.

Child care centers and home-based providers are finding it increasingly difficult to recruit and retain staff, to buy the supplies and equipment that will promote healthy child development, and even to keep their doors open.

The Shelburne Children's Center in Vermont closed earlier this year because it could not afford to stay open. Nearly forty percent of all family-based child care and ten percent of the center-based care close each year. Parents can only pay what they can afford, and far too often that is barely enough to keep the child care provider in business.

The ''Caring for America's Children Act'' creates the opportunities that will help keep current providers afloat and encourage more people to enter the business. It creates a high-tech infrastructure for the training of child care providers —and makes that training more accessible for providers in every community. It establishes a block grant to help states improve the quality of child care.

Funds can be used to provide salary subsidies and more training for providers, to improve the enforcement of state regulations, to help providers better care for children with special needs, or to increase the supply of infant care. States will have the opportunity to try innovative approaches designed to improve the quality of child care.

The legislation also creates financing mechanisms to support the renovation and construction of child care facilities.

The ''Caring for America's Children Act'' is good for business. Child care is a growing concern for businesses, large and small. In my home state of Vermont, companies have learned that being ''family friendly'' is good for business. It increases employee retention, improves job satisfaction, and lowers absenteeism. The legislation encourages businesses to take an active role in the child care needs of their employees and in the community-at-large. It provides a tax credit to employers who contribute to child care arrangements for their employees.

The legislation expands the charitable deduction to encourage businesses to donate equipment, materials, transportation services, facilities, and staff time to public schools and child care providers. In short, it creates the opportunity for companies to make an investment in their future, by becoming involved in child care.

I have divided the ''Caring for America's Children Act'' into four smaller, more narrowly focused bills, which I also am introducing today. The ''Tax Relief for Families with Children Act'' combines all of the tax provisions (Title I and Subtitle A of Title II) of the ''Caring for America's Children Act.''

The ''Child Care Construction and Renovation Act'' focuses exclusively on the financing of child care facilities contained in Title VII of the larger bill. ''The ''Federal Employees Child Care Act'' deals exclusively with ensuring the safety and quality of child care facilities operated for employees of the federal government.

The ''Creating Healthy Opportunities and Improving Child Education'' or ''CHOICE'' Act combines the remainder of the ''Caring for America's Children Act.'' It focuses on improving the quality of child care, expanding non-school hours care for older children, increasing professional development for child care providers, and helping low-income families who will not benefit from the tax provisions.

As we all know, quality child care costs money. It costs money to parents who bear the biggest burden for the expense of child care. It costs businesses both through the direct assistance that they provide to employees to help with the expense of child care, and through their ability to hire and retain a skilled workforce. It costs government through existing tax provisions, direct spending, and discretionary spending targeted at child care.

But we must remember that the costs of not making this investment are even higher. Those costs can be measured in the expense of remedial education, the cost of having an unskilled labor force, the increase in prison populations, and most importantly, the blunted potential of millions of children.

Not only must we engage in a public debate on ''who cares for our children,'' but we also must take action to better support families in doing their most important work——raising our nation's children. Last year, child care legislation held a prominent place on the Congressional agenda. This year, little has been said, although the needs have not diminished. I hope that these bills can put child care back on the Congressional agenda where it belongs—-because our children and families cannot wait much longer.

As I said on Tuesday night during the debate on the Budget Resolution, I am not going to let the issue of child care go away. All of us here today, and all of the co-sponsors of this legislation are committed to whatever it takes to help our children maximize their opportunities. That is what this legislation is about—Opportunities.

I urge my colleagues to join with me and Senators DODD, LANDRIEU, KENNEDY, and KOHL, as well as with Congressman GILMAN and his House colleagues, in co-sponsoring and supporting this important legislation. To do nothing to improve the quality of child care and provide parents with more opportunities to choose the best care for their children is grossly unfair to the children and far too costly for our nation.

I ask unanimous consent that a section by section description of the ''Caring for America's Children Act'' be placed in the CONGRESSIONAL RECORD.

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

THE ''CARING FOR AMERICA'S CHILDREN'' ACT

Title I: Tax Benefits for Families with Children

Section 101: Increases the Dependent Care Tax Credit (DCTC) by (a) increasing the amount of allowable expenses to $3,600 for one dependent; $6,000 for two or more; (b) increasing the maximum percentage of the allowable expenses to 40 percent; (c) increases the adjusted gross income level receiving the maximum percentage to $50,000; (d) reduces the allowable percentage by 1 percent for each $2,000 over $50,000, not reduced below 10 percent; (d) permiting educational programs and third party transportation costs to be counted as allowable expenses.

Section 102: Increases the Child Tax Credit from $500 per year to $900 per year.

Section 103: Makes changes in the Dependent Care Assistance Program (DCAP) by (a) Increasing the dollar contribution limit to $7,000 a year for two or more dependents; (b) Permiting contributions to DCAP accounts during pregnancy, usable for one year after the birth of a child; (c) permiting DCAP funds to be used to pay a spouse or grandparent to care for a pre-school aged child at home; and (d) establishing a DCAP for federal employees.

Section 104: Permits parents to choose between the Dependent Care Tax Credit, Child Tax Credit, and the Dependent Care Assistance Program for each dependent child (each tax benefit mutually exclusive for each child).

Section 105: Expands the Home Office tax deduction to permit parents to care for a dependent child within the home office space