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Senate

The Senate met at 1 p.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Father, we have not forgotten the three American infantry soldiers who were captured on March 31 while on patrol at the Macedonian border: Staff Sergeants Andrew A. Ramirez and Christopher J. Stone; Specialist Steven M. Gonzalez. Be with them, Lord. Bless them with courage and strength. During this anxious time, give their families Your comfort and assurance. May these men and their families know that they are not forgotten and that the Senate is praying today for their safety and their release.

Here in the Senate we begin this new week with renewed trust in You and a commitment to work together for Your glory and for Your will in our Nation and in the world. Through our Lord and Savior. Amen.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The able acting majority leader is recognized.

Mr. BROWNBACK. I thank the Chair.

SCHEDULE

Mr. BROWNBACK. Mr. President, today the Senate will be in a period of morning business until 3:30 p.m. Following morning business, the Senate will resume consideration of S. 96, the Y2K bill. A cloture motion on that legislation was filed on Thursday, and by unanimous consent that vote will take place today at 5:30 p.m. Members are encouraged to come to the floor to debate this important legislation.

I thank my colleagues for their attention.

Mr. President, I wish to address the body today on another matter during

morning business. It is about the situation that has taken place in Colorado.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. KYL). The Chair will announce that under the previous order leadership time is reserved.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 3:30 p.m. with Senators permitted to speak therein for up to 10 minutes each.

The Senator from Kansas is recognized.

Mr. BROWNBACK. I thank the Chair.

TEEN VIOLENCE

Mr. BROWNBACK. Mr. President, I wish to address the Senate today on the subject of the violence in Littleton, CO. I note that over the weekend a number of funerals took place, and as I speak another funeral is occurring as a result of the shootings in Littleton, CO. I think it would be appropriate for us to observe a moment of silence for the victims of the shootings that took place.

(Period of silence.)

Mr. BROWNBACK. I thank the Chair.

Certainly, all of our thoughts and prayers are with the people in Colorado, across this country and across the world, who have been touched by the terrible tragedies in the shootings.

We cannot ignore the shootings that took place in Littleton, CO. I think we really must say that this time we will address these problems that are in our culture. They are here. We have a culture that glorifies violence and killing, where perverse things are put on television as normal. Ours is a culture that has far too much darkness in it.

Just listen to some of the words of the writers in various newspapers across this country when they have discussed today's culture. This was in last Thursday's Washington Post in the Style Section, mind you. Its headline: "When Death Imitates Art." It says:

Before Teenagers Commit Violence, They Witness It in American Culture.

Here is how the writer starts:

In what used to be the dark corners of our culture, there is now a prime time cartoon with a neo-Nazi character, comics that traffic in bestiality, movies that leave teenagers gutted like game, fashion designers who peddle black leather masks and doomsday visions. It's all in the open now, mass produced, widely available. Even celebrated. On countless PCs, killing is a sport. And there's Marilyn Manson, a popular singer who named himself after a mass murderer and proclaims he is the Antichrist.

Film, television, music, dress, technology, games: They've become one giant playground filled with accessible evil, darker than ever before.

Listen to this:

Consider: Of the last 11 major movies released on video since April 6, seven of them have violent themes. Among them, "Art Pupil," about a high school kid obsessed with Nazism; "American History X" about the rise and fall of a skinhead; and "I Still Know What You Did Last Summer," a teen slasher sequel.

"There is no question in my mind that film and society interrelate," said Douglas Brode, a professor of film at Syracuse University and author of 18 books on the movies. "And not just films but music, video games, all of it. There is a connection. It may be tangential, it may be tight. Nobody knows for sure."

And so caution and perspective are urged.

It is surely one of the great debates of this decade: Does the culture simply reflect the dark, decadent times in which we live or is society this way because the cultural proprietors have run amok.

Listen to this from the Wall Street Journal, written by Peggy Noonan, a columnist. This was in last Thursday's Wall Street Journal. She writes this:

What walked into Columbine High School Tuesday was the culture of death. This time

• This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.



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it wore black trench coats. Last time it was children's hunting gear. Next time it will be some other costume, but it will still be the culture of death. That is the Pope's phrase; it is how he describes the world we live in.

The boys who did the killing, the famous Trench Coat Mafia, inhaled too deep the ocean in which they swam. Think of it this way. Your child is an intelligent little fish. He swims in deep water. Waves of sound and sight, of thought and fact, come invisibly through that water, like radar; they go through him again and again, from this direction and that. The sound from the television is a wave, and the sound from the radio; the headlines on the newsstand, on the magazines, on the ad on the bus as it whizzes by—all are waves. The fish—your child—is bombarded and barely knows it. But the waves contain words like this, which I will limit to only one source, the news.

Then she goes through and lists:

. . . was found strangled and is believed to have been sexually molested. . . .

There are a number of headlines, and they finish this portion by saying:

This is the ocean in which our children swim. This is the sound of our culture. It comes from all parts of our culture and reaches all parts of our culture, and all the people in it, which is everybody.

Listen to this from the New York Times today:

By producing increasingly violent media, the entertainment industry has for decades engaged in a lucrative dance with the devil.

That was in the New York Times today. It goes on to describe a process that our young people are going through, that a former Army officer talked about being desensitization, conditioning of people, being able to do heinous violent acts that they are taking culture conditioning through a movie, music, the Internet that just constantly bombard them and it desensitizes them to the humanness surrounding them.

Dave Grossman, a former Army officer and professor at West Point and also the University of Arkansas, says that these are the same techniques that were used to great effect during the Vietnam War to increase the "firing rate"—that is, the percentage of soldiers who would actually fire a weapon during an encounter from the 15 to 20 percent range in World War II to as much as 95 percent in Vietnam.

Grossman has written "On Killing: The Psychological Cost of Learning to Kill in War and Society," in which he discusses how conditioning techniques were used to teach Vietnam-bound soldiers.

And then it goes on and he says many of these same techniques are involved in our culture today.

Mr. President, we have got to address this. It is time to do something. I think we in the Senate have to say we are not powerless to address this. We can fight back, and we must fight back. We know this is going on in the culture today. We know it is out there. We know what is happening. We know what happened in Columbine. We also know, most of us across the country, it is likely to happen again somewhere else, in some other good high school, in some other place where this never should happen, as it has happened in the past in Paducah, KY; Pearl, MS; other places;

Jonesboro, AR; across this country. We can and we must fight back, and now is the time to do it.

I suggest two solutions. No. 1, anybody listening or watching, let's all pledge that we will change our culture, our individual culture we are involved in right now, what is it that is going on in our family, in our community, in our school, wherever we are within our culture that is part of this, and let's change it. We are not helpless to changing this. What is coming into your home right now? Do you have things coming into your home right now that are violent, that are of a nature with which you wouldn't agree, or over the Internet, magazines, video games, movies, television? We are not powerless to stop it coming into our homes. Let us all pledge to stop it.

I hope that many people across this country will start societies for cultural renewal within their communities where people can come together and say we are going to change the culture in our community; we are not going to wait on producers out of California; we are not going to wait on Washington to do this; we are going to change the culture here, now; we are going to bind together and we are going to say, what can we do in our community to reduce teen suicide, to reduce child abuse, to reduce out-of-wedlock births, to reduce the violence, the drug use, to reduce those sorts of things in our culture.

Let's not wait until it comes to us. Let's start binding together as people and forming societies to do this now. We can do it. If 10 people in any community of a limited size, say, of a quarter million, would come together and say, we are going to change the culture in our community, they could start this in their community and they could get it done. With passion, with prayer, with people of commitment, they could do it. It could happen. They could move forward. They can change their culture. We can each change our culture. Let us open our eyes and see what is happening.

The second thing I think we in the Senate need to do is create a special commission on cultural renewal. We need to address this topic. We in the Senate should have a high-level commission of people from multiple walks of life searching for the answers to two questions: One, what made this culture the way it is? How did we get to this point we are today? What made us this way? Second, and more important, how do we change it?

I will be hosting a hearing on May 4, asking about the marketing of violence, in the Commerce Committee. There we are going to be asking people to address the point about the marketing of violence in our society and how it is being used to sell various products and what we can do to stop it.

I want to be clear, too. We obviously have limits in government, and government is part of the culture, but it is not the total culture. Government is limited. This is much more about all of

us joining together to say we can change these sorts of things. We want to highlight some problems such as what is taking place in the marketing of violence. Why are companies doing this? What is their mode of operation? How can we dissuade them from doing this? Because it has a profound effect throughout this culture, as the people in Littleton, CO, know all too well, as we know all the rest of the way across this Nation.

Cultures change, and we must determinedly change ours, not so much by laws as by changing our thinking about what we consume. We can do it. We must do it. We will do it. It is time we do it.

I am afraid people are getting to the point of wondering if we can. Yes, we can. As the culture moved in this direction, it can assuredly move away from it. But it is going to take a determined effort. It is going to take an effort not just of saying OK, Washington is going to solve it, or Hollywood is going to solve it, or New York is going to solve it. We each have to dig in and try to solve it in our own community, and we need to address it from here, too.

I will be pressing this on the leadership of the Senate, that we do have such a high-level special commission so we can get at these issues: How did we get to where we are? How do we get away from this? How do we solve it? And we can.

I thank the Chair, and I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

SOCIAL SECURITY REFORM

Mr. DORGAN. Mr. President, I would like to just briefly mention a couple of issues this morning.

First, I would like to comment on some of the statements made this weekend, especially by the Senate majority leader, but by others as well, dealing with the issue of Social Security.

This weekend, on a Sunday talk show, our colleague, Senator LOTT, indicated that he felt that the issue of Social Security reform was dead for this Congress.

Vice President GORE this morning expressed the fervent hope that this is not the case. I would join the Vice President in saying that it is not good public policy for our country to give up on the important task of reforming Social Security.

The Social Security program has been a critically important program for our country. It has made life so much better for so many older Americans for so long. The problems of our Social Security system are born of success—not failure. The success is that

people are living longer and better lives in our country. At the start of this century, you were expected, on average, to live to be 48 years old. Now, at the end of the century, you are expected to live on average to about 78 years of age—a 30-year increase in life expectancy.

For a lot of reasons—better nutrition, breathtaking breakthroughs in medical science, better medical facilities—a whole series of things contribute to the success. But the result of the success is that people are living longer, and that puts strains on the Social Security system. But we ought not shrink from the challenge of those strains.

We can solve this issue. We can make Social Security solvent for at least the next 75 years and beyond. Let's not at this point decide that the 106th Congress cannot deal with the Social Security challenge. Of course we can.

President Clinton and Vice President GORE made a proposal at the start of this Congress. Just as a starting point, they put forward a proposal to let us sink our teeth into this issue, and make it a priority.

I know there is a lot of controversy about how you might reform and change and improve the solvency of the Social Security system for the long term. But I think the best way to approach this—I agree with Vice President GORE—is for both parties to resolve that this shall be a priority; we, together, should decide to save Social Security in this Congress.

I ask the majority leader here in the Senate and others to agree with President Clinton and Vice President GORE that this ought to be job No. 1 for this Congress. Let us together reform the Social Security program, and make the changes that are necessary to extend its solvency for the long term into the future.

Again, while we do it, let me remind those who listen to this debate that the problems confronted by the Social Security system are not problems of a program that doesn't work. It works, and works well. They are problems resulting from longer and better lives for many older Americans in this country.

THE TRAGEDY IN LITTLETON, COLORADO

Mr. DORGAN. Mr. President, I would like to talk just for a moment about the horrible tragedy that occurred in Littleton, CO, last week.

I am a North Dakotan. I have been a North Dakotan all of my life. I did, however, leave our State to go to graduate school in Colorado. Following graduate school, I worked in Colorado, and worked, in fact, in Littleton, CO. It is a nice community, a suburb of Denver.

Last week, I was, along with all other Americans, horrified to see the pictures on television of the school shooting at Columbine High School that took the lives of so many innocent

young boys and girls, and also a teacher. And I asked myself, what is causing this? What is at the root of this kind of violence? The Littleton, CO, shooting is just the latest in a series of school shootings. Unfortunately, there have been many others in the last several years.

I can't watch the television set without getting tears in my eyes. Moments ago, I was turning on a television set and I saw the funeral for a very brave teacher who died that day in that school in Colorado. We ask ourselves over and over and over again, what has changed? What is causing all of this?

On Friday, I met with a high school assembly in North Dakota. We talked at great length about these issues. This morning I spent all morning at a youth detention facility called Oak Hill and talked to young folks at that facility from 12 years old on up, young people who had committed violent crimes and who are now committed to that detention facility not more than an hour from this Capitol Building.

I don't have any better answers perhaps than anyone else in America about these issues. I have some thoughts about some of it. Obviously, first, it all starts at home. There isn't a substitute for good parenting.

One of the young boys this morning at the Oak Hill Detention Center, who has been involved in drugs and violent crime, said he only had one parent. He said his parent checked on him from time to time but he said, "Checking in on young folks from time to time isn't enough."

Another part of the problem is drugs and the accessibility of drugs. In addition, a country with 220 to 240 million guns, and with seemingly easy accessibility to guns by children, makes parenting more difficult.

How about the violence children are exposed to every day? By the time children graduate from high school they will spend about 12,000 hours in a classroom and about 20,000 hours in front of a television set. Study after study after study, year after year after year shows that the steady diet of violence seen by our young people on television affects their behavior. Does it turn them into murderers? No. Does it affect their behavior? Yes, of course it does.

Corporations spend \$200 billion a year in this country advertising in the media. Yet when we are suggesting through studies that the steady diet of violence offered to our young children on television is hurting them, the same people will say, "Gee, the media has no influence on our children." If that is the case, why is \$200 billion a year spent advertising tennis shoes, jerseys, and more? If it doesn't work, why do we see it used so extensively? Of course the media has an enormous influence.

Last week, while these shootings at school were taking place, as horrifying as it was for everyone in America to watch SWAT teams move into the building and young children run from the building in panic, one of the net-

works broke for a commercial. The commercial break was to encourage us to watch a new program called "Mr. Murder." I thought to myself, I guess that says a lot, doesn't it? We are watching these children at this high school under siege by young gunmen, and then there is an advertisement for the new program, "Mr. Murder."

Is a murder program on television causing these murders in the school? That is not my allegation at all. Does it hurt our children? The pop culture of increasingly violent television, increasingly violent movies—or how about increasingly violent lyrics in music? There is a man in Minot, ND, whose young boy put a bullet through his brain. When he found his son, he was lying on his bed with his earphones connected to a compact disk that was playing over and over and over and over again lyrics to a Marilyn Manson song saying the way to end all of this "is with a bullet in your head." For 3 months, he obsessed on this kind of music, and then his father found him lying on his bed with a bullet in his head. The teacher of a young boy named Mitchell, who killed 4 of his classmates and 1 teacher and wounded 10 others, testified before the Senate Commerce Committee last June.

She talked about 13-year-old Mitchell. She was Mitchell's teacher, taught Mitchell English. He was always respectful, she said, saying "Yes, ma'am," "No, ma'am." She never saw him exhibit anger. After the killings, she said the classmates had a discussion. They discovered Mitchell had been obsessing on an entirely new kind of music—Bone Thugs and TuPac. And she told us the lyrics that Mitchell had been listening to in "Crept and We Came" by Bone Thugs:

Cockin the 9 and ready to aim
Pullin the Trigger
To blow out your brains
Bone got a gang
Man we crept and we came.

This song has about 40 murder images, like "puttin them in the ground and pumpin the gun."

That is what Mitchell was listening to.

"Body Rott," by Bone Thugs. Or here are the lyrics from "I Ain't Mad at Ya" by TuPac.

I can see us after school
We'd bomb on the first [blank blank]
With the wrong [blank] on. And from "2 of Amerikas Most Wanted:"
Picture perfect, I paint a perfect picture.
Bomb the hoochies with precision . . .
Ain't nuttin but a gangsta party.

These lyrics are from Mitchell's teacher who wanted us to know what he was listening to.

Is this part of the culture? Does this hurt our children? Is it easy to parent with these kinds of images, these kinds of thoughts coming from our television set, from compact disks? Should we think through all of this—not just at the surface with parenting, drugs, and guns—but also the issue of pop culture?

If \$200 billion is spent advertising in the media because it influences behavior, should we as parents and should we

as legislators start understanding that the media then has a profound impact on children as well. Should we understand when the media pumps images—thousands and thousands and thousands of images—of murder that tell our young children the way adults solve their problems is to kill someone, to stab someone, to murder someone? That is the way adults solve their problems, according to television programs.

Yes, it is fiction, but how do children know that? Yes, you can say parents should do a better job of seeing what their children are watching, but it is very hard.

I have a lot more to say about this but I know colleagues are waiting. I am sure I join all of my colleagues in saying we are heartbroken by what is happening in this country and what happened in Littleton, CO. My thoughts and prayers go to all of those families and friends who lost loved ones.

I watched the images of the funerals today in Littleton, and I want to be part of anything any of us can do to try to find reasons and try to develop policies to see if we can't steer all of us in a more constructive direction. In the meantime, my thoughts and prayers are with all of those in Colorado and around this country who today grieve for those young children and the teacher who lost their lives.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

PACIFIC NORTHWEST DAM REMOVAL

Mr. GORTON. Mr. President, dam removal as a serious option for salmon recovery on the Snake River died last week. It was killed by the National Marine Fisheries Service, the arm of the Clinton administration assigned to save those endangered salmon.

Why and how?

Three runs of salmon on the upper Snake River were listed as endangered in 1991 and 1992. On April 14, NMFS announced its determination that only 19 percent of salmon smolts barged around the dams, die. In fact, we now know that downriver survival rates are at least as high as they were in the 1960's before the Snake River dams were built!

As a result, NMFS now believes that the chance of recovery for the endangered runs is only 64 percent if all four Snake River dams are removed, as against 53 percent by continuing to transport smolts around the dams. The difference is barely statistically significant.

We can assume that NMFS science is the best available. That science is a vital component of public policy, but only one component of good public policy and not absolutely determinative to the exclusion of all other concerns.

So against the modest 11-percent improvement in survival chances for these populations of salmon from dam removal, we must weigh the immense

costs of removal. Earlier this month at a Senate Energy Committee field hearing, a representative from Bonneville Power testified that BPA would lose approximately \$263 million in power revenues in each average water year in perpetuity under medium future economic conditions. BPA also estimates that removal of the four lower Snake River dams is likely to increase its power rates by as much as 30 percent. The cost of removal itself, the destruction of navigation, the loss of irrigated farms and the human and community devastation add untold billions to that figure. That cost is vastly out of proportion to the salmon recovery goal, much less to the extremely modest improvement even in the prospects for recovery.

So dam removal as a rational option is dead. We in the Pacific Northwest, specifically residents in eastern, rural Washington, have been waging this war with the environmental community. It gives me great pleasure today to present my assessment of the recently released National Marine Fisheries Service report on Snake River dams and salmon recovery options.

I cannot support the effort to dismantle the world's most productive hydroelectric system when the costs are so great in relation to the benefit to a few selected salmon runs. Under the current management of the Columbia/Snake River system, Northwest ratepayers have contributed \$366 million per year on average since 1995 to salmon recovery. The plan requires flow augmentation, dam spill, surface bypass, juvenile and adult fish passage improvements, water supply studies, PIT tag monitoring, and additional salmon barges. Although many, myself included, have been highly critical of Federal salmon recovery efforts, the results are beginning to show signs of progress. Based on new technology for salmon monitoring using Pit-Tags, NMFS estimates a significant increase in downriver survival for juvenile salmon. It estimates salmon are now surviving at a rate of 50 to 68 percent for juvenile salmon that migrate through eight Snake and Columbia River dams. Since about 60 percent of juvenile salmon are barged at a survival rate of 98 percent, the combined salmon survival rate to Portland, past eight dams, exceeds 80 percent.

Why are some in such a rush to consider dam removal when faced with these statistics? According to NMFS, these statistics may be further enhanced during the next three to four years of monitoring the adult fish returning to the river. However, the single-interest advocacy groups claim we can't wait any longer—they say we must remove the dams now.

Let me reemphasize one glaring fact. The overall survival rate past the four lower Snake dams is at least as high today as it was in the 1960's before the dams were built, according to NMFS' own biologists. Much of this recent improvement in survival rates can be at-

tributed to technical and operational improvements at the dams. There is much more that can be done to improve survival rates past the four lower Snake dams. Unfortunately, the Army Corps of Engineers has been waiting to see if these dams are going to be removed before spending any more money on further improvements that could provide immediate benefits.

Although the passage survival is much higher now, adult salmon returns continue at a distressed level. A likely theory is that declines are due to the rise in ocean temperatures. During the Easter recess, my Interior appropriations subcommittee held a field hearing on Northwest salmon recovery in Seattle. One of NMFS' own fisheries biologists expressed optimism that the likelihood of decreasing ocean temperatures off the coast in the Pacific Northwest as indicative of an improving climate for salmon in the Northwest.

We are likely to obtain valuable new information about adult salmon returns and likely will witness a dramatic change in the ocean environment. Even under current circumstances, the difference between removing dams, to save fish or barging them around dams is too close to call. And when all the costs of dam removal are factored into this equation, it is hard to imagine why anyone would want to take this dubious course of action.

In the meantime, the debate over dam removal has led to unfortunate consequences. More realistic and cost effective salmon recovery measures with a proven track record have been delayed. I am committed to securing the funds necessary not only for dam improvements but also for local salmon enhancement groups and other conservation organizations to continue their efforts to restore salmon habitat throughout the state. Salmon recovery will take place when local people who care passionately about local watersheds have the freedom and the resources to take the steps needed on a stream-by-stream and river-by-river basis.

At my recent field hearing, I was most impressed with the way people in my state are coming together in unprecedented ways. Rather than focusing on past differences, farmers, loggers, fishermen, conservationists, locally elected officials, and countless others representing a vast array of interests and perspectives are working together to develop habitat restoration and watershed improvement plans throughout the state that will not only provide immediate benefits to our salmon resource but will do so in ways that will take into consideration the economic and social needs of our communities.

A good example of how collaborative efforts can achieve positive results for the salmon resource recently took place in the Hanford Reach area of the Columbia River. Ten years ago, the fall

chinook stock in the Hanford Reach was in bad shape. Now it is the most abundant of the wild Columbia River stocks. This is due largely to the efforts of the Grant County Public Utility District which led the effort to reach an agreement that protects the fish by regulating river flows from the time the adults spawn to the time the juveniles emerge from the gravel.

Last year, biologists discovered juvenile chinook were stranded after emerging from the gravel. Grant County PUD again led discussions involving all review mid-Columbia hydroelectric projects, together with federal, state, and tribal fishery agencies to develop a program to reduce the number of young fish stranded because of river flow fluctuations. Implementing this agreement requires a substantial loss in valuable power generation, but represents an unprecedented example of how hydroelectric projects can work proactively and cooperatively with fishery management agencies to protect salmon. This model effort deserves our encouragement and support.

Clearly, the approach being taken by communities throughout my state is far preferable to the divisive one being advocated by those who want to rip out dams in the Northwest. Rather than continuing down this misguided and confrontational course which will cost more and provide no assurances of enhanced recovery, I today call on dam removal advocates to abandon their cause, and to recognize the real implications of the NMFS report. If they are truly interested in restoring salmon, they will work with me and others in the mainstream who want to do something now positively to recover our salmon resource.

But Mr. President, we must keep in mind one important fact. Environmental bureaucrats in the Clinton-Gore administration have made it their standard operating procedure not to listen to what I, much less the region, thinks about dam removal. In fact, the Administration must have an unwritten rule somewhere not to pay attention to local people in the communities that would be destroyed by such action. It's alarming that while the region is increasingly united in its effort to preserve dams and the Northwest way of life, from the local level to the statehouse to our congressional delegation—the administration and the environmental community refuses to concede.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. INHOFE. Mr. President, I ask unanimous consent I be allowed to speak in morning business for up to 25 minutes.

The PRESIDING OFFICER (Mr. ROBERTS). Without objection, it is so ordered.

THE BALKANS

Mr. INHOFE. Mr. President, I returned from Albania just a few hours

ago. This is the third time I have made such a trip. I went over to see whether or not the beliefs I have developed over the last 7 months were true, and I came back, really, very convinced that they in fact are true.

For one thing—I have been saying for quite some time—even though the President denies it, the President has planned all along to send American ground troops into Kosovo. I am prepared to document this.

I want to put my remarks into four categories: One is the administration's approach to this war that we are about to get in; secondly, the cost in terms of both national security and dollars; third, refugees; and fourth, what our troops are in right now.

Before I do that, I want to go back and review a couple of remarks I made on March 23, just a month ago, to put it in proper perspective.

A month ago, I stated that I felt if we did not try to put a stop to this, we would, in fact, be in a protracted, bloody long war. This is a war in which we do not have national security interests.

A lot of people say, "Well, we do have national security interests." I know this is a relative term. You can argue it, I suppose, but the people who are really knowledgeable on this are convinced that we do not have national security interests at stake.

Henry Kissinger said:

The proposed deployment in Kosovo does not deal with any threat to American security. . . . Kosovo is no more a threat to America than Haiti was to Europe.

I further went into the conclusion that if, in fact, we do not have national security interests, it is the humanitarian motivation which is getting us involved in this war. We are concerned about it, and I want to get into some detail about that.

There are some things I have discovered in the last 3 days. However, a month ago I mentioned that if this is the case and if we are concerned about humanitarian problems that exist all around the world, why are we not concerned about the 800,000 who have been killed in ethnic strife in Rwanda, the thousands who have been killed in Ethiopia, the 140 civilians killed by paramilitary squads in Colombia, including 27 worshipers slain during a village church service? Why is there no outcry for United States involvement in these obvious humanitarian situations where far, far more people have been brutally murdered than in the current Kosovo crisis?

Let me share with you, as I did back on March 23, a couple of paragraphs from an article in the Minneapolis-St. Paul Star Tribune. This was written on January 31, 1999. This was just a few days after 45 people were killed in Kosovo. Let's keep that in mind when putting this in the proper context, Mr. President.

I am quoting from the Minneapolis-St. Paul Star Tribune:

But no one mobilized on behalf of perhaps 500 people who were shot, hacked and burned

to death in a village in eastern Congo, in central Africa around the same time. No outrage was expressed on behalf of many other innocents who had the misfortune to be slain just off the world's stage over the last few weeks.

Why do 45 white Europeans rate an all-out response [from the administration] while several hundred black Africans are barely worth the notice?

While U.S. officials struggled to provide an answer, analysts said the uneven U.S. responses to a spurt of violence in the past month illuminates not just an immoral or perhaps racist foreign policy, but one that fails on pragmatic and strategic grounds as well.

So now the President wants to send the U.S. military into Kosovo. Keep in mind, when we talked about this 1 month ago, he was still denying that he was going to send troops, and yet now we find out in the recent meeting which was held by NATO in Washington that they are doing an update strategy—an update strategy, Mr. President. That means perhaps an update of what we have previously said was our position on sending in ground troops.

I have to say, the whole purpose for me to be on the floor right now is to say I know there is no way to stop this. Once American troops are on the ground in Kosovo, we will all support them and do everything we can for the American troops. It will be the same situation we faced in Bosnia. We will not be able to turn this around. That is when it becomes protracted and without an end.

I will recount a trip I made to Kosovo recently—it was in January of this year—to find out what Kosovo was really like at that time. Keep in mind, Kosovo is only 75 miles across and 75 miles long. It is a place that has been in strife and civil war since 1389.

As I was going across Kosovo, I had a couple of experiences. One experience I had was seeing two dead bodies. These were obviously soldiers. When we turned them over, we saw that they were not Albanians; they were Serbs. They had been executed at close range by the KLA.

We went on a little bit further. I saw on the map something called a "no-go zone." I said: I would like to go in to see what it is like. They said: You can't do that; it is occupied by the KLA, the Albanian military, and they will kill anybody who comes in. They don't care if you are a United States Senator or someone from the press. Nonetheless, you will be dead if you go in there.

We did not go in.

Then we rounded another corner. There was a rocket-propelled grenade, an RPG-7, that was aimed right at our heads. They put it down, and we went over and found out they were Albanians, not Serbs.

I am saying this, and I said this back on the 23rd of March, for a specific reason, and that reason is that while Milosevic is a bad guy, he is not the only bad guy in that conflict which is taking place.

There is one more thing I will mention with Henry Kissinger that I mentioned back on the 23rd of March. He said:

Each incremental deployment into the Balkans is bound to weaken our ability to deal with Saddam Hussein. . . .

Of course, this is the most critical thing we are dealing with. I happen to chair the Senate Armed Services Subcommittee on Readiness. This committee is in charge of all readiness issues and military construction, all training. Since this President took office, we have watched what has happened with our military and our ability to defend ourselves. I am going to elaborate on that a little bit later.

The bottom line is, we are one-half the strength we were when he took office. I quantify that by saying one-half of the Army divisions, one-half of the tactical air wings, one-half of the ships. We have gone down from a 600-ship Navy to a 300-ship Navy. And all these things are happening at a time when we do not have the capacity to fund and to logistically support another ground movement.

A month ago, I went by the 21st TACOM. It is located in Germany. Its function is to logistically support ground operations. At that time, the 21st TACOM said they were at 100 percent capacity and could not take on any more responsibilities because they were devoting all their attention to Bosnia. The trucks were going into Bosnia from Hungary, taking everything necessary to keep that exercise going.

I looked at the problem we have within the administration in the 21st TACOM. This President has cut the number of troops managing from 28,500 to 7,300. They are operating with just a fraction of the number they had before, about one-fourth.

I asked the question: If we get into something—at that time, we thought it was going to be Iraq; we didn't know about Kosovo at that time—if something happens and we need ground troops in Iraq, what are you going to do? That is in your theater, too.

They said: We couldn't do anything. We would be 100 percent dependent upon Guard and Reserve. As we know, our critical operational specialties, MOSs, are failing in our Reserve and Guard components, and the reason is that we have had so many deployments under this administration that they cannot be expected to leave their jobs. A doctor can no longer expect to leave his practice for a period of 270 days and go back and have any practice left. And the same thing is true with the employers around the country. So we have those serious problems. Again, this is from a month ago.

And lastly, I mention, in a hearing before us, what the various generals had said. General Ryan, who is the Chief of Staff of the Air Force, said, "There stands a very good chance that we will lose aircraft against the Yugoslavian air defense." The Navy Chief of

Staff said, "We must be prepared to take losses." The Marine Corps Commandant, General Krulak, said it will be "tremendously dangerous." And George Tenet, the Director of Central Intelligence of the United States, reminded us that Kosovo is not Bosnia, and if we get on the ground there, their participants are not tired and worn out, they are ready and willing and culturally prepared to fight and to kill Americans.

I mention that, Mr. President—that was a month ago—to get it in a context that helps me to understand where we are today. I want to mention, I am not saying this as a Republican; I am saying this as a Member of the U.S. Senate and as the chairman of the Senate Armed Services Readiness Subcommittee, with a responsibility to tell the truth about what is going on.

The American people have not been hearing the truth. They have heard that the President does not want to send in ground troops, and yet we know he does want to send in ground troops. I have to say that the President of the United States, Bill Clinton, has a propensity to say things that are untrue with great conviction. And for that reason, I am afraid there are a lot of people who are afraid of this man, because he is so adept at getting the American people behind him.

One of the things he has said that is not true is what he told the American people as to the reason why we were going to get involved. He talked about the history, and he said that this is exactly what precipitated World War I, and the same thing with World War II. I am not a historian, Mr. President, certainly not the historian that you are, but I would say there are some historians around who have voiced themselves on this.

Again, going back to Henry Kissinger, no one will question his credentials concerning the history of that region and that period of time. He said—and I am quoting now—"The Second World War did not start in the Balkans, much less as a result of its ethnic conflicts," totally refuting what the President told the American people. He goes on—and this is further quoting—"World War I started in the Balkans not as a result of ethnic conflicts but for precisely the opposite reason: because outside powers intervened in a local conflict. The assassination of the Crown Prince of Austria—an imperial power—by a Serbian nationalist led to a world war because Russia backed"—listen to this, Mr. President—"Russia backed Serbia and France backed Russia while Germany supported Austria."

That is exactly the same thing right now. If a person wanted to start World War III, based on the model that took place for World War I, they would do exactly what we are doing; that is, go in there and say to Russia and to China, who is with Russia, "All right. We don't care what you say, we're going to get involved in a war here," and rub their nose in it.

Let's keep in mind that China and Russia have missiles that will reach the United States of America, and they have every different kind of weapon of mass destruction put on those missiles. So it is just exactly the opposite of what the President said. That war started because the superpowers of the time took each side in a civil war that was taking place in what was then Yugoslavia.

I have said several times that the President has not been telling the American people the truth in terms of ground troops and the number of ground troops that are going to be going in. I would like to quote now to try to validate what I have said. General Wesley Clark, who is the Supreme Allied Commander for NATO and our troops in Europe, said—this is way back in the beginning, 7 months ago—"We never thought air power alone could stop the paramilitary tragedy . . . everyone understood it. . . ."

And just a week ago, Thursday, the Presiding Officer will remember, because he was sitting there, Secretary Bill Cohen, in whom I have the most respect, said, "We would try diplomacy, and that's what Rambouillet was all about . . . we would try deterrence . . . but failing that, we understood that [Milosevic] could take action very quickly and that an air campaign could do little if anything to stop him."

So we have not just the experts in the field, the commanding general, but also the Secretary of Defense who said they have known all along we are going to have to send troops in. Obviously, they both work for President Clinton. And President Clinton knew it.

I was a little disturbed last week when Joe Lockhart, in one of his press conferences, brushed off some questions, and then he volunteered without a question being asked—he said, "Senator INHOFE is wrong in that we are in great shape. Our state of readiness is just as good as it was back in 1991," or words to that effect. And I have to say either he is intentionally lying or just incredibly misinformed, because, as I said before, we, right now, are one-half the troop strength that we were in 1991. I think it is a terrible disservice for Joe Lockhart and the President to try to convince the American people that we are more prepared than we really are.

I would like to also mention that the President is breaking the law today. I was over there in just the last 3 days, and I went in there on a C-17. That C-17 had multiple launch rockets right there, all of them hot and ready to be fired—two of those, along with some two pallets of additional ammunition, a humvee, and additional troops.

Troops are there right now within the sight of the border of Kosovo. And one of our most brilliant Senators, Senator PAT ROBERTS, had passed an amendment to the 1999 defense appropriations bill where he said that the President cannot deploy troops to—and

he named different places, which would include this area—unless eight different conditions were met. One was that we have national security interests; No. 2, why they are national security interests; No. 3, what is the mission; No. 4, what is the exit strategy; No. 5, what is the cost; No. 6, identify the cost; No. 7, how it will affect readiness; and there is an eighth one. He has not complied with any of these eight. I say just by sending them into Albania, he has already broken that law.

The second area I want to get into is cost. In "cost," I am not talking about just dollars but also national security.

Because the President has decimated our defense budget, we no longer can defend America on two simultaneous, what they call MTWs—major theater wars. Ninety percent of the American people think we can because they have been told we can, but we cannot. We are not able to do that. We are one-half the force strength we were.

In addition to that, we are handling all of these deployments. We have had more deployments in the last 6 years than we had in the 20 years prior to that. In almost every case, they are being deployed in areas where we have no national security interests. So we are paying without any national security interest.

I think it is very interesting to note that, of the great effort we have put forth in the air, which has been very successful in terms of our deployment and our ability and our equipment, a total of 480 aircraft were used. Well, guess what, Mr. President. Three hundred sixty-five of those 480 were us, the United States of America.

So we have Tony Blair standing up and making these great profound statements: "We have to escalate the war." That is easy for him to say. We have 365 airplanes over there. He has 20. I

will tell you, that is a pretty good deal. "Let's go ahead and escalate," if you are Tony Blair.

I have a problem with all these multinationalist things, obligations or obsessions, that this President has. In the case of NATO, we have 80 percent of the effort right now we are paying for and yet we only have 5 percent of the vote.

General Hendrix is the commander in chief of the 5th Corps over there. The 5th Corps, Mr. President, has 50,000 troops. To give you an idea of the significance of what is going on right now with the deployment to Tirana, just south of the Kosovo border, where I just came back from—where you have already been—he is there now full time. And what do we have? As of today, we have 5,000 troops—wait a minute—we have 5,000 out of his 50,000, and he is spending all of his time there. Why is he doing that? I can tell you—and I am sure the others who have been over there are fully aware—the big problem is that the decisions on targets for our military aircraft are being made by committees. You have NATO. You have all these other countries that have to pass on targets. It is my understanding that even the President personally wants to pass on those targets.

This is a big difference from the war in Kuwait in 1991. George Bush and the administration got together and said, we have a serious problem over there. We are going to have to take care of it. This is our mission. Colin Powell and General Schwarzkopf, you go out and do it. These people are experts. They are professionals. So is General Hendrix, but he is not able to do it on his own because these are committee decisions as to where they are supposed to be able to fire at their targets.

I will just update for a minute. This is as of 2 or 3 days ago. We are just now

approaching 400 sorties coming out of Ramstein Air Force Base. These are C-17s carrying our equipment. You go over there and you get on the ground where all of our troops are in tent cities. You see everything over there is American.

I will also mention the cost of this and the three scenarios. One scenario is you just send the troops in as far as Kosovo, and that would be about 60,000 troops, according to what I found out over there, 30,000 of which would be Americans. Or the next step, if we went all the way and took Belgrade, that would take 200,000 troops, of which half would be U.S. troops. Or if we wanted to destroy Yugoslavia altogether, it would take a half million troops, a quarter million of those would be Americans.

I thought this was interesting because I found this out when I was over there. And I thought I had heard these figures before. The Heritage Foundation came out on April 21 and put down the cost of the three options, and I found that to be exactly what I found out over there. The only thing is, they went one step further. They included U.S. casualties and the cost. The cheap way, going into Kosovo, would cost from \$5 billion to \$10 billion—this is the United States cost—and would take from 500 to 2,000 American casualties. The second, going into Belgrade, would be \$10 billion to \$20 billion. It would take a toll of 5,000 to 10,000 American casualties. The third, \$50 billion to \$60 billion, and that would result in 15,000 to 20,000 casualties.

I ask unanimous consent to have a chart printed in the RECORD.

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

GROUND TROOP SCENARIOS FOR U.S. MILITARY ACTION IN YUGOSLAVIA

	Number of ground troops required	Time needed to field force	Time needed to execute mission	U.S. casualties ad cost
Destroy All of Yugoslavia's Military Forces and Occupy the Entire Country.	500,000 NATO troops, including at least 250,000 Americans	6-8 months	Open-ended	15,000-20,000 casualties: \$40 to \$50 billion in the first year.
Seize and Occupy Belgrade	150,000-200,000 NATO troops, including 75,000-100,000 Americans.	3-6 months	1-2 months	5,000-10,000 casualties: \$10 to \$20 billion.
Expel Yugoslavia's Forces in Kosovo	50,000-70,000 NATO troops, including 20,000-30,000 Americans.	1-3 months	4-6 weeks	500-2,000 casualties: \$5 to \$10 billion.

Mr. INHOFE. So we have that very serious problem.

I will briefly, in the remaining time, talk about the refugee situation. The toll we have heard about in terms of deaths over there has been somewhere between 2,000 and 3,500. NATO is now saying 3,500; some are saying 2,000. Let's say 3,000. That means that 1 out of 600 of the Kosovar Albanians has lost his life, 1 out of 600. If you compare that—I have a ministry in West Africa. Three weeks ago, I came back from there. In the two countries of Angola and Sierra Leone, for every 1 person who has lost his life in Kosovo, 80 have lost their lives in just those two countries alone.

We knew this was coming. I am reading now from the Washington Post of March 31:

For weeks before the NATO air campaign against Yugoslavia, CIA Director George Tenet had been forecasting that Serb-led Yugoslavian forces might respond by accelerating ethnic cleansing.

Then when we asked Secretary Cohen about this, he said:

With respect to George Tenet's testifying that the bombing could, in fact, accelerate Milosevic's plans, we also knew that.

So they knew it. The President knew it, and the administration knew it. I have to say this—and this has not been observed by anyone so far—I interviewed these refugees just 2 days ago. When I interviewed the refugees, I found some very interesting things.

They all said the same thing. They said that, in fact, they didn't have any problems until the bombing started. I was interviewed by a Tirana TV station, I think it was Tirana. It was Albanian, anyway. And they said, What is the United States going to do about all these refugees? I said, What do you mean, what are we going to do? He said, You are the reason we are here. You are the ones that bombed, and that is what has caused the ethnic cleansing and the forced exodus.

Mr. President, I ask unanimous consent for 5 additional minutes.

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

Mr. INHOFE. Mr. President, I have to say one other thing about the refugees. The refugees, in spite of the fact it is a

horrible thing that some 3,000 of them have lost their lives, still when you look at the refugees, I was shocked to find out, as perhaps you were, that they are very well off, considering they are refugees. Kids are all wearing Nikes and were very well dressed. They have the food that they need to eat. They seem to be in much better shape, certainly much better shape than the refugees in some other areas.

Lastly, I want to mention the troops. Our troops are doing a great job. I just couldn't feel better about that. But I really want to get into this, because the New York Times said, on April 13, we are going into Kosovo, the middle of nowhere, with no infrastructure. They will be naked, an official told the New York Times.

I went in there and I found that is exactly right. Our troops have just arrived there, and they are up to their knees, literally, in mud in a tent city. You have to keep in mind that Albania has some things that are very unique. First of all, it is the poorest country in Europe. Secondly, it is always listed as one of the three most dangerous countries in the world. And third, a guy named Hoxha came along right after the Second World War, and he actually declared, and it is still official policy, it is the only nation that has a declared policy of atheism. So we are dealing with that kind of people there, too.

Then something happened in 1997. It is called a pyramid scheme. In 1997, these poor Albanians, from this country in poverty, as poor as Haiti, revolted and they took over the military. When they did that, they took over all the weapons they had. What kind of weapons did they have? They had rocket-propelled grenades, RPG-7s. They had AKA-47s. They had SA-7s, a shoulder-launched, surface-to-air missile that can knock down one of our Apaches very easily, and they had mortars. So here we have our troops who are there in the mud without any infrastructure protecting them and with all of this hostility around them. I might also add, I was sorry—I hate to even say this—that one of the units that came in there when I was there was the mortician unit, so the body bags have arrived.

Mr. President, if there is ever a scene that is set for gradual escalation and for mission creep, this is it. I can see our Troops going in right now. When the President, who has already decided he is going to send in American troops, takes these troops and puts them across the border—and we were standing there watching these high mountains where the border is—if they go in that way, or they go around through Macedonia or some other way, and they have to take over Kosovo and get the Serbs out of Kosovo, that mission is going to creep into the Belgrade scenario, and then that will creep into the Yugoslavia scenario, and let's remember what the Heritage Foundation said in terms of American casualties.

I will say this, and I am not enjoying doing this. There is only going to be one possible way to keep us out of a war, in my opinion, because the President is going to send in troops. Once our American troops get into Kosovo, it is irreversible. One way to keep that from happening is if the American people wake up and realize that we are getting involved in a war where we do not have any national security interests. We are getting involved in a war that is keeping us from adequately defending America in areas where we do have a national security interest such as Iraq or North Korea. Let us keep in mind that in Korea we still have about 367,000 troops and their families. This would greatly impair them. I hope we can have a concerted effort and a wake-up call to the American people to stop this President from starting this war that we will all live to regret.

Mr. President, I yield back the remainder of my time.

Mr. SPECTER addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Kansas and Pennsylvania is recognized.

Mr. SPECTER. I thank the Chair. I thank the Chair doubly for the double acknowledgment of representation, the distinguished Presiding Officer being the Senator from Kansas and this Senator having been born and raised in Kansas. If the sitting Senator from Kansas acknowledges representation of that State, I second the motion.

Mr. President, I ask unanimous consent that I may speak for up to 15 minutes in morning business.

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

NATO ACTION INVOLVING UNITED STATES AGAINST FEDERATION OF YUGOSLAVIA

Mr. SPECTER. Mr. President, now that NATO has celebrated its 50th anniversary with unity, I believe it is important that the Congress of the United States should now carefully assess what action is next to be taken by NATO involving the United States against the Federal Republic of Yugoslavia.

It is critical that Congress discharge its constitutional responsibility where the Constitution specifies that only the Congress of the United States has the authority to declare war and to involve the United States in war. The black-letter pronouncement of the Constitution is sufficient reason in and of itself for meticulous observance, but the public policy reasons behind that constitutional provision are very sound. Unless there is public support for war, shown first through the action of the Congress of the United States, it is not realistic or possible to successfully prosecute the war. We learned that from the bitter experience of Vietnam.

When the Congress of the United States makes a declaration, either formally or through a resolution, it happens after deliberation, after analysis,

after an interchange of ideas and after a debate. In so many instances now, we have seen erosion of the congressional authority to declare war. Korea was a war without a declaration by Congress. Vietnam was a war without a declaration by Congress. Only the Gulf of Tonkin resolution has been held up by some as a thinly veiled authorization for the military action taken by the United States in Vietnam.

I believe that we must be very, very cautious not to repeat the mistake of the Gulf of Tonkin resolution and not to endorse hastily a resolution proposed by some of our colleagues in the United States Senate to authorize the President to use whatever force the President may determine to be necessary in the military action against the Federal Republic of Yugoslavia.

I am not prepared to give the President a blank check. I believe that the constitutional responsibility of a Senator and the entire Senate, both Houses of Congress of the United States, involves a deliberate judgment as to what ought to be undertaken before we involve the United States in war and before we, in effect, have a declaration of war. And there are many, many very important questions which have to be answered before this Senator is prepared to authorize the executive branch—the President—to use whatever force the President deems necessary.

First of all, we need to know what the U.S. commitment will be. We need to know what the plan is. We need to know the strength of the Serbian Army, the military forces of the Republic of Yugoslavia. We need to know to what extent the airstrikes so far have degraded or weakened the military forces of the Serbs or the Republic of Yugoslavia. We need to know what the other commitments will be from the other NATO nations. We need to know how long our commitment will be, or at least some reasonable estimate as to how long we may be expected to be in Kosovo.

We know that the initial deployment in Bosnia was accompanied by a Presidential promise to be out within a year. That was extended by a period of time. That extension was re-extended, and now we don't even have an outer limit as to how long we are to be in Bosnia.

We know that the President has come forward with a request for \$5.9 billion in additional funding. I believe the Congress of the United States will support our fighting men and women. But that is a large bill; about \$5.5 billion is for military machinery, operations and equipment. It was a surprise to many that in the course of that military operation, we were on the verge of running out of missiles; that our munitions supply was questionable; that our supply of spare parts was questionable. Many of us on this floor, including this Senator, have argued that our military has been reduced too

much. And now there is a debate underway as to whether the President's request for \$5.9 billion ought to be supplemented to take care of many items that have been overlooked in the past—issues of military pay, issues of munitions, the overall readiness of the United States.

When the distinguished Prime Minister Tony Blair was in the United States last week, I had occasion to talk to him personally and get his views as to what ought to be done in our military action, the NATO military action, against the Federal Republic of Yugoslavia. Prime Minister Blair talks about ground forces. I asked the obvious questions as to how many the United Kingdom is prepared to commit, how many the U.S. will be called upon to undertake, and what we have done by way of degrading the Yugoslav forces by air attacks. To his credit, Prime Minister Blair responded that those were all unanswered questions.

Well, before I am prepared to vote for the use of force, I think there ought to be some very concrete answers to those questions. The President of the United States was quoted as saying that he was prepared to reevaluate the question of the use of ground troops because that request had been made by the Secretary General of NATO. Frankly, I am just a little bit surprised that the Commander in Chief of the U.S. military forces is looking to the leadership of the Secretary General of NATO when the United States is playing the dominant role and supplying the overwhelming majority of air power and materiel in our military action against the Federal Republic of Yugoslavia.

It seems to me the leadership ought to be coming from the President. The leadership ought to be coming from the United States. We certainly are footing the bill, and we certainly are the major actor. So if, in fact, there is a justification for a greater authorization by the Congress, that word ought to come from the President, through the leadership of the President, telling us in a very concrete way the answers to the important questions that I have enumerated.

This Senator understands there are no absolute answers to the questions, but we ought to have best estimates, and we ought to have a very candid assessment from the United States military, who, so far, have been less than unequivocal in their responses as to whether the airstrikes alone can bring President Milosevic to his knees. The answer that is given by the Chairman of the Joint Chiefs of Staff, General Shelton, is that the military will be degraded. But there is a more fundamental question which needs to be answered—whether the airstrikes will be successful, or whether the airstrikes will sufficiently weaken the Republic of Yugoslavia so that we at least have an idea, if there are to be ground forces, what the results will be.

But I believe very strongly that we should not pass a resolution analogous

to the Gulf of Tonkin Resolution, authorizing the President to use whatever force the President deems necessary. I believe there should be no blank check for this President, or for any President. But I am prepared to listen to a concrete, specific plan that evaluates the risks, that evaluates the costs in terms of potential U.S. lives. I am not prepared to commit ground forces without having a specific idea as to what the realistic prognosis will be.

The Senate of the United States passed a resolution on March 23 authorizing airstrikes, but strictly guarding against ground forces. The airstrikes constitute a clear-cut act of war, and the resolution of the Senate of the United States is not sufficient under the Constitution. There has to be a joinder with the House of Representatives. So it is my thought that before any further action is taken, before there is any suggestion of a commitment of ground forces, that matter ought to come before the Congress and ought to receive prior congressional authorization before any such force is used, and that the entire Congress of the United States ought to review the military action that is undertaken at the present time, and that it is in fact beyond the prerogative of the President under his constitutional authority as Commander in Chief, but it is realistically a matter that is decided by the Congress.

Make no mistake. There are very vital interests involved in the action now being undertaken against the Republic of Yugoslavia. NATO's credibility is squarely on the line. The credibility of the United States is squarely on the line. The activities of the Serbs, the Republic of Yugoslavia, in what is called ethnic cleansing, which is a polite name for "barbaric massacres," is unparalleled since World War II. And there are very major humanitarian interests which are currently being served.

This body has never come to grips, in my opinion, with the square determination as to whether vital U.S. national security interests are involved, and that is the traditional test of the use of force. But we are on the line; our country is on the line. NATO, a very important international organization, has its credibility on the line. And we must act in a very thoughtful, very careful way after important information is presented to the Congress by the President, because only the President is in a position to answer the critical questions. Then the deliberation of the Congress ought to take shape, and we ought to make a determination in accordance with the Constitution whether the Congress will authorize the executive branch to use force, to send in ground troops, or what the parameters of that declaration would be.

Mr. SPECTER, how much time remains?

The PRESIDING OFFICER. The Senator from Pennsylvania has 2 minutes 20 seconds remaining.

Mr. SPECTER. Mr. President, I ask unanimous consent that I might speak for an additional 5 minutes.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

THE PALESTINIAN AUTHORITY

Mr. SPECTER. Mr. President, I urge the Palestinian Authority not to take unilateral action on May 4 to declare a Palestinian state. That date, May 4, 1999, marks a period where significant speculation has been undertaken as to whether the Palestinian Authority would make such a unilateral declaration of statehood because of their dissatisfaction with the progress of the negotiations under the Oslo accords. I urge the Palestinian Authority not to take any such action on the grounds that is a matter for negotiation under the Oslo accords, and that it is something that ought to be decided between the parties to those accords—the State of Israel and the Palestinian Authority.

I had occasion to discuss this matter personally with Chairman Yasser Arafat when he was in the United States a little over a month ago when I was scheduled to visit him in his hotel in Virginia, but I had the opportunity to confer with Chairman Arafat in my hideaway.

For those who don't know what a hideaway is, it is a small room in the Capitol downstairs 2 minutes away from the Senate floor; small, but accommodating.

On that occasion, Chairman Arafat and I discussed a variety of topics, including the question of whether the Palestinian Authority would undertake a unilateral declaration of statehood.

I might say to the Chair in passing just a small personal note that when I accompanied President Clinton to Bethlehem in December of last year, I was struck by a large poster which had the overtones of a political poster. It had a picture of the President on one side with his thumb up, and it had a picture of Chairman Arafat on the other side. It was a political poster. The picture had not been taken with President Clinton and Chairman Arafat together, but it had that symbolism for the occasion of the President's visit to Bethlehem.

I took one as a souvenir. As we Senators sometimes do, I had it framed and it is hanging in my hideaway so that when Chairman Arafat came into the hideaway and saw the picture of himself and President Clinton, he was very pleased to see it on display and insisted on having a picture of himself taken in front of the picture of himself, which is not an unusual occurrence, whether you are a Palestinian with the Palestinian Authority, or from even the State of Kansas, or the State of Pennsylvania.

In the course of our discussions, I urged Chairman Arafat not to make the unilateral declaration of statehood.

He said to me that it was not up to himself alone, but it was up to the council.

Then he made a comment that he questioned whether the Palestinian Authority had received sufficient credit for the change of its Charter eliminating the provisions in the PLO Charter calling for the destruction of Israel.

In 1995, Senator SHELBY and I proposed legislation, which was enacted, that conditioned U.S. payments to the Palestinian Authority on changing the Charter and on making the maximum effort against terrorists, so that when Chairman Arafat raised the question about whether there had been sufficient recognition given to the Palestinian Authority for changing the Charter, I told him that I thought he was probably right and that there had not been sufficient recognition given to the Palestinian Authority for that change.

He then asked me if there would be recognition given to the Palestinian Authority if it resisted a unilateral declaration of statehood.

I said to Chairman Arafat that I personally would go to the Senate floor on May 5 if a unilateral declaration of statehood was not made on May 4.

Being a good negotiator, which we know Chairman Arafat is, he asked if I would put that in writing. I said that I would. On March 31 of this year, I wrote to the chairman as follows:

DEAR MR. CHAIRMAN: Thank you very much for coming to my Senate hideaway and for our very productive discussion on March 23rd.

Following up on that discussion, I urge that the Palestinian Authority not make a unilateral declaration of statehood on May 4th or on any subsequent date. The issue of the Palestinian state is a matter for negotiation under the terms of the Oslo Accords.

I understand your position that this issue will not be decided by you alone but will be submitted to the Palestinian Authority Council.

When I was asked at our meeting whether you and the Palestinian Authority would receive credit for refraining from the unilateral declaration of statehood, I replied that I would go to the Senate floor on May 5th or as soon thereafter as possible and compliment your action in not unilaterally declaring a Palestinian state.

I look forward to continuing discussions with you on the important issues in the Middle East peace process.

Sincerely,

ARLEN SPECTER.

Mr. President, I decided to make this public comment to emphasize my view, and I believe the view shared by many, if not most, in the Congress of the United States that, in fact, the Palestinian Authority should not unilaterally declare statehood, but should leave it to negotiations under the Oslo accords.

I thank the Chair.

I yield the floor.

Mr. THOMAS addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Wyoming is recognized.

Mr. THOMAS. Thank you, Mr. President.

Mr. President, I would like to talk for about 10 minutes as if in morning business, if I may.

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

The Senator is recognized.

Mr. THOMAS. I thank the Chair.

SOCIAL SECURITY

Mr. THOMAS. Mr. President, clearly the discussions on Kosovo are dominating the day and should. But I hope that we don't forget that we do have an agenda that we need to go forward with as well. So I want to talk a few minutes today about Social Security.

Specifically, I would like to talk a little bit about our efforts to protect and strengthen the Social Security system. We have talked about it for a very long time.

It is not a surprise that without some changes, the Social Security program will not be able to accomplish what it is designed to accomplish. Nearly everyone recognizes that we have to do something different than we have been doing. I will, in fact, say that there is not a consensus as to what that "something different" ought to be.

But the goal surely can be shared by most everyone. The goal is to be able to know that we can continue to provide benefits for the beneficiaries and those that are close to being beneficiaries, and at the same time be able to provide benefits in the long run for young people who are now just beginning to have deducted from their salary Social Security payments. I suspect all of us want to do that.

I have a mother who I am concerned about who has Social Security. I have 5-year-old twin grandchildren and I am anxious about their security. That is the kind of issue we have.

I notice today's newspaper expresses relief that we will go forward with Social Security. There was some discussion last week that it would not move.

I will talk a little bit about the lockbox legislation. We are seeking to push through a Social Security lockbox. What does that mean? It means we take that amount of money which comes in as Social Security now and set it aside so that it will be used for Social Security.

Over the years, we have had what is called a unified budget, and all the money that comes in—whether from Social Security, income tax, highway funds, or whatever—goes into the unified budget.

This year, for the first time in 25 years, we have had a balanced budget, but it is a unified budget. If you took Social Security out of that balanced budget, it would not be balanced. Indeed, it would be somewhat in deficit.

We need to understand what that is. Now that we are close to having a unified budget in balance and close to having it without Social Security, now we have an opportunity to do the things with Social Security dollars that I believe we need to do.

The lockbox is designed to guarantee that all Social Security surplus funds will be reserved for Social Security alone. This, of course, has not been the case. It is difficult to do, frankly. We have never had a place to put it. When we have a life insurance program or an annuity program, there has to be somewhere to put those funds so they draw interest. Of course, under the law, the only place they can be invested is in government securities.

They are set aside here, but they are spent. Of course the President is suggesting he would raid the Social Security to the tune of about \$158 billion, after having talked for 2 years about saving Social Security.

I am concerned that the current debate is going to become very difficult: How do we pay for Kosovo? How do we pay for increasing the support of the military? How do we pay for the emergency funds that are in the process of being provided for Central America?

We have budget spending limits which I think are key to keeping a smaller Government, to keeping a responsible Government. When we go outside of those spending limits with emergency spending, it goes from Social Security. Last year, for example, the President insisted, with the threat of closing down Government, that we had to spend \$20 billion in emergency funding. I suppose no one would argue if emergency funds are a genuine emergency, such as weather disasters or taking care of our troops in Kosovo, we are going to do that, by all means. When we start talking about how we build up the Armed Forces, I think we ought to take a look at whether that comes as an emergency or, in fact, comes out of our budget.

We are trying to move to some kind of financially sound lockbox. In 2014, Social Security begins to run in a deficit. Social Security started about 60 years ago, I think—in the 1930s. People paid 1 percent of \$3,000—\$30—into Social Security. There were 31 people working for every beneficiary. Of course, now that has changed. Now we all pay 12.5 percent of our earnings up to \$70,000 or more, moving up. There are, I think, fewer than three people working for each one drawing benefits. In the near future, it will be fewer than two. That is the sort of dilemma with which we are faced.

I suppose there are many considerations to look at, but there are three that are obvious.

One, you could reduce benefits. Not many are prepared to do that; even though Social Security, of course, is not a retirement program, it is a supplementary program. For a high percentage of people, that is, indeed, their largest income requirement.

Two, you could increase taxes. I don't think there is a great deal of excitement about that. I do not think it is a great idea. Social Security taxes are the largest tax that most Americans pay.

Three, increase the rate of return on the money that is in the trust fund.

That is one of the things we are talking about doing, trying to put together a personal account—not to take all of the 12 percent but to take, say, 3 or 4 percent out of the 12, about a third of the money. Let it be your account, your personal account. If, unfortunately, you were not able to live long enough to get all of your money out of it, it would go to your estate.

How is it invested? By private investors, similar to the Federal savings program. Once a year, members get a sheet of paper asking how they would like this invested. The choice would be in equities, bonds, or in a combination of the two. So members would choose one of those options. It is invested for you—not invested, as the President has suggested, where he takes trillions of dollars and has the Government invest it. Then the Government would basically control the marketplace. None of us want that.

Personal ownership, it seems to me, ensures that the Federal Government can't come back later and reduce your benefits. That is a way to secure those dollars. They are not then in the Government ready to be spent for some other reason.

Depending on your view about the size of government—and there is a legitimate difference between those who are more conservative and those who are more liberal. There are always ways to spend more money. To control the size of government, as has been our goal over the last number of years, you can't have a lot of surplus money lying around or else it is simply spent and government grows. We have to do something to secure Social Security. Then, hopefully, when there is excess money, we can look for some kind of tax relief.

It has been a long time since we started on this. Quite frankly, I think the sooner we make a change, the less abrupt that change will have to be. I am hopeful we do get back. We started out this year wanting to do this. Now the President is reluctant to take any leadership. Some of the leaders in the Congress were saying we ought to set it aside. I don't agree.

Certainly, we need to focus on Kosovo, but it doesn't mean we don't do the other things that are before the Senate. It is time to design a first-class system that fulfills the needs of everyone—our older citizens, our younger citizens. We need a permanent fix, not just tinkering around the edges. People have thought for years that Social Security was the holy grail of politics—touch it and you are dead. I think it has changed, because people understand if it is not changed, Social Security will be dead.

I hope we move forward.

SENATOR ROMAN L. HRUSKA

Mr. HAGEL. Mr. President, I rise this afternoon to recall a towering public servant, Senator Roman L. Hruska, who spent 22 years of his life in this

body and who died yesterday at Omaha, NE, at the age of 94. Senator Hruska served with my friend, the distinguished Senator from South Carolina.

In a day when some might question the morality of public service, the civility of public service, the genuineness of public service, and the goodness of public service, they did not know Senator Roman Hruska. Senator Hruska was one of 11 children, born in David City, NE, 94 years ago. His father had emigrated from Czechoslovakia, and moved his family to Omaha where he felt they would have a better opportunity to get an education and a better opportunity for a better life.

Senator Hruska's father was a teacher. Senator Hruska went on through public schools in Nebraska, attended a number of graduate schools, the University of Chicago, and obtained his law degree in Nebraska. He started a law practice in south Omaha.

When there became a vacancy on the Douglas County board of commissioners in Omaha, NE, his fellow citizens came to him and said, "Will you serve for one term?" That one term began in 1944.

A year later, he became chairman of the Douglas County board of commissioners, and until 1952 he served the Greater Omaha area and the State of Nebraska with great distinction.

In 1952, a House seat opened up. It was the seat of Howard Buffett. Mr. President, that name "Buffett" may ring a bell. Howard Buffett was the father of Warren Buffett. Howard Buffett decided not to run for reelection.

Again, Roman Hruska's friends and colleagues said, "Will you run for Congress?" Roman Hruska said, "Well, I will do that for a short period of time." Roman Hruska was overwhelmingly elected to the Congress in 1952. Two years later, the Senate seat opened and, again, the same people asked Roman Hruska to serve. He ran for the Senate in 1954 and never looked back. He retired from the Senate in 1976.

I recall my first exposure to Senator Hruska as a young chief of staff to Congressman John Y. McCollister in the early 1970s. I would come to the Senate once or twice a week to get a delegation letter signed by Senator Hruska and then Senator Curtis. Senator Hruska would see me occasionally standing outside a hearing room and would never fail to accord me not only some recognition, which as we know around here does not always happen with junior staffers, but he was beyond gracious. He always had time for young people, always had time to talk a little bit about what we thought and what was on our minds.

I really came to cherish those times when I had an opportunity to come over and see Senator Hruska. Senator Hruska was often in meetings, I say to Senator HOLLINGS, with some of Senator HOLLINGS' favorite colleagues, such as Senator Goldwater, Senator Eastland, Senator Long.

As a young staffer, I would be invited in to the outer ring of those distinguished United States Senators and would stand and watch and listen. Senator Hruska would never fail to introduce me to his colleagues and make me feel not only welcome but a part of Government, a part of what he was doing.

The dignity that Senator Hruska brought to his service is something well remembered by not just those of us who were privileged to have some relationship but all who served with Senator Hruska. He made this body a better body. He made America stronger. He believed in things.

Senator Hruska did not believe in governance by way of calibration of the polls. You knew where Senator Hruska was and why. He was always a gentleman—always a gentleman. He would debate the issues straight up. He won most of the time; he lost his share. But the relationships that Senator Hruska developed and the respect that underpinned his service is rather uncommon. We are all better for it. America is stronger for it. Nebraska loses a very wise counselor. America loses a great public servant.

When I ran for the Senate in 1996, one of the first people I went to see was Senator Hruska. The advice he gave me was consistent with his service and his life. He said, "Chuck, I would not feel competent to judge or give you counsel on the issues of our day, but I will tell you this: Play it straight, say it straight, respect your colleagues and respect yourself, but most important, respect the institution of the U.S. Congress and always understand the high privilege it is to be part of that great body."

He was much too modest to go beyond what he gave me as good, solid advice on issues, but I can tell you that on the big issues over the last 3 years, not only I, but many of my colleagues, have constantly gone back to Roman Hruska and asked for his judgment and his thoughts.

He will be greatly missed. I say to Senator HOLLINGS, I will leave these remarks on behalf of your former colleague and friend and my friend, Senator Roman Hruska, by referring to Senator Hruska the way your former colleague, Everett Dirksen, once referred to Roman Hruska, and that is: A salute to the noblest Roman of them all—Roman Hruska.

Mr. HOLLINGS. Mr. President, the distinguished Senator from Nebraska, Mr. HAGEL, reminds me of a happier day. I say a happier day most sincerely in the sense that we had not become subject to all the consultants, all the pollsters to the point whereby today, in large measure, we more or less are marionettes to the consultants' hot-button items and issues and not the needs of the people.

There was a tremendous respect on both sides of the aisle. I was elected in 1966. At that time, Senator Hruska was the ranking member of the Senate Judiciary Committee and Senator Jim

Eastland of Mississippi served as chairman. I remember the various measures that went before the Judiciary Committee for debate and action were those bills that were agreed upon by Senator Hruska and Senator Eastland.

Senator Hruska was a profound lawyer, and I say that advisedly in the sense of a little quibble. Everybody will remember or the media friends will remember when we were trying to nominate a Supreme Court Justice, that maybe he was not a graduate of Harvard and, therefore, sort of what they would call "mediocre talent." That nettled the Senator from Nebraska and he said, "Well, there are a lot of people in the land and a lot of lawyers of mediocre talent and maybe they need representation on the Court."

I remember him as a very erudite counsel who worked on these measures seriously and with purpose and was most respected. He has been a loss, I say to Senator HAGEL. He has been missed over the many years because he held the line. We deliberated in a bipartisan fashion, and he contributed to that bipartisan leadership which is so lacking today.

We ought to be working together. It would be a happier day. But, unfortunately, here we go again. The downtown crowd thinks they can embellish a computer glitch problem into a reform of the State tort laws with respect to joint and several liability, punitive damages, and everything else. As a result, it is a nonstarter.

Like last week, the folks thought it would be good, since the President said, "I'm going to save 62 percent for Social Security," they one-upmanned and said, "We'll save 100 percent," knowing all along the 100 percent going to pay down the debt was coming from Social Security, increasing the debt on Social Security, thereby savaging, not saving, the fund. But so it goes.

We do miss Senator Hruska. Mostly we miss his habits and his leadership and his balance in service. I think more than the balanced budget, what we need is balanced Senators.

With that, I yield the floor for a balanced Senator, the distinguished Senator from Arizona.

Mr. MCCAIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Mr. President, I listened with interest to the comments of the Senator from Nebraska about the late Senator Roman Hruska. There is something unique about Nebraska. There has been a long line of outstanding Senators to represent that State on both sides of the aisle. I know my colleagues and I appreciate very much both of our Senators from Nebraska, and they have carried on the tradition of Senator Curtis and Senator Hruska for honesty and integrity and a forthright addressing of the issues.

I know Senator Hruska is proud of Senator HAGEL, as Senator HAGEL and

the rest of us who had the privilege of knowing Senator Hruska appreciate him and his service for 22 years in the Senate—a very long time.

I agree with the comments of my old, dear friend from South Carolina that we do need more balance in the Senate. He and I occasionally find ourselves on different sides of an issue, as we do on this one. But our disagreements have been characterized with mutual respect and appreciation. And frankly, I enjoy the debates I have had over the years with the Senator from South Carolina because he marshals his audience, and not only that, he from time to time injects a degree of humor that illuminates as well as elevates the debate.

Mr. THURMOND. Mr. President, I rise today to pay tribute to former U.S. Senator Roman Hruska, who served Nebraska and our Nation with honor, dignity and ability for 22 years in the U.S. Senate, from 1954 to 1976.

I join my colleagues in mourning the passing of Roman Hruska. Roman was a man who embodied all the positive traits of a good public servant. He was selfless, a man of integrity and character, and someone who was committed to helping others.

I had the pleasure of serving with Roman during his entire service in the U.S. Senate. He and I were both Members of the class of 1954.

It is my hope that others will be inspired by Roman's commitment to public service and helping others. He was a good man who will be missed by a large circle of friends in and out of the Senate.

ARCTIC NATIONAL WILDLIFE REFUGE

Mr. JEFFORDS. Mr. President, I rise today in support of legislation introduced by Senator ROTH that would permanently protect the Arctic National Wildlife Refuge. The fate of the Arctic Refuge has been one of the highest profile natural resources issues of the past 20 years and will continue to be a key issue in the environmental debate. The Refuge is one of the last unspoiled wilderness areas in the United States, and is most often referred to as the "biological heart" of Alaska and "America's Serengeti."

The Arctic National Wildlife Refuge is the only place in the United States where a full range of sub-arctic and arctic ecosystems are protected in one unbroken stretch of land. This 1.5 million acre coastal plain is home to a vast number of species including arctic foxes, musk oxen, wolves, polar and grizzly bears, wolverines, and more than 135 varieties of birds. The area is also the main calving ground for the 120,000 head porcupine caribou herd, which migrates each spring to feed on the vegetation found there.

In the summer of 1997, I traveled to the refuge and was able to see first hand how beautiful and important this land is to both Alaska and the Nation. As part of a Senate delegation, I vis-

ited the port of Valdez, where oil is loaded onto tankers, and I traveled along the pipeline that brings oil from the north. I also flew over the refuge itself, including the Mollie Beattie Wilderness. I was astounded by the natural beauty of this area that is home to such variety of plants and animals that rely on the delicate balance that exists in this pristine wilderness. I also visited a number of native communities along the North Slope and spoke to the inhabitants about their life in this unique environment that they depend on for both their cultural identity and their survival. As a nation we must continue to protect this vital ecosystem and work to bring good jobs, education, and health care to these native communities.

I continue to believe that the United States dependence on oil and its by-products cannot overshadow the importance of keeping ANWR free from the traditional impacts of oil drilling and exploration. The technological improvements within the oil industry make it possible for the oil companies to use a slant drilling technique to harvest the oil in a manner that may not impact the ecosystem to the degree traditional techniques would. But drilling and exploration in this gentle Arctic wilderness at this time could have a lasting impact that would forever damage the environment of this region.

I applaud the Senator from Delaware's commitment to permanent protection for this unique linkage of ecosystems upon which the local communities depend, and the American community as a whole should value as a national and natural treasure.

U.S. COMMERCE DEPARTMENT'S NEW INTERNET PATENT AND TRADEMARKS DATABASE

Mr. LEAHY. Mr. President, I would like to commend Commerce Secretary William Daley, acting Commissioner of Patents and Trademarks Q. Todd Dickinson, and the U.S. Department of Commerce for their hard work and dedication in establishing the new Patent and Trademark Office Internet database. This online database truly reinvents how the government does business and how business innovation can flourish with government's help. This database will help erode some of the traditional barriers that have hindered business innovation in small, rural states like Vermont.

As an avid Internet user, I have long advocated a transition to an online database for trademarks and patents. The prior painstaking process of searching existing patents and trademarks was a time-consuming frustration for inventors. Last Congress I co-authored an amendment to the Omnibus Patent Act of 1997, which would have required the creation of computer networks to provide electronic access to patent information. I am proud that the database unveiled today achieves the goal of universal electronic access to trademarks and patents.

This new system of instant on-line access to the entire patent application—including the drawings—will greatly promote innovation and technology by showing researchers what the current science is. With this new database, there are now more than two million complete patents on-line dating back to 1976 and 1 million trademarks dating back to 1870.

This patent and trademark database could not have come at a better time. In the last 2 years, patent applications have increased by 25 percent and trademark applications have increased by 16 percent. In 1998, the Patent and Trademark Office received over a quarter of a million applications for patents alone, and they issued more than 150,000 patents.

Advancements in medicine, information technology, pharmaceuticals, transportation, environmental protection, manufacturing, agriculture, entertainment and countless other areas of science depend on patents. New inventions build on existing science, and existing science will now be available to anyone with Internet access—whether they live in the Northeast Kingdom of Vermont or Nome, Alaska or Silicon Valley, California.

This free Internet access changes the dynamic for American independent inventors and for corporate giants. Citizens who simply want to learn more by browsing the Web, students doing school projects, independent inventors and corporate research departments now can search this vast database. I have supported this development for several years and am delighted that it is fully up and running.

TRIBUTE TO STATE DIRECTOR BILL LAMB UPON HIS RETIREMENT

Mr. BENNETT. Mr. President, I rise today to recognize Bill Lamb upon his retirement for his thirty-six years of dedicated service with the Bureau of Land Management. Mr. Lamb retired on April 2, 1999 after four successful years as BLM's State Director in Utah.

As native Utahn, Bill Lamb began to work for the BLM in 1963 at the age of 22. A graduate of Utah State University, he served in a number of positions varying from a range conservationist, Director of the Arizona Strip to a budget official here in Washington. For the last four years Bill has served as the Utah State BLM Director. I know that I speak for all of the members of the Utah delegation when I say that it has been a privilege to work with him.

I have watched Bill perform with grace under pressure, always dealing with the contentious land management issues in Utah with an even-hand and a listening ear. His well-deserved reputation for always being honest and candid helped sooth over the hard feelings and frayed nerves brought on by the creation of the Grand Staircase-Escalante National Monument. He was instrumental in the successful comple-

tion of the historic Utah Schools and Lands Exchange Act of 1998 which traded State Trust lands locked up in the Grand Staircase for other federal lands in Utah.

Bill worked to preserve important wildlife habitat and at the same time, increased public participation through the creation of the Washington County Desert Tortoise Habitat Conservation Plan and the reestablishment of the citizens' advisory board. He always strived to maintain a balance between conservation and utilization and in the process earned a reputation for being one of the most able and affable leaders within BLM. I will miss his valuable advice and perspective tremendously.

Secretary Babbitt said: "Bill Lamb has done a remarkable job in one of the most demanding positions in the BLM." I could not agree more. I thank Bill for his service that was at many times thankless. He will be sorely missed. I wish him great success in his future endeavors.

TRIBUTE TO JAMES B. MCMILLAN

Mr. REID. Mr. President, I rise to day to pay tribute to James B. McMillan, pioneer and leader of the civil rights movement in Nevada. James McMillan was a longtime Las Vegas dentist whose name was often associated with the local civil rights movement as well as the desegregation of Las Vegas casinos.

Dr. McMillan has been widely praised for his role in bringing down the color barriers in Las Vegas. He began his exemplary career in Detroit and then moved to Las Vegas where he became the first practicing black dentist. His pioneering initiatives were displayed through such efforts as helping to form the Human Rights Commission and his 1964 Senate run as the first black from Nevada to run for the U.S. Senate. Additionally, in 1971, McMillan became the first black to be appointed to the Nevada Board of Dental Examiners.

When McMillan first arrived in Las Vegas the town was dubbed the "Mississippi of the West" and blacks were generally not allowed in hotel-casinos. While serving in the Korean war, McMillan opened his home to house black entertainers. At the time, black entertainers were rapidly escorted in and out of hotels and were not allowed to fraternize with hotel guests but only to perform in the show rooms. However, desegregation began shortly before McMillan first came to Las Vegas in 1955 with the opening of the Moulin Rouge, the first integrated hotel-casino. Throughout his career McMillan worked to further the accessibility to hotel-casinos for blacks.

McMillan first felt the call to participate in the civil rights movement amid a turbulent atmosphere in 1959 at a NAACP Freedom Front Dinner. The speaker was NAACP Field Secretary Tarea Hall Pittman whose subject was "Las Vegas, now is the time." Despite death threats, McMillan began orga-

nizing for a local peace march on the Strip which turned the tide in the struggle for integration. From this point on, McMillan devoted his life to provide and expand opportunities for blacks. He began to register black voters and recruit black teachers for local schools. At age 74 he was elected to the Clark County School Board. Eventually a school in northwest Las Vegas, The James B. McMillan Elementary School, was named in his honor.

Last year, McMillan published his autobiography, "Fighting Back—A Life in the Struggle for Civil Rights." James B. McMillan's life truly was a reflection of a valiant, idealistic, and nonviolent struggle for equality. His lifeworks have opened doors for many blacks in the United States and will continue to be an inspiration for all who are engaged in the race for equality.

This U.S. Senator is a better person because of the efforts of Dr. McMillan. Nevada is a better state because of Dr. McMillan's refusal to accept the status quo and his lifelong dedication in the struggle for equality.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, April 23, 1999, the federal debt stood at \$5,586,140,738,923.35 (Five trillion, five hundred eighty-six billion, one hundred forty million, seven hundred thirty-eight thousand, nine hundred twenty-three dollars and thirty-five cents).

One year ago, April 23, 1998, the federal debt stood at \$5,501,159,000,000 (Five trillion, five hundred one billion, one hundred fifty-nine million).

Fifteen years ago, April 23, 1984, the federal debt stood at \$1,486,568,000,000 (One trillion, four hundred eighty-six billion, five hundred sixty-eight million).

Twenty-five years ago, April 23, 1974, the federal debt stood at \$471,225,000,000 (Four hundred seventy-one billion, two hundred twenty-five million) which reflects a debt increase of more than \$5 trillion—\$5,114,915,738,923.35 (Five trillion, one hundred fourteen billion, nine hundred fifteen million, seven hundred thirty-eight thousand, nine hundred twenty-three dollars and thirty-five cents) during the past 25 years.

Mr. CAMPBELL. Mr. President, last Wednesday, I came to the floor of the Senate to thank my colleagues who offered their sympathies for the victims and their families involved in the tragic shooting at Columbine High School in Littleton, Colorado. I also wanted the people in Colorado to know that our hearts in the United States Senate were with all of the families through this terrible and tragic time.

Since then, the victims have been identified. Today, it is with deep sadness that I include for the RECORD the names of the innocent victims at Columbine High School. I believe it is a fitting tribute for the United States Senate to recognize these 12 students

and one teacher who lost their lives in such an unthinkable way.

Cassie Bernall, Steven Curnow, Corey De Pooter, Kelly Fleming, Matthew Kechter, Daniel Mauser, Daniel Rohrbough, William "Dave" Sanders, Rachel Scott, Isaiah Shoels, John Tomlin, Lauren Townsend, Kyle Velasquez.

PARENTS ABDICATE; FAITH IS ABANDONED

Mr. HELMS. Mr. President, I had tried numerous times without success during the weekend to reach by telephone a remarkable young mother whom I had never met. I learned about her while reading a newspaper back home in North Carolina that published on April 23 what is most often referred to these days as an "op-ed" piece headed, "Parents Abdicate; Faith Is Abandoned".

(An op-ed piece, of course, is the short-form identification of an article published on the page opposite a newspaper's editorial page.)

The op-ed piece which so impressed me was authored by Mrs. Ashley Ethridge of Mebane, N.C., a former school teacher who decided to spend her time raising her two little girls. (She and her husband are expecting a third child later this year).

I mentioned at the outset my having tried for much of the weekend to reach Mrs. Ethridge by telephone. Sunday afternoon those efforts were successful—and I must say, Mr. President, that my conversation with Mrs. Ethridge could not have been more meaningful.

Senators who read her "op-ed" piece will agree, I think, that this lady is a gifted writer. She is a graduate of N.C. State University and she has completed graduate work. She is excitingly profound in her analysis of what ails America in our time.

I must confess that I myself have long been alarmed by America's drift away from the moral and spiritual principles and priorities upon which our nation was founded more than two centuries ago. Many of my generation often lament the trend. But Mrs. Ethridge has diagnosed the moral malady better than I, and she offers the prescription to turn the nation's direction around more precisely, more specifically than I ever have.

Mr. President, I don't often do this but in the case of my remarks today, and Mrs. Ethridge's clarity and counsel, I shall urge my fellow Senators to read what this young mother in Mebane, North Carolina, feels that all of us ought to consider.

So I am glad that I tried, one more time, Sunday afternoon to reach Mrs. Ethridge. It was a blessing to hear her voice and to sense her understanding of the course America simply must take—now.

So, Mr. President, I say to Ashley Ethridge: God bless you for the clarity of your wake-up call to the most fortu-

nate people on earth—we citizens of the United States of America. Mr. President, I ask unanimous consent that the text of Ashley Ethridge's observations be printed in the RECORD.

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

PARENTS ABDICATE; FAITH IS ABANDONED (By Ashley Ethridge)

Is it just me, or has the entire country gone completely mad?

In recent editions of the newspaper I have learned that it is good fun when sexually explicit and violent Marilyn Manson shock-rock concerts attract swarms of young adolescent boys—presumably sans parents—cheering Satan; that magazines for teenage girls are emblazoned with headlines such as "How To Totally Turn Him On"; and that parents are paying \$800 a month to put infants in institutionalized day care while the mommies and daddies keep tabs on baby's milestones via surveillance camera. People frown upon giving a 3-year-old a doughnut, but don't even flinch at giving birth control pills to a young teen suspected of having sex.

Nickelodeon (remember, the network just for kids—no adults allowed?) is now changing the entire slant of its programming because its executives have discovered that children now, more than anything else, wish for time with their parents.

In the wake of the Littleton, Colo., massacre, Wake County's school superintendent, Jim Surratt, asked what kind of sick society would produce people who would want to do that kind of thing. I find the answers to Surratt's question in my newspaper almost every morning.

In his response to the tragedy, President Clinton said that perhaps now America will wake up to the dimensions of the challenge of juvenile violence. I can only assume that he is implying a need for more programs, courtesy of the government and thus the taxpayers. More counseling, more day care, more before-school care, more after-school care, more gun control and of course more counselors and mediators in the schools.

I too hope America will wake up—wake up to the fact that children need more parental love and guidance.

The parents who blame the media and other outside influences for teen violence should be diligent in shielding their children from the offending sources. Where are these parents when their under-17-year-olds are filling the theaters of the many R-rated teen flicks now playing? Where are these parents when their children are wading through the murky waters of the Internet? Where are these parents when their children are buying music bearing Parental Advisory warning labels? Where are these parents when their children are watching questionable—at best—prime time television shows?

How can parents remove themselves almost completely from their children's lives and then blame "Dawson's Creek" when their daughters become pregnant or Leo DiCaprio when their sons become violent?

Clinton also says that the nation must search for answers. This is absurd, and yet is also precisely the problem. The answer is obvious for anyone who will see it. Unfortunately, we are so ensconced in our spiritually empty, materialistic, self-centered lives that we do not seem to care that we are sacrificing our children. We applaud Clinton's initiative to fund more studies so that experts can search for answers because it lifts the burden from our pathetic shoulders.

Why is it that so few people seem to believe that parents have a responsibility to raise their own children, to spend time with

them, to help them, teach them and nurture them toward a happy, productive adulthood? Parenting has now simply become a process of buying children anything they want, including guardians and homework-helpers, for as long as they want—often well into what should be adulthood.

Stop searching the psychology journals and parenting magazines and federally funded studies for answers. Search your hearts and make your children, your families, your first priority.

Clinton says that more must be done to help children deal with anger. This sounds like hiring more school counselors. Why not look to the cause of so much anger among our young people? Could it possibly have something to do with the fact that they know that their parents really don't want to be bothered with the task of raising them?

Frankly, I don't think the schools are equipped to handle situations such as these, lamentable as they are, nor do I think they ought to. And I think some parents are just looking at school as a place to stick their kids to get them out of their hair.

Over 400 years ago, Martin Luther warned that if God were removed from education, schools would prove to be the gates of hell. What happens when we remove God from our families and homes, forsaking our children as well? What happens when we remove Him from society as a whole, and worship instead the Almighty Dollar?

Is it hot in here, or is it just me?

Mr. HELMS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. COLLINS). Without objection, it is so ordered.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

Y2K ACT—MOTION TO PROCEED

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of the motion to proceed to S. 96, which the clerk will report.

The legislative assistant read as follows:

Motion to proceed to the consideration of S. 96, a bill to regulate commerce between and among the several States by providing for the orderly resolution of disputes arising out of computer-based problems related to processing data that includes a 2-digit expression of the year's date.

The Senate resumed consideration of the motion to proceed.

Mr. HOLLINGS. Madam President, I yield myself so much time as may be permitted under the unanimous-consent agreement.

Pending the discussion with respect to the Y2K problem, let me say at the outset that if there were a Y2K problem, we on this side of the opposition, let's say, to the particular bill and the amendment forthcoming with respect

to Senator MCCAIN and Senator WYDEN, anything within reason obviously could have been worked out; namely, anyone who has a computer knows glitches. So no one can deny there cannot be a glitch on January 1 of the year 2000. However, there is not really a problem that would cause us to try to change tort law. That is what is in the offing here.

I have talked to the best of the best in the computer industry with the idea that we could compromise and give the 90-day grace period.

People do not want to go to court when they find out their computer is not working. If there is one thing that takes time—the Securities and Exchange Commission and so-called tort reform—they are still in discovery, they are still in appeals, and they are still in court, without trying the case, some 2 years later, because they have yet to determine what was intended. The same would be the case here trying to really venture into the State responsibility and jurisdiction with tort with so-called overall reform law.

So I thought, fine, let's get together on what could be called a glitch. Nobody wants to go to court. Give them some time to fix the glitch, and then move on in the business world. However, we have some friends down at the National Chamber of Commerce who are really bent on actually trying to pass product liability and do away with trial by jury and all the other State tort systems.

I could spot this in my particular position because I have been engaged in it for at least 20 years on the Commerce Committee from which it has been reported each time. We have prevailed over the 20 years. The reason we have prevailed is that the professionals in this particular field, whether it be the American Bar Association, the Association of State Legislatures, the Association of State Supreme Court Judges, the Association of Governors, until it was changed in effect, all opposed, and we were able to withstand the onslaught of this particular political move.

I can tell you, Madam President, we are going to withstand it again on Y2K, unless they come around, of course. But I don't see a compromise in the offing.

So I think immediately of what should be discussed; namely, television violence. We started on that with hearings at the beginning of the 1990s. This is 1999. And this Senator introduced a TV violence bill. We reported it out at that time 19 to 1 from the Congress before the last.

I remember going up to Senator Dole, then majority leader, who was running for President, and saying, "Look, we have got this bill out. The Attorney General has already attested to the fact that it would withstand constitutional muster on the freedom of speech provisions, and I will step aside if you want to make it. I am just interested in getting the bill, not the credit. So why don't you take the bill?"

The point is that the distinguished Senator had just come in from the west coast, where he, if everyone will remember, had cussed out the movie industry for its gratuitous violence in all of its film making. So I thought it was a natural that he would want to follow through. He didn't. In the last Congress we then had it reported out by a vote of 20 to 0—TV violence.

This has nothing to do, of course, with the Nintendo games or the other little games they play on these machines. But it does have to do with the basic tendency towards violence without cost, without any harm, or injury, or feeling.

We understand, of course, when you document the civil rights, when you document the matter of the Civil War, or any of these other things, you have to show the violence associated therewith in order to make an honest depiction; that is going to be included. But we are talking about gratuitous, excessive violence not incidental to the plot.

The bill has been found to stand, as I say, constitutional muster.

So we wanted to control that.

I have that bill in again. I would rather think that really bowing to the Chamber of Commerce on particulars there with respect to State tort and State responsibilities—mind you me, my Republican friends in the leadership caterwaul that the best governed—or the less governed—that the best governed is at the local level.

Why not let these local school boards control, rather than mandate from Washington this, that, or the next thing? Now they come with a mandate that the States have not asked for and the States would certainly oppose.

I just talked to one of the great leaders in computerization who said, "Senator, please don't pass this measure. The fact that companies don't get ready, they don't comply, is a competitive edge. My customers are checking them out. If they don't comply, I'm using that as a competitive advantage."

Let the market forces operate I say to those who always caterwaul about market forces and deregulation and wanting to regulate.

Back to the main point. We really ought to whip through a bill on television violence and control that. We have quite a case to present to the Congress itself. In the initial stage of broadcasting, programmers said in the booklets, "Get a murder early on to hold the audience." They love violence, they love murders, so get in a murder scene. I can show you that word for word in the CBS program in the earlier stages of television.

We can also go to the Colorado case. About 4 years ago a solution was used that is working at this particular time. I went down to Columbia, SC, which is Richland County. The county sheriff, Leon Lott, said, "Senator, I want to show you a school that was the most violent we had in the county—more drugs and trouble. We put a uniformed officer in the classroom."

Let me attest to this. I am not talking about some uniformed officer out in the parking lot looking for theft of the automobiles. I am talking about a law enforcement officer in contact with the students. This officer has not only taught the course, but associated himself in the afternoon with the athletic programs and in the evenings with the civic programs. If I had to pick a law enforcement officer, I would pick some all-American like our friend Bill Bradley—someone they look up to immediately, and put them in uniform.

It is not too much to teach respect and have him associated on the campus. He walks, talks and teaches with the students, listens to the teachers and the principals. The students know who brings a weapon to the school grounds. The students know who brings drugs on the school properties. All they do is just nod their head, make a little motion. That security officer gets the hint immediately and goes in way ahead of time—preventing violence, preventing drugs—and if need be, gets them counseling or whatever.

Senator GREGG and I provided just this kind of provision in the State-Justice-Commerce bill for the cops on the beat to be used. That is what Sheriff Lott was using in the Richland County schools. It is working in the other schools all over South Carolina.

My reaction at the time of the Columbine High School in Littleton, CO, was, Did they have an officer? I heard some reports which said yes. If they did, that officer ought to be fired. Anybody that can offload that much weaponry—that security officer doesn't know what is going on. He is not even taking care of security.

The main thing is to become, as they have in this particular approach, a role model for the students themselves. You can't put sensitive devices in every school in America. And we are not going to do that. Praying and counseling are well and good, but let's go ahead with a tried and true provision and get some leadership now that we can see, again, more than ever the need. We can be discussing those things rather than some political fix that you find in the polls.

What about the lawyers? Every pollster and consultant says kill all the lawyers. That is popular. Reform, reform, reform; tort reform, get rid of the lawyers. Control their fees, control their verdicts, control the seventh amendment and the right of trial by jury. That is the whole scenario. We who understand and appreciate it and have been in the trenches now for 20 years are going to do our dead level best so that shall not go on.

I think this afternoon at 5:30 we can vote cloture. I needed the time because we were not given notice about this particular measure coming up, but we are going to have to do some more head counting. We will have to prepare some amendments and debate the real issues facing the American people—not those being taken care of by the Governors

and the States. All of the Senators running around trying to play catchup ball with the Governors from the elections last November, all those that got elected and preached "education, education, education."

There is a primary responsibility of the Federal Government for national defense. A primary responsibility of the State government is education: 93 cents out of every education dollar is at the State or local level. We only have 6 or 7 cents that we can toy with. We cannot have all of that influence. We can come across with some good ideas in one particular State and try to make it possible on a pilot basis for other States and take the leadership that we gain locally and spread it. We support the Department of Education on that basis.

It is so ludicrous that those who came from the 1994 elections wanting to abolish the Department of Education are now running around throwing money at the Department of Education. It is all politics.

If we can stop using the government to get ourselves reelected with these silly consultants and what shows up in the poll, but what shows up on the front page. We know the need nationally to pay our bills. We had a debate about that—it was totally disregarded—all last week: "Save Social Security 100 percent." That was the majority leader's amendment.

Madam President, I turned on the TV and he said the \$6 billion for Kosovo was not enough; we will have to add another \$6 billion. When asked where they will get the money, he said, "From Social Security."

That is not the only surplus. That is the only way to hide it. But you can get \$12 billion surplus from the civil service retirement fund, which they have been doing, and from the military retirement fund, which they have been using, but the mindset is immediately to go and spend Social Security to savage the fund. There again was another political charade. Today we are engaged in another political charade.

At this particular time, with respect to the motion to proceed, I do not see much interest in actually debating. When the proponents come to the floor, I would like an opportunity to make a few points relative to the demerits of this particular measure, why it should not be enacted, and get their response. Thereby, Madam President, I reserve the remainder of my time and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HOLLINGS. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. MCCAIN. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HOLLINGS. Madam President, I ask unanimous consent the time for the call of the quorum here be allocated equally to both sides.

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

Mr. MCCAIN. Madam President, I will be offering, with my friend and colleague from Oregon, Senator WYDEN, a substitute amendment to S. 96, the Y2K Act, at the appropriate time. The substitute amendment we will be offering is a bipartisan effort. We worked diligently with our colleagues on both sides of the aisle to address concerns, narrow some provisions, and assure this bill will sunset when it is no longer pertinent and necessary.

Senator WYDEN, who said at our committee markup that he wanted to get to "yes," worked tirelessly with me to get there. He and others—but he especially—have offered excellent suggestions and comments. I think the substitute we bring today is a better piece of legislation for his efforts.

Specifically, the substitute would provide time for plaintiffs and defendants to resolve Y2K problems without litigation. It reiterates the plaintiff's duty to mitigate damages and highlights the defendant's opportunity to assist plaintiffs in doing that by providing information and resources.

That provides for proportional liability in most cases, with exceptions for fraudulent or intentional conduct, or where the plaintiff has limited assets. It protects governmental entities, including municipalities, schools, fire, water, and sanitation districts, from punitive damages. It eliminates punitive damage limits for egregious conduct, while providing some protection against runaway punitive damage awards. And it provides protection for those not directly involved in a Y2K failure.

The bill, as amended, does not cover personal injury and wrongful death cases. It is important to keep in mind the broad support that this bill has from virtually every segment of our economy. This bill is important not only to the high-tech industry, or only to big business, but it carries the strong support of small businesses, retailers, and wholesalers.

Many of those supporting the bill will find themselves as both plaintiffs and defendants. They have weighed the benefits and drawbacks of the provisions of this bill and have overwhelmingly concluded that their chief priority is to prevent and fix Y2K problems and make our technology work, not divert the resources into time-consuming and costly litigation.

One of the most troubling aspects of the looming Y2K problem is the new industry being created by opportunistic lawyers. Many companies feel they are "damned if they do, dammed if they

don't" when it comes to acknowledging potential Y2K failures. If they do not say anything and later have a problem, they will certainly be sued. But if they say something now, they may still be sued, and before anything even has gone wrong. Over 80 lawsuits, mostly class actions, have already been filed and we are still many months away from the year 2000.

The SEC reported in February that many companies are not complying with the SEC disclosure requirements either as to what actions they are taking to prepare, how much the effort is costing, or what contingency plans are being put into place. The Senate Special Committee on the Year 2000 Problem reported February 24—and I quote—"Fear of litigation and loss of competitive advantage are the most commonly cited reasons for barebones disclosure."

It is my hope that S. 96 will be the catalyst for technology producers to work with technology users to ensure a seamless transition from the 1990s to the year 2000. The goal is to make January 1 a nonevent.

The purposes of this legislation is to ensure that we solve the Y2K technology glitch rather than clog our courts with years of costly litigation. The purpose is to ensure a continued, stable economy, which obviously is beneficial to everyone in our country.

The bill encourages efficient resolution of failures by requiring plaintiffs to afford their potential defendants an opportunity to remedy the failure and make things right before facing a lawsuit. We should encourage people to talk to each other, to try to address and remedy problems in a timely and professional manner.

The potential for litigation to overwhelm the Nation's judicial system is very real. We must reserve the judicial system for the most egregious cases involving Y2K problems. Litigation costs have been estimated as high as \$1 trillion. Certainly the burden of paying for litigation will be distributed to the public in the form of increased costs for technological goods and services.

The potential drain on the Nation's economy, and the world's economy, from both fixing the computer systems and responding to litigation, is staggering. While the estimates being circulated are speculative, the cost of making the corrections in all the computer systems in the country is astronomical. Chase Manhattan Bank has been quoted as spending \$250 million to fix problems with its 200 million lines of affected computer code. The estimated cost of fixing the problem in the United States ranges from \$200 billion to \$1 trillion. The resources which would be directed to litigation are resources that would not be available for continued improvements in technology, producing new products, and maintaining the economy that supports the position of the United States as a world leader.

As I said last week, time is of the essence. If this bill is going to have the intended effect of encouraging proactive prevention and remediation of Y2K problems, it has to be passed quickly. This bill will have limited value if it is passed later this fall.

Senator HOLLINGS, my friend, has expressed in committee his concerns. I want to state up front that while we disagree, we have never been disagreeable. I respect his views; we just disagree on this matter. And I know, as I said earlier, we will have a lively debate on this bill.

I urge my colleagues on both sides of the aisle to give careful consideration to the substitute amendment and join with me, Senator WYDEN, and our other cosponsors, Senators GORTON, ABRAHAM, LOTT, FRIST, BURNS, SMITH of Oregon, and SANTORUM, in bringing this substitute to fruition. It makes sense, it is practical, and we need it now.

There are several letters, Madam President, from various organizations throughout the country that I would like to quote from. I ask unanimous consent that they be printed in the RECORD at the conclusion of my statement.

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

(See Exhibit 1.)

Mr. MCCAIN. Madam President, the first letter I would like to quote briefly from is from the National Federation of Independent Business, the Voice of Small Business.

On behalf of the 600,000 members of the National Federation of Independent Business (NFIB), I would like to thank you for helping the nation's small business community prepare for the millennium.

NFIB strongly supports S. 96 . . . specifically the provisions that limit punitive damages and urge quick resolution of legal disputes. We believe that S. 96 creates a fair and level playing field for the settlement of year 2000 (Y2K) disputes.

Because small business owners operate on such a slim profit margin, every second and every dollar counts. Therefore, legislation addressing Y2K litigation must provide a speedy and effective solution to disputes. Small businesses do not have the luxury of waiting months or years for courts to replace lost revenues or failed products. S. 96 encourages the use of alternate dispute resolution (ADR) and provides a "cooling off" period during which disputes can be resolved outside of court. NFIB's goal is to keep small businesses out of court, and we believe S. 96 will do that in most cases.

We do realize that some businesses will—and should—resolve their disputes in court. Regardless of whether they would be plaintiffs or defendants, 93% of NFIB members support limiting punitive damages. Caps help eliminate frivolous lawsuits and the unnecessary expenditure of legal fees by small businesses.

That is from the National Federation of Independent Business.

There are those who have argued in the media that this legislation is simply there to support the "high-tech community" and large corporations. I don't think that would make it possible for the NFIB, which represents 600,000 members, to support this legislation.

Next I would like to briefly quote from the American Insurance Association, which represents nearly 300 property casualty/insurers with millions of policyholders and thousands of employees across the Nation. Member companies insure families, small businesses and large businesses in every State.

Even with this commitment and dedication to minimizing Y2K disruption, we can expect problems to occur. And unfortunately in our litigious society, lawsuits or the fear of lawsuits will inhibit solutions and multiply the disruptive impact of system failures.

[Again,] on behalf of the member companies of the American Insurance Association, I urge you to support the year 2000 reforms on final passage and cloture.

The Intel Corporation, Tosco, the leading technology corporations, many of the leading technology industry companies in America, including the CEO of American Electronics Association, President and CEO of Alexander Ogilvy Public Relations Worldwide, CEO of Marimba, Managing Director of Merrill Lynch, chairman and CEO of Novell, Chairman and CEO of FileNet, and the list goes on of leading presidents and CEOs of the high-tech industries in America, MicroAge, Alcatel, and the International Mass Retail Association—all these organizations and more support this legislation. I don't think they necessarily do so for selfish reasons, although certainly they are motivated to a large degree by their ability to provide the necessary profits to their shareholders.

But I think also they are more committed to making sure that this incredible economy that we are experiencing would continue to provide so many jobs and opportunities for so many Americans, without draining hundreds of billions of dollars from the economy.

My friend, Senator HOLLINGS, has asserted that S. 96 is the camel's nose under the tent for product liability and tort reform. I clearly do not believe that is the case. I am a strong supporter of product liability tort reform, but I believe that this legislation clearly is not the case. It contains a sunset provision to assure that this is considered, as it should be, a temporary measure to deal with a unique situation.

The sunset language in section 4(a) of the bill provides that the act applies to a Y2K failure occurring before January 1 of the year 2003, hardly a victory for widespread tort or product liability reform. The potential for massive litigation involving virtually every industrial segment of our country, both small businesses and large, compels a rational and practical solution to prevent litigation from destroying the economic well-being of the country.

There is a need for this bill, Madam President. I will just point out one example of opportunistic legislation. I am told that Mr. Tom Johnson, acting as a private attorney general under California consumer protection laws, has brought an action against a group of retailers, including Circuit City, Office Depot, Office Max, CompUSA, Sta-

ples, Fryes, and the Good Guys, Incorporated for failing to warn consumers about products that are not Y2K compliant. He has not alleged any injury or economic damage to himself, but pursuant to State statute, has requested relief in the amount of all of the defendants' profits from 1995 to date from selling these products and restitution to "all members of the California general public."

Although he claims that numerous products are involved, he has not specified which products are covered by his allegations, but has generally named products by Toshiba, IBM, Compaq, Intuit, Hewlett Packard and Microsoft.

This is precisely, Madam President, the type of frivolous and opportunistic lawsuit which would be avoided by S. 96. Rather than have all of these named companies wasting time and resources preparing a defense for this case, S. 96 would direct the focus to fixing real problems. In this instance, it does not appear that Mr. Johnson has an actual problem. But if he does, he would need to articulate what is not working due to a Y2K failure. The company or companies responsible would then have an opportunity to address and fix the specific problem. If the problem isn't fixed, then Mr. Johnson would be free to bring his suit.

It is crystal clear that the real reason for this lawsuit is not to fix a problem that Mr. Johnson has with any of his computer hardware or software, but to see whether he can convince the companies involved that it is cheaper to buy him off in a settlement than to litigate, even if the case is eventually dismissed or decided in their favor. This case is the tip of the iceberg.

If thousands of similar suits are brought after January 1, the judicial system will be overrun and the Nation's economy will be thrown into turmoil. This is a senseless and needless abuse that we can avoid by passing S. 96.

Madam President, there are numerous provisions in this bill, but I just want to repeat one of the most crucial aspects of this legislation. If a problem is identified, then whoever it is that is the manufacturer has 90 days in order to fix the problem. If they do not fix the problem, then go to court. But it is hard for me to understand why a company or corporation who manufactured this particular product should not be allowed to have an opportunity to fix the problem for the user. It makes perfect sense—how could anyone object to such a thing—because these companies and corporations, if they are not committed to fix the problem, then they should be sued. That is what our court system is all about. But it makes perfect sense to me to give them an opportunity to fix a problem that they may not have knowledge of before they find themselves all day hauled into court.

EXHIBIT NO. 1
 NATIONAL FEDERATION
 OF INDEPENDENT BUSINESS,
 Washington, DC, April 21, 1999.

Hon. JOHN MCCAIN,
 Chairman, Senate Commerce Committee,
 U.S. Senate, Washington, DC.

DEAR MR. CHAIRMAN MCCAIN: On behalf of the 600,000 members of the National Federation of Independent Business (NFIB), I would like to thank you for your leadership in helping the nation's small business community prepare for the millennium.

NFIB strongly supports S. 96, the McCain-Wyden "Y2K Act," specifically the provisions that limit punitive damages and urge quick resolution of legal disputes. We believe that S. 96 creates a fair and level playing field for the settlement of Year 2000 (Y2K) disputes.

Every day, more small businesses prepare themselves for potential Y2K problems within their own operations. No amount of preparation, however, can keep them from being affected by problems afflicting others: their suppliers, customers or financial institutions. For this reason, businesses of all sizes and types must be encouraged to address their Y2K problems now. S. 96 encourages mitigation now to avoid litigation later.

Because small business owners operate on such a slim profit margin, every second and every dollar counts. Therefore, legislation addressing Y2K litigation must provide a speedy and effective solution to disputes. Small businesses do not have the luxury of waiting months or years for courts to replace lost revenue or failed products. S. 96 encourages the use of alternative dispute resolution (ADR) and provides a "cooling off" period during which disputes can be resolved outside of court. NFIB's goal is to keep small businesses out of court, and we believe S. 96 will do that in most cases.

We do realize that some businesses will—and should—resolve their disputes in court. Regardless of whether they would be plaintiffs or defendants, 93% of NFIB members support limiting punitive damages. Caps help eliminate frivolous lawsuits and the unnecessary expenditure of legal fees by small businesses.

As S. 96 moves to the floor, I would like to commend and thank you for your leadership on Y2K preparedness legislation. I appreciate your consideration of the concerns of the small business community on this issue and look forward to working with you in the future.

Sincerely,

DAN DANNER,
 VICE PRESIDENT,
 Federal Public Policy.

AMERICAN INSURANCE ASSOCIATION,
 Washington, DC, April 15, 1999.

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

DEAR SENATOR MCCAIN: The American Insurance Association represents nearly 300 property/casualty insurers, with millions of policyholders and thousands of employees across the nation. Our member companies insure families, small businesses, and large businesses in every state. A key issue of concern to AIA members and their employees is providing a predictable and fair framework within which the courts will consider Year 2000 disputes. On behalf of our member companies and their employees, I urge you to support both the cloture vote and final passage of the pending Year 2000 reforms (the revised S. 96, the Y2K Act).

American Insurance Association members are leaders in advocating loss prevention measures for our individual and business policyholders, and we're proud to say that AIA

companies have worked diligently, some for as long as a decade, to ensure our systems are Y2K compliant. Across the nation, American businesses are preparing for the Year 2000 in the same way.

Even with this commitment and dedication to minimizing Y2K disruption, we can expect problems to occur. And unfortunately in our litigious society, lawsuits, or the fear of lawsuits, can inhibit solutions and multiply the disruptive impact of systems failures.

The American Insurance Association supports Congress' efforts to minimize the economic costs arising from this once-in-a-millennium event. The bipartisan bill under consideration, the revised S. 96 provides a balanced, measured, and modest response to the uncertainty posed by the Year 2000. Our members strongly support this legislation.

Our priority is legislation that encourages a legal environment where problem-solvers compete for business, not fear frivolous lawsuits, legitimate claims are resolved promptly, and where legal profiteering cannot take advantage of a once-in-a-millennium problem. The bipartisan bills accomplish these goals.

Again, on behalf of the member companies of the American Insurance Association, I urge you to support the Year 2000 reforms on final passage and cloture. With best wishes I remain,

Sincerely yours,

ROBERT E. VAGLEY,
 President.

INTEL CORPORATION,
 Santa Clara, CA, April 19, 1999.

RE: Y2000 Legislation.

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

DEAR SENATOR MCCAIN: I write to ask for your help in enacting legislation designed to provide guidance to our state and federal courts in managing litigation that may arise out of the transition to Year 2000-compliant computer hardware and software systems. This week, the Senate is expected to vote upon a bipartisan substitute text for S. 96, the "Y2K Act", which we strongly support.

Parties who are economically damaged by a Year 2000 failure must have the ability to seek redress where traditional legal principles would provide a remedy for such injury. At the same time, it is vital that limited resources be devoted as much as possible to fixing the problems, not litigating. Our legal system must encourage parties to engage in cooperative remediation efforts before taking complaints to the courts, which could be overwhelmed by Year 2000 lawsuits.

The consensus text that has evolved from continuing bipartisan discussions would substantially encourage cooperative action and discourage frivolous lawsuits. Included in its provisions are several key measures that are essential to ensure fair treatment of all parties under the law:

Procedural incentives—such as a requirement of notice and an opportunity to cure defects before suit is filed, and encouraged for engaging in alternative dispute resolution—that will lead parties to identify solutions before pursuing grievances in court;

A requirement that courts respect the provisions of contracts—particularly important in preserving agreements of the parties on such matters as warranty obligations and definition of recoverable damages;

Threshold pleading provisions requiring particularity as to the nature, amount, and factual basis for damages and materiality of defects, that will help constrain class action suits brought on behalf of parties that have suffered no significant injury;

Appointment of liability according to fault, on principles approved by the Senate

in two previous measures enacted in the area of securities reform.

This legislation—which will apply only to Y2K suits, and only for a limited period of time—will allow plaintiffs with real grievances to obtain relief under the law, while protecting the judicial system from a flood of suits that have no objective other than the obtainment of high-dollar settlements for speculative or de minimus injuries. Importantly, it does not apply to cases that arise out of personal injury.

At Intel, we are devoting considerable resources to Y2K remediation. Our efforts are focused not only on our internal systems, but also those of our suppliers, both domestic and foreign. Moreover, we have taken advantage of the important protections for disclosure of product information that Congress enacted last year to ensure that our customers are fully informed as to issues that may be present with legacy products. What is true for Intel is true for all companies: time and resources must be devoted as much as possible to fixing the Year 2000 problem and not pointing fingers of blame.

For these reasons, we urge you to vote in favor of responsible legislation that will protect legitimately aggrieved parties while providing a stable, uniform legal playing field within which these matters can be handled by state and federal courts with fairness and efficiency.

Sincerely,

CRAIG R. BARRETT,
 CEO, Intel Corporation.

TOSCO,
 Stamford, CT, April 14, 1999.

Re: Y2K Act (S. 96)—SUPPORT.

Hon. JOHN MCCAIN,
 Senate Russell Office Building,
 Washington, DC.

DEAR SENATOR MCCAIN: On behalf of Tosco Corporation ("Tosco"), I commend you for sponsoring the Y2K Act (S. 96), which will facilitate computer preparations for the transition to the Year 2000. Tosco is one of nation's largest independent refiners and marketers of gasoline and petroleum products. We market gasoline in Arizona through more than 700 retail outlets in the state under our Circle K, Union 76, and Exxon brands. Our marketing headquarters is located at Tempe, Arizona, and we have 6,500 employees in the state.

Your Y2K Act will focus resources on the actual solution of Y2K problems and will reduce the risk of costly and unnecessary litigation. The opportunity for pre-litigation resolution will benefit both potential plaintiffs and potential defendants. The protection against liability for harm caused by other parties and the limits on punitive damages will reduce the incentive for widespread speculative lawsuits targeted on large companies such as Tosco.

We also urge you to oppose the alternative Y2K bills which do not provide for proportionate liability and do not limit punitive damages. These bills will not protect against "bounty hunting" lawsuits which could aggravate Y2K transition problems by hamstringing the business community with complicated litigation and potentially unlimited exposure.

Tosco is undertaking a comprehensive effort to have its computer systems ready for the transition to the Year 2000, and we are working closely with our customers and vendors. While we expect a smooth transition, we believe S. 96 will provide a useful framework for resolving any problems which may arise.

All members of the business community share the responsibility to be prepared for the computer transition to the Year 2000.

Your well-conceived Y2K Act will help protect companies which prepare for the transition in a timely manner while retaining appropriate legal remedies in the event other companies do not meet their responsibilities.

Tosco strongly supports S. 96. We also oppose the alternative Y2K legislation which does not place reasonable limits on litigation exposure. Please call me if you would like any further information.

Very truly yours,

ANN FARNER MILLER,
*Vice President,
Government Relations.*

TECHNOLOGY NETWORK,
March 5, 1999.

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

DEAR SENATOR MCCAIN: We are writing on behalf of some of the nation's leading technology industry companies to voice support for the "Y2K Act" (S. 96 as amended), and to thank you for introducing this bipartisan legislation to address the important issue of Year 2000 readiness.

Technology companies are working aggressively to achieve Y2K readiness as soon as possible. In close partnership with their suppliers and customers, our companies are working to identify potential problems, fix systems and conduct tests to ensure that they are ready for Y2K. The technology industries have committed extraordinary resources to ensure a smooth transition to the Year 2000. Unfortunately, industry efforts to address Y2K readiness are threatened by concern about potential litigation.

Lawsuits designed to exploit the Year 2000 issue will turn industry attention and resources away from the critical task of ensuring that computer systems are Y2K compliant. We fully support comprehensive legislation to ensure that companies that act in good faith to solve Y2K disruptions are protected from opportunistic litigation that slows the important work of remediation. Legislation is essential to ensure that companies concentrate their full attention and resources on Year 2000 readiness, and not on wasteful or abusive lawsuits.

The technology industry appreciates your leadership in championing a solution to this critical national issue. This legislation is an essential part of a comprehensive solution to the Y2K challenge and builds upon the "Good Samaritan" bill that Congress enacted last year.

Immediate action is necessary to protect our nation's economic vitality and security. We must address this pressing issue as early as possible in 1999. It is clearly in the interest of all Americans that we spend resources on remediation, and not on litigation. We commend you for your leadership and attention to this important issue and urge the Congress to enact Y2K legislation as soon as possible.

Sincerely,

John Chambers, President & CEO, Cisco Systems; Les Vadasz, Senior Vice President, Intel; Pam Alexander, President & CEO, Alexander Ogilvy Public Relations Worldwide; William Archey, CEO, American Electronics Association; Kathy Behrens, President, NVCA; Brook Byers, Partner, Kleiner Perkins Caufield & Byers; Steve Case, Chair-

man & CEO, America OnLine; Wilfred Corrigan, CEO & Chairman, LSI Logic; William Davidow, Partner, Mohr Davidow Ventures; Bob Herbold, Executive Vice President & COO, Microsoft Corporation; George Klaus, CEO, Platinum Software; Kim Polese, CEO, Marimba, Inc.; Colleen Poulliot, Senior VP, General Counsel & Secretary, Adobe Systems; Willem Roelandts, President & CEO, Xilinx; Michael Rowan, CEO, Kestrel Solutions; Scott Ryles, Managing Director, Merrill Lynch; Eric Schmidt, Chairman & CEO, Novell; Ted Smith, Chairman & CEO, FileNet.

INTERNATIONAL MASS
RETAIL ASSOCIATION,
Washington, DC, April 15, 1999.

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

DEAR SENATOR MCCAIN: On behalf of the International Mass Retail Association (IMRA), I would like to thank you for sponsoring the Y2K Act (S. 96). This legislation is crucial to preventing frivolous Y2K lawsuits from imposing needless costs on businesses and congesting the court system.

Companies should focus their time and effort on assuring that their computer systems, and those of their suppliers, will be Y2K-compliant—not in preparing for lawsuits, that could harm a prospering U.S. economy and even cost some workers their jobs. Without adequate safeguards against frivolous lawsuits, American consumers may suffer more from Y2K lawsuits than from Y2K failures.

IMRA supports the Y2K Act (S. 96). S. 96 gives companies an incentive to work to prevent Y2K failures. The bill provides a chance to fix potential Y2K problems before lawsuits are filed. With an orderly process like this, which favors remediation over litigation, courts may soon become backlogged with Y2K lawsuits that could, and should, be resolved through faster, more cooperative methods.

The International Mass Retail Association represents the mass retail industry—consumers' first choice for price, value and convenience. Its membership includes the fastest growing retailers in the world—discount department stores, home centers, category dominant specialty discounters, catalogue showrooms, dollar stores, warehouse clubs, deep discount drugstores and off-price stores—and the manufacturers who supply them. IMRA retail members operate more than 106,000 American stores and employ millions of workers. One in every ten Americans works in the mass retail industry, and IMRA retail members represent over \$411 billion in annual sales.

We deeply appreciate your support on this issue and look forward to working closely with you toward a successful outcome early next year. Once again, many thanks for your support of the mass retail industry.

Sincerely,

ROBERT J. VERDISCO,
President, IMRA.

ALCATEL
Plano, TX, March 26, 1999.

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

DEAR SENATOR MCCAIN: The purpose of this letter is to express my personal appreciation

and support for the legislation you recently introduced in the United States Senate to limit runaway liability awards in the event of Y2K problems.

As a major telecommunications equipment company and an employer of over 11,000 people in the United States, Alcatel USA has a vested interest in this important issue. We have spent tens of millions of dollars on Y2K remediation and are making a continuing, company-wide effort to protect our valued customers from Y2K-related failures. We wholeheartedly endorse your emphasis on "remediation not litigation" and have put our money, technical expertise and manpower behind this concept.

I realize that aspects of your legislation are controversial and that some compromises may be necessary in the weeks ahead. During the negotiating process I would ask you to keep in mind what Alcatel considers to be the minimum essential elements of any legislation limiting the liability of responsible corporations.

They are:

Preeminence of existing contracts and agreements

Pretrial notice and cure periods

Proportional liability instead of joint and several liability

Damages limited to direct or consequential

If there is anything that Alcatel USA can do in support of your legislation, please feel free to contact me or David Owen, the head of our Washington Government Relations Office (703-724-2930). Our Washington office has instructions to work closely with the National Association of Manufacturers, the Telecommunications Industry Association, and the US Chamber of Commerce in order to guarantee that our advocacy activities for Y2K liability limitations are focused and well coordinated.

In closing, I would like to thank you once again for spearheading this important legislative initiative to protect our vibrant economy from a "feeding frenzy" of destructive and ultimately unproductive litigation.

Sincerely yours,

KRISH PRABHU,
President and CEO.

MICROAGE
Tempe, AZ March 3, 1999.

Hon. JOHN MCCAIN,
*Chairman, U.S. Senate,
Committee on Commerce, Science & Transportation, Washington DC.*

DEAR SENATOR MCCAIN: I support passage of Y2K Act, S. 96. I also represent the Computing Technology Industry Association (CompTIA) with 7800 company members representing IT Industry manufacturers, distributors and resellers. CompTIA support passage of Y2K Act, S. 96.

Small and large businesses are eager to solve the Y2K problem, yet many are not doing so, primarily because of the fear of liability and lawsuits. The potential for excessive litigation and the negative impact on targeted industries are already diverting precious resources that could otherwise be used to help fix the Y2K problem.

As I understand the bill, the purpose of this proposed legislation is to encourage Y2K remediation, not litigation. American industry already is making massive investments

to prepare for the millennium computer problem. A deluge of lawsuits would inhibit these efforts—particularly in the growth sector of the economy. This legislation creates incentives to fix Y2K problems before they develop by encouraging parties to resolve disputes without litigation, but it also preserves the rights of those who suffer real injuries to file suits if necessary.

The Business Community Coalition, of which CompTIA is an active member, is also supporting Y2K reform, representing all industry sectors and business sizes, is supporting Y2K reform legislation designed to encourage a fair, fast and predictable mechanism for resolving Y2K-related disputes.

Respectfully yours,

ALAN P. HALD,
Co-Founder, MicroAge, Inc.

NPES,
Reston, VA, April 20, 1999.

OPEN LETTER TO THE SENATE IN SUPPORT OF S.
96—THE Y2K ACT

On behalf of the over 400 member companies of NPES the Association for Suppliers of Printing, Publishing and Converting Technologies I urge you to support S. 96, the Y2K Act, when it comes to the Senate floor this week.

S. 96 is a remediation bill that will encourage businesses to fix Y2K problems without undue concern for unlimited and unwarranted liability that could arise from Y2K failures. S. 96 does not insulate negligent companies from being held responsible for their actions, and it does not leave victims of Y2K-related problems without recourse within the legal system. S. 96 will discourage frivolous litigation, but it will not preclude legitimate claims.

Most importantly, S. 96 encourages resolution of disputes before the contentiousness and expense of litigation. If a business suffers a Year 2000 failure, the most important next step should be solving the problem and getting back to business, not engaging in counterproductive lawsuits that contribute little towards getting a company back serving its customers.

NPES' members, as equipment manufacturers and sellers, could well find themselves as both plaintiffs and defendants in potential Y2K-related lawsuits. With this perspective, we believe S. 96 strikes the proper balance encouraging appropriate remedial action and protecting legitimate interests of injured parties. Therefore, we urge you to support S. 96 so that the American business community can focus on addressing Y2K-related problems in the last months of the year, rather than diverting resources to responding to a potential calamity of counterproductive litigation following New Year's Day 2000.

Sincerely,

REGIS J. DELMONTAGUE,
President.

Mr. MCCAIN. Madam President, I note the presence of the Senator from Washington on the floor, and I yield the floor at this time.

The PRESIDING OFFICER. The Senator from Washington.

Mr. GORTON. Is time controlled?

The PRESIDING OFFICER. The time is controlled. Does the chairman wish to yield time?

Mr. MCCAIN. Madam President, I yield to the Senator from Washington such time as he may consume.

The PRESIDING OFFICER. The Senator from Washington is recognized.

Mr. GORTON. Madam President, I support legislation designed to avert and control what could be a litigation

bonanza stemming from the Y2K problem. We can't be sure what computer-based system, if any, may go awry at midnight, December 31, 1999, but we should not sit by idly and wait to find out. The Y2K Act attempts proactively to provide incentives for everyone, potential plaintiffs and defendants alike, to cure Y2K compliance problems before they occur and to impose reasonable limits on liability and rules for the prosecution of lawsuits arising from Y2K failures.

On today's editorial page, the New York Times criticizes Senator MCCAIN's Y2K legislation and opines that:

Congress can also clarify the liability of companies once it becomes clear how widespread the problem really is. But before the new year, the government should not use the millennium bug to overturn longstanding liability practices. I strongly disagree. We know that our current liability system, longstanding as it may be, is flawed in that it increasingly lends itself to lawsuits of limited merit, but huge downside risks, excessive delays, and creative and often unfair theories of liability. Just as it is irresponsible for people not to take remedial action to avoid the Y2K problem, it would be irresponsible for Congress not to fix our litigation system with respect to its handling of this specific issue, to deal with the flood of potential cases and the enormous, possibly destructive, burden that litigation can impose on potential defendants. Of particular concern to me are the smaller high-technology companies that have been thriving in Washington State and across the Nation. I have met with and heard from numerous representatives from these companies. To them, the threat of abusive litigation is not speculative or illusory; it is real and potentially fatal.

Senator MCCAIN's substitute to S. 96, of which I am a cosponsor, is an improvement in some respects to the bill that we passed out of the Commerce Committee, not in the least because this substitute enjoys bipartisan support. Notably, the substitute modifies the provisions in S. 96 on punitive damages and joint liability. While S. 96 established strict caps on punitive damages, the substitute permits these caps to be pierced if the plaintiff establishes by clear and convincing evidence that the defendant acted with specific intent to injure the plaintiff. The absolute prohibition on joint liability originally contained in S. 96 has also been modified.

The substitute roughly tracks the exceptions to joint liability limits contained in the 1995 securities litigation reform legislation. Rather than to prohibit joint liability in all cases, the substitute permits joint liability, subject to State limits, in situations in which plaintiffs' assets are limited and damages exceed 10 percent of those assets; in situations in which damages cannot be recovered against another defendant; and against defendants who acted with specific intent to injure the plaintiff or who knowingly committed fraud.

Madam President, these changes have been made by Senator MCCAIN in a genuine effort to see to it that the

broad appeal of this bill becomes even broader.

In addition to modifying the limitations on punitive damages and joint liability, the substitute, among other changes, strikes the provision in S. 96 that created the defense for those using reasonable efforts to prevent Y2K problems; modifies the circumstances under which the terms of a written contract will be enforced by recognizing State statutes that limit enforcement of certain terms, and expands the exceptions to the economic loss rule.

Madam President, these are not simple legal concepts. While I think S. 96 has benefitted from more deliberative review by interested parties representing potential plaintiffs and defendants alike, I am still not convinced that the substitute has achieved the precisely correct balance of promoting remedial action, effectively curtailing abusive lawsuits, and not simply changing the way in which plaintiffs plead their cases, and ensuring that plaintiffs have adequate recourse for damages. I nevertheless wholeheartedly support Y2K liability legislation because I believe it is our responsibility to prevent foreseeable litigation that could clog our State and Federal courts and divert enormous resources away from production and toward litigation. The Senate should pass Y2K liability legislation and should do so as soon as possible. I expect that the bill can be further refined and improved during floor debate and again in conference.

I want to add to my formal written remarks my admiration for the tremendous amount of effort that the chairman of the Commerce Committee has put into attempting to see to it that we here end up with a bill that becomes law, even though it requires a number of compromises, rather than simply to become another item of debate and division.

Tort reform, product liability legislation, and medical malpractice legislation are all important national issues, but they are all extremely divisive. In this case, for this particular form of litigation, which has no precedent in the United States, reform is genuinely needed. The Senator from Arizona, the chairman of the Commerce Committee, has brought us a long way along the right road, and I have every confidence that we will finish with success.

Mr. MCCAIN. Madam President, I thank the Senator from Washington for his kind remarks, but most importantly for his deep involvement in this issue. As a former attorney general of his State, he understands these issues better than I do, and his assistance in this effort is extremely valuable and important.

Madam President, I don't have any speakers at this time. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. HOLLINGS. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. HOLLINGS. Madam President, the distinguished Senator from Arizona, our chairman, talked about frivolous lawsuits and deep pockets and glitches. It strikes this Senator that what we have ongoing at the moment are computer glitches. Every now and again, we all run into it—on my computer and others' around. Certainly it is an industry that has deep pockets, is worth billions of dollars, and some never have made a profit. But the market is valuable, with investments in the billions of dollars. So with glitches and deep pockets, you would think, by the description about frivolous lawsuits, that there would be lawyers all running around with frivolous lawsuits, saying, "they got deep pockets," and there are glitches, and everybody would be suing everybody.

Of course, that just proves the contention of the need for this bill. You go from the different styles. I was here when they went after the oil money. I was here when the oil went after the milk money. Now, in 2000, they are going after Silicon Valley and everybody is running out there to get their money and their blessing, and they never had any lawyers before, or any representatives. Now they have them all marching into Washington. But other than the politics, the business community is taking care of it.

I refer, if the distinguished Presiding Officer pleases, to the March 1 issue of *Business Week*. On page 30, it says:

Lloyd Davis is feeling squeezed. In 1998, his \$2 million, 25-employee fertilizer-equipment business was buffeted by the harsh winds that swept the farm community. This year, his Golden Plains Agricultural Technologies, Inc. in Colby, Kansas, is getting slammed by Y2K. Davis needs \$71,000 to make his computer systems bug-free by January 1. But he has been able to rustle up only the \$39,000. His bank has denied him a loan because—ironically—he's not Y2K-ready. But Davis knows he must make the fixes or lose business. "Our big customers aren't going to wait much longer," he frets.

Golden Plains and thousands of other small businesses are getting a dire ultimatum from the big corporations they sell to: Get ready for Y2K, or get lost. Multinationals such as General Motors, McDonald's, Nike, and Deere are making the first quarter—or the second at the latest—the deadline for partners and vendors to prove they're bug-free. A recent survey by consultants at Gemini America says 69 percent of the 2,000 largest companies will stop doing business with companies that can't pass muster. The National Federation of Independent Business figures more than 1 million companies with 100 workers or fewer won't make the cut, and as many as half will lose big chunks of business or even fail.

I am glad the market is taking care of them so we will not have to sue them. So the products we get will be sound.

Reading further:

Cutting thousands of companies out of the supply chain might strain supply lines and could even crimp output. But most CEOs fig-

ure it'll be cheaper in the long run to avoid bugs in the first place.

But most CEOs figure it'll be cheaper in the long run to avoid bugs in the first place.

Here they have 7½ months to get rid of the bugs. Here, with this particular article, they had 10 months to get rid of all the bugs. The technology has been on course for over 30 years. Everyone has been talking about it. We passed special legislation in the debate last year to set aside the antitrust provisions so they could work together. And, yet, some still are going to lag and not do business.

This is why one of the leading computerization experts in the world just an hour ago in my office said, "Senator, don't pass this bill." He said, "I will use it for competition." Those who do not compete, who won't comply, and who won't get Y2K ready, ought to fall by the wayside, as this article and my friend were pointing out.

I quote again from the article:

Some small outfits are already losing key customers. In the past year, Prudential Insurance Co. has cut nine suppliers from its "critical" list of more than 3,000 core vendors, and it continues to look for weak links, says the Vice President for Information Systems at the company. At Citibank . . . cuts have already been made.

Reading again:

Big U.S. companies are not sugarcoating the problem.

. . . "if a vendor is not up to speed by April or May," Rabat says, "it's serious crunch time."

Here it is 6 months away. We are going to pass emergency legislation for glitches and deep pockets. We have had glitches and deep pockets all during the 1990s, and there is no trillion dollars' worth of lawsuits and frivolous lawsuits.

That gets me to the point where I can tell you that the real lawyers who bring any cases don't have any time to bring frivolous lawsuits. They are not worth it. They can't get anything for it. And they don't get paid unless they win. And if they win, they have to prove to a 12-man jury and withstand all of the legal motions, delays, and everything else. So the real attorneys just do not bring frivolous lawsuits.

Later, when we get into the full debate on the measure, I will have the documents to prove that from the Rand Corporation.

Quoting further from the article:

Through the Automotive Industry Action Group, GM and other car makers have set March 31 deadlines for vendors to become Y2K compliant.

Madam President, that is just 5 days from now.

In March, members of the Grocery Manufacturers of America will meet with their counterparts from the Food Marketing Institute to launch similar efforts. Other companies are sending a warning to laggards—and shifting business to the tech-savvy. "Y2K can be a great opportunity to clean up and modernize the supply chain," says Roland S. Boreham, Jr., chairman of the board of Baldor Electric Co. in Fort Smith, ARK.

There is a statement. This particular so-called "problem" is cleaning out the

inept, the inadequate, the incompetent, the uncompliant. But what they want to do is pass laws and change around all the States' tort systems for manufactured product downtown at the Chamber of Commerce, and that you will find in the political polls, so we can write out to Silicon Valley and say, "Look what I have done for you. I am looking out for you. Just contribute to my campaign."

That is all this is—another political exercise this week.

Quoting further:

The World Bank has shelled out \$72 million in loans and grants to Y2K-stressed nations, including Argentina and Sri Lanka. AT&T alone has spent \$900 million fixing its systems.

It goes on and on in the article.

Madam President, the point here is, we are trying to solve a political problem, not a business problem. It is one to get the contributions from Silicon Valley. It is one that has put up a straw man about a trillion dollars' worth of verdicts and all of that. That is outrageous nonsense. We haven't had over \$12 billion in product liability cumulatively in this Nation since the incidents of product liability, but every week we see some automobile company recalling 100,000. The week before last, it was a 1-million-car callback for retrofitting and everything else. Why? Because some good trial lawyer brought some good case and on the safety basis has saved many, many from injury and death.

No, I take the position of the lawyers in reality who really try the cases. They have deep pockets, and they are all there now, and they are all prospering and making more money. They haven't come to Washington to say, "Look, you know the changes that we have in computers." They change every other year—now almost yearly. So there is another new model. So there is a glitch. But people do not run around suing everybody on some kind of glitch. It is a business contract in the purchase under the Uniform Commercial Code to be controlled, and only when there is a fraudulent breach do we get into law, and tort law, which is State tort law.

I don't think we are going to change under this stampede here about what a grand thing we have—bipartisanship. Oh, no. It is as partisan as it can be for those trying to get their money, be they Republican or Democrat, out there in the Silicon Valley campaign.

I yield the floor and retain the remainder of my time.

I suggest the absence of a quorum to be divided by unanimous consent between both sides.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

Mr. DORGAN. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

The PRESIDING OFFICER (Mr. BROWNBACK). Without objection, it is so ordered.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, pursuant to rule XXII, the Chair lays before the Senate the pending cloture motion, which the clerk will state.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on the motion to proceed to Calendar No. 34, S. 96, the Y2K legislation:

Trent Lott, John McCain, Rick Santorum, Spencer Abraham, Judd Gregg, Pat Roberts, Wayne Allard, Rod Grams, Jon Kyl, Larry Craig, Bob Smith, Craig Thomas, Paul Coverdell, Pete Domenici, Don Nickles, and Phil Gramm.

VOTE

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on the motion to proceed to the consideration of S. 96, the Y2K Act, shall be brought to a close? The yeas and nays are required under the rule. The clerk will call the roll.

The legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Texas (Mrs. HUTCHISON) and the Senator from Alaska (Mr. MURKOWSKI) are necessarily absent.

Mr. REID. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mrs. BOXER), and the Senator from New Jersey (Mr. LAUTENBERG), are necessarily absent.

I also announce that the Senator from New York (Mr. MOYNIHAN) is absent due to surgery.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) would vote "aye."

The yeas and nays resulted—yeas 94, nays 0, as follows:

[Rollcall Vote No. 91 Leg.]

YEAS—94

Abraham	Edwards	Lieberman
Akaka	Enzi	Lincoln
Allard	Feingold	Lott
Ashcroft	Feinstein	Lugar
Baucus	Fitzgerald	Mack
Bayh	Frist	McCain
Bennett	Gorton	McConnell
Bingaman	Graham	Mikulski
Bond	Gramm	Murray
Breaux	Grams	Nickles
Brownback	Grassley	Reed
Bryan	Gregg	Reid
Bunning	Hagel	Robb
Burns	Harkin	Roberts
Byrd	Hatch	Rockefeller
Campbell	Helms	Roth
Chafee	Hollings	Santorum
Cleland	Hutchinson	Sarbanes
Cochran	Inhofe	Schumer
Collins	Inouye	Sessions
Conrad	Jeffords	Shelby
Coverdell	Johnson	Smith (NH)
Craig	Kennedy	Smith (OR)
Crapo	Kerrey	Snowe
Daschle	Kerry	Specter
DeWine	Kohl	Stevens
Dodd	Kyl	Thomas
Domenici	Landriau	Thompson
Dorgan	Leahy	
Durbin	Levin	

Thurmond	Voinovich	Wellstone
Torricelli	Warner	Wyden

NOT VOTING—6

Biden	Hutchison	Moynihan
Boxer	Lautenberg	Murkowski

The PRESIDING OFFICER. On this vote the yeas are 94, the nays are 0. Three-fifths of the Senators duly chosen and sworn having voted in the affirmative, the motion is agreed to.

UNANIMOUS CONSENT AGREEMENT—S. 96

Mr. MCCAIN. Mr. President, I ask unanimous consent that at 11:30 a.m. on Tuesday, April 27, the Senate proceed to the consideration of S. 96, the Y2K legislation.

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

Mr. LOTT addressed the Chair.

The PRESIDING OFFICER (Mr. FITZGERALD). The majority leader is recognized.

MORNING BUSINESS

Mr. LOTT. Mr. President, I ask unanimous consent that the Senate now proceed to a period of morning business, with Senators permitted to speak therein for up to 10 minutes each.

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

APPOINTMENTS

The PRESIDING OFFICER. The Chair announces, on behalf of the Majority Leader, pursuant to the provisions of S. Res. 105 (adopted April 13, 1989), as amended by S. Res. 149 (adopted October 5, 1993), as amended by Public Law 105-275, and further amended by S. Res. 75 (adopted March 25, 1999), the appointment of the following Senators to serve as members of the Senate National Security Working Group:

The Senator from Mississippi (Mr. COCHRAN) (Majority Administrative Co-chairman);

The Senator from Alaska (Mr. STEVENS) (Majority Cochairman);

The Senator from Arizona (Mr. KYL) (Majority Cochairman);

The Senator from North Carolina (Mr. HELMS);

The Senator from Indiana (Mr. LUGAR);

The Senator from Virginia (Mr. WARNER);

The Senator from Oklahoma (Mr. INHOFE); and

The Senator from Wyoming (Mr. ENZI).

H. CON. RES. 68—CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000

On March 25, 1999, the Senate passed H. Con. Res. 68, the concurrent resolution on the budget for fiscal year 2000. Printing of the resolution on April 14, 1999, failed to reflect the Senate amendment thereto. H. Con. Res. 68, as amended, follows:

Resolved, That the resolution from the House of Representatives (H. Con. Res. 68) entitled "Concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2000 and setting forth appropriate budgetary levels for each of fiscal years 2001 through 2009.", do pass with the following amendment:

Strike out all after the resolving clause and insert:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2000.*(a) DECLARATION.—*

(1) IN GENERAL.—Congress determines and declares that this resolution is the concurrent resolution on the budget for fiscal year 2000 including the appropriate budgetary levels for fiscal years 2001 through 2009 as authorized by section 301 of the Congressional Budget Act of 1974.

(2) FISCAL YEAR 1999 BUDGET RESOLUTION.—S. Res. 312, approved October 21, 1998, (105th Congress) shall be considered to be the concurrent resolution on the budget for fiscal year 1999.

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

Sec. 1. Concurrent resolution on the budget for fiscal year 2000.

TITLE I—LEVELS AND AMOUNTS

Sec. 101. Recommended levels and amounts.

Sec. 102. Social Security.

Sec. 103. Major functional categories.

Sec. 104. Reconciliation of revenue reductions in the Senate.

Sec. 105. Reconciliation of revenue reductions in the House of Representatives.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

Sec. 201. Reserve fund for agriculture.

Sec. 202. Tax reduction reserve fund in the Senate.

Sec. 203. Clarification on the application of section 202 of H. Con. Res. 67.

Sec. 204. Emergency designation point of order.

Sec. 205. Authority to provide committee allocations.

Sec. 206. Deficit-neutral reserve fund for use of OCS receipts.

Sec. 207. Deficit-neutral reserve fund for managed care plans that agree to provide additional services to the elderly.

Sec. 208. Reserve fund for medicare and prescription drugs.

Sec. 209. Exercise of rulemaking powers.

Sec. 210. Deficit-neutral reserve fund to foster the employment and independence of individuals with disabilities.

TITLE III—SENSE OF THE CONGRESS AND THE SENATE

Sec. 301. Sense of the Senate on marriage penalty.

Sec. 302. Sense of the Senate on improving security for United States diplomatic missions.

Sec. 303. Sense of the Senate on access to medicare home health services.

Sec. 304. Sense of the Senate regarding the deductibility of health insurance premiums of the self-employed.

Sec. 305. Sense of the Senate that tax reductions should go to working families.

Sec. 306. Sense of the Senate on the National Guard.

Sec. 307. Sense of the Senate on effects of Social Security reform on women.

Sec. 308. Sense of the Senate on increased funding for the national institutes of health.

Sec. 309. Sense of Congress on funding for Kyoto protocol implementation prior to Senate ratification.

Sec. 310. Sense of the Senate on Federal research and development investment.

Sec. 311. Sense of the Senate on counter-narcotics funding.

Sec. 312. Sense of the Senate regarding tribal colleges.

Sec. 313. Sense of the Senate on the Social Security surplus.

Sec. 314. Sense of the Senate on need-based student financial aid programs.

Sec. 315. Findings; sense of Congress on the protection of the Social Security surpluses.

Sec. 316. Sense of the Senate on providing adequate funding for United States international leadership.

Sec. 317. Sense of the Senate that the Federal Government should not invest the Social Security Trust Funds in private financial markets.

Sec. 318. Sense of the Senate concerning on-budget surplus.

Sec. 319. Sense of the Senate on TEA-21 funding and the States.

Sec. 320. Sense of the Senate that agricultural risk management programs should benefit livestock producers.

Sec. 321. Sense of the Senate regarding the modernization and improvement of the Medicare program.

Sec. 322. Sense of the Senate on providing tax relief to all Americans by returning non-Social Security surplus to taxpayers.

Sec. 323. Sense of the Senate regarding tax incentives for education savings.

Sec. 324. Sense of the Senate that the One Hundred Sixth Congress, First Session should reauthorize funds for the Farmland Protection Program.

Sec. 325. Sense of the Senate on tax cuts for lower and middle income taxpayers.

Sec. 326. Sense of the Senate regarding reform of the Internal Revenue Code of 1986.

Sec. 327. Sense of the Senate regarding Davis-Bacon.

Sec. 328. Sense of the Senate regarding access to items and services under Medicare program.

Sec. 329. Sense of the Senate concerning autism.

Sec. 330. Sense of the Senate on women's access to obstetric and gynecological services.

Sec. 331. Sense of the Senate on LIHEAP.

Sec. 332. Sense of the Senate on transportation firewalls.

Sec. 333. Sense of the Senate on funding existing, effective public health programs before creating new programs.

Sec. 334. Sense of the Senate concerning funding for special education.

Sec. 335. Sense of the Senate on the importance of Social Security for individuals who become disabled.

Sec. 336. Sense of the Senate regarding funding for intensive firearms prosecution programs.

Sec. 337. Honest reporting of the deficit.

Sec. 338. Sense of the Senate concerning fostering the employment and independence of individuals with disabilities.

Sec. 339. Sense of the Senate regarding asset-building for the working poor.

Sec. 340. Sense of the Senate that the provisions of this resolution assume that it is the policy of the United States to provide as soon as is technologically possible an education for every American child that will enable each child to effectively meet the challenges of the twenty-first century.

Sec. 341. Sense of the Senate concerning exemption of agricultural commodities and products, medicines, and medical products from unilateral economic sanctions.

Sec. 342. Sense of the Senate regarding capital gains tax fairness for family farmers.

Sec. 343. Budgeting for the Defense Science and Technology Program.

Sec. 344. Sense of the Senate concerning funding for the Urban Parks and Recreation Recovery (UPARR) program.

Sec. 345. Sense of the Senate on social promotion.

Sec. 346. Sense of the Senate on women and Social Security reform.

Sec. 347. Sense of the Congress regarding South Korea's international trade practices on pork and beef.

Sec. 348. Sense of the Senate regarding support for State and local law enforcement.

Sec. 349. Sense of the Senate on merger enforcement by Department of Justice.

Sec. 350. Sense of the Senate to create a task force to pursue the creation of a natural disaster reserve fund.

Sec. 351. Sense of the Senate concerning Federal tax relief.

Sec. 352. Sense of the Senate on eliminating the marriage penalty and across-the-board income tax rate cuts.

Sec. 353. Sense of the Senate on importance of funding for embassy security.

Sec. 354. Sense of the Senate on funding for after school education.

Sec. 355. Sense of the Senate concerning recovery of funds by the Federal Government in tobacco-related litigation.

Sec. 356. Sense of the Senate on offsetting inappropriate emergency spending.

Sec. 357. Findings; sense of Congress on the President's fiscal year 2000 budget proposal to tax association investment income.

Sec. 358. Sense of the Senate regarding funding for counter-narcotics initiatives.

Sec. 359. Sense of the Senate on modernizing America's schools.

Sec. 360. Sense of the Senate concerning funding for the land and water conservation fund.

Sec. 361. Sense of the Senate regarding support for Federal, State and local law enforcement and for the Violent Crime Reduction Trust Fund.

Sec. 362. Sense of the Senate regarding Social Security notch babies.

TITLE I—LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 2000 through 2009:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2000: \$1,401,979,000,000.
 Fiscal year 2001: \$1,435,931,000,000.
 Fiscal year 2002: \$1,455,992,000,000.
 Fiscal year 2003: \$1,532,014,000,000.
 Fiscal year 2004: \$1,585,969,000,000.
 Fiscal year 2005: \$1,649,259,000,000.
 Fiscal year 2006: \$1,682,788,000,000.
 Fiscal year 2007: \$1,737,451,000,000.
 Fiscal year 2008: \$1,807,417,000,000.
 Fiscal year 2009: \$1,870,513,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be changed are as follows:

Fiscal year 2000: \$0.
 Fiscal year 2001: — \$6,716,000,000.
 Fiscal year 2002: — \$52,284,000,000.
 Fiscal year 2003: — \$31,305,000,000.
 Fiscal year 2004: — \$48,180,000,000.
 Fiscal year 2005: — \$61,637,000,000.
 Fiscal year 2006: — \$107,925,000,000.
 Fiscal year 2007: — \$133,949,000,000.
 Fiscal year 2008: — \$148,792,000,000.
 Fiscal year 2009: — \$175,197,000,000.

(2) NEW BUDGET AUTHORITY.—For purposes of the enforcement of this resolution, the appropriate levels of total new budget authority are as follows:

Fiscal year 2000: \$1,426,931,000,000.
 Fiscal year 2001: \$1,457,294,000,000.
 Fiscal year 2002: \$1,488,477,000,000.
 Fiscal year 2003: \$1,561,513,000,000.
 Fiscal year 2004: \$1,613,278,000,000.
 Fiscal year 2005: \$1,666,843,000,000.
 Fiscal year 2006: \$1,698,902,000,000.
 Fiscal year 2007: \$1,754,567,000,000.
 Fiscal year 2008: \$1,815,739,000,000.
 Fiscal year 2009: \$1,875,969,000,000.

(3) BUDGET OUTLAYS.—For purposes of the enforcement of this resolution, the appropriate levels of total budget outlays are as follows:

Fiscal year 2000: \$1,408,292,000,000.
 Fiscal year 2001: \$1,435,931,000,000.
 Fiscal year 2002: \$1,455,992,000,000.
 Fiscal year 2003: \$1,532,014,000,000.
 Fiscal year 2004: \$1,583,070,000,000.
 Fiscal year 2005: \$1,639,428,000,000.
 Fiscal year 2006: \$1,667,958,000,000.
 Fiscal year 2007: \$1,717,688,000,000.
 Fiscal year 2008: \$1,782,597,000,000.
 Fiscal year 2009: \$1,842,697,000,000.

(4) DEFICITS OR SURPLUSES.—For purposes of the enforcement of this resolution, the amounts of the deficits or surpluses are as follows:

Fiscal year 2000: — \$6,313,000,000.

Fiscal year 2001: \$0.

Fiscal year 2002: \$0.

Fiscal year 2003: \$0.

Fiscal year 2004: \$2,899,000,000.

Fiscal year 2005: \$9,831,000,000.

Fiscal year 2006: \$14,830,000,000.

Fiscal year 2007: \$19,763,000,000.

Fiscal year 2008: \$24,820,000,000.

Fiscal year 2009: \$27,816,000,000.

(5) PUBLIC DEBT.—The appropriate levels of the public debt are as follows:

Fiscal year 2000: \$5,635,900,000,000.

Fiscal year 2001: \$5,716,100,000,000.

Fiscal year 2002: \$5,801,000,000,000.

Fiscal year 2003: \$5,885,000,000,000.

Fiscal year 2004: \$5,962,200,000,000.

Fiscal year 2005: \$6,029,400,000,000.

Fiscal year 2006: \$6,088,100,000,000.

Fiscal year 2007: \$6,138,900,000,000.

Fiscal year 2008: \$6,175,100,000,000.

Fiscal year 2009: \$6,203,500,000,000.

(6) DEBT HELD BY THE PUBLIC.—The appropriate levels of the debt held by the public are as follows:

Fiscal year 2000: \$3,510,000,000,000.

Fiscal year 2001: \$3,377,700,000,000.

Fiscal year 2002: \$3,236,900,000,000.

Fiscal year 2003: \$3,088,200,000,000.

Fiscal year 2004: \$2,926,000,000,000.

Fiscal year 2005: \$2,742,900,000,000.

Fiscal year 2006: \$2,544,200,000,000.

Fiscal year 2007: \$2,329,100,000,000.

Fiscal year 2008: \$2,099,500,000,000.

Fiscal year 2009: \$1,861,100,000,000.

SEC. 102. SOCIAL SECURITY.

(a) SOCIAL SECURITY REVENUES.—For purposes of Senate enforcement under sections 302, and 311 of the Congressional Budget Act of 1974, the amounts of revenues of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2000: \$468,020,000,000.

Fiscal year 2001: \$487,744,000,000.

Fiscal year 2002: \$506,293,000,000.

Fiscal year 2003: \$527,326,000,000.

Fiscal year 2004: \$549,876,000,000.

Fiscal year 2005: \$576,840,000,000.

Fiscal year 2006: \$601,834,000,000.

Fiscal year 2007: \$628,277,000,000.

Fiscal year 2008: \$654,422,000,000.

Fiscal year 2009: \$681,313,000,000.

(b) SOCIAL SECURITY OUTLAYS.—For purposes of Senate enforcement under sections 302, and 311 of the Congressional Budget Act of 1974, the amounts of outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund are as follows:

Fiscal year 2000: \$327,256,000,000.

Fiscal year 2001: \$339,789,000,000.
 Fiscal year 2002: \$350,127,000,000.
 Fiscal year 2003: \$362,197,000,000.
 Fiscal year 2004: \$375,253,000,000.
 Fiscal year 2005: \$389,485,000,000.
 Fiscal year 2006: \$404,596,000,000.
 Fiscal year 2007: \$420,616,000,000.
 Fiscal year 2008: \$438,132,000,000.
 Fiscal year 2009: \$459,496,000,000.

SEC. 103. MAJOR FUNCTIONAL CATEGORIES.

Congress determines and declares that the appropriate levels of new budget authority, budget outlays, new direct loan obligations, and new primary loan guarantee commitments for fiscal years 2000 through 2009 for each major functional category are:

(1) National Defense (050):

Fiscal year 2000:

(A) New budget authority, \$288,812,000,000.
 (B) Outlays, \$274,567,000,000.

Fiscal year 2001:

(A) New budget authority, \$303,616,000,000.
 (B) Outlays, \$285,949,000,000.

Fiscal year 2002:

(A) New budget authority, \$308,175,000,000.
 (B) Outlays, \$291,714,000,000.

Fiscal year 2003:

(A) New budget authority, \$318,277,000,000.
 (B) Outlays, \$303,642,000,000.

Fiscal year 2004:

(A) New budget authority, \$327,166,000,000.
 (B) Outlays, \$313,460,000,000.

Fiscal year 2005:

(A) New budget authority, \$328,370,000,000.
 (B) Outlays, \$316,675,000,000.

Fiscal year 2006:

(A) New budget authority, \$329,600,000,000.
 (B) Outlays, \$315,111,000,000.

Fiscal year 2007:

(A) New budget authority, \$330,870,000,000.
 (B) Outlays, \$313,687,000,000.

Fiscal year 2008:

(A) New budget authority, \$332,176,000,000.
 (B) Outlays, \$317,103,000,000.

Fiscal year 2009:

(A) New budget authority, \$333,452,000,000.
 (B) Outlays, \$318,041,000,000.

(2) International Affairs (150):

Fiscal year 2000:

(A) New budget authority, \$12,511,000,000.
 (B) Outlays, \$14,850,000,000.

Fiscal year 2001:

(A) New budget authority, \$12,716,000,000.
 (B) Outlays, \$15,362,000,000.

Fiscal year 2002:

(A) New budget authority, \$11,985,000,000.
 (B) Outlays, \$14,781,000,000.

Fiscal year 2003:

(A) New budget authority, \$13,590,000,000.
 (B) Outlays, \$14,380,000,000.

Fiscal year 2004:

(A) New budget authority, \$14,494,000,000.
 (B) Outlays, \$14,133,000,000.

Fiscal year 2005:

(A) New budget authority, \$14,651,000,000.
 (B) Outlays, \$13,807,000,000.

Fiscal year 2006:

(A) New budget authority, \$14,834,000,000.
 (B) Outlays, \$13,513,000,000.

Fiscal year 2007:

(A) New budget authority, \$14,929,000,000.
 (B) Outlays, \$13,352,000,000.

Fiscal year 2008:

(A) New budget authority, \$14,998,000,000.
 (B) Outlays, \$13,181,000,000.

Fiscal year 2009:

(A) New budget authority, \$14,962,000,000.
 (B) Outlays, \$13,054,000,000.

(3) General Science, Space, and Technology (250):

Fiscal year 2000:

(A) New budget authority, \$17,955,000,000.
 (B) Outlays, \$18,214,000,000.

Fiscal year 2001:

(A) New budget authority, \$17,946,000,000.
 (B) Outlays, \$17,907,000,000.

Fiscal year 2002:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,880,000,000.

Fiscal year 2003:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,784,000,000.

Fiscal year 2004:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,772,000,000.

Fiscal year 2005:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,768,000,000.

Fiscal year 2006:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,768,000,000.

Fiscal year 2007:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,768,000,000.

Fiscal year 2008:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,768,000,000.

Fiscal year 2009:

(A) New budget authority, \$17,912,000,000.
 (B) Outlays, \$17,768,000,000.

(4) Energy (270):

Fiscal year 2000:

(A) New budget authority, \$49,000,000.
 (B) Outlays, — \$650,000,000.

Fiscal year 2001:

(A) New budget authority, — \$1,435,000,000.
 (B) Outlays, — \$3,136,000,000.

Fiscal year 2002:

(A) New budget authority, — \$163,000,000.
 (B) Outlays, — \$1,138,000,000.

Fiscal year 2003:

(A) New budget authority, — \$84,000,000.
 (B) Outlays, — \$1,243,000,000.

Fiscal year 2004:

(A) New budget authority, — \$319,000,000.
 (B) Outlays, — \$1,381,000,000.

Fiscal year 2005:

(A) New budget authority, — \$447,000,000.
 (B) Outlays, — \$1,452,000,000.

Fiscal year 2006:

(A) New budget authority, — \$452,000,000.
 (B) Outlays, — \$1,453,000,000.

Fiscal year 2007:

(A) New budget authority, — \$506,000,000.
 (B) Outlays, — \$1,431,000,000.

Fiscal year 2008:

(A) New budget authority, — \$208,000,000.
 (B) Outlays, — \$1,137,000,000.

Fiscal year 2009:

(A) New budget authority, — \$76,000,000.
 (B) Outlays, — \$1,067,000,000.

(5) Natural Resources and Environment (300):

Fiscal year 2000:

(A) New budget authority, \$21,720,000,000.
 (B) Outlays, \$22,444,000,000.

Fiscal year 2001:

(A) New budget authority, \$21,183,000,000.
 (B) Outlays, \$21,729,000,000.

Fiscal year 2002:

(A) New budget authority, \$20,747,000,000.
 (B) Outlays, \$21,023,000,000.

Fiscal year 2003:

(A) New budget authority, \$22,479,000,000.
 (B) Outlays, \$22,579,000,000.

Fiscal year 2004:

(A) New budget authority, \$22,492,000,000.
 (B) Outlays, \$22,503,000,000.

Fiscal year 2005:

(A) New budget authority, \$22,536,000,000.
 (B) Outlays, \$22,429,000,000.

Fiscal year 2006:

(A) New budget authority, \$22,566,000,000.
 (B) Outlays, \$22,466,000,000.

Fiscal year 2007:

(A) New budget authority, \$22,667,000,000.
 (B) Outlays, \$22,425,000,000.

Fiscal year 2008:

(A) New budget authority, \$22,658,000,000.
 (B) Outlays, \$22,361,000,000.

Fiscal year 2009:

(A) New budget authority, \$23,041,000,000.
 (B) Outlays, \$22,738,000,000.

(6) Agriculture (350):

Fiscal year 2000:

(A) New budget authority, \$14,831,000,000.

(B) Outlays, \$13,660,000,000.

Fiscal year 2001:

(A) New budget authority, \$13,519,000,000.
 (B) Outlays, \$11,279,000,000.

Fiscal year 2002:

(A) New budget authority, \$11,288,000,000.
 (B) Outlays, \$9,536,000,000.

Fiscal year 2003:

(A) New budget authority, \$11,955,000,000.
 (B) Outlays, \$10,252,000,000.

Fiscal year 2004:

(A) New budget authority, \$12,072,000,000.
 (B) Outlays, \$10,526,000,000.

Fiscal year 2005:

(A) New budget authority, \$10,553,000,000.
 (B) Outlays, \$9,882,000,000.

Fiscal year 2006:

(A) New budget authority, \$10,609,000,000.
 (B) Outlays, \$9,083,000,000.

Fiscal year 2007:

(A) New budget authority, \$10,711,000,000.
 (B) Outlays, \$9,145,000,000.

Fiscal year 2008:

(A) New budget authority, \$10,763,000,000.
 (B) Outlays, \$9,162,000,000.

Fiscal year 2009:

(A) New budget authority, \$10,853,000,000.
 (B) Outlays, \$9,223,000,000.

(7) Commerce and Housing Credit (370):

Fiscal year 2000:

(A) New budget authority, \$9,664,000,000.
 (B) Outlays, \$4,270,000,000.

Fiscal year 2001:

(A) New budget authority, \$10,620,000,000.
 (B) Outlays, \$5,754,000,000.

Fiscal year 2002:

(A) New budget authority, \$14,450,000,000.
 (B) Outlays, \$10,188,000,000.

Fiscal year 2003:

(A) New budget authority, \$14,529,000,000.
 (B) Outlays, \$10,875,000,000.

Fiscal year 2004:

(A) New budget authority, \$13,859,000,000.
 (B) Outlays, \$10,439,000,000.

Fiscal year 2005:

(A) New budget authority, \$12,660,000,000.
 (B) Outlays, \$9,437,000,000.

Fiscal year 2006:

(A) New budget authority, \$12,635,000,000.
 (B) Outlays, \$9,130,000,000.

Fiscal year 2007:

(A) New budget authority, \$12,666,000,000.
 (B) Outlays, \$8,879,000,000.

Fiscal year 2008:

(A) New budget authority, \$12,642,000,000.
 (B) Outlays, \$8,450,000,000.

Fiscal year 2009:

(A) New budget authority, \$13,415,000,000.
 (B) Outlays, \$8,824,000,000.

(8) Transportation (400):

Fiscal year 2000:

(A) New budget authority, \$51,325,000,000.
 (B) Outlays, \$45,333,000,000.

Fiscal year 2001:

(A) New budget authority, \$51,128,000,000.
 (B) Outlays, \$47,711,000,000.

Fiscal year 2002:

(A) New budget authority, \$51,546,000,000.
 (B) Outlays, \$47,765,000,000.

Fiscal year 2003:

(A) New budget authority, \$52,477,000,000.
 (B) Outlays, \$46,720,000,000.

Fiscal year 2004:

(A) New budget authority, \$52,580,000,000.
 (B) Outlays, \$46,207,000,000.

Fiscal year 2005:

(A) New budget authority, \$52,609,000,000.
 (B) Outlays, \$46,022,000,000.

Fiscal year 2006:

(A) New budget authority, \$52,640,000,000.
 (B) Outlays, \$45,990,000,000.

Fiscal year 2007:

(A) New budget authority, \$52,673,000,000.
 (B) Outlays, \$45,990,000,000.

Fiscal year 2008:

(A) New budget authority, \$52,707,000,000.
 (B) Outlays, \$46,007,000,000.

Fiscal year 2009:

- (A) New budget authority, \$52,742,000,000.
 (B) Outlays, \$46,033,000,000.
 (9) Community and Regional Development (450):
 Fiscal year 2000:
 (A) New budget authority, \$5,343,000,000.
 (B) Outlays, \$10,273,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$2,704,000,000.
 (B) Outlays, \$7,517,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$1,889,000,000.
 (B) Outlays, \$4,667,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$2,042,000,000.
 (B) Outlays, \$2,964,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$2,037,000,000.
 (B) Outlays, \$2,120,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$2,030,000,000.
 (B) Outlays, \$1,234,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$2,027,000,000.
 (B) Outlays, \$931,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$2,021,000,000.
 (B) Outlays, \$795,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$2,019,000,000.
 (B) Outlays, \$724,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$2,013,000,000.
 (B) Outlays, \$688,000,000.
 (10) Education, Training, Employment, and Social Services (500):
 Fiscal year 2000:
 (A) New budget authority, \$67,373,000,000.
 (B) Outlays, \$63,994,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$66,549,000,000.
 (B) Outlays, \$65,355,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$67,295,000,000.
 (B) Outlays, \$66,037,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$73,334,000,000.
 (B) Outlays, \$68,531,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$76,648,000,000.
 (B) Outlays, \$72,454,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$77,464,000,000.
 (B) Outlays, \$75,891,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$78,229,000,000.
 (B) Outlays, \$77,189,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$79,133,000,000.
 (B) Outlays, \$78,119,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$80,144,000,000.
 (B) Outlays, \$79,109,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$80,051,000,000.
 (B) Outlays, \$79,059,000,000.
 (11) Health (550):
 Fiscal year 2000:
 (A) New budget authority, \$156,181,000,000.
 (B) Outlays, \$152,986,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$164,089,000,000.
 (B) Outlays, \$162,357,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$173,330,000,000.
 (B) Outlays, \$173,767,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$184,679,000,000.
 (B) Outlays, \$185,330,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$197,893,000,000.
 (B) Outlays, \$198,499,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$212,821,000,000.
 (B) Outlays, \$212,637,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$228,379,000,000.
 (B) Outlays, \$228,323,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$246,348,000,000.
 (B) Outlays, \$245,472,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$265,160,000,000.
 (B) Outlays, \$264,420,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$285,541,000,000.
 (B) Outlays, \$284,941,000,000.
 (12) Medicare (570):
 Fiscal year 2000:
 (A) New budget authority, \$208,652,000,000.
 (B) Outlays, \$208,698,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$222,104,000,000.
 (B) Outlays, \$222,252,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$230,593,000,000.
 (B) Outlays, \$230,222,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$250,743,000,000.
 (B) Outlays, \$250,871,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$268,558,000,000.
 (B) Outlays, \$268,738,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$295,574,000,000.
 (B) Outlays, \$295,188,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$306,772,000,000.
 (B) Outlays, \$306,929,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$337,566,000,000.
 (B) Outlays, \$337,761,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$365,642,000,000.
 (B) Outlays, \$365,225,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$394,078,000,000.
 (B) Outlays, \$394,249,000,000.
 (13) Income Security (600):
 Fiscal year 2000:
 (A) New budget authority, \$244,390,000,000.
 (B) Outlays, \$248,088,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$251,873,000,000.
 (B) Outlays, \$257,750,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$264,620,000,000.
 (B) Outlays, \$267,411,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$277,386,000,000.
 (B) Outlays, \$277,175,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$286,576,000,000.
 (B) Outlays, \$286,388,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$298,942,000,000.
 (B) Outlays, \$299,128,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$305,655,000,000.
 (B) Outlays, \$305,943,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$312,047,000,000.
 (B) Outlays, \$312,753,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$325,315,000,000.
 (B) Outlays, \$326,666,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$335,562,000,000.
 (B) Outlays, \$337,102,000,000.
 (14) Veterans Benefits and Services (700):
 Fiscal year 2000:
 (A) New budget authority, \$46,724,000,000.
 (B) Outlays, \$47,064,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$44,255,000,000.
 (B) Outlays, \$44,980,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$44,728,000,000.
 (B) Outlays, \$45,117,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$45,536,000,000.
 (B) Outlays, \$46,024,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$45,862,000,000.
 (B) Outlays, \$46,327,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$48,341,000,000.
 (B) Outlays, \$48,844,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$46,827,000,000.
 (B) Outlays, \$47,373,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$47,377,000,000.
 (B) Outlays, \$45,803,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$47,959,000,000.
 (B) Outlays, \$48,505,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$48,578,000,000.
 (B) Outlays, \$49,150,000,000.
 (15) Administration of Justice (750):
 Fiscal year 2000:
 (A) New budget authority, \$23,434,000,000.
 (B) Outlays, \$25,349,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$24,656,000,000.
 (B) Outlays, \$25,117,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$24,657,000,000.
 (B) Outlays, \$24,932,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$24,561,000,000.
 (B) Outlays, \$24,425,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$24,467,000,000.
 (B) Outlays, \$24,356,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$24,355,000,000.
 (B) Outlays, \$24,242,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$24,242,000,000.
 (B) Outlays, \$24,121,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$24,114,000,000.
 (B) Outlays, \$23,996,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$23,989,000,000.
 (B) Outlays, \$23,885,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$23,833,000,000.
 (B) Outlays, \$23,720,000,000.
 (16) General Government (800):
 Fiscal year 2000:
 (A) New budget authority, \$12,339,000,000.
 (B) Outlays, \$13,476,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$11,916,000,000.
 (B) Outlays, \$12,605,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$12,080,000,000.
 (B) Outlays, \$12,282,000,000.
 Fiscal year 2003:
 (A) New budget authority, \$12,083,000,000.
 (B) Outlays, \$12,150,000,000.
 Fiscal year 2004:
 (A) New budget authority, \$12,099,000,000.
 (B) Outlays, \$12,186,000,000.
 Fiscal year 2005:
 (A) New budget authority, \$12,112,000,000.
 (B) Outlays, \$11,906,000,000.
 Fiscal year 2006:
 (A) New budget authority, \$12,134,000,000.
 (B) Outlays, \$11,839,000,000.
 Fiscal year 2007:
 (A) New budget authority, \$12,150,000,000.
 (B) Outlays, \$11,873,000,000.
 Fiscal year 2008:
 (A) New budget authority, \$12,169,000,000.
 (B) Outlays, \$12,064,000,000.
 Fiscal year 2009:
 (A) New budget authority, \$12,178,000,000.
 (B) Outlays, \$11,931,000,000.
 (17) Net Interest (900):
 Fiscal year 2000:
 (A) New budget authority, \$275,682,000,000.
 (B) Outlays, \$275,682,000,000.
 Fiscal year 2001:
 (A) New budget authority, \$271,443,000,000.
 (B) Outlays, \$271,443,000,000.
 Fiscal year 2002:
 (A) New budget authority, \$267,855,000,000.
 (B) Outlays, \$267,855,000,000.
 Fiscal year 2003:

(A) New budget authority, \$265,573,000,000.
(B) Outlays, \$265,573,000,000.

Fiscal year 2004:

(A) New budget authority, \$263,835,000,000.
(B) Outlays, \$263,835,000,000.

Fiscal year 2005:

(A) New budget authority, \$261,411,000,000.
(B) Outlays, \$261,411,000,000.

Fiscal year 2006:

(A) New budget authority, \$259,195,000,000.
(B) Outlays, \$259,195,000,000.

Fiscal year 2007:

(A) New budget authority, \$257,618,000,000.
(B) Outlays, \$257,618,000,000.

Fiscal year 2008:

(A) New budget authority, \$255,177,000,000.
(B) Outlays, \$255,177,000,000.

Fiscal year 2009:

(A) New budget authority, \$253,001,000,000.
(B) Outlays, \$253,001,000,000.

(18) Allowances (920):

Fiscal year 2000:

(A) New budget authority, — \$10,033,000,000.
(B) Outlays, — \$10,094,000,000.

Fiscal year 2001:

(A) New budget authority, — \$8,480,000,000.
(B) Outlays, — \$12,874,000,000.

Fiscal year 2002:

(A) New budget authority, — \$6,437,000,000.
(B) Outlays, — \$19,976,000,000.

Fiscal year 2003:

(A) New budget authority, — \$4,394,000,000.
(B) Outlays, — \$4,835,000,000.

Fiscal year 2004:

(A) New budget authority, — \$4,481,000,000.
(B) Outlays, — \$5,002,000,000.

Fiscal year 2005:

(A) New budget authority, — \$4,515,000,000.
(B) Outlays, — \$5,067,000,000.

Fiscal year 2006:

(A) New budget authority, — \$4,619,000,000.
(B) Outlays, — \$5,192,000,000.

Fiscal year 2007:

(A) New budget authority, — \$5,210,000,000.
(B) Outlays, — \$5,780,000,000.

Fiscal year 2008:

(A) New budget authority, — \$5,279,000,000.
(B) Outlays, — \$5,851,000,000.

Fiscal year 2009:

(A) New budget authority, — \$5,316,000,000.
(B) Outlays, — \$5,889,000,000.

(19) Undistributed Offsetting Receipts (950):

Fiscal year 2000:

(A) New budget authority, — \$34,260,000,000.
(B) Outlays, — \$34,260,000,000.

Fiscal year 2001:

(A) New budget authority, — \$36,876,000,000.
(B) Outlays, — \$36,876,000,000.

Fiscal year 2002:

(A) New budget authority, — \$43,626,000,000.
(B) Outlays, — \$43,626,000,000.

Fiscal year 2003:

(A) New budget authority, — \$37,464,000,000.
(B) Outlays, — \$37,464,000,000.

Fiscal year 2004:

(A) New budget authority, — \$37,559,000,000.
(B) Outlays, — \$37,559,000,000.

Fiscal year 2005:

(A) New budget authority, — \$38,497,000,000.
(B) Outlays, — \$38,497,000,000.

Fiscal year 2006:

(A) New budget authority, — \$39,178,000,000.
(B) Outlays, — \$39,178,000,000.

Fiscal year 2007:

(A) New budget authority, — \$40,426,000,000.
(B) Outlays, — \$40,426,000,000.

Fiscal year 2008:

(A) New budget authority, — \$41,237,000,000.
(B) Outlays, — \$41,237,000,000.

Fiscal year 2009:

(A) New budget authority, — \$42,084,000,000.
(B) Outlays, — \$42,084,000,000.

SEC. 104. RECONCILIATION OF REVENUE REDUCTIONS IN THE SENATE.

Not later than June 18, 1999, the Senate Committee on Finance shall report to the Senate a reconciliation bill proposing changes in laws within its jurisdiction necessary—

(1) to reduce revenues by not more than \$0 in fiscal year 2000, \$138,485,000,000 for the period of fiscal years 2000 through 2004, and \$765,985,000,000 for the period of fiscal years 2000 through 2009; and

(2) to decrease the statutory limit on the public debt to not more than \$5,865,000,000,000 for fiscal year 2000.

SEC. 105. RECONCILIATION OF REVENUE REDUCTIONS IN THE HOUSE OF REPRESENTATIVES.

Not later than June 11, 1999, the Committee on Ways and Means shall report to the House of Representatives a reconciliation bill proposing changes in laws within its jurisdiction necessary—

(1) to reduce revenues by not more than \$0 in fiscal year 2000, \$142,034,000,000 for the period of fiscal years 2000 through 2004, and \$777,587,000,000 for the period of fiscal years 2000 through 2009; and

(2) to decrease the statutory limit on the public debt to not more than \$5,865,000,000,000 for fiscal year 2000.

TITLE II—BUDGETARY RESTRAINTS AND RULEMAKING

SEC. 201. RESERVE FUND FOR AGRICULTURE.

(a) ADJUSTMENT.—If legislation is reported by the Senate Committee on Agriculture, Nutrition and Forestry that provides risk management and income assistance for agriculture producers, the Chairman of the Senate Committee on the Budget may increase the allocation of budget authority and outlays to that Committee by an amount that does not exceed—

(1) \$500,000,000 in budget authority and in outlays for fiscal year 2000; and

(2) \$6,000,000,000 in budget authority and \$5,165,000,000 in outlays for the period of fiscal years 2000 through 2004; and

(3) \$6,000,000,000 in budget authority and in outlays for the period of fiscal years 2000 through 2009.

(b) LIMITATION.—The Chairman shall not make the adjustments authorized in this section if legislation described in subsection (a) would cause an on-budget deficit when taken with all other legislation enacted for—

(1) fiscal year 2000;

(2) the period of fiscal years 2000 through 2004; or

(3) the period of fiscal years 2005 through 2009.

(c) BUDGETARY ENFORCEMENT.—Revised allocations under subsection (a) shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations contained in this resolution.

SEC. 202. TAX REDUCTION RESERVE FUND IN THE SENATE.

(a) IN GENERAL.—In the Senate, the Chairman of the Committee on the Budget of the Senate may reduce the spending and revenue aggregates and may revise committee allocations for legislation that reduces revenues if such legislation will not increase the deficit for—

(1) fiscal year 2000;

(2) the period of fiscal years 2000 through 2004; or

(3) the period of fiscal years 2000 through 2009.

(b) BUDGETARY ENFORCEMENT.—Revised allocations and aggregates under subsection (a) shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

(c) LIMITATION.—This reserve fund will give priority to the following types of tax relief—

(1) tax relief to help working families afford child care, including assistance for families with a parent staying out of the workforce in order to care for young children;

(2) tax relief to help individuals and their families afford the expense of long-term health care;

(3) tax relief to ease the tax code's marriage penalties on working families;

(4) any other individual tax relief targeted exclusively for families in the bottom 90 percent of the family income distribution;

(5) the extension of the Research and Experimentation tax credit, the Work Opportunity tax

credit, and other expiring tax provisions, a number of which are important to help American businesses compete in the modern international economy and to help bring the benefits of a strong economy to disadvantaged individuals and communities;

(6) tax incentives to help small businesses; and
(7) tax relief provided by accelerating the increase in the deductibility of health insurance premiums for the self-employed.

SEC. 203. CLARIFICATION ON THE APPLICATION OF SECTION 202 OF H. CON. RES. 67.

Section 202(b) of H. Con. Res. 67 (104th Congress) is amended—

(1) in paragraph (1), by striking "the deficit" and inserting "the on-budget deficit or cause an on-budget deficit"; and

(2) in paragraph (6), by—

(A) striking "increases the deficit" and inserting "increases the on-budget deficit or causes an on-budget deficit"; and

(B) striking "increase the deficit" and inserting "increase the on-budget deficit or cause an on-budget deficit".

SEC. 204. EMERGENCY DESIGNATION POINT OF ORDER.

(a) DESIGNATIONS.—

(1) GUIDANCE.—In making a designation of a provision of legislation as an emergency requirement under section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985, the committee report and any statement of managers accompanying that legislation shall analyze whether a proposed emergency requirement meets all the criteria in paragraph (2).

(2) CRITERIA.—

(A) IN GENERAL.—The criteria to be considered in determining whether a proposed expenditure or tax change is an emergency requirement are whether it is—

(i) necessary, essential, or vital (not merely useful or beneficial);

(ii) sudden, quickly coming into being, and not building up over time;

(iii) an urgent, pressing, and compelling need requiring immediate action;

(iv) subject to subparagraph (B), unforeseen, unpredictable, and unanticipated; and

(v) not permanent, temporary in nature.

(B) UNFORESEEN.—An emergency that is part of an aggregate level of anticipated emergencies, particularly when normally estimated in advance, is not unforeseen.

(3) JUSTIFICATION FOR FAILURE TO MEET CRITERIA.—If the proposed emergency requirement does not meet all the criteria set forth in paragraph (2), the committee report or the statement of managers, as the case may be, shall provide a written justification of why the requirement should be accorded emergency status.

(b) POINT OF ORDER.—

(1) IN GENERAL.—When the Senate is considering a bill, resolution, amendment, motion, or conference report, upon a point of order being made by a Senator against any provision in that measure designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985 and the Presiding Officer sustains that point of order, that provision along with the language making the designation shall be stricken from the measure and may not be offered as an amendment from the floor.

(2) GENERAL POINT OF ORDER.—A point of order under this subsection may be raised by a Senator as provided in section 313(e) of the Congressional Budget Act of 1974.

(3) CONFERENCE REPORTS.—If a point of order is sustained under this subsection against a conference report the report shall be disposed of as provided in section 313(d) of the Congressional Budget Act of 1974.

SEC. 205. AUTHORITY TO PROVIDE COMMITTEE ALLOCATIONS.

In the event there is no joint explanatory statement accompanying a conference report on

the concurrent resolution on the budget for fiscal year 2000, and in conformance with section 302(a) of the Congressional Budget Act of 1974, the Chairman of the Committee on the Budget of the House of Representatives and of the Senate shall submit for printing in the Congressional Record allocations consistent with the concurrent resolution on the budget for fiscal year 2000, as passed by the House of Representatives and of the Senate.

SEC. 206. DEFICIT-NEUTRAL RESERVE FUND FOR USE OF OCS RECEIPTS.

(a) IN GENERAL.—In the Senate, spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation that would use proceeds from Outer Continental Shelf leasing and production to fund historic preservation, recreation and land, water, fish, and wildlife conservation efforts and to support coastal needs and activities, provided that, to the extent that this concurrent resolution on the budget does not include the costs of that legislation, the enactment of that legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or
- (3) the period of fiscal years 2005 through 2009.

(b) REVISED ALLOCATIONS.—

(1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS.—If the Chairman of the Committee on the Budget of the Senate submits an adjustment under this section for legislation in furtherance of the purpose described in subsection (a), upon the offering of an amendment to that legislation that would necessitate such submission, the Chairman shall submit to the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committees shall report appropriately revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 207. DEFICIT-NEUTRAL RESERVE FUND FOR MANAGED CARE PLANS THAT AGREE TO PROVIDE ADDITIONAL SERVICES TO THE ELDERLY.

(a) IN GENERAL.—In the Senate, spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation to provide: additional funds for medicare managed care plans agreeing to serve elderly patients for at least 2 years and whose reimbursement was reduced because of the risk adjustment regulations, provided that to the extent that this concurrent resolution on the budget does not include the costs of that legislation, the enactment of that legislation will not increase (by virtue of either contemporaneous or previously passed deficit reduction) the deficit in this resolution for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or

(3) the period of fiscal years 2005 through 2009.

(b) REVISED ALLOCATIONS.—

(1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional level and spending aggregates to carry out this section. These revised allocations, functional levels, and spending aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS.—If the Chairman of the Committee on the Budget of the Senate submits an adjustment under this section for legislation in furtherance of the purpose described in subsection (a), upon the offering of an amendment to that legislation that would necessitate such submission, the Chairman shall submit to the Senate appropriately revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and spending aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(d) REPORTING REVISED ALLOCATIONS.—The appropriate committees shall report appropriately revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this section.

SEC. 208. RESERVE FUND FOR MEDICARE AND PRESCRIPTION DRUGS.

(a) ADJUSTMENT.—If legislation is reported by the Senate Committee on Finance that significantly extends the solvency of the Medicare Hospital Insurance Trust Fund without the use of transfers of new subsidies from the general fund, the Chairman of the Committee on the Budget may change committee allocations and spending aggregates if such legislation will not cause an on-budget deficit for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or
- (3) the period of fiscal years 2005 through 2009.

(b) PRESCRIPTION DRUG BENEFIT.—The adjustments made pursuant to subsection (a) may be made to address the cost of the prescription drug benefit.

(c) BUDGETARY ENFORCEMENT.—The revision of allocations and aggregates made under this section shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations and aggregates contained in this resolution.

SEC. 209. EXERCISE OF RULEMAKING POWERS.

Congress adopts the provisions of this title—

(1) as an exercise of the rulemaking power of the Senate and the House of Representatives, respectively, and as such they shall be considered as part of the rules of each House, or of that House to which they specifically apply, and such rules shall supersede other rules only to the extent that they are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change those rules (so far as they relate to that House) at any time, in the same manner, and to the same extent as in the case of any other rule of that House.

SEC. 210. DEFICIT-NEUTRAL RESERVE FUND TO FOSTER THE EMPLOYMENT AND INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES.

(a) IN GENERAL.—In the Senate, revenue and spending aggregates and other appropriate budgetary levels and limits may be adjusted and allocations may be revised for legislation that finances disability programs designed to allow in-

dividuals with disabilities to become employed and remain independent: Provided, That, to the extent that this concurrent resolution on the budget does not include the costs of that legislation, the enactment of that legislation will not increase (by virtue of either contemporaneous or previously-passed deficit reduction) the deficit in this resolution for—

- (1) fiscal year 2000;
- (2) the period of fiscal years 2000 through 2004; or
- (3) the period of fiscal years 2005 through 2009.

(b) REVISED ALLOCATIONS.—

(1) ADJUSTMENTS FOR LEGISLATION.—Upon the consideration of legislation pursuant to subsection (a), the Chairman of the Committee on the Budget of the Senate may file with the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(2) ADJUSTMENTS FOR AMENDMENTS.—If the chairman of the Committee on the Budget of the Senate submits an adjustment under this section for legislation in furtherance of the purpose described in subsection (a), upon the offering of an amendment to that legislation that would necessitate such submission, the Chairman shall submit to the Senate appropriately-revised allocations under section 302(a) of the Congressional Budget Act of 1974 and revised functional levels and aggregates to carry out this section. These revised allocations, functional levels, and aggregates shall be considered for the purposes of the Congressional Budget Act of 1974 as allocations, functional levels, and aggregates contained in this resolution.

(c) REPORTING REVISED ALLOCATIONS.—The appropriate committees shall report appropriately-revised allocations pursuant to section 302(b) of the Congressional Budget Act of 1974 to carry out this section.

TITLE III—SENSE OF THE CONGRESS AND THE SENATE

SEC. 301. SENSE OF THE SENATE ON MARRIAGE PENALTY.

(a) FINDINGS.—Congress finds that—

(1) differences in income tax liabilities caused by marital status are embodied in a number of tax code provisions including separate rate schedules and standard deductions for married couples and single individuals;

(2) according to the Congressional Budget Office (CBO), 42 percent of married couples incurred "marriage penalties" under the tax code in 1996, averaging nearly \$1,400;

(3) measured as a percent of income, marriage penalties are largest for low-income families, as couples with incomes below \$20,000 who incurred a marriage penalty in 1996 were forced to pay nearly 8 percent more of their income in taxes than if they had been able to file individual returns;

(4) empirical evidence indicates that the marriage penalty may affect work patterns, particularly for a couple's second earner, because higher rates reduce after-tax wages and may cause second earners to work fewer hours or not at all, which, in turn, reduces economic efficiency; and

(5) the tax code should not improperly influence the choice of couples with regard to marital status by having the combined Federal income tax liability of a couple be higher if they are married than if they are single.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that significantly reducing or eliminating the marriage penalty should be a component of any tax cut package reported by the Finance Committee and passed by Congress during

the fiscal year 2000 budget reconciliation process.

SEC. 302. SENSE OF THE SENATE ON IMPROVING SECURITY FOR UNITED STATES DIPLOMATIC MISSIONS.

It is the sense of the Senate that the levels in this resolution assume that there is an urgent and ongoing requirement to improve security for United States diplomatic missions and personnel abroad, which should be met without compromising existing budgets for International Affairs (function 150).

SEC. 303. SENSE OF THE SENATE ON ACCESS TO MEDICARE HOME HEALTH SERVICES.

(a) FINDINGS.—The Senate finds that—

(1) medicare home health services provide a vitally important option enabling homebound individuals to stay in their own homes and communities rather than go into institutionalized care; and

(2) implementation of the Interim Payment System and other changes to the medicare home health benefit have exacerbated inequalities in payments for home health services between regions, limiting access to these services in many areas and penalizing efficient, low-cost providers.

(b) SENSE OF THE SENATE.—It is the sense of the Senate the levels in this resolution assume that the Senate should act to ensure fair and equitable access to high quality home health services.

SEC. 304. SENSE OF THE SENATE REGARDING THE DEDUCTIBILITY OF HEALTH INSURANCE PREMIUMS OF THE SELF-EMPLOYED.

(a) FINDINGS.—The Senate finds that—

(1) under current law, the self-employed do not enjoy parity with their corporate competitors with respect to the tax deductibility of their health insurance premiums;

(2) this April, the self-employed will only be able to deduct only 45 percent of their health insurance premiums for the tax year 1998;

(3) the following April, the self-employed will be able to take a 60-percent deduction for their health insurance premiums for the tax year 1999;

(4) it will not be until 2004 that the self-employed will be able to take a full 100-percent deduction for their health insurance premiums for the tax year 2003;

(5) the self-employed's health insurance premiums are generally over 30 percent higher than the health insurance premiums of group health plans;

(6) the increased cost coupled with the less favorable tax treatment makes health insurance less affordable for the self-employed;

(7) these disadvantages are reflected in the higher rate of uninsured among the self-employed which stands at 24.1 percent compared with 18.2 percent for all wage and salaried workers, for self-employed living at or below the poverty level the rate of uninsured is 53.1 percent, for self-employed living at 100 through 199 percent of poverty the rate of uninsured is 47 percent, and for self-employed living at 200 percent of poverty and above the rate of uninsured is 17.8 percent;

(8) for some self-employed, such as farmers who face significant occupational safety hazards, this lack of health insurance affordability has even greater ramifications; and

(9) this lack of full deductibility is also adversely affecting the growing number of women who own small businesses.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that tax relief legislation should include parity between the self-employed and corporations with respect to the tax treatment of health insurance premiums.

SEC. 305. SENSE OF THE SENATE THAT TAX REDUCTIONS SHOULD GO TO WORKING FAMILIES.

It is the sense of the Senate that this concurrent resolution on the budget assumes any re-

ductions in taxes should be structured to benefit working families by providing family tax relief and incentives to stimulate savings, investment, job creation, and economic growth.

SEC. 306. SENSE OF THE SENATE ON THE NATIONAL GUARD.

(a) FINDINGS.—The Senate finds that—

(1) the Army National Guard relies heavily upon thousands of full-time employees, Military Technicians and Active Guard/Reserves, to ensure unit readiness throughout the Army National Guard;

(2) these employees perform vital day-to-day functions, ranging from equipment maintenance to leadership and staff roles, that allow the drill weekends and annual active duty training of the traditional Guardsmen to be dedicated to preparation for the National Guard's warfighting and peacetime missions;

(3) when the ability to provide sufficient Active Guard/Reserves and Technicians and strength is reduced, unit readiness, as well as quality of life for soldiers and families is degraded;

(4) the Army National Guard, with agreement from the Department of Defense, requires a minimum essential requirement of 23,500 Active Guard/Reserves and 25,500 Technicians; and

(5) the fiscal year 2000 budget request for the Army National Guard provides resources sufficient for approximately 21,807 Active Guard/Reserves and 22,500 Technicians, end strength shortfalls of 3,000 and 1,693, respectively.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals in the budget resolution assume that the Department of Defense will give priority to providing adequate resources to sufficiently fund the Active Guard/Reserves and Military Technicians at minimum required levels.

SEC. 307. SENSE OF THE SENATE ON EFFECTS OF SOCIAL SECURITY REFORM ON WOMEN.

(a) FINDINGS.—The Senate finds that—

(1) the Social Security benefit structure is of particular importance to low-earning wives and widows, with 63 percent of women beneficiaries aged 62 or older receiving wife's or widow's benefits;

(2) three-quarters of unmarried and widowed elderly women rely on Social Security for more than half of their income;

(3) without Social Security benefits, the elderly poverty rate among women would have been 52.2 percent, and among widows would have been 60.6 percent;

(4) women tend to live longer and tend to have lower lifetime earnings than men do;

(5) women spend an average of 11.5 years out of their careers to care for their families, and are more likely to work part-time than full-time; and

(6) during these years in the workforce, women earn an average of 70 cents for every dollar men earn.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) women face unique obstacles in ensuring retirement security and survivor and disability stability;

(2) Social Security plays an essential role in guaranteeing inflation-protected financial stability for women throughout their entire old age; and

(3) the Congress and the President should take these factors into account when considering proposals to reform the Social Security system.

SEC. 308. SENSE OF THE SENATE ON INCREASED FUNDING FOR THE NATIONAL INSTITUTES OF HEALTH.

(a) FINDINGS.—The Senate finds that—

(1) the National Institutes of Health is the Nation's foremost research center;

(2) the Nation's commitment to and investment in biomedical research has resulted in better health and an improved quality of life for all Americans;

(3) continued biomedical research funding must be ensured so that medical doctors and scientists have the security to commit to conducting long-term research studies;

(4) funding for the National Institutes of Health should continue to increase in order to prevent the cessation of biomedical research studies and the loss of medical doctors and research scientists to private research organizations; and

(5) the National Institutes of Health conducts research protocols without proprietary interests, thereby ensuring that the best health care is researched and made available to the Nation.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that there shall be a continuation of the pattern of budgetary increases for biomedical research.

SEC. 309. SENSE OF CONGRESS ON FUNDING FOR KYOTO PROTOCOL IMPLEMENTATION PRIOR TO SENATE RATIFICATION.

(a) FINDINGS.—Congress finds the following:

(1) The agreement signed by the Administration on November 12, 1998, regarding legally binding commitments on greenhouse gas reductions is inconsistent with the provisions of S. Res. 98, the Byrd-Hagel Resolution, which passed the Senate unanimously.

(2) The Administration has agreed to allowing at least 2 additional years for negotiations on the Buenos Aires Action Plan to determine the provisions of several vital aspects of the Treaty for the United States, including emissions trading schemes, carbon sinks, a clean development mechanism, and developing Nation participation.

(3) The Administration has not submitted the Kyoto Protocol to the Senate for ratification and has indicated it has no intention to do so in the foreseeable future.

(4) The Administration has pledged to Congress that it would not implement any portion of the Kyoto Protocol prior to its ratification in the Senate.

(5) Congress agrees that Federal expenditures are required and appropriate for activities which both improve the environment and reduce carbon dioxide emissions. Those activities include programs to promote energy efficient technologies, encourage technology development that reduces or sequesters greenhouse gases, encourage the development and use of alternative and renewable fuel technologies, and other programs justifiable independent of the goals of the Kyoto Protocol.

(b) SENSE OF CONGRESS.—It is the sense of Congress that the levels in this resolution assume that funds should not be provided to put into effect the Kyoto Protocol prior to its Senate ratification in compliance with the requirements of the Byrd-Hagel Resolution and consistent with previous Administration assurances to Congress.

SEC. 310. SENSE OF THE SENATE ON FEDERAL RESEARCH AND DEVELOPMENT INVESTMENT.

(a) FINDINGS.—The Senate finds the following:

(1) A dozen internationally, prestigious economic studies have shown that technological progress has historically been the single most important factor in economic growth, having more than twice the impact of labor or capital.

(2) The link between economic growth and technology is evident: our dominant high technology industries are currently responsible for 80 percent of the value of today's stock market, 1/3 of our economic output, and half of our economic growth. Furthermore, the link between Federal funding of research and development (R&D) and market products is conclusive: 70 percent of all patent applications cite nonprofit or federally-funded research as a core component to the innovation being patented.

(3) The revolutionary high technology applications of today were spawned from scientific

advances that occurred in the 1960's, when the Government intensively funded R&D. In the 3 decades since then, our investment in R&D as a fraction of Gross Domestic Product (GDP) has dropped to half its former value. As a fraction of the Federal budget, the investment in civilian R&D has dropped to only 1/3 its value in 1965.

(4) Compared to other foreign nation's investment in science and technology, American competitiveness is slipping: an Organization for Economic Co-operation and Development report notes that 14 countries now invest more in basic and fundamental research as a fraction of GDP than the United States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that the Federal investment in R&D should be preserved and increased in order to ensure long-term United States economic strength. Funding for Federal agencies performing basic scientific, medical, and precompetitive engineering research pursuant to the Balanced Budget Agreement Act of 1997 should be a priority for the Senate Budget and Appropriations Committees this year, within the Budget as established by this Committee, in order to achieve a goal of doubling the Federal investment in R&D over an 11 year period.

SEC. 311. SENSE OF THE SENATE ON COUNTER-NARCOTICS FUNDING.

(a) FINDINGS.—The Senate finds that—

(1) the drug crisis facing the United States is a top national security threat;

(2) the spread of illicit drugs through United States borders cannot be halted without an effective drug interdiction strategy;

(3) effective drug interdiction efforts have been shown to limit the availability of illicit narcotics, drive up the street price, support demand reduction efforts, and decrease overall drug trafficking and use; and

(4) the percentage change in drug use since 1992, among graduating high school students who used drugs in the past 12 months, has substantially increased—marijuana use is up 80 percent, cocaine use is up 80 percent, and heroin use is up 100 percent.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals included in this resolution assume the following:

(1) All counter-narcotics agencies will be given a high priority for fully funding their counter-narcotics mission.

(2) Front line drug fighting agencies are dedicating more resources for intentional efforts to continue restoring a balanced drug control strategy. Congress should carefully examine the reauthorization of the United States Customs service and ensure they have adequate resources and authority not only to facilitate the movement of internationally traded goods but to ensure they can aggressively pursue their law enforcement activities.

(3) By pursuing a balanced effort which requires investment in 3 key areas: demand reduction (such as education and treatment); domestic law enforcement; and international supply reduction, Congress believes we can reduce the number of children who are exposed to and addicted to illegal drugs.

SEC. 312. SENSE OF THE SENATE REGARDING TRIBAL COLLEGES.

(a) FINDINGS.—The Senate finds that—

(1) more than 26,500 students from 250 tribes nationwide attend tribal colleges. The colleges serve students of all ages, many of whom are moving from welfare to work. The vast majority of tribal college students are first-generation college students;

(2) while annual appropriations for tribal colleges have increased modestly in recent years, core operation funding levels are still about 1/2 of the \$6,000 per Indian student level authorized by the Tribally Controlled College or University Act;

(3) although tribal colleges received a \$1,400,000 increase in funding in fiscal year

1999, because of rising student populations, these institutions faced an actual per-student decrease in funding over fiscal year 1998; and

(4) per student funding for tribal colleges is only about 63 percent of the amount given to mainstream community colleges (\$2,964 per student at tribal colleges versus \$4,743 per student at mainstream community colleges).

(b) SENSE OF THE SENATE.—It is the sense of the Senate that—

(1) this resolution recognizes the funding difficulties faced by tribal colleges and assumes that priority consideration will be provided to them through funding for the Tribally Controlled College and University Act, the 1994 Land Grant Institutions, and title III of the Higher Education Act; and

(2) the levels in this resolution assume that such priority consideration reflects Congress' intent to continue work toward current statutory Federal funding goals for the tribal colleges.

SEC. 313. SENSE OF THE SENATE ON THE SOCIAL SECURITY SURPLUS.

(a) FINDINGS.—The Congress finds that—

(1) according to the Congressional Budget Office (CBO) January 1999 "Economic and Budget Outlook," the Social Security Trust Fund is projected to incur annual surpluses of \$126,000,000,000 in fiscal year 1999, \$137,000,000,000 in fiscal year 2000, \$144,000,000,000 in fiscal year 2001, \$153,000,000,000 in fiscal year 2002, \$161,000,000,000 in fiscal year 2003, and \$171,000,000,000 in fiscal year 2004;

(2) the fiscal year 2000 budget resolution crafted by Chairman Domenici assumes that Trust Fund surpluses will be used to reduce publicly-held debt and for no other purposes, and calls for the enactment of statutory legislation that would enforce this assumption;

(3) the President's fiscal year 2000 budget proposal not only fails to call for legislation that will ensure annual Social Security surpluses are used strictly to reduce publicly-held debt, but actually spends a portion of these surpluses on non-Social Security programs;

(4) using CBO's re-estimate of his budget proposal, the President would spend approximately \$40,000,000,000 of the Social Security surplus in fiscal year 2000 on non-Social Security programs; \$41,000,000,000 in fiscal year 2001; \$24,000,000,000 in fiscal year 2002; \$34,000,000,000 in fiscal year 2003; and \$20,000,000,000 in fiscal year 2004; and

(5) spending any portion of an annual Social Security surplus on non-Social Security programs is wholly-inconsistent with efforts to preserve and protect Social Security for future generations.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that Congress shall reject any budget that would spend any portion of the Social Security surpluses generated in any fiscal year for any Federal program other than Social Security.

SEC. 314. SENSE OF THE SENATE ON NEED-BASED STUDENT FINANCIAL AID PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) public investment in higher education yields a return of several dollars for each dollar invested;

(2) higher education promotes economic opportunity for individuals, as recipients of bachelor's degrees earn an average of 75 percent per year more than those with high school diplomas and experience half as much unemployment as high school graduates;

(3) higher education promotes social opportunity, as increased education is correlated with reduced criminal activity, lessened reliance on public assistance, and increased civic participation;

(4) a more educated workforce will be essential for continued economic competitiveness in an age where the amount of information available to society will double in a matter of days rather than months or years;

(5) access to a college education has become a hallmark of American society, and is vital to upholding our belief in equality of opportunity;

(6) for a generation, the Federal Pell Grant has served as an established and effective means of providing access to higher education for students with financial need;

(7) over the past decade, Pell Grant awards have failed to keep pace with inflation, eroding their value and threatening access to higher education for the Nation's neediest students;

(8) grant aid as a portion of all students financial aid has fallen significantly over the past 5 years;

(9) the Nation's neediest students are now borrowing approximately as much as its wealthiest students to finance higher education; and

(10) the percentage of freshmen attending public and private 4-year institutions from families below national median income has fallen since 1981.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that within the discretionary allocation provided to the Committee on Appropriations of the Senate for function 500—

(1) the maximum amount of Federal Pell Grants should be increased by \$400;

(2) funding for the Federal Supplemental Educational Opportunity Grants Program should be increased by \$65,000,000;

(3) funding for the Federal capital contributions under the Federal Perkins Loan Program should be increased by \$35,000,000;

(4) funding for the Leveraging Educational Assistance Partnership Program should be increased by \$50,000,000;

(5) funding for the Federal Work-Study Program should be increased by \$64,000,000;

(6) funding for the Federal TRIO Programs should be increased by \$100,000,000.

SEC. 315. FINDINGS; SENSE OF CONGRESS ON THE PROTECTION OF THE SOCIAL SECURITY SURPLUSES.

(a) The Congress finds that—

(1) Congress and the President should balance the budget excluding the surpluses generated by the Social Security Trust Funds;

(2) reducing the Federal debt held by the public is a top national priority, strongly supported on a bipartisan basis, as evidenced by Federal Reserve Chairman Alan Greenspan's comment that debt reduction "is a very important element in sustaining economic growth", as well as President Clinton's comments that it "is very, very important that we get the Government debt down" when referencing his own plans to use the budget surplus to reduce Federal debt held by the public;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the Social Security Trust Funds will reduce debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009, \$417,000,000,000, or 32 percent, more than it would be reduced under the President's fiscal year 2000 budget submission;

(4) further, according to the Congressional Budget Office, that the President's budget would actually spend \$40,000,000,000 of the Social Security surpluses in fiscal year 2000 on new spending programs, and spend \$158,000,000,000 of the Social Security surpluses on new spending programs from fiscal year 2000 through 2004; and

(5) Social Security surpluses should be used for Social Security reform or to reduce the debt held by the public and should not be used for other purposes.

(b) It is the sense of Congress that the functional totals in this concurrent resolution on the budget assume that Congress shall pass legislation which—

(1) reaffirms the provisions of section 13301 of the Omnibus Budget Reconciliation Act of 1990 that provides that the receipts and disbursements of the Social Security Trust Funds shall not be counted for the purposes of the budget submitted by the President, the congressional

budget, or the Balanced Budget and Emergency Deficit Control Act of 1985, and provides for a point of order within the Senate against any concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates that section;

(2) mandates that the Social Security surpluses are used only for the payment of Social Security benefits, Social Security reform or to reduce the Federal debt held by the public, and not spent on non-Social Security programs or used to offset tax cuts;

(3) provides for a Senate super-majority point of order against any bill, resolution, amendment, motion or conference report that would use Social Security surpluses on anything other than the payment of Social Security benefits, Social Security reform or the reduction of the Federal debt held by the public;

(4) ensures that all Social Security benefits are paid on time; and

(5) accommodates Social Security reform legislation.

SEC. 316. SENSE OF THE SENATE ON PROVIDING ADEQUATE FUNDING FOR UNITED STATES INTERNATIONAL LEADERSHIP.

(a) FINDINGS.—The Senate finds that—

(1) United States international leadership is essential to maintaining security and peace for all Americans;

(2) such leadership depends on effective diplomacy as well as a strong military;

(3) effective diplomacy requires adequate resources both for embassy security and for international programs;

(4) in addition to building peace, prosperity and democracy around the world, programs in the International Affairs (150) account serve United States interests by ensuring better jobs and a higher standard of living, promoting the health of our citizens and preserving our natural environment, and protecting the rights and safety of those who travel or do business overseas;

(5) real spending for International Affairs has declined more than 50 percent since the mid-1980s, at the same time that major new challenges and opportunities have arisen from the disintegration of the Soviet Union and the worldwide trends toward democracy and free markets;

(6) current ceilings on discretionary spending will impose severe additional cuts in funding for International Affairs; and

(7) improved security for United States diplomatic missions and personnel will place further strain on the International Affairs budget absent significant additional resources.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that additional budgetary resources should be identified for function 150 to enable successful United States international leadership.

SEC. 317. SENSE OF THE SENATE THAT THE FEDERAL GOVERNMENT SHOULD NOT INVEST THE SOCIAL SECURITY TRUST FUNDS IN PRIVATE FINANCIAL MARKETS.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that the Federal Government should not directly invest contributions made to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund established under section 201 of the Social Security Act (42 U.S.C. 401) in private financial markets.

SEC. 318. SENSE OF THE SENATE CONCERNING ON-BUDGET SURPLUS.

(a) It is the sense of the Senate that the provisions in this resolution assume that if the Congressional Budget Office determines there is an on-budget surplus for fiscal year 2000, \$2,000,000,000 of that surplus will be restored to the programs cut in function 920.

(b) It is the sense of the Senate that the assumptions underlying this budget resolution as-

sume that none of these offsets will come from defense or veterans, and to the extent possible should come from administrative functions.

SEC. 319. SENSE OF THE SENATE ON TEA-21 FUNDING AND THE STATES.

(a) FINDINGS.—The Senate finds that—

(1) on May 22, 1998, the Senate overwhelmingly approved the conference committee report on H.R. 2400, the Transportation Equity Act for the 21st Century, in a 88-5 roll call vote;

(2) also on May 22, 1998, the House of Representatives approved the conference committee report on this bill in a 297-86 recorded vote;

(3) on June 9, 1998, President Clinton signed this bill into law, thereby making it Public Law 105-178;

(4) the TEA-21 legislation was a comprehensive reauthorization of Federal highway and mass transit programs, which authorized approximately \$216,000,000,000 in Federal transportation spending over the next 6 fiscal years;

(5) section 1105 of this legislation called for any excess Federal gasoline tax revenues to be provided to the States under the formulas established by the final version of TEA-21; and

(6) the President's fiscal year 2000 budget request contained a proposal to distribute approximately \$1,000,000,000 in excess Federal gasoline tax revenues that was not consistent with the provisions of section 1105 of TEA-21 and would deprive States of needed revenues.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and any legislation enacted pursuant to this resolution assume that the President's fiscal year 2000 budget proposal to change the manner in which any excess Federal gasoline tax revenues are distributed to the States will not be implemented, but rather any of these funds will be distributed to the States pursuant to section 1105 of TEA-21.

SEC. 320. SENSE OF THE SENATE THAT AGRICULTURAL RISK MANAGEMENT PROGRAMS SHOULD BENEFIT LIVESTOCK PRODUCERS.

(a) FINDINGS.—The Senate finds that—

(1) extremes in weather-related and natural conditions have a profound impact on the economic viability of producers;

(2) these extremes, such as drought, excessive rain and snow, flood, wind, insect infestation are certainly beyond the control of livestock producers;

(3) these extremes do not impact livestock producers within a State, region or the Nation in the same manner or during the same time frame or for the same duration of time;

(4) the livestock producers have few effective risk management tools at their disposal to adequately manage the short and long term impacts of weather-related or natural disaster situations; and

(5) ad hoc natural disaster assistance programs, while providing some relief, are not sufficient to meet livestock producers' needs for rational risk management planning.

(b) SENSE OF SENATE.—It is the sense of the Senate that any consideration of reform of Federal crop insurance and risk management programs should include the needs of livestock producers.

SEC. 321. SENSE OF THE SENATE REGARDING THE MODERNIZATION AND IMPROVEMENT OF THE MEDICARE PROGRAM.

(a) FINDINGS.—The Senate finds the following:

(1) The health insurance coverage provided under the Medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is an integral part of the financial security for retired and disabled individuals, as such coverage protects those individuals against the financially ruinous costs of a major illness.

(2) Expenditures under the Medicare program for hospital, physician, and other essential health care services that are provided to nearly 39,000,000 retired and disabled individuals will be \$232,000,000,000 in fiscal year 2000.

(3) During the nearly 35 years since the Medicare program was established, the Nation's

health care delivery and financing system has undergone major transformations. However, the Medicare program has not kept pace with such transformations.

(4) Former Congressional Budget Office Director Robert Reischauer has described the Medicare program as it exists today as failing on the following 4 key dimensions (known as the "Four I's"):

(A) The program is inefficient.

(B) The program is inequitable.

(C) The program is inadequate.

(D) The program is insolvent.

(5) The President's budget framework does not devote 15 percent of the budget surpluses to the Medicare program. The Federal budget process does not provide a mechanism for setting aside current surpluses for future obligations. As a result, the notion of saving 15 percent of the surplus for the Medicare program cannot practically be carried out.

(6) The President's budget framework would transfer to the Federal Hospital Insurance Trust Fund more than \$900,000,000,000 over 15 years in new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public, and these new IOUs would increase the gross debt of the Federal Government by the amounts transferred.

(7) The Congressional Budget Office has stated that the transfers described in paragraph (6), which are strictly intragovernmental, have no effect on the unified budget surpluses or the on-budget surpluses and therefore have no effect on the debt held by the public.

(8) The President's budget framework does not provide access to, or financing for, prescription drugs.

(9) The Comptroller General of the United States has stated that the President's Medicare proposal does not constitute reform of the program and "is likely to create a public misperception that something meaningful is being done to reform the Medicare program".

(10) The Balanced Budget Act of 1997 enacted changes to the Medicare program which strengthen and extend the solvency of that program.

(11) The Congressional Budget Office has stated that without the changes made to the Medicare program by the Balanced Budget Act of 1997, the depletion of the Federal Hospital Insurance Trust Fund would now be imminent.

(12) The President's budget proposes to cut Medicare program spending by \$19,400,000,000 over 10 years, primarily through reductions in payments to providers under that program.

(13) The recommendations by Senator John Breaux and Representative William Thomas received the bipartisan support of a majority of members on the National Bipartisan Commission on the Future of Medicare.

(14) The Breaux-Thomas recommendations provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the Medicare program without transferring new IOUs to the Federal Hospital Insurance Trust Fund that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions contained in this budget resolution assume the following:

(1) This resolution does not adopt the President's proposals to reduce Medicare program spending by \$19,400,000,000 over 10 years, nor does this resolution adopt the President's proposal to spend \$10,000,000,000 of Medicare program funds on unrelated programs.

(2) Congress will not transfer to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes on American workers, cutting benefits, or borrowing more from the public.

(3) Congress should work in a bipartisan fashion to extend the solvency of the Medicare program and to ensure that benefits under that

program will be available to beneficiaries in the future.

(4) The American public will be well and fairly served in this undertaking if the medicare program reform proposals are considered within a framework that is based on the following 5 key principles offered in testimony to the Senate Committee on Finance by the Comptroller General of the United States:

- (A) Affordability.
- (B) Equity.
- (C) Adequacy.
- (D) Feasibility.
- (E) Public acceptance.

(5) The recommendations by Senator Breaux and Congressman Thomas provide for new prescription drug coverage for the neediest beneficiaries within a plan that substantially improves the solvency of the medicare program without transferring to the Federal Hospital Insurance Trust Fund new IOUs that must be redeemed later by raising taxes, cutting benefits, or borrowing more from the public.

(6) Congress should move expeditiously to consider the bipartisan recommendations of the Chairmen of the National Bipartisan Commission on the Future of Medicare.

(7) Congress should continue to work with the President as he develops and presents his plan to fix the problems of the medicare program.

SEC. 322. SENSE OF THE SENATE ON PROVIDING TAX RELIEF TO ALL AMERICANS BY RETURNING NON-SOCIAL SECURITY SURPLUS TO TAXPAYERS.

(a) FINDINGS.—The Senate finds the following:

(1) Every cent of Social Security surplus should be reserved to pay Social Security benefits, for Social Security reform, or to pay down the debt held by the public and not be used for other purposes.

(2) Medicare should be fully funded.

(3) Even after safeguarding Social Security and medicare, a recent Congressional Research Service study found that an average American family will pay \$5,307 more in taxes over the next 10 years than the Government needs to operate.

(4) The Administration's budget returns none of the excess surplus back to the taxpayers and instead increases net taxes and fees by \$96,000,000,000 over 10 years.

(5) The burden of the Administration's tax increases falls disproportionately on low- and middle-income taxpayers. A recent Tax Foundation study found that individuals with incomes of less than \$25,000 would bear 38.5 percent of the increased tax burden, while taxpayers with incomes between \$25,000 and \$50,000 would pay 22.4 percent of the new taxes.

(6) The budget resolution returns most of the non-Social Security surplus to those who worked so hard to produce it by providing \$142,000,000,000 in real tax relief over 5 years and almost \$800,000,000,000 in tax relief over 10 years.

(7) The budget resolution builds on the following tax relief since 1995:

(A) In 1996, Congress provided, and the President signed, tax relief for small business and health care-related tax relief.

(B) In 1997, Congress once again pushed for tax relief in the context of a balanced budget, and President Clinton signed into law a \$500 per child tax credit, expanded individual retirement accounts and the new Roth IRA, a cut in the capital gains tax rate, education tax relief, and estate tax relief.

(C) In 1998, Congress pushed for reform of the Internal Revenue Service, and provided tax relief for America's farmers.

(8) Americans deserve further tax relief because they are still overpaying. They deserve a refund. Federal taxes currently consume nearly 21 percent of national income, the highest percentage since World War II. Families are paying more in Federal, State, and local taxes than for food, clothing, and shelter combined.

(b) SENSE OF SENATE.—It is the sense of the Senate that—

(1) the levels in this resolution assume that the Senate not only puts a priority on protecting Social Security and medicare and reducing the Federal debt, but also on middle-class tax relief by returning some of the non-Social Security surplus to those from whom it was taken; and

(2) such middle-class tax relief could include broad-based tax relief, marriage penalty relief, retirement savings incentives, estate tax relief, savings and investment incentives, health care-related tax relief, education-related tax relief, and tax simplification proposals.

SEC. 323. SENSE OF THE SENATE REGARDING TAX INCENTIVES FOR EDUCATION SAVINGS.

(a) FINDINGS.—The Senate finds that—

(1) families in the United States have accrued more college debt in the 1990s than during the previous 3 decades combined; and

(2) families should have every resource available to them to meet the rising cost of higher education.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that additional tax incentives should be provided for education savings, including—

(1) excluding from gross income distributions from qualified State tuition plans; and

(2) providing a tax deferral for private prepaid tuition plans in years 2000 through 2003 and excluding from gross income distributions from such plans in years 2004 and after.

SEC. 324. SENSE OF THE SENATE THAT THE ONE HUNDRED SIXTH CONGRESS, FIRST SESSION SHOULD REAUTHORIZE FUNDS FOR THE FARMLAND PROTECTION PROGRAM.

(a) FINDINGS.—The Senate makes the following findings—

(1) nineteen States and dozens of localities have spent nearly \$1,000,000,000 to protect over 600,000 acres of important farmland;

(2) the Farmland Protection Program has provided cost-sharing for 19 States and dozens of localities to protect over 123,000 acres on 432 farms since 1996;

(3) the Farmland Protection Program has generated new interest in saving farmland in communities around the country;

(4) the Farmland Protection Program represents an innovative and voluntary partnership, rewards local ingenuity, and supports local priorities;

(5) the Farmland Protection Program is a matching grant program that is completely voluntary in which the Federal Government does not acquire the land or easement;

(6) funds authorized for the Farmland Protection Program were expended at the end of fiscal year 1998, and no funds were appropriated in fiscal year 1999;

(7) the United States is losing two acres of our best farmland to development every minute of every day;

(8) these lands produce three quarters of the fruits and vegetables and over one half of the dairy in the United States.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the functional totals contained in this resolution assume that the One Hundred Sixth Congress, First Session will reauthorize funds for the Farmland Protection Program.

SEC. 325. SENSE OF THE SENATE ON TAX CUTS FOR LOWER AND MIDDLE INCOME TAXPAYERS.

It is the sense of the Senate that the levels in this resolution assume that Congress will not approve an across-the-board cut in income tax rates, or any other tax legislation, that would provide substantially more benefits to the top 10 percent of taxpayers than to the remaining 90 percent.

SEC. 326. SENSE OF THE SENATE REGARDING REFORM OF THE INTERNAL REVENUE CODE OF 1986.

(a) FINDINGS.—The Senate finds that—

(1) the Internal Revenue Code of 1986 (referred to in this section as the "tax code") is

unnecessarily complex and burdensome, consisting of 2,000 pages of tax code, and resulting in 12,000 pages of regulations and 200,000 pages of court proceedings;

(2) the complexity of the tax code results in taxpayers spending approximately 5,400,000,000 hours and \$200,000,000,000 on tax compliance each year;

(3) the impact of the complexity of the tax code is inherently inequitable, rewarding taxpayers which hire professional tax preparers and penalizing taxpayers which seek to comply with the tax code without professional assistance;

(4) the percentage of the income of an average family of four that is paid for taxes has grown significantly, comprising nearly 40 percent of the family's earnings, a percentage which represents more than a family spends in the aggregate on food, clothing, and housing;

(5) the total amount of Federal, State, and local tax collections in 1998 increased approximately 5.7 percent over such collections in 1997;

(6) the tax code penalizes saving and investment by imposing tax on these important activities twice while promoting consumption by only taxing income used for consumption once;

(7) the tax code stifles economic growth by discouraging work and capital formation through high tax rates;

(8) Congress and the President have found it necessary on several occasions to enact laws to protect taxpayers from abusive actions and procedures of the Internal Revenue Service in enforcement of the tax code; and

(9) the complexity of the tax code is largely responsible for the growth in size of the Internal Revenue Service.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) the Internal Revenue Code of 1986 needs comprehensive reform; and

(2) Congress should move expeditiously to consider comprehensive proposals to reform the Internal Revenue Code of 1986.

SEC. 327. SENSE OF THE SENATE REGARDING DAVIS-BACON.

It is the sense of the Senate that in carrying out the assumptions in this budget resolution, the Senate will consider reform of the Davis-Bacon Act as an alternative to repeal.

SEC. 328. SENSE OF THE SENATE REGARDING ACCESS TO ITEMS AND SERVICES UNDER MEDICARE PROGRAM.

(a) FINDINGS.—The Senate finds the following:

(1) Total hospital operating margins with respect to items and services provided to medicare beneficiaries are expected to decline from 4.3 percent in fiscal year 1997 to 0.1 percent in fiscal year 1999.

(2) Total operating margins for small rural hospitals are expected to decline from 4.2 percent in fiscal year 1998 to negative 5.6 percent in fiscal year 2002, a 233 percent decline.

(3) The Congressional Budget Office recently has estimated that the amount of savings to the medicare program in fiscal years 1998 through 2002 by reason of the amendments to that program contained in the Balanced Budget Act of 1997 is \$88,500,000 more than the amount of savings to the program by reason of those amendments that the Congressional Budget Office estimated for those fiscal years immediately prior to the enactment of that Act.

(b) SENSE OF SENATE.—It is the sense of the Senate that the provisions contained in this budget resolution assume that the Senate should—

(1) consider whether the amendments to the medicare program contained in the Balanced Budget Act of 1997 have had an adverse impact on access to items and services under that program; and

(2) if it is determined that additional resources are available, additional budget authority and outlays shall be allocated to address the unintended consequences of change in medicare program policy made by the Balanced Budget Act,

including inpatient and outpatient hospital services, to ensure fair and equitable access to all items and services under the program.

SEC. 329. SENSE OF THE SENATE CONCERNING AUTISM.

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

(1) Infantile autism and autism spectrum disorders are biologically-based neurodevelopmental diseases that cause severe impairments in language and communication and generally manifest in young children sometime during the first two years of life.

(2) Best estimates indicate that 1 in 500 children born today will be diagnosed with an autism spectrum disorder and that 400,000 Americans have autism or an autism spectrum disorder.

(3) There is little information on the prevalence of autism and other pervasive developmental disabilities in the United States. There have never been any national prevalence studies in the United States, and the two studies that were conducted in the 1980s examined only selected areas of the country. Recent studies in Canada, Europe, and Japan suggest that the prevalence of classic autism alone may be 300 percent to 400 percent higher than previously estimated.

(4) Three quarters of those with infantile autism spend their adult lives in institutions or group homes, and usually enter institutions by the age of 13.

(5) The cost of caring for individuals with autism and autism spectrum disorder is great, and is estimated to be \$13,300,000,000 per year solely for direct costs.

(6) The rapid advancements in biomedical science suggest that effective treatments and a cure for autism are attainable if—

(A) there is appropriate coordination of the efforts of the various agencies of the Federal Government involved in biomedical research on autism and autism spectrum disorders;

(B) there is an increased understanding of autism and autism spectrum disorders by the scientific and medical communities involved in autism research and treatment; and

(C) sufficient funds are allocated to research.

(7) The discovery of effective treatments and a cure for autism will be greatly enhanced when scientists and epidemiologists have an accurate understanding of the prevalence and incidence of autism.

(8) Recent research suggests that environmental factors may contribute to autism. As a result, contributing causes of autism, if identified, may be preventable.

(9) Finding the answers to the causes of autism and related developmental disabilities may help researchers to understand other disorders, ranging from learning problems, to hyperactivity, to communications deficits that affect millions of Americans.

(10) Specifically, more knowledge is needed concerning—

(A) the underlying causes of autism and autism spectrum disorders, how to treat the underlying abnormality or abnormalities causing the severe symptoms of autism, and how to prevent these abnormalities from occurring in the future;

(B) the epidemiology of, and the identification of risk factors for, infantile autism and autism spectrum disorders;

(C) the development of methods for early medical diagnosis and functional assessment of individuals with autism and autism spectrum disorders, including identification and assessment of the subtypes within the autism spectrum disorders, for the purpose of monitoring the course of the disease and developing medically sound strategies for improving the outcomes of such individuals;

(D) existing biomedical and diagnostic data that are relevant to autism and autism spectrum disorders for dissemination to medical personnel, particularly pediatricians, to aid in the early diagnosis and treatment of this disease; and

(E) the costs incurred in educating and caring for individuals with autism and autism spectrum disorders.

(11) In 1998, the National Institutes of Health announced a program of research on autism and autism spectrum disorders. A sufficient level of funding should be made available for carrying out the program.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying this resolution assume that additional resources will be targeted towards autism research through the National Institutes of Health and the Centers for Disease Control and Prevention.

SEC. 330. SENSE OF THE SENATE ON WOMEN'S ACCESS TO OBSTETRIC AND GYNECOLOGICAL SERVICES.

(a) FINDINGS.—Congress finds that:

(1) In the One Hundred Fifth Congress, the House of Representatives acted favorably on The Patient Protection Act (H.R. 4250), which included provisions which required health plans to allow women direct access to a participating physician who specializes in obstetrics and gynecological services.

(2) Women's health historically has received little attention.

(3) Access to an obstetrician-gynecologist improves the health care of a woman by providing routine and preventive health care throughout the women's lifetime, encompassing care of the whole patient, while also focusing on the female reproductive system.

(4) 60 percent of all office visits to obstetrician-gynecologists are for preventive care.

(5) Obstetrician-gynecologists are uniquely qualified on the basis of education and experience to provide basic women's health care services.

(6) While more than 36 States have acted to promote residents' access to obstetrician-gynecologists, patients in other States or in federally-governed health plans are not protected from access restrictions or limitations.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions in this concurrent resolution on the budget assume that the Congress shall enact legislation that requires health plans to provide women with direct access to a participating provider who specializes in obstetrics and gynecological services.

SEC. 331. SENSE OF THE SENATE ON LIHEAP.

(a) FINDINGS.—The Senate finds that—

(1) home energy assistance for working and low-income families with children, the elderly on fixed incomes, the disabled, and others who need such aid is a critical part of the social safety net in cold-weather areas during the winter, and a source of necessary cooling aid during the summer;

(2) the Low Income Home Energy Assistance Program (LIHEAP) is a highly targeted, cost-effective way to help millions of low-income Americans pay their home energy bills. More than two-thirds of LIHEAP-eligible households have annual incomes of less than \$8,000, approximately one-half have annual incomes below \$6,000; and

(3) LIHEAP funding has been substantially reduced in recent years, and cannot sustain further spending cuts if the program is to remain a viable means of meeting the home heating and other energy-related needs of low-income families, especially those in cold-weather States.

(b) SENSE OF THE SENATE.—The assumptions underlying this budget resolution assume that it is the sense of the Senate that the funds made available for LIHEAP for fiscal year 2000 will not be less than the current services for LIHEAP in fiscal year 1999.

SEC. 332. SENSE OF THE SENATE ON TRANSPORTATION FIREWALLS.

(a) FINDINGS.—The Senate finds that—

(1) domestic firewalls greatly limit funding flexibility as Congress manages budget priorities in a fiscally constrained budget;

(2) domestic firewalls inhibit congressional oversight of programs and organizations under such protections;

(3) domestic firewalls mask mandatory spending under the guise of discretionary spending, thereby presenting a distorted picture of overall discretionary spending;

(4) domestic firewalls impede the ability of Congress to react to changing circumstances or to fund other equally important programs;

(5) the Congress implemented "domestic discretionary budget firewalls" for approximately 70 percent of function 400 spending in the One Hundred Fifth Congress;

(6) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, firewalled spending would exceed 100 percent of total function 400 spending called for under this resolution; and

(7) if the aviation firewall proposal circulating in the House of Representatives were to be enacted, drug interdiction activities by the Coast Guard, National Highway Traffic Safety Administration activities, rail safety inspections, Federal support for Amtrak, all National Transportation Safety Board activities, Pipeline and Hazardous materials safety programs, and Coast Guard search and rescue activities would be drastically cut or eliminated.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that no additional firewalls should be enacted for function 400 transportation activities.

SEC. 333. SENSE OF THE SENATE ON FUNDING EXISTING, EFFECTIVE PUBLIC HEALTH PROGRAMS BEFORE CREATING NEW PROGRAMS.

(a) FINDINGS.—The Senate finds that—

(1) the establishment of new categorical funding programs has led to proposed cuts in the Preventive Health and Health Services Block Grant to States for broad, public health missions;

(2) Preventive Health and Health Services Block Grant dollars fill gaps in the otherwise-categorical funding States and localities receive, funding such major public health threats as cardiovascular disease, injuries, emergency medical services and poor diet, for which there is often no other source of funding;

(3) in 1981, Congress consolidated a number of programs, including certain public health programs, into block grants for the purpose of best advancing the health, economics and well-being of communities across the country;

(4) the Preventive Health and Health Services Block Grant can be used for programs for screening, outreach, health education and laboratory services;

(5) the Preventive Health and Health Services Block Grant gives States the flexibility to determine how funding available for this purpose can be used to meet each State's preventive health priorities;

(6) the establishment of new public health programs that compete for funding with the Preventive Health and Health Services Block Grant could result in the elimination of effective, localized public health programs in every State.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that there shall be a continuation of the level of funding support for existing public health programs, specifically the Prevention Block Grant, prior to the funding of new public health programs.

SEC. 334. SENSE OF THE SENATE CONCERNING FUNDING FOR SPECIAL EDUCATION.

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

(1) In the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.) (referred to in this resolution as the "Act"), Congress found that improving educational results for children with disabilities is an essential element of our national policy of ensuring equality of opportunity, full participation, independent living, and economic self-sufficiency for individuals with disabilities.

(2) In the Act, the Secretary of Education is instructed to make grants to States to assist

them in providing special education and related services to children with disabilities.

(3) The Act represents a commitment by the Federal Government to fund 40 percent of the average per-pupil expenditure in public elementary and secondary schools in the United States.

(4) The budget submitted by the President for fiscal year 2000 ignores the commitment by the Federal Government under the Act to fund special education and instead proposes the creation of new programs that limit the manner in which States may spend the limited Federal education dollars received.

(5) The budget submitted by the President for fiscal year 2000 fails to increase funding for special education, and leaves States and localities with an enormous unfunded mandate to pay for growing special education costs.

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that the budgetary levels in this resolution assume that part B of the Individuals with Disabilities Act (20 U.S.C. 1400 et seq.) should be fully funded at the originally promised level before any funds are appropriated for new education programs.

SEC. 335. SENSE OF THE SENATE ON THE IMPORTANCE OF SOCIAL SECURITY FOR INDIVIDUALS WHO BECOME DISABLED.

(a) **FINDINGS.**—The Senate finds that—

(1) in addition to providing retirement income, Social Security also protects individuals from the loss of income due to disability;

(2) according to the most recent report from the Social Security Board of Trustees nearly 1 in 7 Social Security beneficiaries, 6,000,000 individuals in total, were receiving benefits as a result of disability;

(3) more than 60 percent of workers have no long-term disability insurance protection other than that provided by Social Security;

(4) according to statistics from the Society of Actuaries, the odds of a long-term disability versus death are 2.7 to 1 at age 27, 3.5 to 1 at age 42, and 2.2 to 1 at age 52; and

(5) in 1998, the average monthly benefit for a disabled worker was \$722.

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that levels in the resolution assume that—

(1) Social Security plays a vital role in providing adequate income for individuals who become disabled;

(2) individuals who become disabled face circumstances much different than those who rely on Social Security for retirement income;

(3) Social Security reform proposals that focus too heavily on retirement income may adversely affect the income protection provided to individuals with disabilities; and

(4) Congress and the President should take these factors into account when considering proposals to reform the Social Security program.

SEC. 336. SENSE OF THE SENATE REGARDING FUNDING FOR INTENSIVE FIREARMS PROSECUTION PROGRAMS.

(a) **FINDINGS.**—Congress finds that—

(1) gun violence in America, while declining somewhat in recent years, is still unacceptably high;

(2) keeping firearms out of the hands of criminals can dramatically reduce gun violence in America;

(3) States and localities often do not have the investigative or prosecutorial resources to locate and convict individuals who violate their firearms laws. Even when they do win convictions, States and localities often lack the jail space to hold such convicts for their full prison terms;

(4) there are a number of Federal laws on the books which are designed to keep firearms out of the hands of criminals. These laws impose mandatory minimum sentences upon individuals who use firearms to commit crimes of violence and convicted felons caught in possession of a firearm;

(5) the Federal Government does have the resources to investigate and prosecute violations of these Federal firearms laws. The Federal

Government also has enough jail space to hold individuals for the length of their mandatory minimum sentences;

(6) an effort to aggressively and consistently apply these Federal firearms laws in Richmond, Virginia, has cut violent crime in that city. This program, called Project Exile, has produced 288 indictments during its first two years of operation and has been credited with contributing to a 15 percent decrease in violent crimes in Richmond during the same period. In the first three quarters of 1998, homicides with a firearm in Richmond were down 55 percent compared to 1997;

(7) the fiscal year 1999 Commerce-State-Justice Appropriations Act provided \$1,500,000 to hire additional Federal prosecutors and investigators to enforce Federal firearms laws in Philadelphia. The Philadelphia project—called Operation Cease Fire—started on January 1, 1999. Since it began, the project has resulted in 31 indictments of 52 defendants on firearms violations. The project has benefited from help from the Philadelphia Police Department and the Bureau of Alcohol, Tobacco and Firearms which was not paid for out of the \$1,500,000 grant;

(8) in 1993, the office of the United States Attorney for the Western District of New York teamed up with the Monroe County District Attorney's Office, the Monroe County Sheriff's Department, the Rochester Police Department, and others to form a Violent Crimes Task Force. In 1997, the Task Force created an Illegal Firearms Suppression Unit, whose mission is to use prosecutorial discretion to bring firearms cases in the judicial forum where penalties for gun violations would be the strictest. The Suppression Unit has been involved in three major prosecutions of interstate gun-purchasing activities and currently has 30 to 40 open single-defendant felony gun cases;

(9) Senator Hatch has introduced legislation to authorize Project CUFF, a Federal firearms prosecution program;

(10) the Administration has requested \$5,000,000 to conduct intensive firearms prosecution projects on a national level;

(11) given that at least \$1,500,000 is needed to run an effective program in one American city—Philadelphia—\$5,000,000 is far from enough funding to conduct such programs nationally.

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that function 750 in the budget resolution assumes that \$50,000,000 will be provided in fiscal year 2000 to conduct intensive firearms prosecution projects to combat violence in the 25 American cities with the highest crime rates.

SEC. 337. HONEST REPORTING OF THE DEFICIT.

It is the sense of the Senate that the levels in this resolution assume the following:

(1) **IN GENERAL.**—Effective for fiscal year 2001, the President's budget and the budget report of CBO required under section 202(e) of the Congressional Budget Act of 1974 and the concurrent resolution on the budget should include—

(A) the receipts and disbursements totals of the on-budget trust funds, including the projected levels for at least the next 5 fiscal years; and

(B) the deficit or surplus excluding the on-budget trust funds, including the projected levels for at least the next 5 fiscal years.

(2) **ITEMIZATION.**—Effective for fiscal year 2001, the President's budget and the budget report of CBO required under section 202(e) of the Congressional Budget Act of 1974 should include an itemization of the on-budget trust funds for the budget year, including receipts, outlays, and balances.

SEC. 338. SENSE OF THE SENATE CONCERNING FOSTERING THE EMPLOYMENT AND INDEPENDENCE OF INDIVIDUALS WITH DISABILITIES.

(a) **FINDINGS.**—The Senate makes the following findings:

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health

care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, or are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Coverage for personal assistance services, prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than 1/2 of 1 percent of Social Security disability insurance (SSDI) and supplemental security income (SSI) beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional 1/2 of 1 percent of the current Social Security disability insurance (SSDI) and supplemental security income (SSI) recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds in cash assistance would total \$3,500,000,000 over the worklife of the individuals.

(b) **SENSE OF THE SENATE.**—It is the sense of the Senate that the provisions of this resolution assume that the Work Incentives Improvement Act of 1999 (S. 331, 106th Congress) will be passed by the Senate and enacted early this year, and thereby provide individuals with disabilities with the health care and employment preparation and placement services that will enable those individuals to reduce their dependency on cash benefit programs.

SEC. 339. SENSE OF THE SENATE REGARDING ASSET-BUILDING FOR THE WORKING POOR.

(a) **FINDINGS.**—The Senate finds the following:

(1) 33 percent of all American households and 60 percent of African American households have no or negative financial assets.

(2) 46.9 percent of all children in America live in households with no financial assets, including 40 percent of Caucasian children and 75 percent of African American children.

(3) In order to provide low-income families with more tools for empowerment, incentives which encourage asset-building should be established.

(4) Across the Nation, numerous small public, private, and public-private asset-building incentives, including individual development accounts, are demonstrating success at empowering low-income workers.

(5) Middle and upper income Americans currently benefit from tax incentives for building assets.

(6) The Federal Government should utilize the Federal tax code to provide low-income Americans with incentives to work and build assets in order to escape poverty permanently.

(b) **SENSE OF SENATE.**—It is the sense of the Senate that the provisions of this resolution assume that Congress should modify the Federal tax law to include provisions which encourage low-income workers and their families to save for buying a first home, starting a business, obtaining an education, or taking other measures to prepare for the future.

SEC. 340. SENSE OF THE SENATE THAT THE PROVISIONS OF THIS RESOLUTION ASSUME THAT IT IS THE POLICY OF THE UNITED STATES TO PROVIDE AS SOON AS IS TECHNOLOGICALLY POSSIBLE AN EDUCATION FOR EVERY AMERICAN CHILD THAT WILL ENABLE EACH CHILD TO EFFECTIVELY MEET THE CHALLENGES OF THE TWENTY-FIRST CENTURY.

(a) FINDINGS.—The Senate finds that—

(1) Pell Grants require an increase of \$5,000,000,000 per year to fund the maximum award established in the Higher Education Act Amendments of 1998;

(2) the Individuals with Disabilities Education Act needs at least \$13,000,000,000 more per year to fund the Federal commitment to fund 40 percent of the excess costs for special education services;

(3) title I needs at least \$4,000,000,000 more per year to serve all eligible children;

(4) over \$11,000,000,000 over the next six years will be required to hire 100,000 teachers to reduce class size to an average of 18 in grades 1–3;

(5) according to the General Accounting Office, it will cost \$112,000,000,000 just to bring existing school buildings up to good overall condition. According to GAO, one-third of schools serving 14,000,000 children require extensive repair or replacement of one or more of their buildings. GAO also found that almost half of all schools lack even the basic electrical wiring needed to support full-scale use of computers;

(6) the Federal share of education spending has declined from 11.9 percent in 1980 to 7.6 percent in 1998;

(7) Federal spending for education has declined from 2.5 percent of all Federal spending in fiscal year 1980 to 2.0 percent in fiscal year 1999.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that it is the policy of the United States to provide as soon as is technologically possible an education for every American child that will enable each child to effectively meet the challenges of the twenty-first century.

SEC. 341. SENSE OF THE SENATE CONCERNING EXEMPTION OF AGRICULTURAL COMMODITIES AND PRODUCTS, MEDICINES, AND MEDICAL PRODUCTS FROM UNILATERAL ECONOMIC SANCTIONS.

(a) FINDINGS.—The Senate finds that—

(1) prohibiting or otherwise restricting the donation or sale of agricultural commodities or products, medicines, or medical products in order to unilaterally sanction a foreign government for actions or policies that the United States finds objectionable unnecessarily harms innocent populations in the targeted country and rarely causes the sanctioned government to alter its actions or policies;

(2) for the United States as a matter of policy to deny access to agricultural commodities or products, medicines, or medical products by innocent men, women, and children in other countries weakens the international leadership and moral authority of the United States; and

(3) unilateral sanctions on the sale or donation of agricultural commodities or products, medicines, or medical products needlessly harm agricultural producers and workers employed in the agricultural or medical sectors in the United States by foreclosing markets for the commodities, products, or medicines.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that the President should—

(1) subject to paragraph (2), exempt agricultural commodities and products, medicines, and medical products from any unilateral economic sanction imposed on a foreign government; and

(2) apply the sanction to the commodities, products, or medicines if the application is necessary—

(A) for health or safety reasons; or

(B) due to a domestic shortage of the commodities, products, or medicines.

SEC. 342. SENSE OF THE SENATE REGARDING CAPITAL GAINS TAX FAIRNESS FOR FAMILY FARMERS.

(a) FINDINGS.—The Senate finds that—

(1) one of the most popular provisions included in the Taxpayer Relief Act of 1997 permits many families to exclude from Federal income taxes up to \$500,000 of gain from the sale of their principal residences;

(2) under current law, family farmers are not able to take full advantage of this \$500,000 capital gains exclusion that families living in urban or suburban areas enjoy on the sale of their homes;

(3) for most urban and suburban residents, their homes are their major financial asset and as a result such families, who have owned their homes through many years of appreciation, can often benefit from a large portion of this new \$500,000 capital gains exclusion;

(4) most family farmers plow any profits they make back into the whole farm rather than into the house which holds little or no value;

(5) unfortunately, farm families receive little benefit from this capital gains exclusion because the Internal Revenue Service separates the value of their homes from the value of the land the homes sit on;

(6) we should recognize in our tax laws the unique character and role of our farm families and their important contributions to our economy, and allow them to benefit more fully from the capital gains tax exclusion that urban and suburban homeowners already enjoy; and

(7) we should expand the \$500,000 capital gains tax exclusion to cover sales of the farmhouse and the surrounding farmland over their lifetimes.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that if we pass tax relief measures in accordance with the assumptions in the budget resolution, we should ensure that such legislation removes the disparity between farm families and their urban and suburban counterparts with respect to the new \$500,000 capital gains tax exclusion for principal residence sales by expanding it to cover gains from the sale of farmland along with the sale of the farmhouse.

SEC. 343. BUDGETING FOR THE DEFENSE SCIENCE AND TECHNOLOGY PROGRAM.

It is the sense of the Senate that the budgetary levels for National Defense (function 050) for fiscal years 2000 through 2008 assume funding for the Defense Science and Technology Program that is consistent with section 214 of the Strom Thurmond National Defense Authorization Act for Fiscal Year 1999, which expresses a sense of the Congress that for each of those fiscal years it should be an objective of the Secretary of Defense to increase the budget request for the Defense Science and Technology Program by at least 2 percent over inflation.

SEC. 344. SENSE OF THE SENATE CONCERNING FUNDING FOR THE URBAN PARKS AND RECREATION RECOVERY (UPARR) PROGRAM.

(a) FINDINGS.—The Senate finds that—

(1) every analysis of national recreation issues in the last 3 decades has identified the importance of close-to-home recreation opportunities, particularly for residents in densely-populated urban areas;

(2) the Land and Water Conservation Fund grants program under the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–4 et seq.) was established partly to address the pressing needs of urban areas;

(3) the National Urban Recreation Study of 1978 and the President's Commission on Americans Outdoors of 1987 revealed that critical urban recreation resources were not being addressed;

(4) older city park structures and infrastructures worth billions of dollars are at risk be-

cause government incentives favored the development of new areas over the revitalization of existing resources, ranging from downtown parks established in the 19th century to neighborhood playgrounds and sports centers built from the 1920's to the 1950's;

(5) the Urban Parks and Recreation Recovery (UPARR) program, established under the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.), authorized \$725,000,000 to provide matching grants and technical assistance to economically distressed urban communities;

(6) the purposes of the UPARR program is to provide direct Federal assistance to urban localities for rehabilitation of critically needed recreation facilities, and to encourage local planning and a commitment to continuing operation and maintenance of recreation programs, sites, and facilities; and

(7) funding for UPARR is supported by a wide range of organizations, including the National Association of Police Athletic Leagues, the Sporting Goods Manufacturers Association, the Conference of Mayors, and Major League Baseball.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that Congress considers the UPARR program to be a high priority, and should appropriate such amounts as are necessary to carry out the Urban Parks and Recreation Recovery (UPARR) program established under the Urban Park and Recreation Recovery Act of 1978 (16 U.S.C. 2501 et seq.).

SEC. 345. SENSE OF THE SENATE ON SOCIAL PROMOTION.

It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that funds will be provided for legislation—

(1) to provide remedial educational and other instructional interventions to assist public elementary and secondary school students in meeting achievement levels; and

(2) to terminate practices which advance students from one grade to the next who do not meet State achievement standards in the core academic curriculum.

SEC. 346. SENSE OF THE SENATE ON WOMEN AND SOCIAL SECURITY REFORM.

(a) FINDINGS.—The Senate finds that—

(1) without Social Security benefits, the elderly poverty rate among women would have been 52.2 percent, and among widows would have been 60.6 percent;

(2) women tend to live longer and tend to have lower lifetime earnings than men do;

(3) during their working years, women earn an average of 70 cents for every dollar men earn; and

(4) women spend an average of 11.5 years out of their careers to care for their families, and are more likely to work part-time than full-time.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that—

(1) women face unique obstacles in ensuring retirement security and survivor and disability stability;

(2) Social Security plays an essential role in guaranteeing inflation-protected financial stability for women throughout their old age;

(3) the Congress and the Administration should act, as part of Social Security reform, to ensure that widows and other poor elderly women receive more adequate benefits that reduce their poverty rates and that women, under whatever approach is taken to reform Social Security, should receive no lesser a share of overall federally-funded retirement benefits than they receive today; and

(4) the sacrifice that women make to care for their family should be recognized during reform of Social Security and that women should not be penalized by taking an average of 11.5 years out of their careers to care for their family.

SEC. 347. SENSE OF THE CONGRESS REGARDING SOUTH KOREA'S INTERNATIONAL TRADE PRACTICES ON PORK AND BEEF.

(a) FINDINGS.—The Congress finds that—

(1) Asia is the largest regional export market for America's farmers and ranchers, traditionally purchasing approximately 40 percent of all United States agricultural exports;

(2) 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;

(3) 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;

(4) 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;

(5) 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;

(6) 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 United States products;

(7) 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;

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

(9) 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;

(10) 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;

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

(12) 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;

(13) South Korea fell woefully short of its beef market access commitment for 1998; and

(14) 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.

(b) SENSE OF THE CONGRESS.—It is the sense of the Congress that the 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 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 United States agricultural goods or services; and

(5) requests the United States Trade Representative and the United States Department of Agriculture to pursue the settlement of disputes 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 of its international trade commitments, and to determine what impact Korea's subsidy plans would have on United States agricultural interests, especially in Japan.

SEC. 348. SENSE OF THE SENATE REGARDING SUPPORT FOR STATE AND LOCAL LAW ENFORCEMENT.

(a) FINDINGS.—The Senate finds that—

(1) as national crime rates are beginning to fall as a result of State and local efforts, with Federal support, it is important for the Federal Government to continue its support for State and local law enforcement;

(2) Federal support is crucial to the provision of critical crime fighting programs;

(3) Federal support is also essential to the provision of critical crime fighting services and the effective administration of justice in the States, such as State and local crime laboratories and medical examiners' offices;

(4) current needs exceed the capacity of State and local crime laboratories to process their forensic examinations, resulting in tremendous backlogs that prevent the swift administration of justice and impede fundamental individual rights, such as the right to a speedy trial and to exculpatory evidence;

(5) last year, Congress passed the Crime Identification Technology Act of 1998, which authorizes \$250,000,000 each year for 5 years to assist State and local law enforcement agencies in developing and integrating their anticrime technology systems, and in upgrading their forensic laboratories and information and communications infrastructures upon which these crime fighting systems rely; and

(6) the Federal Government must continue efforts to significantly reduce crime by maintaining Federal funding for State and local law enforcement, and wisely targeting these resources.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) the amounts made available for fiscal year 2000 to assist State and local law enforcement efforts should be comparable to or greater than amounts made available for that purpose for fiscal year 1999;

(2) the amounts made available for fiscal year 2000 for crime technology programs should be used to further the purposes of the program under section 102 of the Crime Identification Technology Act of 1998 (42 U.S.C. 14601); and

(3) Congress should consider legislation that specifically addresses the backlogs in State and local crime laboratories and medical examiners' offices.

SEC. 349. SENSE OF THE SENATE ON MERGER ENFORCEMENT BY DEPARTMENT OF JUSTICE.

(a) FINDINGS.—Congress finds that—

(1) the Antitrust Division of the Department of Justice is charged with the civil and criminal enforcement of the antitrust laws, including re-

view of corporate mergers likely to reduce competition in particular markets, with a goal to promote and protect the competitive process;

(2) the Antitrust Division requests a 16 percent increase in funding for fiscal year 2000;

(3) justification for such an increase is based, in part, on increasingly numerous and complex merger filings pursuant to the Hart-Scott-Rodino Antitrust Improvements Act of 1976;

(4) the Hart-Scott-Rodino Antitrust Improvements Act of 1976 sets value thresholds which trigger the requirement for filing premerger notification;

(5) the number of merger filings under the Hart-Scott-Rodino Antitrust Improvements Act of 1976, which the Department, in conjunction with the Federal Trade Commission, is required to review, increased by 38 percent in fiscal year 1998;

(6) the Department expects the number of merger filings to increase in fiscal years 1999 and 2000;

(7) the value thresholds, which relate to both the size of the companies involved and the size of the transaction, under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 have not been adjusted since passage of that Act.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Antitrust Division needs adequate resources and that the levels in this resolution assume the Division will have such adequate resources, including necessary increases in funding, notwithstanding any report language to the contrary, to enable it to meet its statutory requirements, including those related to reviewing and investigating increasingly numerous and complex mergers, but that Congress should pursue consideration of modest, budget neutral, adjustments to the Hart-Scott-Rodino Antitrust Improvements Act of 1976 to account for inflation in the value thresholds of the Act, and in so doing, ensure that the Antitrust Division's resources are focused on matters and transactions most deserving of the Division's attention.

SEC. 350. SENSE OF THE SENATE TO CREATE A TASK FORCE TO PURSUE THE CREATION OF A NATURAL DISASTER RESERVE FUND.

(a) It is the sense of the Senate that a task force be created for the purpose of studying the possibility of creating a reserve fund for natural disasters. The task force should be composed of three Senators appointed by the Majority Leader, and two Senators appointed by the Minority Leader. The task force should also be composed of three members appointed by the Speaker of the House, and two members appointed by the Minority Leader in the House.

(b) It is the sense of the Senate that the task force make a report to the appropriate committees in Congress within 90 days of being convened. The report should be available for the purposes of consideration during comprehensive overhaul of budget procedures.

SEC. 351. SENSE OF THE SENATE CONCERNING FEDERAL TAX RELIEF.

(a) FINDINGS.—The Senate makes the following findings:

(1) The Congressional Budget Office has reported that payroll taxes will exceed income taxes for 74 percent of all taxpayers in 1999.

(2) The Federal Government will collect nearly \$50,000,000,000 in income taxes this year through its practice of taxing the income Americans sacrifice to the Government in the form of Social Security payroll taxes.

(3) American taxpayers are currently shouldering the heaviest tax burden since 1944.

(4) According to the nonpartisan Tax Foundation, the median dual-income family sacrificed a record 37.6 percent of its income to the Government in 1997.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that a significant portion of the tax relief will be devoted to working families who are double-taxed by—

(1) providing taxpayers with an above-the-line income tax deduction for the Social Security payroll taxes they pay so that they no longer pay income taxes on such payroll taxes, and/or

(2) gradually reducing the lowest marginal income tax rate from 15 percent to 10 percent, and/or

(3) other tax reductions that do not reduce the tax revenue devoted to the Social Security Trust Fund.

SEC. 352. SENSE OF THE SENATE ON ELIMINATING THE MARRIAGE PENALTY AND ACROSS-THE-BOARD INCOME TAX RATE CUTS.

(a) FINDINGS.—The Senate finds that—

(1) the institution of marriage is the cornerstone of the family and civil society;

(2) strengthening of the marriage commitment and the family is an indispensable step in the renewal of America's culture;

(3) the Federal income tax punishes marriage by imposing a greater tax burden on married couples than on their single counterparts;

(4) America's tax code should give each married couple the choice to be treated as one economic unit, regardless of which spouse earns the income; and

(5) all American taxpayers are responsible for any budget surplus and deserve broad-based tax relief after the Social Security Trust Fund has been protected.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that Congress should eliminate the marriage penalty in a manner that treats all married couples equally, regardless of which spouse earns the income.

SEC. 353. SENSE OF THE SENATE ON IMPORTANCE OF FUNDING FOR EMBASSY SECURITY.

(a) FINDINGS.—The Senate finds that—

(1) Enhancing security at United States diplomatic missions overseas is essential to protect United States Government personnel serving on the front lines of our national defense;

(2) 80 percent of United States diplomatic missions do not meet current security standards;

(3) the Accountability Review Boards on the Embassy Bombings in Nairobi and Dar Es Salaam recommended that the Department of State spend \$1,400,000,000 annually on embassy security over each of the next 10 years;

(4) the amount of spending recommended for embassy security by the Accountability Review Boards is approximately 36 percent of the operating budget requested for the Department of State in fiscal year 2000; and

(5) the funding requirements necessary to improve security for United States diplomatic missions and personnel abroad cannot be borne within the current budgetary resources of the Department of State.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budgetary levels in this budget resolution assume that as the Congress contemplates changes in the Congressional Budget Act of 1974 to reflect projected on-budget surpluses, provisions similar to those set forth in section 314(b) of that Act should be considered to ensure adequate funding for enhancements to the security of United States diplomatic missions.

SEC. 354. SENSE OF THE SENATE ON FUNDING FOR AFTER SCHOOL EDUCATION.

(a) FINDINGS.—The Senate finds the following:

(1) The demand for after school education is very high. In fiscal year 1998 the Department of Education's after school grant program was the most competitive in the Department's history. Nearly 2,000 school districts applied for over \$540,000,000.

(2) After school programs help to fight juvenile crime. Law enforcement statistics show that youth who are ages 12 through 17 are most at risk of committing violent acts and being victims of violent acts between 3:00 p.m. and 6:00 p.m. After school programs have been shown to reduce juvenile crime, sometimes by up to 75 per-

cent according to the National Association of Police Athletic and Activity Leagues.

(3) After school programs can improve educational achievement. They ensure children have safe and positive learning environments in the after school hours. In the Sacramento START after school program 75 percent of the students showed an increase in their grades.

(4) After school programs have widespread support. Over 90 percent of the American people support such programs. Over 450 of the Nation's leading police chiefs, sheriffs, and prosecutors, along with presidents of the Fraternal Order of Police, and the International Union of Police Associations support government funding of after school programs. And many of our Nation's governors endorse increasing the number of after school programs through a Federal of State partnership.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution assume that Congress will provide \$600,000,000 for the President's after school initiative in fiscal year 2000.

SEC. 355. SENSE OF THE SENATE CONCERNING RECOVERY OF FUNDS BY THE FEDERAL GOVERNMENT IN TOBACCO-RELATED LITIGATION.

(a) SHORT TITLE.—This section may be cited as the "Federal Tobacco Recovery and Medicare Prescription Drug Benefit Resolution of 1999".

(b) FINDINGS.—The Senate makes the following findings:

(1) The President, in his January 19, 1999 State of the Union address—

(A) announced that the Department of Justice would develop a litigation plan for the Federal Government against the tobacco industry;

(B) indicated that any funds recovered through such litigation would be used to strengthen the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.); and

(C) urged Congress to pass legislation to include a prescription drug benefit in the medicare program.

(2) The traditional medicare program does not include most outpatient prescription drugs as part of its benefit package.

(3) Prescription drugs are a central element in improving quality of life and in routine health maintenance.

(4) Prescription drugs are a key component to early health care intervention strategies for the elderly.

(5) Eighty percent of retired individuals take at least 1 prescription drug every day.

(6) Individuals 65 years of age or older represent 12 percent of the population of the United States but consume more than 1/3 of all prescription drugs consumed in the United States.

(7) Exclusive of health care-related premiums, prescription drugs account for almost 1/3 of the health care costs and expenditures of elderly individuals.

(8) Approximately 10 percent of all medicare beneficiaries account for nearly 50 percent of all prescription drug spending by the elderly.

(9) Research and development on new generations of pharmaceuticals represent new opportunities for healthier, longer lives for our Nation's elderly.

(10) Prescription drugs are among the key tools in every health care professional's medical arsenal to help combat and prevent the onset, recurrence, or debilitating effects of illness and disease.

(11) While possible Federal litigation against tobacco companies will take time to develop, Congress should continue to work to address the immediate need among the elderly for access to affordable prescription drugs.

(12) Treatment of tobacco-related illness is estimated to cost the medicare program approximately \$10,000,000,000 every year.

(13) In 1998, 50 States reached a settlement with the tobacco industry for tobacco-related illness in the amount of \$206,000,000,000.

(14) Recoveries from possible Federal tobacco-related litigation, if successful, will likely be comparable to or exceed the dollar amount recovered by the States under the 1998 settlement.

(15) In the event Federal tobacco-related litigation is valid, undertaken and is successful, funds recovered under such litigation should first be used for the purpose of strengthening the Federal Hospital Insurance Trust Fund and second to finance a medicare prescription drug benefit.

(16) The scope of any medicare prescription drug benefit should be as comprehensive as possible, with drugs used in fighting tobacco-related illnesses given a first priority.

(17) Most Americans want the medicare program to cover the costs of prescription drugs.

(c) SENSE OF THE SENATE.—It is the sense of the Senate that the assumptions underlying the functional totals in this resolution assume that funds recovered under any tobacco-related litigation commenced by the Federal Government should be used first for the purpose of strengthening the Federal Hospital Insurance Trust Fund and second to fund a medicare prescription drug benefit.

SEC. 356. SENSE OF THE SENATE ON OFFSETTING INAPPROPRIATE EMERGENCY SPENDING.

It is the sense of the Senate that the levels in this resolution assume that—

(1) some emergency expenditures made at the end of the One Hundred Fifth Congress for fiscal year 1999 were inappropriately deemed as emergencies;

(2) Congress and the President should identify these inappropriate expenditures and fully pay for these expenditures during the fiscal year in which they will be incurred; and

(3) Congress should only apply the emergency designation for occurrences that meet the criteria set forth in the Congressional Budget Act.

SEC. 357. FINDINGS; SENSE OF CONGRESS ON THE PRESIDENT'S FISCAL YEAR 2000 BUDGET PROPOSAL TO TAX ASSOCIATION INVESTMENT INCOME.

(a) The Congress finds that:

(1) The President's fiscal year 2000 Federal budget proposal to impose a tax on the interest, dividends, capital gains, rents, and royalties in excess of \$10,000 of trade associations and professional societies exempt under section 501(c)(6) of the Internal Revenue Code of 1986 represents an unjust and unnecessary penalty on legitimate association activities.

(2) At a time when the Government is projecting on-budget surpluses of more than \$800,000,000,000 over the next 10 years, the President proposes to increase the tax burden on trade and professional associations by \$1,440,000,000 over the next 5 years.

(3) The President's association tax increase proposal will impose a tremendous burden on thousands of small and mid-sized trade associations and professional societies.

(4) Under the President's association tax increase proposal, most associations with annual operating budgets of as low as \$200,000 or more will be taxed on investment income and as many as 70,000 associations nationwide could be affected by this proposal.

(5) Associations rely on this targeted investment income to carry out tax-exempt status related activities, such as training individuals to adapt to the changing workplace, improving industry safety, providing statistical data, and providing community services.

(6) Keeping investment income free from tax encourages associations to maintain modest surplus funds that cushion against economic and fiscal downturns.

(7) Corporations can increase prices to cover increased costs, while small and medium sized local, regional, and State-based associations do not have such an option, and thus increased costs imposed by the President's association tax increase would reduce resources available for the important standard setting, educational

training, and professionalism training performed by associations.

(b) It is the sense of Congress that the functional totals in this concurrent resolution on the budget assume that Congress shall reject the President's proposed tax increase on investment income of associations as defined under section 501(c)(6) of the Internal Revenue Code of 1986.

SEC. 358. SENSE OF THE SENATE REGARDING FUNDING FOR COUNTER-NARCOTICS INITIATIVES.

(a) FINDINGS.—The Senate finds that—

(1) from 1985–1992, the Federal Government's drug control budget was balanced among education, treatment, law enforcement, and international supply reduction activities and this resulted in a 13-percent reduction in total drug use from 1988 to 1991;

(2) since 1992, overall drug use among teens aged 12 to 17 rose by 70 percent, cocaine and marijuana use by high school seniors rose 80 percent, and heroin use by high school seniors rose 100 percent;

(3) during this same period, the Federal investment in reducing the flow of drugs outside our borders declined both in real dollars and as a proportion of the Federal drug control budget;

(4) while the Federal Government works with State and local governments and numerous private organizations to reduce the demand for illegal drugs, seize drugs, and break down drug trafficking organizations within our borders, only the Federal Government can seize and destroy drugs outside of our borders;

(5) in an effort to restore Federal international eradication and interdiction efforts, in 1998, Congress passed the Western Hemisphere Drug Elimination Act which authorized an additional \$2,600,000,000 over 3 years for international interdiction, eradication, and alternative development activities;

(6) Congress appropriated over \$800,000,000 in fiscal year 1999 for anti-drug activities authorized in the Western Hemisphere Drug Elimination Act; and

(7) the proposed Drug Free Century Act would build upon many of the initiatives authorized in the Western Hemisphere Drug Elimination Act, including additional funding for the Department of Defense for counter-drug intelligence and related activities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions of this resolution assume that—

(1) funding for Federal drug control activities should be at a level higher than that proposed in the President's budget request for fiscal year 2000; and

(2) funding for Federal drug control activities should allow for investments in programs authorized in the Western Hemisphere Drug Elimination Act and in the proposed Drug Free Century Act.

SEC. 359. SENSE OF THE SENATE ON MODERNIZING AMERICA'S SCHOOLS.

(a) FINDINGS.—The Senate finds the following:

(1) The General Accounting Office has performed a comprehensive survey of the Nation's public elementary and secondary school facilities and has found severe levels of disrepair in all areas of the United States.

(2) The General Accounting Office has concluded that more than 14,000,000 children attend schools in need of extensive repair or replacement; 7,000,000 children attend schools with life safety code violations; and 12,000,000 children attend schools with leaky roofs.

(3) The General Accounting Office has found that the problem of crumbling schools transcends demographic and geographic boundaries. At 38 percent of urban schools, 30 percent of rural schools, and 29 percent of suburban schools, at least 1 building is in need of extensive repair or should be completely replaced.

(4) The condition of school facilities has a direct effect on the safety of students and teachers and on the ability of students to learn. Academic research has provided a direct correlation

between the condition of school facilities and student achievement. At Georgetown University, researchers have found the test scores of students assigned to schools in poor condition can be expected to fall 10.9 percentage points below the test scores of students in buildings in excellent condition. Similar studies have demonstrated up to a 20 percent improvement in test scores when students were moved from a poor facility to a new facility.

(5) The General Accounting Office has found most schools are not prepared to incorporate modern technology in the classroom. 46 percent of schools lack adequate electrical wiring to support the full-scale use of technology. More than a third of schools lack the requisite electrical power. 56 percent of schools have insufficient phone lines for modems.

(6) The Department of Education has reported that elementary and secondary school enrollment, already at a record high level, will continue to grow over the next 10 years, and that in order to accommodate this growth, the United States will need to build an additional 6,000 schools.

(7) The General Accounting Office has determined that the cost of bringing schools up to good, overall condition to be \$112,000,000,000, not including the cost of modernizing schools to accommodate technology, or the cost of building additional facilities needed to meet record enrollment levels.

(8) Schools run by the Bureau of Indian Affairs (BIA) for Native American children are also in dire need of repair and renovation. The General Accounting Office has reported that the cost of total inventory repairs needed for BIA facilities is \$754,000,000. The December 1997 report by the Comptroller General of the United States states that, "Compared with other schools nationally, BIA schools are generally in poorer physical condition, have more unsatisfactory environmental factors, more often lack key facilities requirements for education reform, and are less able to support computer and communications technology.

(9) State and local financing mechanisms have proven inadequate to meet the challenges facing today's aging school facilities. Large numbers of local educational agencies have difficulties securing financing for school facility improvement.

(10) The Federal Government has provided resources for school construction in the past. For example, between 1933 and 1939, the Federal Government assisted in 70 percent of all new school construction.

(11) The Federal Government can support elementary and secondary school facilities without interfering in issues of local control, and should help communities leverage additional funds for the improvement of elementary and secondary school facilities.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the budgetary levels in this budget resolution assume that Congress will enact measures to assist school districts in modernizing their facilities, including—

(1) legislation to allow States and school districts to issue at least \$24,800,000,000 worth of zero-interest bonds to rebuild and modernize our Nation's schools, and to provide Federal income tax credits to the purchasers of those bonds in lieu of interest payments; and

(2) appropriate funding for the Education Infrastructure Act of 1994 during the period 2000 through 2004, which would provide grants to local school districts for the repair, renovation and construction of public school facilities.

SEC. 360. SENSE OF THE SENATE CONCERNING FUNDING FOR THE LAND AND WATER CONSERVATION FUND.

(a) FINDINGS.—The Senate finds that—

(1) amounts in the land and water conservation fund finance the primary Federal program for acquiring land for conservation and recreation and for supporting State and local efforts for conservation and recreation;

(2) Congress has appropriated only \$10,000,000,000 out of the more than \$21,000,000,000 covered into the fund from revenues payable to the United States under the Outer Continental Shelf Lands Act (43 U.S.C. 1331 et seq.); and

(3) 38 Senators cosigned 2 letters to the Chairman and Ranking Member of the Committee on the Budget urging that the land and water conservation fund be fully funded.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the levels in this resolution and legislation enacted pursuant to this resolution assume that Congress should appropriate \$200,000,000 for fiscal year 2000 to provide financial assistance to the States under section 6 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 4601–8), in addition to such amounts as are made available for Federal land acquisition under that Act for fiscal year 2000.

SEC. 361. SENSE OF THE SENATE REGARDING SUPPORT FOR FEDERAL, STATE AND LOCAL LAW ENFORCEMENT AND FOR THE VIOLENT CRIME REDUCTION TRUST FUND.

(a) FINDINGS.—The Senate finds that—

(1) our Federal, State and local law enforcement officers provide essential services that preserve and protect our freedom and safety, and with the support of Federal assistance such as the Local Law Enforcement Block Grant Program, the Juvenile Accountability Incentive Block Grant Program, the COPS Program, and the Byrne Grant Program, State and local law enforcement officers have succeeded in reducing the national scourge of violent crime, illustrated by a violent crime rate that has dropped in each of the past four years;

(2) assistance, such as the Violent Offender Incarceration/Truth in Sentencing Incentive Grants, provided to State corrections systems to encourage truth in sentencing laws for violent offenders has resulted in longer time served by violent criminals and safer streets for law abiding people across the Nation;

(3) through a comprehensive effort by State and local law enforcement to attack violence against women, in concert with the efforts of dedicated volunteers and professionals who provide victim services, shelter, counseling and advocacy to battered women and their children, important strides have been made against the national scourge of violence against women;

(4) despite recent gains, the violent crime rate remains high by historical standards;

(5) Federal efforts to investigate and prosecute international terrorism and complex interstate and international crime are vital aspects of a national anticrime strategy, and should be maintained;

(6) the recent gains by Federal, State and local law enforcement in the fight against violent crime and violence against women are fragile, and continued financial commitment from the Federal Government for funding and financial assistance is required to sustain and build upon these gains; and

(7) the Violent Crime Reduction Trust Fund, enacted as a part of the Violent Crime Control and Law Enforcement Act of 1994, funds the Violent Crime Control and Law Enforcement Act of 1994, the Violence against Women Act of 1994, and the Antiterrorism and Effective Death Penalty Act of 1996, without adding to the Federal budget deficit.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the provisions and the functional totals underlying this resolution assume that the Federal Government's commitment to fund Federal law enforcement programs and programs to assist State and local efforts to combat violent crime shall be maintained, and that funding for the Violent Crime Reduction Trust Fund shall continue to at least fiscal year 2005.

SEC. 362. SENSE OF THE SENATE REGARDING SOCIAL SECURITY NOTCH BABIES.

(a) FINDINGS.—The Senate finds that—

(1) the Social Security Amendments of 1977 (Public Law 95-216) substantially altered the way Social Security benefits are computed;

(2) those amendments resulted in disparate benefits depending upon the year in which a worker becomes eligible for benefits; and

(3) those individuals born between the years 1917 and 1926, and who are commonly referred to as "notch babies" receive benefits that are lower than those retirees who were born before or after those years.

(b) SENSE OF THE SENATE.—It is the sense of the Senate that the Congress should reevaluate the benefits of workers who attain age 65 after 1981 and before 1992.

ENROLLED BILL PRESENTED

The Secretary of the Senate reported that on Thursday, April 26, 1999, he had presented to the President of the United States, the following enrolled bill:

S. 531. An act to authorize the President to award a gold medal on behalf of the Congress to Rosa Parks in recognition of her contribution to the Nation.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC-2682. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Environmental Differential Pay for Working at High Altitudes" (RIN3206-A136) received on April 6, 1999; to the Committee on Governmental Affairs.

EC-2683. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Federal Employees Health Benefits Program: Contributions and Withholdings" (RIN3206-A133) received on April 6, 1999; to the Committee on Governmental Affairs.

EC-2684. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the annual report on drug and alcohol abuse prevention, treatment and rehabilitation programs and services for Federal civilian employees for fiscal year 1997; to the Committee on Governmental Affairs.

EC-2685. A communication from the Director, Office of Personnel Management, transmitting, a draft of proposed legislation relative to the Federal Executive Institute Annex; to the Committee on Governmental Affairs.

EC-2686. A communication from the Chairman, U.S. Merit Systems Protection Board, transmitting, pursuant to law, the annual report for the fiscal year 1998; to the Committee on Governmental Affairs.

EC-2687. A communication from the Chairman, Occupational Safety and Health Review Commission, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Governmental Affairs.

EC-2688. A communication from the Director, Employment Service, U.S. Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Temporary and Term Employment" (RIN3206-A145) received on April 6, 1999; to the Committee on Governmental Affairs.

EC-2689. A communication from the Director, U.S. Office of Personnel Management, transmitting, pursuant to law, the report of

a rule relative to retirement, health, and life insurance for certain employees of the District of Columbia (RIN3206-A155) received on April 5, 1999; to the Committee on Governmental Affairs.

EC-2690. A communication from the Director, U.S. Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Abolishment of the Orlando, Florida, Appropriated Fund Wage Area" (RIN3206-A104) received on April 12, 1999; to the Committee on Governmental Affairs.

EC-2691. A communication from the Director, U.S. Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Prevailing Rate Systems; Redefinition of the Orlando, Florida, Appropriated Fund Wage Area" (RIN3206-A113) received on April 12, 1999; to the Committee on Governmental Affairs.

EC-2692. A communication from the Director, Employment Service-Workforce Restructuring Office, U.S. Office of Personnel Management, transmitting, pursuant to law, the report of a rule entitled "Reduction in Force Service Credit; Retention Records" (RIN3206-A109) received on April 6, 1999; to the Committee on Governmental Affairs.

EC-2693. A communication from the Chairman, Nuclear Regulatory Commission, transmitting, pursuant to law, the annual report for fiscal year 1998; to the Committee on Governmental Affairs.

EC-2694. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-33, entitled "Potomac River Bridges Towing Compact Temporary Act of 1999" adopted by the Council on February 2, 1999; to the Committee on Governmental Affairs.

EC-2695. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-40, entitled "Children's Defense Fund Equitable Real Property Tax Relief and Children's Health Insurance Program Authorization Emergency Act of 1998 Fiscal Impact Temporary Amendment Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2696. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 12-634 entitled "District of Columbia Department of Health Functions Clarification Temporary Act of 1999" adopted by the Council on February 2, 1999; to the Committee on Governmental Affairs.

EC-2697. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-32 entitled "Omnibus Regulatory Reform Temporary Amendment Act of 1999" adopted by the Council on February 2, 1999; to the Committee on Governmental Affairs.

EC-2698. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-34 entitled "Solid Waste Facility Permit Temporary Amendment Act of 1999" adopted by the Council on February 2, 1999; to the Committee on Governmental Affairs.

EC-2699. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-48 entitled "Homestead Housing Preservation Amendment Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2700. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-46 entitled "Tax Conformity Temporary Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2701. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-53 entitled "Community Development Program Amendment Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2702. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 12-624 entitled "Solid Waste Facility Permit Amendment Act of 1998" adopted by the Council on January 5, 1999; to the Committee on Governmental Affairs.

EC-2703. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-45 entitled "Motor Vehicle Excessive Idling Fine Increase Temporary Amendment Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2704. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-49 entitled "Approval of the Application of Control of District Cablevision Limited Partnership from Tele-Communications, Inc. to AT&T Corporation Temporary Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

EC-2705. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, copies of D.C. Act 13-44 entitled "Lease Approval Technical Amendment Act of 1999" adopted by the Council on March 2, 1999; to the Committee on Governmental Affairs.

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. INOUE:

S. 874. A bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment; to the Committee on Finance.

By Mr. ALLARD (for himself, Mr. GRAMM, Mr. BENNETT, Mr. SHELBY, Mr. ABRAHAM, Mr. HAGEL, Mr. ENZI, Mr. MACK, and Mr. GRAMS):

S. 875. A bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes; to the Committee on Finance.

By Mr. HOLLINGS:

S. 876. A bill to amend the Communications Act of 1934 to require that the broadcast of violent video programming be limited to hours when children are not reasonably likely to comprise a substantial portion of the audience; to the Committee on Commerce, Science, and Transportation.

By Mr. BROWNBACK (for himself, Mr. NICKLES, and Mr. CRAIG):

S. 877. A bill to encourage the provision of advanced service, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. TORRICELLI (for himself, Mr. MACK, Mr. GREGG, Mr. GRAHAM, Mr. MOYNIHAN, Mr. KERRY, Mrs. BOXER, Mr. REED, Mrs. FEINSTEIN, and Mrs. MURRAY):

S. 878. A bill to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, and for other purposes; to the Committee on Environment and Public Works.

By Mr. CONRAD (for himself, Mr. MACK, Mr. NICKLES, Mr. ROBB, and Mr. BAUCUS):

S. 879. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements; to the Committee on Finance.

By Mr. INHOFE:

S. 880. A bill to amend the Clean Air Act to remove flammable fuels from the list of substances with respect to which reporting and other activities are required under the risk management plan program; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Ms. SNOWE (for herself, Mr. HELMS, Mr. GRAMS, Mr. ROBB, Mr. DURBIN, Mr. EDWARDS, Mr. CLELAND, Mr. HATCH, Mr. TORRICELLI, Mr. MACK, Mr. CRAPO, Mr. GRAHAM, Mr. LAUTENBERG, and Mr. DODD):

S. Res. 84. A resolution to designate the month of May, 1999, as "National Alpha 1 Awareness Month"; to the Committee on the Judiciary.

By Mr. TORRICELLI (for himself, Mr. THOMAS, Mr. REED, Mr. HELMS, Mr. WELLSTONE, Mr. COVERDELL, and Mr. KERRY):

S. Res. 85. A resolution supporting the efforts of the people of Indonesia in achieving a transition to genuine democracy, and for other purposes; to the Committee on Foreign Relations.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. INOUE:

S. 874. A bill to repeal the reduction in the deductible portion of expenses for business meals and entertainment; to the Committee on Finance.

REPEAL THE REDUCTION IN BUSINESS MEALS AND ENTERTAINMENT TAX DEDUCTION

Mr. INOUE. Mr. President, I rise to introduce legislation to repeal the current fifty percent tax deduction for business meals and entertainment expenses, and to gradually restore the tax deduction to 80 percent over a five-year period. Restoration of this deduction is essential to the livelihood of the food service, travel, tourism, and entertainment industries throughout the United States. These industries are being economically harmed as a result of the 50 percent tax deduction.

The deduction for business meals and entertainment was reduced from 80 percent to 50 percent under the Omnibus Budget Reconciliation Act of 1993, and went into effect on January 1, 1994. Many companies, small and large, have changed their policies and guidelines on travel and entertainment expenses as a result of this reduction. Additionally, businesses have been forced to curtail company reimbursement policies because of the reduction in business meals and entertainment expenses. In some cases, businesses have even eliminated their expense accounts. Consequently, restaurants

which previously relied heavily on business lunches and dinners are being adversely affected by the reduction in business meals. For example:

Currently, there are 23.3 million business meal spenders in the U.S. down from 25.3 million in 1989.

The total economic impact on small businesses of restoring the business meal deductibility from 50 percent to 80 percent ranges from \$8 to \$690 million, depending on the state.

In Hawaii, the restaurant industry alone employs 47,400 people and generates \$2 billion into the state's economy. An increase in the business meal tax deduction from 50 percent to 80 percent would result in a 13 percent increase in business meal spending in the State of Hawaii.

One issue of great importance to business travelers is the deductibility of expenses, particularly the business meal expense.

Restaurateurs have reported lower business meal sales forcing some restaurants to close during luncheon hours and lay off employees which in turn adversely affects those employed in agriculture, food processing, and any businesses related to the restaurant sector.

With sales equaling more than 4 percent of the U.S. gross domestic product, and more than 10.2 million persons employed in the industry, the restaurant business is obviously very important to the economic foundation of America. The 50 percent deduction has adversely affected the restaurant and entertainment industry and resulted in detrimental factors for the U.S. economy as a whole. I urge my colleagues to join me in cosponsoring this important legislation.

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

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

S. 874

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

SECTION 1. REPEAL OF REDUCTION IN BUSINESS MEALS AND ENTERTAINMENT TAX DEDUCTION.

(a) IN GENERAL.—Section 274(n)(1) of the Internal Revenue Code of 1986 (relating to only 50 percent of meal and entertainment expenses allowed as deduction) is amended by striking "50 percent" and inserting "the applicable percentage".

(b) APPLICABLE PERCENTAGE.—Section 274(n) of the Internal Revenue Code of 1986 is amended by striking paragraph (3) and inserting the following:

"(3) APPLICABLE PERCENTAGE.—For purposes of paragraph (1), the term 'applicable percentage' means the percentage determined under the following table:

"For taxable years beginning— in calendar year—	The applicable percentage is—
1999	56
2000	62
2001	68
2002	74
2003 or thereafter	80."

(c) CONFORMING AMENDMENT.—The heading for section 274(n) of the Internal Revenue

Code of 1986 is amended by striking "ONLY 50 PERCENT" and inserting "PORTION".

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

By Mr. ALLARD (for himself, Mr. GRAMM, Mr. BENNETT, Mr. SHELBY, Mr. ABRAHAM, Mr. HAGEL, Mr. ENZI, Mr. MACK, and Mr. GRAMS):

S. 875. A bill to amend the Internal Revenue Code of 1986 to expand S corporation eligibility for banks, and for other purposes; to the Committee on Finance.

SMALL BUSINESS AND FINANCIAL INSTITUTIONS TAX RELIEF ACT OF 1999

Mr. ALLARD. Mr. President, today I am pleased to introduce legislation that will expand and improve Subchapter S of the Internal Revenue Code. I am joined in this effort by Senators GRAMM, BENNETT, SHELBY, ABRAHAM, HAGEL, ENZI, MACK, and GRAMS.

The Subchapter S provisions of the Internal Revenue Code reflect the desire of Congress to eliminate the double tax burden on small business corporations. Pursuant to that desire, Subchapter S has been liberalized a number of times, most recently in 1996. This legislation contains several provisions that will make the Subchapter S election more widely available to small businesses in all sectors. It also contains several provisions of particular benefit to community banks that may be contemplating a conversion to Subchapter S. Financial institutions were first made eligible for the Subchapter S election in 1996. This legislation builds on and clarifies the Subchapter S provisions applicable to financial institutions.

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

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

S. 875

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 "Small Business and Financial Institutions Tax Relief Act of 1999".

SEC. 2. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE IRAS.

(a) IN GENERAL.—Section 1361(c)(2)(A) of the Internal Revenue Code of 1986 (relating to certain trusts permitted as shareholders) is amended by inserting after clause (v) the following:

"(vi) A trust which constitutes an individual retirement account under section 408(a), including one designated as a Roth IRA under section 408A."

(b) TREATMENT AS SHAREHOLDER.—Section 1361(c)(2)(B) of the Internal Revenue Code of 1986 (relating to treatment as shareholders) is amended by adding at the end the following:

"(vi) In the case of a trust described in clause (vi) of subparagraph (A), the individual for whose benefit the trust was created shall be treated as a shareholder."

(c) SALE OF STOCK IN IRA RELATING TO S CORPORATION ELECTION EXEMPT FROM PROHIBITED TRANSACTION RULES.—Section 4975(d) of the Internal Revenue Code of 1986 (relating to exemptions) is amended by striking “or” at the end of paragraph (14), by striking the period at the end of paragraph (15) and inserting “; or”, and by adding at the end the following:

“(16) a sale of stock held by a trust which constitutes an individual retirement account under section 408(a) to the individual for whose benefit such account is established if such sale is pursuant to an election under section 1362(a).”

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

SEC. 3. EXCLUSION OF INVESTMENT SECURITIES INCOME FROM PASSIVE INCOME TEST FOR BANK S CORPORATIONS.

(a) IN GENERAL.—Section 1362(d)(3)(C) of the Internal Revenue Code of 1986 (defining passive investment income) is amended by adding at the end the following:

“(v) EXCEPTION FOR BANKS; ETC.—In the case of a bank (as defined in section 581), a bank holding company (as defined in section 246A(c)(3)(B)(ii)), or a qualified subchapter S subsidiary bank, the term ‘passive investment income’ shall not include—

“(I) interest income earned by such bank, bank holding company, or qualified subchapter S subsidiary bank, or

“(II) dividends on assets required to be held by such bank, bank holding company, or qualified subchapter S subsidiary bank to conduct a banking business, including stock in the Federal Reserve Bank, the Federal Home Loan Bank, or the Federal Agricultural Mortgage Bank or participation certificates issued by a Federal Intermediate Credit Bank.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 4. INCREASE IN NUMBER OF ELIGIBLE SHAREHOLDERS TO 150.

(a) IN GENERAL.—Section 1361(b)(1)(A) of the Internal Revenue Code of 1986 (defining small business corporation) is amended by striking “75” and inserting “150”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 5. TREATMENT OF QUALIFYING DIRECTOR SHARES.

(a) IN GENERAL.—Section 1361 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

“(f) TREATMENT OF QUALIFYING DIRECTOR SHARES.—

“(1) IN GENERAL.—For purposes of this subchapter—

“(A) qualifying director shares shall not be treated as a second class of stock, and

“(B) no person shall be treated as a shareholder of the corporation by reason of holding qualifying director shares.

“(2) QUALIFYING DIRECTOR SHARES DEFINED.—For purposes of this subsection, the term ‘qualifying director shares’ means any shares of stock in a bank (as defined in section 581) or in a bank holding company registered as such with the Federal Reserve System—

“(i) which are held by an individual solely by reason of status as a director of such bank or company or its controlled subsidiary; and

“(ii) which are subject to an agreement pursuant to which the holder is required to dispose of the shares of stock upon termination of the holder’s status as a director at the same price as the individual acquired such shares of stock.

“(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock)

made by the corporation with respect to qualifying director shares shall be includable as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.”

(b) CONFORMING AMENDMENTS.—

(1) Section 1361(b)(1) of the Internal Revenue Code of 1986 is amended by inserting “, except as provided in subsection (f),” before “which does not”.

(2) Section 1366(a) of such Code is amended by adding at the end the following:

“(3) ALLOCATION WITH RESPECT TO QUALIFYING DIRECTOR SHARES.—The holders of qualifying director shares (as defined in section 1361(f)) shall not, with respect to such shares of stock, be allocated any of the items described in paragraph (1).”

(3) Section 1373(a) of such Code is amended by striking “and” at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting “, and”, and adding at the end the following:

“(3) no amount of an expense deductible under this subchapter by reason of section 1361(f)(3) shall be apportioned or allocated to such income.”

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1996.

SEC. 6. BAD DEBT CHARGE OFFS IN YEARS AFTER ELECTION YEAR TREATED AS ITEMS OF BUILT-IN LOSS.

The Secretary of the Treasury shall modify Regulation 1.1374-4(f) for S corporation elections made in taxable years beginning after December 31, 1996, with respect to bad debt deductions under section 166 of the Internal Revenue Code of 1986 to treat such deductions as built-in losses under section 1374(d)(4) of such Code during the entire period during which the bank recognizes built-in gains from changing its accounting method for recognizing bad debts from the reserve method under section 585 of such Code to the charge-off method under section 166 of such Code.

SEC. 7. INCLUSION OF BANKS IN 3-YEAR S CORPORATION RULE FOR CORPORATE PREFERENCE ITEMS.

(a) IN GENERAL.—Section 1363(b) of the Internal Revenue Code of 1986 (relating to computation of corporation’s taxable income) is amended by adding at the end the following new flush sentence:

“Paragraph (4) shall apply to any bank whether such bank is an S corporation or a qualified subchapter S subsidiary.”

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 8. C CORPORATION RULES TO APPLY FOR FRINGE BENEFIT PURPOSES.

(a) IN GENERAL.—Section 1372 of the Internal Revenue Code of 1986 (relating to partnership rules to apply for fringe benefit purposes) is repealed.

(b) PARTNERSHIP RULES TO APPLY FOR HEALTH INSURANCE COSTS OF CERTAIN S CORPORATION SHAREHOLDERS.—Paragraph (5) of section 162(l) of the Internal Revenue Code of 1986 is amended to read as follows:

“(5) TREATMENT OF CERTAIN S CORPORATION SHAREHOLDERS.—

“(A) IN GENERAL.—This subsection shall apply in the case of any 2-percent shareholder of an S corporation, except that—

“(i) for purposes of this subsection, such shareholder’s wages (as defined in section 3121) from the S corporation shall be treated as such shareholder’s earned income (within the meaning of section 401(c)(1)), and

“(ii) there shall be such adjustments in the application of this subsection as the Secretary may by regulations prescribe.

“(B) 2-PERCENT SHAREHOLDER DEFINED.—For purposes of this paragraph, the term ‘2-

percent shareholder’ means any person who owns (or is considered as owning within the meaning of section 318) on any day during the taxable year of the S corporation more than 2 percent of the outstanding stock of such corporation or stock possessing more than 2 percent of the total combined voting power of all stock of such corporation.”

(c) CONFORMING AMENDMENT.—The table of sections for part III of subchapter S of chapter 1 of the Internal Revenue Code of 1986 is amended by striking the item relating to section 1372.

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

SEC. 9. EXPANSION OF S CORPORATION ELIGIBLE SHAREHOLDERS TO INCLUDE FAMILY LIMITED PARTNERSHIPS.

(a) IN GENERAL.—Section 1361(b)(1)(B) of the Internal Revenue Code of 1986 (defining small business corporation) is amended—

(1) by striking “or an organization” and inserting “an organization”, and

(2) by inserting “, or a family partnership described in subsection (c)(8)” after “subsection (c)(6)”.

(b) FAMILY PARTNERSHIP.—Section 1361(c) of the Internal Revenue Code of 1986 (relating to special rules for applying subsection (b)), as amended by section 5, is amended by adding at the end the following:

“(8) FAMILY PARTNERSHIPS.—

“(A) IN GENERAL.—For purposes of subsection (b)(1)(B), any partnership or limited liability company may be a shareholder in an S corporation if—

“(i) all partners or members are members of 1 family as determined under section 704(e)(3), and

“(ii) all of the partners or members would otherwise be eligible shareholders of an S corporation.

“(B) TREATMENT AS SHAREHOLDERS.—For purposes of subsection (b)(1)(A), in the case of a partnership or limited liability company described in subparagraph (A), each partner or member shall be treated as a shareholder.”

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

SEC. 10. ISSUANCE OF PREFERRED STOCK PERMITTED.

(a) IN GENERAL.—Section 1361 of the Internal Revenue Code of 1986, as amended by section 5(a), is amended by adding at the end the following:

“(g) TREATMENT OF QUALIFIED PREFERRED STOCK.—

“(1) IN GENERAL.—For purposes of this subchapter—

“(A) qualified preferred stock shall not be treated as a second class of stock, and

“(B) no person shall be treated as a shareholder of the corporation by reason of holding qualified preferred stock.

“(2) QUALIFIED PREFERRED STOCK DEFINED.—For purposes of this subsection, the term ‘qualified preferred stock’ means stock which meets the requirements of subparagraphs (A), (B), and (C) of section 1504(a)(4). Stock shall not fail to be treated as qualified preferred stock solely because it is convertible into other stock.

“(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to qualified preferred stock shall be includable as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.”

(b) CONFORMING AMENDMENTS.—

(1) Section 1361(b)(1) of the Internal Revenue Code of 1986, as amended by section 5(b)(1), is amended by striking “subsection (f)” and inserting “subsections (f) and (g)”.

(2) Section 1366(a) of such Code, as amended by section 5(b)(2), is amended by adding at the end the following:

“(4) ALLOCATION WITH RESPECT TO QUALIFIED PREFERRED STOCK.—The holders of qualified preferred stock (as defined in section 1361(g)) shall not, with respect to such stock, be allocated any of the items described in paragraph (1).”

(3) Section 1373(a)(3) of such Code, as added by section 5(b)(3), is amended by inserting “or 1361(g)(3)” after “section 1361(f)(3)”.

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

SEC. 11. CONSENT TO ELECTIONS.

(a) 90 PERCENT OF SHARES REQUIRED FOR CONSENT TO ELECTION.—Section 1362(a)(2) of the Internal Revenue Code of 1986 (relating to all shareholders must consent to election) is amended—

(1) by striking “all persons who are shareholders in” and inserting “shareholders holding at least 90 percent of the shares of”, and

(2) by striking “ALL SHAREHOLDERS” in the heading and inserting “AT LEAST 90 PERCENT OF SHARES”.

(b) RULES FOR CONSENT.—Section 1362(a) of the Internal Revenue Code of 1986 (relating to election) is amended by adding at the end the following:

“(3) RULES FOR CONSENT.—For purposes of making any consent required under paragraph (2) or subsection (d)(1)(B)—

“(A) each joint owner of shares shall consent with respect to such shares,

“(B) the personal representative or other fiduciary authorized to act on behalf of the estate of a deceased individual shall consent for the estate,

“(C) one parent, the custodian, the guardian, or the conservator shall consent with respect to shares owned by a minor or subject to a custodianship, guardianship, conservatorship, or similar arrangement,

“(D) the trustee of a trust shall consent with respect to shares owned in trust,

“(E) the trustee of the estate of a bankrupt individual shall consent for shares owned by a bankruptcy estate,

“(F) an authorized officer or the trustee of an organization described in subsection (c)(6) shall consent for the shares owned by such organization, and

“(G) in the case of a partnership or limited liability company described in subsection (c)(8)—

“(i) all general partners shall consent with respect to shares owned by such partnership,

“(ii) all managers shall consent with respect to shares owned by such company if management of such company is vested in 1 or more managers, and

“(iii) all members shall consent with respect to shares owned by such company if management of such company is vested in the members.”

(c) TREATMENT OF NONCONSENTING SHAREHOLDER STOCK.—

(1) IN GENERAL.—Section 1361 of the Internal Revenue Code of 1986, as amended by section 10(a), is amended by adding at the end the following:

“(h) TREATMENT OF NONCONSENTING SHAREHOLDER STOCK.—

“(1) IN GENERAL.—For purposes of this subchapter—

“(A) nonconsenting shareholder stock shall not be treated as a second class of stock,

“(B) such stock shall be treated as C corporation stock, and

“(C) the shareholder's pro rata share under section 1366(a)(1) with respect to such stock shall be subject to tax paid by the S corporation at the highest rate of tax specified in section 11(b).

“(2) NONCONSENTING SHAREHOLDER STOCK DEFINED.—For purposes of this subsection,

the term ‘nonconsenting shareholder stock’ means stock of an S corporation which is held by a shareholder who did not consent to an election under section 1362(a) with respect to such S corporation.

“(3) DISTRIBUTIONS.—A distribution (not in part or full payment in exchange for stock) made by the corporation with respect to nonconsenting shareholder stock shall be includible as ordinary income of the holder and deductible to the corporation as an expense in computing taxable income under section 1363(b) in the year such distribution is received.”

(2) CONFORMING AMENDMENT.—Section 1361(b)(1) of the Internal Revenue Code of 1986, as amended by section 10(b)(1), is amended by striking “subsections (f) and (g)” and inserting “subsections (f), (g), and (h)”.

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

SEC. 12. INFORMATION RETURNS FOR QUALIFIED SUBCHAPTER S SUBSIDIARIES.

(a) IN GENERAL.—Section 1361(b)(3)(A) of the Internal Revenue Code of 1986 (relating to treatment of certain wholly owned subsidiaries) is amended by inserting “and in the case of information returns required under part III of subchapter A of chapter 61” after “Secretary”.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SMALL BUSINESS AND FINANCIAL INSTITUTIONS TAX RELIEF ACT OF 1999—LEGISLATION TO REDUCE THE FEDERAL TAX BURDEN ON SMALL BANKS

This legislation expands Subchapter S of the IRS Code. Subchapter S corporations do not pay corporate income taxes, earnings are passed through to the shareholders where income taxes are paid, eliminating the double taxation of corporations. By contrast, Subchapter C corporations pay corporate income taxes on earnings, and shareholders pay income taxes again on those same earnings when they pass through as dividends. Subchapter S of the IRS Code was enacted in 1958 to reduce the tax burden on small business. The Subchapter S provisions have been liberalized a number of times over the last two decades, significantly in 1982, and again in 1996. This reflects a desire on the part of Congress to reduce taxes on small business.

This S corporation legislation would benefit many small businesses, but its provisions are particularly applicable to banks. Congress made S corporation status available to small banks for the first time in the 1996 “Small Business Job Protection Act” but many banks are having trouble qualifying under the current rules. The proposed legislation:

Permits S corporation shares to be held as Individual Retirement Accounts (IRAs), and permits IRA shareholders to purchase their shares from the IRA in order to facilitate a Subchapter S election.

Clarifies that interest and dividends on investments maintained by a bank for liquidity and safety and soundness purposes shall not be “passive” income. This is necessary because S corporations are restricted in the amount of passive investment income they may generate.

Increases the number of S corporation eligible shareholders from 75 to 150.

Provides that any stock that bank directors must hold under banking regulations shall not be a disqualifying second class of stock. This is necessary because S corporations are permitted only one class of stock.

Permits banks to treat bad debt charge offs as items of built in loss over the same

number of years that the accumulated bad debt reserve must be recaptured (four years) for built in gains tax purposes. This provision is necessary to properly match built in gains and losses relating to accounting for bad debts. Banks that are converting to S corporations must convert from the reserve method of accounting to the specific charge off method and the recapture of the accumulated bad debt reserve is built in gain. Presently the presumption that a bad debt charge off is a built in loss applies only to the first S corporation year.

Clarifies that the general 3 Year S corporation rule for certain “preference” items applies to interest deductions by S corporation banks, thereby providing equitable treatment for S corporation banks. S corporations that convert from C corporations are denied certain interest deductions (preference items) for up to 3 years after the conversion, at the end of three years the deductions are allowed.

Provides that non-health care related fringe benefits such as group-term life insurance will be excludable from wages for “more-than-two-percent” shareholders. Current law taxes the fringe benefits of these shareholders. Health care related benefits are not included because their deductibility would increase the revenue impact of the legislation.

Permits Family Limited Partnerships to be shareholders in Subchapter S corporations. Many family owned small businesses are organized as Family Limited Partnerships or controlled by Family Limited Partnerships for a variety of reasons. A number of small banks have Family Limited Partnership shareholders, and this legislation would for the first time permit those partnerships to be S corporation shareholders.

Permits S corporations to issue preferred stock in addition to common. Prohibited under current law which permits S corporations to have only one class of stock. Because of limitations on the number of common shareholders, banks need to be able to issue preferred stock in order to have adequate access to equity.

Reduces the required level of shareholder consent to convert to an S corporation from unanimous to 90 percent of shares. Non-consenting shareholders retain their stock, with such stock treated as C corporation stock. The procedures for consent are clarified in order to streamline the process.

Clarifies that Qualified Subchapter S Subsidiaries (QSSS) provide information returns under their own tax id number. This can help avoid confusion by depositors and other parties over the insurance of deposits and the payer of salaries and interest.

By Mr. HOLLINGS:

S. 876. A bill to amend the Communications Act of 1934 to require that the broadcast of violent video programming be limited to hours when children are not reasonably likely to comprise a substantial portion of the audience; to the Committee on Commerce, Science, and Transportation.

CHILDREN'S PROTECTION FROM VIOLENT PROGRAMMING ACT

Mr. HOLLINGS. Mr. President, I rise to offer legislation to help parents limit the amount of television violence coming into their homes. We have reviewed this issue for decades and the analysis has not changed. All of the assurances and promises have been insufficient to protect our children from the dangerous influence of television violence.

The bill that I introduce today requires a safeharbor time period during which broadcasters and basic cable programmers would not be permitted to transmit violent programming. The legislation directs the Federal Communications Commission to develop an appropriate safeharbor time period to protect television audiences that are likely to be comprised of a substantial number of children.

We can argue all day long about which study reaches what conclusion about the impacts of television violence. But it defies common sense to believe that television violence does not impact our kids in some adverse way. Even the National Cable Television Association's own study on television violence states that the "evidence of the harmful effects associated with televised violence" is "firmly established."

The recent events in Littleton, Colorado serve to highlight the sad and unfortunate fact that violence in our culture is begetting violence by our youths. violence is everywhere, it is readily accessible, and, to make matters worse, it is a source of corporate profits. A recent Washington Post article entitled, "When Death Imitates Art," made this very point. It states:

For young people, the culture at large is bathed in blood and violence . . . where the more extreme the message, the more over the top gruesomeness, the better. . . . Film, television, music, dress, technology, games: They've become one giant playground filled with accessible evil, darker than ever before.

While we know we can't regulate every market and every technology, and don't want to, we also know that the purveyors of violence must be held accountable in those instances when we can do so, consistent with our values and our Constitution. One way to do this is through television programming.

This approach has already been successfully applied to television with respect to indecent programming, for which a safeharbor has been on the books since 1992—an approach that the D.C. Circuit has validated. I am confident that a similar result would be obtained if the video programming industry or First Amendment advocates were to attack this legislation that I introduce today. Indeed, prior legislative history also substantiates the constitutionality of my approach. In 1993, when I introduced my safeharbor legislation for the first time, the Commerce Committee held a hearing at which Attorney General Janet Reno and FCC Commissioner Reed Hundt both testified that the bill was constitutional.

Now, I know that there will be opponents of this legislation who will state that the ratings system is working, that the V-chip is being deployed, and that our parents are being armed with the tools to protect their children from television violence. I also know that some Senators wrote a letter in July 1997, suggesting that the government forbear from regulation TV violence.

But I'm not convinced. We should not forbear from protecting our children.

Besides, the ratings system is incomplete. For example, one major broadcast network refuses to this day to use content ratings, and one major cable channel refuses to use any ratings at all. We all know what is going on here—money talks and violence sells. A recent article in USA Today illustrates this point. Entitled "TV Violence for Profit," the article reports that some TV networks and basic cable channels increase the amount of violent programming during "sweeps—the key months when Nielson measures audience size in every market."

Regardless, even if the industry is right that the V-Chip will eventually be the magic solution, we all know that thousands, and perhaps millions of families, will be without a V-chip for years. The V-chip is not required by the FCC to be manufactured in all television until January 1, 2000. Will every parent go to Circuit City on New Year's day and buy a new TV with a V-chip? Of course not. The V-Chip is not a complete solution. The only complete solution is a safeharbor.

To conclude, I want to stress that this is an issue about accountability and responsibility. Those responsible for supplying video programming have been granted a public trust through the availability of broadcast spectrum and FCC licenses to deliver their programming to America's children. They should be responsible in their programming choices. We know, however, that market forces may encourage them to be irresponsible and transmit excessive violent programming. We in the Congress therefore have a responsibility to hold them accountable. This legislation does just that.

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. 876

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 "Children's Protection from Violent Programming Act".

SEC. 2. FINDINGS.

The Congress makes the following findings:

- (1) Television influences the perception children have of the values and behavior that are common and acceptable in society.
- (2) Broadcast television, cable television, and video programming are—
 - (A) pervasive presences in the lives of all American children; and
 - (B) readily accessible to all American children.
- (3) Violent video programming influences children, as does indecent programming.
- (4) There is empirical evidence that children exposed to violent video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.
- (5) Children exposed to violent video programming are prone to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(6) Children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors, resulting in increased self-protective behaviors and increased mistrust of others.

(7) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(8) There is a compelling governmental interest in channeling programming with violent content to periods of the day when children are not likely to comprise a substantial portion of the television audience.

(9) Because some programming that is readily accessible to minors remains unrated and therefore cannot be blocked solely on the basis of its violent content, restricting the hours when violent video programming is shown is the least restrictive and most narrowly tailored means to achieve a compelling governmental interest.

(10) Warning labels about the violent content of video programming will not in themselves prevent children from watching violent video programming.

(11) Although many programs are now subject to both age-based and content-based ratings, some broadcast and non-premium cable programs remain unrated with respect to the content of their programming.

(12) Technology-based solutions may be helpful in protecting some children, but may not be effective in achieving the compelling governmental interest in protecting all children from violent programming when parents are only able to block programming that has in fact been rated for violence.

(13) Technology-based solutions will not be installed in all newly manufactured televisions until January 1, 2000.

(14) Even though technology-based solutions will be readily available, many consumers of video programming will not actually own such technology for several years and therefore will be unable to take advantage of content based ratings to prevent their children from watching violent programming.

(15) In light of the fact that some programming remains unrated for content, and given that many consumers will not have blocking technology in the near future, the channeling of violent programming is the least restrictive means to limit the exposure of children to the harmful influences of violent programming.

(16) Restricting the hours when violent programming can be shown protects the interests of children whose parents are unavailable, are unable to supervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solution, or are unable to determine the content of those shows that are only subject to age-based ratings.

SEC. 3. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING.

Title VII of the Communications Act of 1934 (47 U.S.C. 701 et seq.) is amended by adding at the end the following:

"SEC. 715. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING NOT SPECIFICALLY BLOCKABLE BY ELECTRONIC MEANS.

"(a) UNLAWFUL DISTRIBUTION.—It shall be unlawful for any person to distribute to the public any violent video programming during hours when children are reasonably likely to comprise a substantial portion of the audience.

"(b) RULEMAKING PROCEEDING.—The Commission shall conduct a rulemaking proceeding to implement the provisions of this section and shall promulgate final regulations pursuant to that proceeding not later than 9 months after the date of enactment of

the Children's Protection from Violent Programming Act. As part of that proceeding, the Commission—

"(1) may exempt from the prohibition under subsection (a) programming (including news programs and sporting events) whose distribution does not conflict with the objective of protecting children from the negative influences of violent video programming, as that objective is reflected in the findings in section 551(a) of the Telecommunications Act of 1996;

"(2) shall exempt premium and pay-per-view cable programming; and

"(3) shall define the term 'hours when children are reasonably likely to comprise a substantial portion of the audience' and the term 'violent video programming'.

"(c) REPEAT VIOLATIONS.—If a person repeatedly violates this section or any regulation promulgated under this section, the Commission shall, after notice and opportunity for hearing, revoke any license issued to that person under this Act.

"(d) CONSIDERATION OF VIOLATIONS IN LICENSE RENEWALS.—The Commission shall consider, among the elements in its review of an application for renewal of a license under this Act, whether the licensee has complied with this section and the regulations promulgated under this section.

"(e) DISTRIBUTE DEFINED.—In this section, the term 'distribute' means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite."

SEC. 4. SEPARABILITY.

If any provision of this Act, or any provision of an amendment made by this Act, or the application thereof to particular persons or circumstances, is found to be unconstitutional, the remainder of this Act or that amendment, or the application thereof to other persons or circumstances shall not be affected.

SEC. 5. EFFECTIVE DATE.

The prohibition contained in section 715 of the Communications Act of 1934 (as added by section 3 of this Act) and the regulations promulgated thereunder shall take effect 1 year after the regulations are adopted by the Commission.

By Mr. BROWNBACK (for himself, Mr. NICKLES, and Mr. CRAIG):

S. 877. A bill to encourage the provision of advanced service, and for other purposes; to the Committee on Commerce, Science, and Transportation.

BROADBAND INTERNET REGULATORY RELIEF ACT
OF 1999

Mr. BROWNBACK. Mr. President, I rise today to introduce the Broadband Internet Regulatory Relief Act of 1999 on behalf of myself, Senator NICKLES, and Senator CRAIG. This bill is intended to speed up the deployment of broadband networks throughout the United States and to make residential high-speed Internet access a widely-available service.

Mr. President, the Internet has revolutionized the way we communicate, conduct business, shop, and learn. The Internet presents us with the opportunity to remove distance as an obstacle to employment and education. But while tens of millions of Americans now log onto the Internet every day, narrowband connections to the Internet make using the Net a slow and cumbersome process.

Broadband connections, on the other hand, provide ultra-fast access to the Internet. With a broadband connection, users may download and upload data from and to the Internet at substantially greater speeds than with a narrowband connection. From downloading full-motion video to uploading an architect's plans, broadband permits consumers to utilize many more applications that will increase the value of the Internet as a communications medium.

The technology to provide broadband connections to the Internet is a reality. Cable companies are deploying hybrid fiber-coax (HFC) networks that will enable cable modems to provide high-speed Internet access. In addition, telephone companies have discovered a way to provide high-speed Internet access over their copper-based telephone loops. With the addition of a digital switch in a telephone company's central office, a digital modem at a customer's premises, and the conditioning of a copper loop, consumers may obtain access to the Internet at more than ten times the speed of narrowband connections.

The most promising technology employed by telephone companies for residential high-speed Internet access is digital subscriber line (DSL) technology. The family of DSL services, especially asymmetric digital subscriber line (ADSL) service, have the greatest potential to ensure that all consumers throughout the United States obtain high-speed Internet access. Cable service has penetration rates approaching telephone service in urban and densely-populated suburban areas. However, cable penetration is much lower in rural areas whereas the ubiquity of the telephone network makes telephone penetration rates close to one hundred percent even in rural areas. Thus, for many rural consumers, including those in Kansas, high-speed Internet access may only be available in the next several years through the telephone network.

As a result, Congress needs to ensure that high-speed Internet access is being made available over the public telephone network as rapidly as possible. While ADSL service is being rolled out in many urban and densely-populated suburban areas, most rural consumers do not have access to it.

I am introducing the Broadband Internet Regulatory Relief Act to ensure that high-speed Internet access is available to my rural constituents as soon as possible. To accomplish this goal, I am proposing to provide regulatory relief to telephone companies willing to deliver broadband connections to rural areas. My proposal has several components.

First, incumbent local exchange carriers that make seventy percent of their loops ready to support high-speed Internet access will not have to resell their advanced services to competitors and will not have to make the network elements used exclusively for the pro-

vision of advanced services available to competitors. Second, the prices for advanced services offered by incumbent local exchange carriers that face competition in the provision of such services will be deregulated. Third, where incumbent local exchange carriers are offering advanced services but do not face competition, the companies will receive pricing flexibility. Fourth, competitive local exchange carriers will not be required to resell their advanced services.

Mr. President, the ubiquity of our nation's telephone network presents us with a tremendous opportunity to deliver high-speed Internet access to our rural constituents at a pace comparable with the rate at which urban and suburban consumers will be offered such service. But to realize this goal, we must remove unnecessary regulation that has impeded the rapid deployment of broadband networks. Advanced services should not be regulated in the same manner as basic telephone service. Broadband services are an entirely new market, one in which no company can exercise market power.

In the absence of market power, the incumbents should not have to resell their advanced services or provide competitors with access to unbundled advanced service elements. And pricing regulations applied to telephone service should not be applied to advanced services. In addition, a competitive local exchange carrier willing to deploy the facilities necessary to provide broadband services should not be forced to resell its service.

Mr. President, I am confident that we can ensure the rapid deployment of broadband networks to rural areas. But to do so, we must be willing to provide companies with an incentive to build out their broadband networks in rural areas. The Broadband Internet Regulatory Relief Act would provide companies with such incentives, and I hope that my colleagues will support this crucial legislation.

By Mr. TORRICELLI (for himself, Mr. MACK, Mr. GREGG, Mr. GRAHAM, Mr. MOYNIHAN, Mr. KERRY, Mrs. BOXER, Mr. REED, Mrs. FEINSTEIN, and Mrs. MURRAY):

S. 878. A bill to amend the Federal Water Pollution Control Act to permit grants for the national estuary program to be used for the development and implementation of a comprehensive conservation and management plan, to reauthorize appropriations to carry out the program, and for other purposes; to the Committee on Environment and Public Works.

NATIONAL ESTUARY CONSERVATION ACT OF 1999

Mr. TORRICELLI. Mr. President, today, Senators MACK, GREGG, GRAHAM, MOYNIHAN, KERRY, BOXER, REED, FEINSTEIN, MURRAY, and I are introducing the National Estuary Conservation Act of 1999. I rise to draw this country's attention to our nationally significant estuaries that are threatened by pollution, development, or

overuse. With forty five percent of the nation's population residing in estuarine areas, there is a compelling need for us to promote comprehensive planning and management efforts to restore and protect them.

Estuaries are significant habitat for fish, birds, and other wildlife because they provide safe spawning grounds and nurseries. Seventy five percent of the U.S. commercial fish catch depends on estuaries during some stage of their life. Commercial and recreational fisheries contribute \$111 billion to the nation's economy and support 1.5 million jobs. Estuaries are also important to our nation's tourist economy for boating and outdoor recreation. Coastal tourism in just four states—New Jersey, Florida, Texas, and California—totals \$75 billion.

Due to their popularity, the overall capacity of our nation's estuaries to function as healthy productive ecosystems is declining. This is a result of the cumulative effects of increasing development and fast growing year round populations which increase dramatically in the summer. Land development, and associated activities that come with people's desire to live and play near these beautiful resources, cause runoff and storm water discharges that contribute to siltation, increased nutrients, and other contamination. Bacterial contamination closes many popular beaches and shellfish harvesting areas in estuaries. Also, several estuaries are afflicted by problems that still require significant research. Examples include the outbreaks of the toxic microbe, *Pfiesteria piscicida*, in rivers draining to estuaries in Maryland and Virginia.

Congress recognized the importance of preserving and enhancing coastal environments with the establishment of the National Estuary Program in the Clean Water Act Amendments of 1987. The Program's purpose is of facilitate state and local governments preparation of comprehensive conservation and management plans for threatened estuaries of national significance. In support of this effort, section 320 of the Clean Water Act authorized the EPA to make grants to states to develop environmental management plans. To date, 28 estuaries across the country have been designated into the Program. However, the law fails to provide assistance once plans are complete and ready for implementation. Already, 18 of the 28 plans are finished.

As the majority of plans are now in the implementation stage, it is incumbent upon us to maintain the partnership the Federal Government initiated ten years ago to insure that our nationally significant estuaries are protected. The legislation we are introducing will take the next step by giving EPA authority to make grants for plan implementation and authorize annual appropriations in the amount of \$50 million. To insure the program is a true partnership and leverage scarce resources, there is a direct match re-

quirement for grant recipients so funds will be available to upgrade sewage treatment plants, fix combined sewer overflows, control urban stormwater discharges, and reduce polluted runoff into estuarine areas.

By Mr. CONRAD (for himself, Mr. MACK, Mr. NICKLES, Mr. ROBB, and Mr. BAUCUS):

S. 879. A bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period for the depreciation of certain leasehold improvements; to the Committee on Finance.

TEN-YEAR LEASEHOLD IMPROVEMENT DEPRECIATION

Mr. CONRAD. Mr. President, I rise today, joined by my colleagues Mr. NICKLES, Mr. MACK, Mr. ROBB, and Mr. BAUCUS, to introduce important legislation to provide for a 10-year depreciation life for leasehold improvements. Leasehold improvements are the alterations to leased space made by a building owner as part of the lease agreement with a tenant.

These improvements can include interior walls, partitions, flooring, lighting, wiring and plumbing—essentially any fixture that an owner provides in space leased to a tenant. They keep a building modern, upgraded, and energy efficient. In actual commercial use, leasehold improvements typically last as long as the lease—an average of 5 to 10 years. However, the Internal Revenue Code requires leasehold improvements to be depreciated over 39 years—the life of the building.

Economically, this makes no sense. The owner receives taxable income over the life of the lease (i.e., 10 years), yet can only recover the costs of the improvements associated with the lease over 39 years—a rate nearly four times slower. This wild mismatch of income and expenses causes the owner to incur an artificially high tax cost on these improvements.

The bill we introduce today will correct this irrational and uneconomic tax treatment by shortening the cost recovery period for certain leasehold improvements from 39 years to a more realistic 10 years. If enacted, this legislation would more closely align the expenses incurred to construct these improvements with the income they generate during the lease term.

For example, a building owner who makes a \$100,000 leasehold improvement for a 10-year, \$1 million lease would be able to recover this entire investment by the end of that lease at a rate of \$10,000 per year. Under current law, this \$100,000 improvement is recovered at a rate of \$2,564 per year over 39 years.

By reducing this cost recovery period, the expense of making these improvements would fall more into line with the economics of a commercial lease transaction, and more property owners would be able to adapt their buildings to fit the demanding needs of today's modern business tenant. Small business should find this bill particu-

larly helpful, because small businesses turn over their rental space more frequently than larger businesses. And we cannot forget that over 80 percent of building owners who provide space to small businesses are themselves small businesses.

We have an interest in keeping existing buildings commercially viable. When older buildings can serve tenants who need modern, efficient commercial space, there is less pressure for developing greenfields in outlying areas. Americans are concerned about preserving open space, natural resources and a sense of neighborhood. The current law 39-year cost recovery for leasehold improvements is an impediment to reinvesting in existing properties and communities.

This legislation has the strong backing of six major real estate organizations, including the National Realty Committee, the national Association of Realtors, the International Council of Shopping Centers, the national Association of Industrial and Office Properties, the national Association of Real Estate Investment Trusts, and the Building and Office Managers Association, International.

I urge all Senators to join us in supporting this legislation to provide rational depreciation treatment for leasehold improvements.

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. 879

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

SECTION 1. RECOVERY PERIOD FOR DEPRECIATION OF CERTAIN LEASEHOLD IMPROVEMENTS.

(a) 10-YEAR RECOVERY PERIOD.—Subparagraph (D) of section 168(e)(3) of the Internal Revenue Code of 1986 (relating to 10-year property) is amended by striking "and" at the end of clause (i), by striking the period at the end of clause (ii) and inserting ", and", and by adding at the end the following new clause:

"(iii) any qualified leasehold improvement property."

(b) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—Subsection (e) of section 168 of such Code is amended by adding at the end the following new paragraph:

"(6) QUALIFIED LEASEHOLD IMPROVEMENT PROPERTY.—

"(A) IN GENERAL.—The term 'qualified leasehold improvement property' means any improvement to an interior portion of a building which is nonresidential real property if—

"(i) such improvement is made under or pursuant to a lease (as defined in subsection (h)(7))—

"(I) by the lessee (or any sublessee) of such portion, or

"(II) by the lessor of such portion,

"(ii) such portion is to be occupied exclusively by the lessee (or any sublessee) of such portion, and

"(iii) such improvement is placed in service more than 3 years after the date the building was first placed in service.

"(B) CERTAIN IMPROVEMENTS NOT INCLUDED.—Such term shall not include any

improvement for which the expenditure is attributable to—

- “(i) the enlargement of the building,
- “(ii) any elevator or escalator,
- “(iii) any structural component benefiting a common area, and
- “(iv) the internal structural framework of the building.

“(C) DEFINITIONS AND SPECIAL RULES.—For purposes of this paragraph—

“(i) COMMITMENT TO LEASE TREATED AS LEASE.—A commitment to enter into a lease shall be treated as a lease, and the parties to such commitment shall be treated as lessor and lessee, respectively.

“(ii) RELATED PERSONS.—A lease between related persons shall not be considered a lease. For purposes of the preceding sentence, the term ‘related persons’ means—

“(I) members of an affiliated group (as defined in section 1504), and

“(II) persons having a relationship described in subsection (b) of section 267; except that, for purposes of this clause, the phrase ‘80 percent or more’ shall be substituted for the phrase ‘more than 50 percent’ each place it appears in such subsection.”

(c) REQUIREMENT TO USE STRAIGHT LINE METHOD.—Paragraph (3) of section 168(b) of such Code is amended by adding at the end the following new subparagraph:

“(G) Qualified leasehold improvement property described in subsection (e)(6).”

(d) ALTERNATIVE SYSTEM.—The table contained in section 168(g)(3)(B) of such Code is amended by inserting after the item relating to subparagraph (D)(ii) the following new item:

“(D)(iii) 10 ”.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to qualified leasehold improvement property placed in service after the date of the enactment of this Act.

ADDITIONAL COSPONSORS

S. 56

At the request of Mr. KYL, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 56, a bill to repeal the Federal estate and gift taxes and the tax on generation-skipping transfers.

S. 85

At the request of Mr. BUNNING, the names of the Senator from Florida (Mr. MACK) and the Senator from North Dakota (Mr. CONRAD) were added as cosponsors of S. 85, a bill to amend the Internal Revenue Code of 1986 to reduce the tax on vaccines to 25 cents per dose.

S. 88

At the request of Mr. BUNNING, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 88, a bill to amend title XIX of the Social Security Act to exempt disabled individuals from being required to enroll with a managed care entity under the medicaid program.

S. 309

At the request of Mr. MCCAIN, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of 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 on quali-

fied official extended duty in determining the exclusion of gain from the sale of such residence.

S. 434

At the request of Mr. BREAUX, the name of the Senator from Georgia (Mr. COVERDELL) was added as a cosponsor of S. 434, a bill to amend the Internal Revenue Code of 1986 to simplify the method of payment of taxes on distilled spirits.

S. 459

At the request of Mr. BREAUX, the names of the Senator from California (Mrs. FEINSTEIN) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 514

At the request of Mr. COCHRAN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 514, a bill to improve the National Writing Project.

S. 542

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

S. 577

At the request of Mr. HATCH, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 577, a bill to provide for injunctive relief in Federal district court to enforce State laws relating to the interstate transportation of intoxicating liquor.

S. 595

At the request of Mr. DOMENICI, the name of the Senator from Louisiana (Mr. BREAUX) was added as a cosponsor of S. 595, a bill to amend the Internal Revenue Code of 1986 to establish a graduated response to shrinking domestic oil and gas production and surging foreign oil imports, and for other purposes.

S. 608

At the request of Mr. MURKOWSKI, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 608, a bill to amend the Nuclear Waste Policy Act of 1982.

S. 659

At the request of Mr. MOYNIHAN, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 659, a bill to amend the Internal Revenue Code of 1986 to require pension plans to provide adequate notice to individuals whose future benefit accruals are being significantly reduced, and for other purposes.

S. 679

At the request of Mr. GRAMS, the names of the Senator from Nebraska (Mr. HAGEL) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 679, a bill to authorize

appropriations to the Department of State for construction and security of United States diplomatic facilities, and for other purposes.

S. 692

At the request of Mr. KYL, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 692, a bill to prohibit Internet gambling, and for other purposes.

S. 693

At the request of Mr. HELMS, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 693, a bill to assist in the enhancement of the security of Taiwan, and for other purposes.

S. 731

At the request of Mr. KENNEDY, the names of the Senator from North Dakota (Mr. DORGAN) and the Senator from South Dakota (Mr. DASCHLE) were added as cosponsors of S. 731, a bill to provide for substantial reductions in the price of prescription drugs for medicare beneficiaries.

S. 761

At the request of Mr. ABRAHAM, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 761, a bill to regulate interstate commerce by electronic means by permitting and encouraging the continued expansion of electronic commerce through the operation of free market forces, and for other purposes.

S. 803

At the request of Mr. MCCAIN, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 803, a bill to make the International Olympic Committee subject to the Foreign Corrupt Practices Act of 1977, and for other purposes.

S. 858

At the request of Mr. COVERDELL, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 858, a bill to designate the Federal building and United States courthouse located at 18 Greenville Street in Newnan, Georgia, as the ‘Lewis R. Morgan Federal Building and United States Courthouse’.

S. 860

At the request of Mr. GRAHAM, the name of the Senator from North Dakota (Mr. CONRAD) was added as a cosponsor of S. 860, a bill to require country of origin labeling of perishable agricultural commodities imported into the United States and to establish penalties for violations of the labeling requirements.

S. 864

At the request of Mr. BINGAMAN, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 864, a bill to designate April 22 as Earth Day.

S. 867

At the request of Mr. ROTH, the names of the Senator from North Carolina (Mr. EDWARDS) and the Senator from Virginia (Mr. ROBB) were added as cosponsors of S. 867, a bill to designate

a portion of the Arctic National Wildlife Refuge as wilderness.

SENATE JOINT RESOLUTION 20

At the request of Mr. McCAIN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of Senate Joint Resolution 20, a joint resolution concerning the deployment of the United States Armed Forces to the Kosovo region in Yugoslavia.

SENATE RESOLUTION 22

At the request of Mr. CAMPBELL, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of Senate Resolution 22, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives serving as law enforcement officers.

SENATE RESOLUTION 29

At the request of Mr. ROBB, the names of the Senator from West Virginia (Mr. ROCKEFELLER) and the Senator from Oregon (Mr. WYDEN) were added as cosponsors of Senate Resolution 29, a resolution to designate the week of May 2, 1999, as "National Correctional Officers and Employees Week."

SENATE RESOLUTION 34

At the request of Mr. TORRICELLI, the names of the Senator from New Hampshire (Mr. GREGG), the Senator from New York (Mr. SCHUMER), and the Senator from Connecticut (Mr. DODD) were added as cosponsors of Senate Resolution 34, a resolution designating the week beginning April 30, 1999, as "National Youth Fitness Week."

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of Senate Resolution 59, a bill designating both July 2, 1999, and July 2, 2000, as "National Literacy Day."

SENATE RESOLUTION 84—TO DESIGNATE THE MONTH OF MAY, 1999, AS NATIONAL ALPHA 1 AWARENESS MONTH

By Ms. SNOWE (for herself, Mr. HELMS, Mr. GRAMS, Mr. ROBB, Mr. DURBIN, Mr. EDWARDS, Mr. CLELAND, Mr. HATCH, Mr. TORRICELLI, Mr. MACK, Mr. CRAPO, Mr. GRAHAM, Mr. LAUTENBERG, and Mr. DODD) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 84

Whereas alpha₁-antitrypsin deficiency (A1AD) is the most common lethal single gene defect in the United States;

Whereas A1AD, having been identified only since 1963, is as common as cystic fibrosis, but is neither well known, nor well understood by many physicians and is virtually unknown by the general public;

Whereas A1AD is seen as a liver disease in infants and young children, as a lung or liver disease in young adults, and may be misdiagnosed as asthma, chronic bronchitis or smoker's emphysema due to lack of knowledge or understanding about this disease;

Whereas A1AD is particularly devastating to families since it strikes during the peak earning and child rearing years;

Whereas 80,000 to 100,000 persons in the United States are affected by the disease while only 5 percent have been identified; and

Whereas liver and lung transplants are sought by many individuals suffering from A1AD, detection screenings, educational conferences and other scheduled events will help raise awareness for early identification and organ donation: Now, therefore, be it

Resolved, That the Senate—

(1) designates the month of May 1999 as "National Alpha₁ Awareness Month"; and

(2) requests that the President issue a proclamation calling upon the people of the United States to observe the month with appropriate programs and activities.

Ms. SNOWE. Mr. President I rise today to submit a resolution to raise national awareness of Alpha 1-antitrypsin deficiency. I am so pleased to be joined by 15 of my colleagues. Our resolution officially declares May 1999 as "National Alpha 1 Awareness Month."

Alpha-1 is a genetic condition that can cause severe early onset emphysema, liver disease in both children and adults, or more rarely, a skin condition called panniculitis. In infants, Alpha-1 causes neonatal cirrhosis of the liver, which is sometimes fatal. In adults, Alpha-1 can lead to pulmonary emphysema and or cirrhosis of the liver. This disease normally strikes young adults in their 30s and 40s.

Alpha-1 was first identified in 1963 and is the most common lethal single gene defect in the United States. It is as common as cystic fibrosis but it is neither well known, nor well understood by many physicians, and is virtually unknown to the American public.

An estimated 5,000 people have been diagnosed with Alpha 1-antitrypsin deficiency in the United States and statistical estimates indicate that there should be 80,000 to 100,000 people total in this country. In fact, one in 37 people are Alpha-1 carriers of this genetic defect. A simple blood test can detect Alpha-1 antitrypsin levels and let people know if they are carriers or have this genetic defect. In fact, in 1998, the Maine chapter of the Alpha-1 National Association Support Group screened 105 people for the genetic defect and found 15 carriers.

Alpha-one antitrypsin deficiency can be a devastating disease. Symptoms of Alpha-1 are similar to those of other respiratory diseases, and often Alpha-1 emphysema is accompanied by asthma, bronchitis, and chronic obstructive pulmonary disease. The most common indicators of Alpha-1 include worsening shortness of breath, a chronic cough and abnormal liver test results.

The good news is that many Alphas can stay healthy into old age, especially if they never smoke, avoid pollution, lung irritants, and do not suffer from frequent lung infections. The bad news is that there are many Alphas who are misdiagnosed for years, and this misdiagnosis can cause additional irreversible lung damage.

By declaring May, 1999 as "National Alpha 1 Awareness Month" we hope bring the problem of Alpha-1 antitrypsin deficiency to the attention to the Senate. I urge my colleagues who have not yet joined us on this important issue to add their name to the public call for increased national awareness of this genetic condition.

SENATE RESOLUTION 85—SUPPORTING THE EFFORTS OF THE PEOPLE OF INDONESIA IN ACHIEVING A TRANSITION TO GENUINE DEMOCRACY

Mr. TORRICELLI (for himself, Mr. THOMAS, Mr. REED, Mr. HELMS, Mr. WELLSTONE, Mr. COVERDELL, and Mr. KERRY) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 85

Whereas Indonesia is the world's fourth most populous country, has the world's largest Muslim population, and has developed friendly relations with the United States;

Whereas a stable and democratic Indonesia is important to overall security in Southeast Asia;

Whereas President Suharto resigned on May 21, 1998, in accordance with Indonesia's constitutional processes;

Whereas incidents of ethnic and religious violence have become more prevalent in the months following President Suharto's resignation and threaten to undermine Indonesia's delicate political balance;

Whereas President Habibie has indicated his willingness to consider granting independence to East Timor, if the people of East Timor reject a plan for greater autonomy within Indonesia;

Whereas Indonesia is pursuing a transition to genuine democracy, establishing a new governmental structure, and developing a new political order;

Whereas President Habibie signed several bills governing elections, political parties, and the structure of legislative bodies into law on February 1, 1999; and

Whereas free, fair, and transparent elections to the House of Representatives of Indonesia (DPR), now scheduled for June 7, 1999, will help the people of Indonesia continue their democratic transition: Now, therefore, be it

Resolved, That the Senate—

(1) supports the Indonesian people in their efforts to carry out the provisions of the new election laws and hold democratic elections as scheduled;

(2) calls upon the Government of Indonesia to take all steps necessary to ensure that the elections scheduled for June 7, 1999, are free, fair, and transparent;

(3) urges all political, military, and ethnic leaders to refrain from all violence and work toward a peaceful political campaign period;

(4) calls upon all Indonesian leaders, political party members, military personnel, and the general public to respect and uphold the results of all elections held in a free and fair manner;

(5) urges all candidates for political office to address the ethnic and religious tensions in Indonesia that have surfaced since President Suharto's resignation and incorporate possible solutions into their election platforms; and

(6) calls upon the Government of Indonesia and all prospective officeholders to work with the people of East Timor to achieve an equitable and realistic solution to the question of East Timor's future political status.

Mr. TORRICELLI. Mr. President, I rise today together with Senators THOMAS, REED, HELMS, WELLSTONE, COVERDELL, and KERRY, to submit a resolution on Indonesia's upcoming Parliamentary elections. These are both exciting and troubling times in Indonesia. The elections scheduled for June 7th could be the beginning of a new, democratic Indonesia. At the same time, though, we receive almost daily reports of increased social unrest and a bleak economic future.

While inflation and interest rates have fallen, the Indonesian economy remains unstable. Recent clashes between Muslims and Christians in Ambon remind us that Indonesia's ethnic tensions could overwhelm the country at any minute. The status of East Timor is an ongoing issue for the people of Indonesia, although President Habibie has vowed to come to resolution by the end of the year. Depending upon the outcome of the vote on autonomy, the Parliament elected in June could have a direct influence on East Timor's future.

The upcoming June elections are a critical benchmark for Indonesia's efforts to pursue democratic reform. A freely elected Parliament will further distance Indonesia from its past and help instill a democratic culture. If these elections are proven to be free, fair and transparent, Indonesia will be well on its way to having a government with popular legitimacy.

I applaud the Administration's efforts to ensure that the elections on June 7th are open and transparent. U.S. support for a fair election process will send a strong message to the participants. The pledge of \$30 million to help Indonesia realize its goal of free and fair elections demonstrates an understanding of how important June 7th is, not only in Indonesia, but in Southeast Asia as a whole. While Indonesia's new election laws provide for monitors at the national, provincial and district levels, we must ensure that monitors are properly trained and educated. We must move quickly to maximize the interim period before the elections and encourage other nations to actively support our efforts to promote a free and fair process.

Producing transparent and legitimate election results is a responsibility that cannot be overlooked. However, we must look forward at the same time. The economic and social problems Indonesia is currently facing will be with the country past the election, and they need continued attention from this Congress and the Administration. The country's future will be uncertain if the pressing issues of today are ignored.

For this reason, I have introduced a resolution that supports Indonesia's efforts to hold free and fair elections. It calls upon all political, military and ethnic leaders to refrain from violence and work toward a peaceful campaign period. In addition, it urges all candidates to address some of these social

problems and incorporate possible solutions into their election platforms. This Congress can have a positive impact on democracy in Indonesia by helping to keep its future leaders focused on achieving long term social and economic stability.

AMENDMENTS SUBMITTED ON
APRIL 23, 1999

LEGISLATION TO PROVIDE GUIDANCE FOR THE DESIGNATION OF EMERGENCIES AS A PART OF THE BUDGET PROCESS

LOTT AMENDMENTS NOS. 256-264

(Ordered to lie on the table.)

Mr. LOTT submitted nine amendments intended to be proposed by him to the bill (S. 557) a bill to provide guidance for the designation of emergencies as a part of the budget process; as follows:

AMENDMENT NO. 256

At the end of the instructions add the following:

with an amendment as follows:

At the end of the bill add the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "Social Security Surplus Preservation and Debt Reduction Act".

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

"(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

"(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

"(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

"(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

"(2) EXCEPTION.—Paragraph (1) shall not apply if—

"(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

"(B) the deficit for a fiscal year results solely from the enactment of—

"(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985."

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking "305(b)(2)," and inserting "301(k), 301(l), 305(b)(2), 318,".

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

"(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category."

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

"(11)(A) The term 'debt held by the public' means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

"(B) For the purpose of this paragraph, the term 'face amount', for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

"(i) the original issue price of the obligation; plus

"(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

"(12) The term 'social security surplus' means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund."

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—

This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘ debt held by the public’, ‘social security surplus’” after “outlays,”; and

(3) by inserting after section 253 the following:

“**SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.**

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the

level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT NO. 257

At the end of the instructions add the following:

with an amendment as follows:

At the end of the bill add the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the "Social Security Surplus Preservation and Debt Reduction Act".

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

"(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

"(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

"(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

"(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

"(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

"(2) EXCEPTION.—Paragraph (1) shall not apply if—

"(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

"(B) the deficit for a fiscal year results solely from the enactment of—

"(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

"(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985."

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking "305(b)(2)," and inserting "301(k), 301(l), 305(b)(2), 318."

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

"(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category."

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

"(11)(A) The term 'debt held by the public' means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

"(B) For the purpose of this paragraph, the term 'face amount', for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

"(i) the original issue price of the obligation; plus

"(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

"(12) The term 'social security surplus' means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.;"

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

"(6) the debt held by the public; and"; and

(3) in section 310(a) by—

(A) striking "or" at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

"(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or"

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

"(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

"(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

"(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.;"

(2) in section 250(c)(1), by inserting "' debt held by the public', 'social security surplus'" after "outlays,"; and

(3) by inserting after section 253 the following:

"SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

"(a) LIMIT.—The debt held by the public shall not exceed—

"(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

"(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

"(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

"(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

"(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

"(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

"(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

"(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

"(A) for fiscal year 1999, \$127,000,000,000;

"(B) for fiscal year 2000, \$137,000,000,000;

"(C) for fiscal year 2001, \$145,000,000,000;

"(D) for fiscal year 2002, \$153,000,000,000;

"(E) for fiscal year 2003, \$162,000,000,000;

"(F) for fiscal year 2004, \$171,000,000,000;

"(G) for fiscal year 2005, \$184,000,000,000;

"(H) for fiscal year 2006, \$193,000,000,000;

"(I) for fiscal year 2007, \$204,000,000,000;

"(J) for fiscal year 2008, \$212,000,000,000; and

"(K) for fiscal year 2009, \$218,000,000,000.

"(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

"(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

"(B) ADJUSTMENT.—

"(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

"(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

"(II) each subsequent limit.

"(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

"(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

"(II) each subsequent limit.

"(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

"(1) ESTIMATE OF LEGISLATION.—

"(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's ef-

fect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT NO. 258

At the end of the instructions add the following:

with an amendment as follows:

At the end of the bill add the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security

trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”, “; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that

is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.”

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitutes social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on April 30, 2010.

AMENDMENT NO. 259

In the pending amendment strike all after the word “following” and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(I) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the

level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 260

In the pending amendment strike all after the word “following” and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget

and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”;

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph;

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are

used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘ debt held by the public’, ‘social security surplus’” after “outlays.”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUSES.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year

through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts

of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.’”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 261

In the pending amendment strike all after the word “following and insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the

debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectfully; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘ debt held by the public’, ‘social security surplus’” after “outlays,”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year

are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions’, with a list of specific provisions in that bill or joint resolution specified in the blank space.’.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 262

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution,

amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(1) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays.”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision’s effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce’s advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the

limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(i) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.’

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT NO. 263

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(1) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the

Balanced Budget and Emergency Deficit Control Act of 1985.”

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(11)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph:

“(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays,”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated

under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, _____ of this Act constitutes or constitute social security reform provisions’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENT No. 264

In lieu of the proposed legislative amendment insert the following:

TITLE II—SOCIAL SECURITY SURPLUS PRESERVATION AND DEBT REDUCTION ACT

SEC. 201. SHORT TITLE.

This title may be cited as the “Social Security Surplus Preservation and Debt Reduction Act”.

SEC. 202. FINDINGS.

Congress finds that—

(1) the \$69,246,000,000 unified budget surplus achieved in fiscal year 1998 was entirely due to surpluses generated by the social security trust funds and the cumulative unified budget surpluses projected for subsequent fiscal years are primarily due to surpluses generated by the social security trust funds;

(2) Congress and the President should balance the budget excluding the surpluses generated by the social security trust funds;

(3) according to the Congressional Budget Office, balancing the budget excluding the surpluses generated by the social security trust funds will reduce the debt held by the public by a total of \$1,723,000,000,000 by the end of fiscal year 2009; and

(4) social security surpluses should be used for social security reform or to reduce the debt held by the public and should not be spent on other programs.

SEC. 203. PROTECTION OF THE SOCIAL SECURITY TRUST FUNDS.

(a) PROTECTION BY CONGRESS.—

(1) REAFFIRMATION OF SUPPORT.—Congress reaffirms its support for the provisions of section 13301 of the Budget Enforcement Act of 1990 that provides that the receipts and disbursements of the social security trust funds shall not be counted for the purposes

of the budget submitted by the President, the congressional budget, or the Balanced Budget and Emergency Deficit Control Act of 1985.

(2) PROTECTION OF SOCIAL SECURITY BENEFITS.—If there are sufficient balances in the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, the Secretary of Treasury shall give priority to the payment of social security benefits required to be paid by law.

(b) POINTS OF ORDER.—Section 301 of the Congressional Budget Act of 1974 is amended by adding at the end the following:

“(j) SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that violates section 13301 of the Budget Enforcement Act of 1990.

“(k) DEBT HELD BY THE PUBLIC POINT OF ORDER.—It shall not be in order in the Senate to consider any bill, joint resolution, amendment, motion, or conference report that would—

“(l) increase the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(2) provide additional borrowing authority that would result in the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 being exceeded.

“(l) SOCIAL SECURITY SURPLUS PROTECTION POINT OF ORDER.—

“(1) IN GENERAL.—It shall not be in order in the Senate to consider a concurrent resolution on the budget, an amendment thereto, or a conference report thereon that sets forth a deficit in any fiscal year.

“(2) EXCEPTION.—Paragraph (1) shall not apply if—

“(A) the limit on the debt held by the public in section 253A(a) of the Balanced Budget and Emergency Deficit Control Act of 1985 is suspended; or

“(B) the deficit for a fiscal year results solely from the enactment of—

“(i) social security reform legislation, as defined in section 253A(e)(2) of the Balanced Budget and Emergency Deficit Control Act of 1985; or

“(ii) provisions of legislation that are designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e) of the Balanced Budget and Emergency Deficit Control Act of 1985.”.

(c) SUPERMAJORITY WAIVER AND APPEAL.—Subsections (c)(1) and (d)(2) of section 904 of the Congressional Budget Act of 1974 are amended by striking “305(b)(2),” and inserting “301(k), 301(l), 305(b)(2), 318.”.

(d) CONFORMING AMENDMENT.—Section 318 of the Congressional Budget Act of 1974, as added by this Act, is amended by adding at the end the following:

“(c) EXCEPTION FOR DEFENSE SPENDING.—Subsection (b) shall not apply against an emergency designation for a provision making discretionary appropriations in the defense category.”.

SEC. 204. DEDICATION OF SOCIAL SECURITY SURPLUSES TO REDUCTION IN THE DEBT HELD BY THE PUBLIC.

(a) AMENDMENTS TO THE CONGRESSIONAL BUDGET ACT OF 1974.—The Congressional Budget Act of 1974 is amended—

(1) in section 3, by adding at the end the following:

“(1)(A) The term ‘debt held by the public’ means the outstanding face amount of all debt obligations issued by the United States Government that are held by outside investors, including individuals, corporations, State or local governments, foreign governments, and the Federal Reserve System.

“(B) For the purpose of this paragraph, the term ‘face amount’, for any month, of any

debt obligation issued on a discount basis that is not redeemable before maturity at the option of the holder of the obligation is an amount equal to the sum of—

“(i) the original issue price of the obligation; plus

“(ii) the portion of the discount on the obligation attributable to periods before the beginning of such month.

“(12) The term ‘social security surplus’ means the amount for a fiscal year that receipts exceed outlays of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.”;

(2) in section 301(a) by—

(A) redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively; and

(B) inserting after paragraph (5) the following:

“(6) the debt held by the public; and”; and

(3) in section 310(a) by—

(A) striking “or” at the end of paragraph (3);

(B) by redesignating paragraph (4) as paragraph (5); and

(C) inserting the following new paragraph: “(4) specify the amounts by which the statutory limit on the debt held by the public is to be changed and direct the committee having jurisdiction to recommend such change; or”.

(b) AMENDMENTS TO THE BALANCED BUDGET AND EMERGENCY DEFICIT CONTROL ACT OF 1985.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 250, by striking subsection (b) and inserting the following:

“(b) GENERAL STATEMENT OF PURPOSE.—This part provides for the enforcement of—

“(1) a balanced budget excluding the receipts and disbursements of the social security trust funds; and

“(2) a limit on the debt held by the public to ensure that social security surpluses are used for social security reform or to reduce debt held by the public and are not spent on other programs.”;

(2) in section 250(c)(1), by inserting “‘debt held by the public’, ‘social security surplus’” after “outlays.”; and

(3) by inserting after section 253 the following:

“SEC. 253A. DEBT HELD BY THE PUBLIC LIMIT.

“(a) LIMIT.—The debt held by the public shall not exceed—

“(1) for the period beginning May 1, 2000 through April 30, 2001, \$3,628,000,000,000;

“(2) for the period beginning May 1, 2001 through April 30, 2002, \$3,512,000,000,000;

“(3) for the period beginning May 1, 2002 through April 30, 2004, \$3,383,000,000,000;

“(4) for the period beginning May 1, 2004 through April 30, 2006, \$3,100,000,000,000;

“(5) for the period beginning May 1, 2006 through April 30, 2008, \$2,775,000,000,000; and,

“(6) for the period beginning May 1, 2008 through April 30, 2010, \$2,404,000,000,000.

“(b) ADJUSTMENTS FOR ACTUAL SOCIAL SECURITY SURPLUS LEVELS.—

“(1) ESTIMATED LEVELS.—The estimated level of social security surpluses for the purposes of this section is—

“(A) for fiscal year 1999, \$127,000,000,000;

“(B) for fiscal year 2000, \$137,000,000,000;

“(C) for fiscal year 2001, \$145,000,000,000;

“(D) for fiscal year 2002, \$153,000,000,000;

“(E) for fiscal year 2003, \$162,000,000,000;

“(F) for fiscal year 2004, \$171,000,000,000;

“(G) for fiscal year 2005, \$184,000,000,000;

“(H) for fiscal year 2006, \$193,000,000,000;

“(I) for fiscal year 2007, \$204,000,000,000;

“(J) for fiscal year 2008, \$212,000,000,000; and

“(K) for fiscal year 2009, \$218,000,000,000.

“(2) ADJUSTMENT TO THE LIMIT FOR ACTUAL SOCIAL SECURITY SURPLUSES.—After October 1 and no later than December 31 of each year, the Secretary shall make the following calculations and adjustments:

“(A) CALCULATION.—After the Secretary determines the actual level for the social security surplus for the current year, the Secretary shall take the estimated level of the social security surplus for that year specified in paragraph (1) and subtract that actual level.

“(B) ADJUSTMENT.—

“(i) 2000 THROUGH 2004.—With respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that begins on May 1st of the following calendar year; and

“(II) each subsequent limit.

“(ii) 2004 THROUGH 2010.—With respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amount calculated under subparagraph (A) to—

“(I) the limit set forth in subsection (a) for the period of years that includes May 1st of the following calendar year; and

“(II) each subsequent limit.

“(c) ADJUSTMENT TO THE LIMIT FOR EMERGENCIES.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If legislation is enacted into law that contains a provision that is designated as an emergency requirement pursuant to section 251(b)(2)(A) or 252(e), OMB shall estimate the amount the debt held by the public will change as a result of the provision's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 251(a)(7) or section 252(d), as the case may be.

“(2) ADJUSTMENT.—After January 1 and no later than May 1 of each calendar year beginning with calendar year 2000—

“(A) with respect to the periods described in subsections (a)(1), (a)(2), and (a)(3), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that begins on May 1 of that calendar year; and

“(ii) each subsequent limit; and

“(B) with respect to the periods described in subsections (a)(4), (a)(5), and (a)(6), the Secretary shall add the amounts calculated under paragraph (1)(A) for the current year included in the report referenced in paragraph (1)(C) to—

“(i) the limit set forth in subsection (a) for the period of years that includes May 1 of that calendar year; and

“(ii) each subsequent limit.

“(3) EXCEPTION.—The Secretary shall not make the adjustments pursuant to this section if the adjustments for the current year are less than the on-budget surplus for the year before the current year.

“(d) ADJUSTMENT TO THE LIMIT FOR LOW ECONOMIC GROWTH AND WAR.—

“(1) SUSPENSION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) LOW ECONOMIC GROWTH.—If the most recent of the Department of Commerce's advance, preliminary, or final reports of actual real economic growth indicate that the rate of real economic growth for each of the most

recently reported quarter and the immediately preceding quarter is less than 1 percent, the limit on the debt held by the public established in this section is suspended.

“(B) WAR.—If a declaration of war is in effect, the limit on the debt held by the public established in this section is suspended.

“(2) RESTORATION OF STATUTORY LIMIT ON DEBT HELD BY THE PUBLIC.—

“(A) RESTORATION OF LIMIT.—The statutory limit on debt held by the public shall be restored on May 1 following the quarter in which the level of real Gross Domestic Product in the final report from the Department of Commerce is equal to or is higher than the level of real Gross Domestic Product in the quarter preceding the first two quarters that caused the suspension of the pursuant to paragraph (1).

“(B) ADJUSTMENT.—

“(i) CALCULATION.—The Secretary shall take level of the debt held by the public on October 1 of the year preceding the date referenced in subparagraph (A) and subtract the limit in subsection (a) for the period of years that includes the date referenced in subparagraph (A).

“(ii) ADJUSTMENT.—The Secretary shall add the amount calculated under clause (i) to—

“(I) the limit in subsection (a) for the period of fiscal years that includes the date referenced in subparagraph (A); and

“(II) each subsequent limit.

“(e) ADJUSTMENT TO THE LIMIT FOR SOCIAL SECURITY REFORM PROVISIONS THAT AFFECT ON-BUDGET LEVELS.—

“(1) ESTIMATE OF LEGISLATION.—

“(A) CALCULATION.—If social security reform legislation is enacted, OMB shall estimate the amount the debt held by the public will change as a result of the legislation's effect on the level of total outlays and receipts excluding the impact on outlays and receipts of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund.

“(B) BASELINE LEVELS.—OMB shall calculate the changes in subparagraph (A) relative to baseline levels for each fiscal year through fiscal year 2010 using current estimates.

“(C) ESTIMATE.—OMB shall include the estimate required by this paragraph in the report required under section 252(d) for social security reform legislation.

“(2) ADJUSTMENT TO LIMIT ON THE DEBT HELD BY THE PUBLIC.—If social security reform legislation is enacted, the Secretary shall adjust the limit on the debt held by the public for each period of fiscal years by the amounts determined under paragraph (1)(A) for the relevant fiscal years included in the report referenced in paragraph (1)(C).

“(e) DEFINITIONS.—In this section:

“(1) SECRETARY.—The term ‘Secretary’ means the Secretary of the Treasury.

“(2) SOCIAL SECURITY REFORM LEGISLATION.—The term ‘social security reform legislation’ means a bill or joint resolution that is enacted into law and includes a provision stating the following:

“() SOCIAL SECURITY REFORM LEGISLATION.—For the purposes of the Social Security Surplus Preservation and Debt Reduction Act, this Act constitutes social security reform legislation.”

This paragraph shall apply only to the first bill or joint resolution enacted into law as described in this paragraph.

“(3) SOCIAL SECURITY REFORM PROVISIONS.—The term ‘social security reform provisions’ means a provision or provisions identified in social security reform legislation stating the following:

“() SOCIAL SECURITY REFORM PROVISIONS.—For the purposes of the Social Security Surplus Preservation and Debt Reduc-

tion Act, _____ of this Act constitutes or constitute social security reform provisions.’, with a list of specific provisions in that bill or joint resolution specified in the blank space.”.

SEC. 205. PRESIDENT'S BUDGET.

Section 1105(f) of title 31, United States Code, is amended by striking “in a manner consistent” and inserting “in compliance”.

SEC. 206. SUNSET.

This title and the amendments made by this title shall expire on May 1, 2010.

AMENDMENTS SUBMITTED ON APRIL 26, 1999

Y2K ACT

HOLLINGS AMENDMENTS NOS. 265- 266

(Ordered to lie on the table.)

Mr. HOLLINGS submitted two amendments intended to be proposed by him to the bill (S. 96) to regulate commerce between and among the several States by providing for the orderly resolution of disputes arising out of computer-based problems related to processing data that includes a 2-digit expression of that year's date; as follows:

AMENDMENT NO. 265

At the end add the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Children's Protection from Violent Programming Act”.

SEC. 2. FINDINGS.

The Congress makes the following findings:

(1) Television influences the perception children have of the values and behavior that are common and acceptable in society.

(2) Broadcast television, cable television, and video programming are—

(A) pervasive presences in the lives of all American children; and

(B) readily accessible to all American children.

(3) Violent video programming influences children, as does indecent programming.

(4) There is empirical evidence that children exposed to violent video programming at a young age have a higher tendency to engage in violent and aggressive behavior later in life than those children not so exposed.

(5) Children exposed to violent video programming are prone to assume that acts of violence are acceptable behavior and therefore to imitate such behavior.

(6) Children exposed to violent video programming have an increased fear of becoming a victim of violence, resulting in increased self-protective behaviors and increased mistrust of others.

(7) There is a compelling governmental interest in limiting the negative influences of violent video programming on children.

(8) There is a compelling governmental interest in channeling programming with violent content to periods of the day when children are not likely to comprise a substantial portion of the television audience.

(9) Because some programming that is readily accessible to minors remains unrated and therefore cannot be blocked solely on the basis of its violent contents restricting the hours when violent video programming is shown is the least restrictive and most narrowly tailored means to achieve a compelling governmental interest.

(10) Warning labels about the violent content of video programming will not in them-

selves prevent children from watching violent video programming.

(11) Although many programs are now subject to both age-based and content-based ratings, some broadcast and non-premium cable programs remain unrated with respect to the content of their programming.

(12) Technology-based solutions may be helpful in protecting some children, but may not be effective in achieving the compelling governmental interest in protecting all children from violent programming when parents are only able to block programming that has in fact been rated for violence.

(13) Technology-based solutions will not be installed in all newly manufactured televisions until January 1, 2000.

(14) Even though technology-based solutions will be readily available, many consumers of video programming will not actually own such technology for several years and therefore will be unable to take advantage of content based ratings to prevent their children from watching violent programming.

(15) In light of the fact that some programming remains unrated for content, and given that many consumers will not have blocking technology in the near future, the channeling of violent programming is the least restrictive means to limit the exposure of children to the harmful influences of violent programming.

(16) Restricting the hours when violent programming can be shown protects the interests of children whose parents are unavailable, are unable to supervise their children's viewing behavior, do not have the benefit of technology-based solutions, are unable to afford the costs of technology-based solution, or are unable to determine the content of those shows that are only subject to age-based ratings.

SEC. 3. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING.

Title VII of the Communications Act of 1934 (47 U.S.C. 701 et seq.) is amended by adding at the end the following:

“SEC. 715. UNLAWFUL DISTRIBUTION OF VIOLENT VIDEO PROGRAMMING NOT SPECIFICALLY BLOCKABLE BY ELECTRONIC MEANS.

“(a) UNLAWFUL DISTRIBUTION.—It shall be unlawful for any person to distribute to the public any violent video programming during hours when children are reasonably likely to comprise a substantial portion of the audience.

“(b) RULEMAKING PROCEEDING.—The Commission shall conduct a rulemaking proceeding to implement the provisions of this section and shall promulgate final regulations pursuant to that proceeding not later than 9 months after the date of enactment of the Children's Protection from Violent Programming Act. As part of that proceeding, the Commission—

“(1) may exempt from the prohibition under subsection (a) programming (including news programs and sporting events) whose distribution does not conflict with the objective of protecting children from the negative influences of violent video programming, as that objective is reflected in the findings in section 551(a) of the Telecommunications Act of 1996;

“(2) shall exempt premium and pay-per-view cable programming; and

“(3) shall define the term ‘hours when children are reasonably likely to comprise a substantial portion of the audience’ and the term ‘violent video programming.’

“(c) REPEAT VIOLATIONS.—If a person repeatedly violates this section or any regulation promulgated under this section, the Commission shall, after notice and opportunity for hearing, revoke any license issued to that person under this Act.

“(d) CONSIDERATION OF VIOLATIONS IN LICENSE RENEWALS.—The Commission shall consider, among the elements in its review of an application for renewal of a license under this Act, whether the licensee has complied with this section and the regulations promulgated under this section.

“(e) DISTRIBUTE DEFINED.—In this section, the term ‘distribute’ means to send, transmit, retransmit, telecast, broadcast, or cablecast, including by wire, microwave, or satellite.”

SEC. 4. SEPARABILITY.

If any provision of this Act, or any provision of an amendment made by this Act, or the application thereof to particular persons or circumstances, is found to be unconstitutional, the remainder of this Act or that amendment, or the application thereof to other persons or circumstances shall not be affected.

SEC. 5. EFFECTIVE DATE.

The prohibition contained in section 715 of the Communications Act of 1934 (as added by section 3 of this Act) and the regulations promulgated thereunder shall take effect 1 year after the regulations are adopted by the Commission.

AMENDMENT No. 266

At the end, add the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “Public Health and Safety Act of 1999”:

SEC. 3. AMENDMENT OF TITLE 18, UNITED STATES CODE.

Chapter 44 of title 18, United States Code, is amended—

(1) by—

(A) redesigning the text of the chapter as subchapter A;

(B) inserting after the chapter heading the following:

“Subchapter
“A. Firearms In General
—921
“B. Handguns
—941

“SUBCHAPTER A—FIREARMS IN GENERAL”;

and

(C) striking “this chapter” each place it appears and inserting “this subchapter”; and
(2) by adding at the end the following new subchapter:

“SUBCHAPTER B—HANDGUNS

“Sec.

“941. Definitions.

“942. Unlawful acts.

“943. Licensing of handgun clubs.

“944. Registration of security guard services.

“945. Recordkeeping and reports; transfers to licensed handgun clubs.

“946. Voluntary delivery to law enforcement agency; reimbursement.

“947. Penalties.

“948. Regulations.

“949. Relation to other law.

“950. Severability.

“SEC. 941. DEFINITIONS.

“(a) TERMS DEFINED IN SECTION 921.—Unless otherwise defined in subsection (b), a term used in this subchapter that is defined in section 921 has the meaning stated in that section.

“(b) ADDITIONAL TERMS.—As used in this subchapter.

“‘Handgun’ means by firearm including a pistol or revolver that is designed to be fired by the use of a single hand, or any combination of parts from which such a firearm can be assembled.

“‘Handgun ammunition’ means ammunition that is designed for use primarily in a handgun.

“‘Handgun club’ means a club organized for bona fide target shooting with handguns.

“‘Licensed handgun club’ means a handgun club that is licensed under section 943.

“‘Registered security guard service’ means a security guard service that is registered under section 944.

“‘Security guard service’ means an entity that engages in the business of providing security guard services to the public.

“SEC. 942. UNLAWFUL ACTS.

“(a) OFFENSE.—Except as provided in subsections (b) and (c), it is unlawful for a person to manufacture, import, export, sell, buy, transfer, receive, own possess, transport, or use a handgun or handgun ammunition.

“(b) EXCEPTIONS.—Subsection (a) does not apply to—

“(1) the Army, Navy, Air Force, Marine Corps, Coast Guard, and National Guard;

“(2) Federal, State, or local government agencies charged with law enforcement duties that require its officers to possess handguns;

“(3) registered security guard services; or

“(4) licensed handgun clubs and members of licensed handgun clubs.

“(c) APPROVED TRANSACTIONS.—Pursuant to regulations issued by the Secretary, the Secretary may approve the manufacture, importation, sale, purchase, transfer, receipt, ownership, possession, transportation, and use of a handgun or handgun ammunition by licensed manufacturers, licensed importers, and licensed dealers as necessary to meet the lawful requirements of the persons and entities described in subsection (b).

“SEC. 943. LICENSING OF HANDGUN CLUBS.

“(a) HANDGUN CLUBS.—Pursuant to regulations issued by the Secretary, the Secretary may issue a license to a handgun club if—

“(1) no member of the handgun club is a person whose membership and participation in the club is in violation of State or local law;

“(2) no member of the handgun club is prohibited from transporting, shipping, or receiving firearms or ammunition in interstate or foreign commerce under section 922 (g) or (h);

“(3) no member of the handgun club has willfully violated this chapter or any regulations issued under this chapter;

“(4) the handgun club has not willfully failed to disclose any material information required, or has not made any false statement as to any material fact in connection with its application;

“(5) the club has been founded and operated for bona fide target shooting; and

“(6) the handgun club—

“(A) has permanent premises from which it operates;

“(B) maintains possession and control of the handguns used by its members;

“(C)(i) has procedures and has facilities on its premises for keeping such handguns in a secure place, under the control of a designated officer of the club; or

“(ii) has made arrangements for the storage of the members’ handguns in a facility of the local police department or other law enforcement agency, at all times when they are not being used for target shooting; and

“(D) meets all operational, safety, security, training, and other requirements that the Secretary may prescribe by regulation.

“(b) REVOCATION.—The secretary shall revoke the license of a licensed handgun club that does not continue to meet the requirements of subsection (a).

“(c) LICENSE FEE.—A licensed handgun club shall pay to the Secretary an annual license fee of \$25.

“SEC. 944. REGISTRATION OF SECURITY GUARD SERVICES.

“(a) SECURITY GUARD SERVICES.—Under regulations issued by the Secretary, the Sec-

retary may approve the registration of a security guard service if—

“(1)(A) the security guard service has procedures and has facilities on its premises for keeping its handguns in a secure place, under the control of a designated officer of the security guard service; or

“(B) has made arrangements for the storage of its handguns in a facility of the local police department or other law enforcement agency, at all times when such handguns are not in use for legitimate business purposes;

“(2) the security guard service has obtained all necessary State and local licenses and meet all State and local requirements to engage in the business of providing security guard service; and

“(3) the security guard service meets all operational, safety, security, training, and other requirements that the Secretary may prescribe by regulation.

“(b) REVOCATION.—The Secretary shall revoke the registration of a registered security guard service that does not continue to meet the requirements of subsection (a).

“(c) REGISTRATION FEE.—A registered security guard service shall pay to the Secretary an annual registration fee of \$50.

“SEC. 945. RECORDKEEPING AND REPORTS; TRANSFERS TO LICENSED HANDGUN CLUBS.

“(a) RECORDKEEPING.—A licensed manufacturer, licensed importer, licensed dealer, licensed handgun club, or registered security guard service that sells or otherwise transfers handguns or handgun ammunition shall—

“(1) maintain records of sales, transfers, receipts, and other dispositions of handguns and handgun ammunition in such form as the Secretary may by regulation provide; and

“(2) permit the Secretary to enter the premises at reasonable times for the purpose of inspecting such records.

“(b) REPORTS OF LOSS OR THEFT.—(1) A licensed handgun club or registered security guard service shall report to the Secretary a loss or theft of any handgun in its possession or the possession of one of its members of employees not later than thirty days after the loss or theft is discovered.

“(2) A report made under subsection (a) shall include such information as the Secretary by regulation shall prescribe, including the date and place of theft or loss.

“(c) TRANSFERS TO HANDGUN CLUBS.—A person that sells or otherwise transfers a handgun to a licensed handgun club or member of a licensed handgun club shall be shipped or otherwise delivered directly to the premises of the licensed handgun club where the handgun will be kept.

“SEC. 946. VOLUNTARY DELIVERY TO LAW ENFORCEMENT AGENCY; REIMBURSEMENT.

“(a) DELIVERY.—A person may at any time voluntarily deliver to any Federal, State, or local law enforcement agency designated by the Secretary a handgun owned or possessed by the person.

“(b) DISPOSITION.—The Secretary shall arrange with each agency designated to receive handguns for the transfer, destruction, or other disposition of handguns delivered under subsection (a).

“(c) REIMBURSEMENT.—The Secretary shall pay to a person who delivers a handgun under subsection (a) on or prior to the date that is one hundred eighty days after the date of enactment of this subchapter an amount equal to the greater of—

“(1) \$25; or

“(2) the fair market value of the gun as determined by the Secretary.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as are necessary to make such payments under subsection (c).

SEC. 947. PENALTIES.

"(a) VIOLATION OF SECTION 942.—(1) Except as provided in paragraph (2), a person who violates section 942 shall be fined not more than \$5,000, imprisoned not more than five years, or both.

"(2) A person who voluntarily delivers a handgun under section 946(a) after the date that is one hundred eighty days after the date of enactment of this subchapter shall not be subject to criminal prosecution for possession of the handgun under any Federal, State, or local law, but shall pay to the Secretary a civil penalty in an amount determined by the Secretary, not to exceed \$500.

"(b) FAILURE TO REPORT LOSS OR THEFT.—A licensed handgun club or registered security guard service that fails to report a loss or theft of a handgun as required by section 945(b)—

"(1) in the case of a negligent failure to report or a negligent failure to discover the loss or theft, shall pay to the Secretary a civil penalty in an amount determined by the Secretary, not to exceed \$1,000; and

"(2) in the case of an intentional failure to report, shall be fined not more than \$5,000, its officer designated under section 943(a)(6)(C)(i) or 944(a)(1)(A) imprisoned not more than five years, or both.

"(c) FAILURE TO DELIVER TO PREMISES OF LICENSED HANDGUN CLUB.—A person that sells or otherwise transfers a handgun to a licensed handgun club or member of a licensed handgun club that causes the handgun to be shipped or otherwise delivered by any means or to any place other than directly to the premises of the licensed handgun club where the handgun will be kept, in violation of section 945(c)—

"(1) in the case of a negligent delivery to an unauthorized place, shall pay to the Secretary a civil penalty in an amount determined by the Secretary, not to exceed \$1,000; and

"(2) in the case of an intentional delivery to an unauthorized place, shall be fined not more than \$5,000, imprisoned not more than five years, or both.

"(d) FALSE STATEMENT OR REPRESENTATION.—(1)(A) person who—

"(A) makes a false statement or representation with respect to information required by this subchapter to be kept in the records of an importer, manufacturer, dealer, or handgun club licensed under this subchapter or security guard service registered under this subchapter; or

"(B) makes a false statement or representation in applying for a handgun club license or security guard service registration under this subchapter,

shall be subject to penalty under paragraph (2).

"(2)(A) In the case of a negligent making of a false statement or representation described in paragraph (1), the person shall pay to the Secretary a civil penalty in an amount determined by the Secretary, not to exceed \$1,000; and

"(B) in the case of an intentional making of a false statement or representation described in paragraph (1), the person shall be fined not more than \$5,000, imprisoned not more than five years, or both.

"(e) FAILURE TO KEEP OR PERMIT INSPECTION OF RECORDS.—A person who fails to keep or permit inspection of records in violation of section 945(a)—

"(1) in the case of a negligent failure to maintain records, shall pay to the Secretary a civil penalty in an amount determined by the Secretary, not to exceed \$1,000; and

"(2) in the case of an intentional failure to maintain records or any failure to permit inspection of records, shall be fined not more

than \$5,000, and its chief executive officer or other person responsible for the failure shall be imprisoned not more than five years, or both.

"(f) FORFEITURE.—Any handgun or handgun ammunition involved or used in, or intended to be used in, a violation of this subchapter or any regulation issued under this subchapter, or any violation of any other criminal law of the United States, shall be subject to seizure and forfeiture, and all provisions of the Internal Revenue Code of 1986 relating to the seizure, forfeiture, and disposition of firearms shall, so far as applicable, extend to seizures and forfeitures under this subchapter.

SEC. 948. REGULATIONS.

"The Secretary may prescribe such regulations as the Secretary deems necessary to carry out this subchapter.

SEC. 949. RELATION TO OTHER LAW.

"The regulation of handguns under this subchapter is in addition to the regulation of handguns under subchapter A and any other Federal, State, or local law.

SEC. 950. SEVERABILITY.

"If any provision of this subchapter or the application thereof to any person or circumstance is held invalid, the remainder of the subchapter and the application of that provision to other persons not similarly situated or to other circumstances shall not be affected thereby."

SEC. 4. RULE OF CONSTRUCTION.

Nothing in this Act shall be construed as modifying or affecting any provision of—

(1) the National Firearms Act (chapter 53 of the Internal Revenue Code of 1956);

(2) section 414 of the Mutual Security Act of 1954 (22 U.S.C. 1934), relating to munitions control; or

(3) section 1715 of title 18, United States Code, relating to nonavailable firearms.

SEC. 5. EFFECTIVE DATE.

(a) IN GENERAL.—Except as provided in subsection (b), this Act and the amendments made by this Act shall take effect on the date of enactment of this Act.

(b) DELAYED EFFECTIVE DATE.—Sections 942 and 945 of title 18, United States Code, as added by section 3, shall take effect on the date that is one hundred and eighty days after the date of enactment of this Act.

NOTICES OF HEARINGS**COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS**

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Health, Education, Labor, and Pensions will be held on Tuesday, April 27, 1999, 9:30 a.m., in SD-628 of the Senate Dirksen Building. The subject of the hearing is "Medical Records Privacy." For further information, please call the committee, 202/224-5375.

**COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS**

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a Executive Session of the Senate Committee on Health, Education, Labor, and Pensions will be held on Wednesday, April 28, 1999, 9:30 a.m., in SD-628 of the Senate Dirksen Building. The Committee will consider S. 385, "The SAFE Act." For further information, please call the committee, 202/224-5375.

**COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS**

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Health, Education, Labor, and Pensions will be held on Thursday, April 29, 1999, 10:00 a.m., in SD-628 of the Senate Dirksen Building. The subject of the hearing is "ESEA Reauthorization." For further information, please call the committee, 202/224-5375.

**COMMITTEE ON HEALTH, EDUCATION, LABOR,
AND PENSIONS**

Mr. JEFFORDS. Mr. President, I would like to announce for information of the Senate and the public that a hearing of the Senate Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging will be held on April 30, 1999, 10:00 a.m., in SD-628 of the Senate Dirksen Building. The subject of the hearing is "Older Americans Act." For further information, please call the committee, 202/224-5375.

**COMMITTEE ON ENERGY AND NATURAL
RESOURCES**

Mr. MURKOWSKI. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Full Committee on Energy and Natural Resources to receive testimony on, S. 698, a bill to review the suitability and feasibility of recovering costs of high altitude rescues at Denali National Park and Preserve in Alaska, and for other purposes; S. 711, to allow for the investment of joint Federal and State funds from the civil settlement of damages from the Exxon Valdez oil spill, and for other purposes; and S. 748, a bill to improve Native hiring and contracting by the Federal Government within the State of Alaska, and for other purposes.

The hearing will take place on Thursday, May 13, 1999 at 9:30 a.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD-364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact Jim O'Toole or Shawn Taylor of the committee staff at (202) 224-6949.

**AUTHORITY FOR COMMITTEE TO
MEET****SPECIAL COMMITTEE ON AGING**

Mr. MCCAIN. Mr. President, I ask unanimous consent that the Special Committee on Aging be permitted to meet on April 26, 1999 at 1:00-5:00 p.m. in Dirksen 106 for the purpose of conducting a hearing.

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

ADDITIONAL STATEMENTS

IN REMEMBRANCE OF THOSE WHO DIED

• Mr. BUNNING. Mr. President, a tragedy occurred in my home state of Kentucky on the morning of April 22nd. A UH-60L Black Hawk helicopter crashed at Ft. Campbell during a training mission. Seven of the United States Army's 101st Airborne Division's finest soldiers died in that crash.

I would ask us all to remember Sergeant Anthony Wade Brown, Specialist Earl Conday Eoff, Sergeant Robert Gerald Millward, Sergeant James Robert Murphy, Jr., Chief Warrant Officer Two Aaron King Power, Specialist Fury John Rice, and Sergeant Julius Raymond Wilkes, Jr. We must also keep their fellow soldiers, friends, and especially their families in our prayers during this difficult time of mourning.

These seven soldiers took an oath when they joined the military to defend this great nation. We must not take for granted their service and their commitment to us. We should take an oath now that they will remain in our hearts forever and that we will never forget them.

God bless these men.●

10TH ANNIVERSARY OF GPCC YOUTH IN GOVERNMENT PROGRAM

• Mr. ABRAHAM. Mr. President, I rise today to honor the Greater Pontiac Community Coalition for its ten year anniversary of their Youth In Government and Business program.

The Greater Pontiac Community Coalition was founded by Reverend Douglas P. Jones, Pastor of the Welcome Missionary Baptist Church in Pontiac, Michigan, who serves as President of the Greater Pontiac Community Coalition.

The program has promoted educational excellence among middle and high school students, with over 3,500 youth participating in this fine program.

This year students were taught about government, law enforcement, education and business through hands-on visits with state and local officials representing each of those segments of the community. Valuable experiences are garnered through the Youth in Government and Business, inspiring many to carry the torch of community leadership into the future.

Building on his past successes, Reverend Jones now plans to engage the program at the elementary school level, and his program is also being duplicated in other communities in Metropolitan Detroit. This is a testament to the success faith-based and community-based efforts can have in making a difference for our youth.

I want to express my congratulations to Pastor Jones and wish him and all graduates continued success. Most importantly, I would like to thank him

for his commitment to the youth in our communities.●

PRIVATE BRYAN J. WHITE GRADUATION

• Mr. ABRAHAM. Mr. President, I rise today to honor Private Bryan J. White of the 1st Battalion, C Company, Platoon 1038, on the occasion of his graduation from United States Marine Corps basic training at Parris Island, South Carolina, on April 30, 1999.

Private White is fulfilling his boyhood dream of serving his country as a soldier in the Marine Corps. To that end, throughout high school he maintained himself in peak physical condition and excelled on the swim and wrestling teams to meet the rigorous requirements of the Marine Corps.

His commitment to fight and sacrifice to protect the United States and the freedoms Americans cherish is to be commended. He deserves both respect and admiration for his dedication to country.

I want to express my congratulations to Private White and wish him the best of luck. Most importantly, I would like to thank him for his commitment to the United States of America.●

90TH ANNIVERSARY OF THE ITALIAN TRIBUNE

• Mr. ABRAHAM. Mr. President, I rise today to honor Ed and Marlene Baker as they celebrate the 90th Anniversary of the Italian Tribune.

The Italian Tribune was founded as a weekly newspaper by Vincent and Mary O. Giuliano in 1909 and has chronicled Italian-Americans for most of the 20th Century.

The Italian Tribune has sustained the link between American life and Italian culture which is vital in exemplifying how we are a nation of immigrants and how America has provided opportunities for those who have come to her shores.

The Tribune is one of the oldest weekly, and now bi-weekly, Italian-American newspapers in the United States and has kept Italian-American residents in Michigan informed for nine decades, bringing them news in the accurate manner and serving as an important community forum.

The paper continually promotes loyalty to the United States, pride of Italian heritage and fraternal spirit to a community of over 350,000 first, second and third generation Americans of Italian descent in Michigan.

Since the original issue was printed, the Tribune has gone through many changes, and is now published by Edward and Marlene Baker, descendants of the founding Giulianos.

I want to express my congratulations to Ed and Marlene Baker as they celebrate the 90th Anniversary of the Italian Tribune, making it a part of life for hundreds of thousands of people. The longevity of the paper is a testament to their diligence and the sac-

rifices made by Vincent and Mary O. Giuliano.●

TRIBUTE TO GIL CLARK

• Mr. McCONNELL. Mr. President, I rise today to pay tribute to my dear friend Gil Clark. I have admired and respected Gil as a friend and coach for many, many years. My thoughts and prayers go out to him and his family today, as Gil continues a brave fight against liver cancer.

Gil and I go way back. I met Gil in the 1950's, when he was my little league baseball coach in Louisville. Gil began coaching with the Beechmont Youth Program at its inception in 1955, and served faithfully as president of the program for more than 35 years.

Gil always taught our little league team that the most important thing about sports was that you practice hard and play your best, not necessarily that you win. He loved baseball without qualification, and all of us on the team could tell. His enthusiasm for the game was infectious, and his desire to teach us lessons about life through sports was inspiring. Gil wanted our team of aspiring players to understand that in life, you're not always going to win—but you should always perform to the very best of your ability. Gil certainly made a lasting impression on my life, and I'm sure that in his many years as a coach he has positively influenced the lives of numerous other young people as well.

Gil committed himself to teaching and coaching young people at Beechmont, and worked on the administration of the Louisville/Jefferson County Metro Parks service for many years. Gil practiced what he preached to those around him, and showed runners year after year that perseverance and spirit could get the job done.

In 1974, Gil was asked by Louisville's mayor to take on the challenge of directing the "Kentucky Derby Festival miniMarathon." Gil organized many races during his tenure with Metro Parks, but he especially enjoyed putting on the miniMarathon each year. Gil took the mayor's challenge seriously, built the race to its present glory, and is now known in Kentucky as the "father of the miniMarathon."

Gil, thank you for working with me and coaching me as a young little leaguer at Beechmont, and thank you for your dedication to so many other young people throughout the years. I am certain that your service to the Louisville/Jefferson County community is appreciated by all, and I am amazed at your continued commitment to others even in your time of illness. May God continue to bless you, and give you strength in your valiant fight.

Mr. President, please include a copy of a Louisville Courier-Journal article from Sunday, April 25, 1999 recognizing Gil Clark's accomplishments.

[From the Courier-Journal, Apr. 25, 1999]

THERE'S ALWAYS BEEN GIL CLARK

(By Jim Adams)

Gil Clark stood on a slope beside Iroquois Park at 7:59:50 a.m. yesterday (runners never round off their minutes) and beheld what he had built: A wide river of 6,500 runners was standing in place, looking up at him.

"Ten," he said into the microphone.

"Nine," he said, firm of voice.

"Eight," he said. He waived a starting pistol above the pith helmet he was wearing, the trademark headpiece some might think is stitched to his scalp.

This moment could last no more than 10 seconds, of course, but it was a sight that caused the hearts of some of Louisville's serious road runners to soar yesterday at the start of the 26th Kentucky Derby Festival miniMarathon.

That's because the 78-year-old Clark—director of the 13.1-mile race since its inauguration on a Monday morning in 1974—was diagnosed with liver cancer last fall. Just a month ago, he lay unconscious in a hospital for five days; at death's door.

A stream of runners appeared at his bedside last month to say their personal farewells to the man who almost everyone acknowledges has done more than anyone else for road racing in Louisville.

He didn't invent the pre-Derby race—a politician did that—but Clark took it, built it, shaped it and nurtured it, and so a lot of people call him the father of the miniMarathon. The way the runners talk about him, he actually seems more like its favorite uncle.

"He's the one that made running in Louisville," said Jack La Plante, who has run in more than 20 miniMarathons and who stopped to grin for a picture with Clark yesterday morning. "He put the city on the map, as far as runners go," La Plante said right before running the race gain.

"He's it," said Stan Clark, long one of the leading runners in the miniMarathon, who is not related to Gil Clark. At last month's City Run, Gil Clark's absence was a huge hole, Stan Clark said. "He's always present; he's always there. There's always been Gil Clark.

Mary Anne Lyons, the leading female runner in the miniMarathon in recent years, tells this story: An acquaintance told her that years ago, she had set the miniMarathon as a personal goal and had trained long for it, but then ran into an unyielding schedule conflict on race day—a sister's wedding, Lyons thought it was.

Grasping at straws, the woman—unsure why—called Clark to explain her dilemma. Ever sympathetic, Clark listened, then told the woman to go out and run the route on her own and record her time, Lyons said—and that woman told her that her name appeared on a listing of race finishers that year.

The story captures the essence of what runners clearly feel about Clark. "He's for the middle and the back of the pack," said Kathy Priddy, Clark's assistant for 18 years when he was Metro Parks' manager for recreation services. He's been an advocate of what's fair and decent.

His view is at the very core of the miniMarathon itself, a race open to everyone, where neighbors run against neighbors, co-workers against co-workers.

The miniMarathon has always known it could be flashier and draw a different type of runner if it wanted to, but Clark has never thought much of those impulses. "I don't want to be director of a race that gives away money," he said in a telephone interview Friday. "If we can't do it for the fun of it, for the fitness of it, and for the camaraderie, then I would want it to die.

Clark was an unlikely road-race god on Feb. 4, 1974, when he was hired for the park job at age 53 after a career in sales. No one in his family has ever raced. Clark himself has always been a baseball man; he played in high school in Alton, Ill., and spent decades running the youth baseball league in Louisville's Beechmont neighborhood.

But within two days, he was transformed from baseball man to running man. "On the sixth day of February, the mayor (Harvey Sloane) came to see me and told me we were going to have a mini. I think he called it a half-marathon," Clark said. "I'll give them an audience," Clark said Sloane declared—and indeed the finish, then at the Riverfront Plaza and Belvedere, was generously attended by City Hall workers liberated for the occasion.

It was, Clark said, the first road race of its kind in Kentucky.

Businesses soon griped about work-day traffic tie-ups when the first miniMarathons were run on Mondays; the religious community wasn't happy when Sunday was considered as an alternative. So Saturday got the miniMarathon by default.

Today, Clark said, he believes Louisville has the only park department in the nation that oversees 20 or more races in a year—"for the good of the public," he added. "We have developed a lot of fine races in Louisville, Kentucky, and I'm proud of that," he said.

Priddy, Clark's assistant, said he actually retired and moved to Florida in 1997 with his wife Lorene, whom he always called "Mom." But she died in March of that same year, just days after the move, and Clark canceled his retirement and came back to the city where he'd lived since 1948. "Louisville was his life," Priddy said. "He would have had nothing in Florida."

Back in Louisville, he also continued to be involved with the mini, although the Derby Festival had by then taken over official management of the race.

And he also had the unending appreciation of the running community—a community that seems to doubt it would even exist were it not for him. Runner Lyons, for example, who is 30, believes that if Metro Park's running program had not been built, she might not be running today. Running in that case would have required travel, she said, and she very well might not have done it.

Clark worked with the program he loved until late last year. He said he did well after surgery for his liver cancer, but early this year, "for some reason I can't explain, it all went berserk."

One of his two sons, Marvin Clark, said yesterday that in late March, it truly appeared that his father would die. Doctors held out little hope, then no hope, and prayers were said for a peaceful exit.

Then, Gil Clark began moving—first a leg, then he opened an eye, and soon he spoke. Marvin and his father both said a doctor wrote on his chart these two words: "Divine intervention."

"God's got something else for me to do, I guess," Clark said Friday. "I might see another Vencor (the road race that precedes the miniMarathon), but if He lets me live to tomorrow night, I will be most grateful."

Aside from whatever God has in mind for Clark, the Derby Festival had some ideas, too. Yesterday, it wanted him to fire the starting pistol for the mini-Marathon.

Friends Tandy Patrick and Jim Woosley, a Louisville police officer, picked Clark up at his son's home in eastern Jefferson County in Patrick's Camaro convertible—with the top down and the heater on.

Clark wore a white-and-purple jogging suite and his multicolored pith helmet—he doesn't remember who gave the helmet to

him, and by now it's been through so many races it appears entirely held together by duct tape and paint. He was bundled in a blanket and scarf in the front seat of the Camaro. But this was the way he wanted it, so he could wave at the runners.

To travel the 25 feet from the Camaro to the starter's stage, Clark used a wheelchair, but stood strong when Mayor Dave Armstrong gave him a glass plaque, the Derby Festival's Lifetime Achievement Award.

And then the countdown to another race began.

ORDERS FOR TUESDAY, APRIL 27, 1999

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. on Tuesday, April 27.

I further ask that on Tuesday, immediately following the prayer, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved, and the Senate then be in a period for morning business until 11:30 a.m., with Senators allowed to speak for up to 10 minutes each with the following exceptions: Senator MURKOWSKI, for 20 minutes; Senator COVERDELL, for 30 minutes; Senator DURBIN, for 30 minutes.

Finally, I ask unanimous consent that following morning business at 11:30 a.m., the Senate immediately begin consideration of S. 96, the Y2K legislation.

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

PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will convene at 10 a.m. on Tuesday and be in a period of morning business until 11:30.

After morning business, the Senate will begin consideration of the Y2K liability bill. Amendments to the bill are expected to be offered and debated throughout Tuesday's session. So roll-call votes can be expected during the day Tuesday, and perhaps in the late afternoon, but not into the night.

Also, any other legislation or executive calendar items that are cleared for action will be moved.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:05 p.m., adjourned until Tuesday, April 27, 1999, at 10 a.m.