coverage pursuant to a salary reduction arrangement shall be taken into account under subparagraph (A).

''(C) HEALTH INSURANCE COVERAGE.—The term 'health insurance coverage' has the meaning given such term by section 9832(b)(1).

''(3) QUALIFIED EMPLOYEE.—

''(A) IN GENERAL.—The term 'qualified employee' means, with respect to any period, an employee of an employer if the total amount of wages paid or incurred by such employer to such employee at an annual rate during the taxable year exceeds $5,000 but does not exceed $16,000.

''(B) TREATMENT OF CERTAIN EMPLOYEES.—For purposes of subparagraph (A), the term 'employee'—

''(i) shall not include an employee within the meaning of section 401(c)(1), and

''(ii) shall include a leased employee within the meaning of section 414(n).

''(C) WAGES.—The term 'wages' has the meaning given such term by section 3121(a) (determined without regard to any dollar limitation contained in such section).

''(D) INFLATION ADJUSTMENT.—

''(i) IN GENERAL.—In the case of any taxable year beginning in a calendar year after 2000, the $16,000 amount contained in subparagraph (A) shall be increased by an amount equal to—

''(I) such dollar amount, multiplied by

''(II) the cost-of-living adjustment under section 1(f)(3) for the calendar year in which the taxable year begins, determined by substituting 'calendar year 1999' for 'calendar year 1992' in subparagraph (B) thereof.

''(ii) ROUNDING.—If any increase determined under clause (i) is not a multiple of $100, such amount shall be rounded to the nearest multiple of $100.

''(e) CERTAIN RULES MADE APPLICABLE.—For purposes of this section, rules similar to the rules of section 52 shall apply.

''(f) DENIAL OF DOUBLE BENEFIT.—No deduction or credit under any other provision of this chapter shall be allowed with respect to qualified employee health insurance expenses taken into account under subsection (a).''

(b) CREDIT TO BE PART OF GENERAL BUSINESS CREDIT.—Section 38(b) of the Internal Revenue Code of 1986 (relating to current year business credit) is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following:

''(13) the employee health insurance expenses credit determined under section 45D.''

(c) NO CARRYBACKS.—Subsection (d) of section 39 of the Internal Revenue Code of 1986 (relating to carryback and carryforward of unused credits) is amended by adding at the end the following:

''(9) NO CARRYBACK OF SECTION 45D CREDIT BEFORE EFFECTIVE DATE.—No portion of the unused business credit for any taxable year which is attributable to the employee health insurance expenses credit determined under section 45D may be carried back to a taxable year ending before the date of the enactment of section 45D.''

(d) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by adding at the end the following:

''Sec. 45D. Employee health insurance expenses.''

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to amounts paid or incurred in taxable years beginning after the date of the enactment of this Act.

AMENDMENT NO. 3858, WITHDRAWN

Mr. REID. Mr. President, I ask that the LAUTENBERG amendment No. 3858 be withdrawn.

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

AMENDMENT NO. 3875

Mr. REID. Mr. President, I ask unanimous consent that the pending amendment be set aside for the purpose of offering an amendment for Senator HOLLINGS.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. HOLLINGS, proposes an amendment numbered 3875.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The amendment is as follows:

Strike beginning with ''Marriage Tax Relief Reconciliation Act of 2000'' through the end of the bill.

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside.

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

AMENDMENT NO. 3876

(Purpose: To amend the Internal Revenue Code of 1986 to increase the unified credit exemption and the qualified family-owned business interest deduction, to increase, expand, and simplify the child and dependent care tax credit, to expand the adoption credit for special needs children, to provide incentives for employer-provided child care, and for other purposes)

Mr. REID. Mr. President, I send an amendment to the desk on behalf of Senator DODD.

The PRESIDING OFFICER. The clerk will report the amendment.

The legislative clerk read as follows:

The Senator from Nevada [Mr. REID], for Mr. DODD, proposes an amendment numbered 3876.

Mr. REID. Mr. President, I ask unanimous consent that the reading of the amendment be dispensed with.

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

The text of the amendment is printed in today's RECORD under ''Amendments Submitted.'')

Mr. REID. Mr. President, I ask unanimous consent that the amendment be set aside for further business of the Senate.

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

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

UNANIMOUS CONSENT AGREEMENT—H.R. 4516

Mr. ROTH. Mr. President, I ask unanimous consent that when the Senate considers H.R. 4516, the legislative branch appropriations bill, after the Senate amendment has been offered, Senator BOXER be recognized to offer her pesticide amendment; that she be recognized to speak for 5 minutes on the amendment, and the amendment be agreed to after her remarks; and that the Senate proceed to adopt Senate amendment as follows:

On page 2 after ''Title 1 Congressional Operations'' insert page 2, line 6, of S. 2603, as amended, through page 13, line 14;

On page 8, line 8, of H.R. 4516 strike through line 12, page 23; insert line 15, page 13, of S. 2603 through line 11, page 23;

In H.R. 4516, strike line 17, page 23, through line 6, page 45; insert line 12, page 23, of S. 2603 through line 17, page 76.

Finally, I ask unanimous consent that the bill then be read the third time and passed, the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

Mr. REID. We have no objection.

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

ESTABLISHING SOURCING REQUIREMENTS FOR STATE AND LOCAL TAXATION OF MOBILE TELECOMMUNICATION SERVICES

Mr. ROTH. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 4391, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 4391) to amend title 4 of the United States Code to establish sourcing requirements for State and local taxation of mobile telecommunication services.

There being no objection, the Senate proceeded to consider the bill.

Mr. BROWNBACK. Mr. President, I am delighted to hail today the passage of the Mobile Telecommunications Sourcing Act. This legislation is the product of more than three year's worth of negotiations between the governors, cities, State tax and local tax authorities, and the wireless industry.

The legislation represents an historic agreement between State and local governments and the wireless industry to bring sanity to the manner in which wireless telecommunications services are taxed.

For as long as we have had wireless telecommunications in this country, we have had a taxation system that is incredibly complex for carriers and costly for consumers. Today, there are several different methodologies that determine whether a taxing jurisdiction may tax a wireless call.

If a call originates at a cell site located in a jurisdiction, it may impose a tax. If a call originates at a switch in the jurisdiction, a tax may be imposed. If the billing address is in the jurisdiction, a tax can be imposed.

As a result, many different taxing authorities can tax the same wireless call. The farther you travel during a call, the greater the number of taxes that can be imposed upon it.

This system is simply not sustainable as wireless calls represent an increasingly portion of the total number of calls made throughout the United States. To reduce the cost of making wireless calls, Senator DORGAN and I introduced S. 1755, the Mobile Telecommunications Sourcing Act. The bill we pass today that we received from the House is substantively identical to our bill. While the current bill amends title 4 rather than title 47 and represents the drafting style of the House rather than the Senate, the legislation uses our language to accomplish our mutual goal.

The legislation would create a nationwide, uniform system for the taxation of wireless calls. The only jurisdictions that would have the authority to tax mobile calls would be the taxing authorities of the customer's place of primary use, which would essentially be the customer's home or office.

By creating this uniform system, Congress would be greatly simplifying the taxation and billing of wireless calls. The wireless industry would not have to keep track of multiple taxing laws for each wireless transaction. State and local taxing authorities would be relieved of burdensome audit and oversight responsibilities without losing the authority to tax wireless calls. And, most importantly, consumers would see reduced wireless rates and fewer billing headaches.

The Mobile Telecommunications Sourcing Act is a win-win-win. It's a win for industry, a win for government, and a win for consumers. I thank Senator DORGAN for working with me in crafting our bill. And I would like to commend the House for sending the Senate the bill before us. And, most of all, I thank the groups outside of Congress for coming together and reaching agreement on this important issue.

Mr. President, I ask unanimous, consent that Senator DORGAN and I be permitted to enter into a colloquy.

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

Mr. DORGAN. I wanted to ask the Senator from Kansas about the bill currently before the Senate, H.R. 4391, the Mobile Telecommunications Sourcing Act, which passed the House unanimously on Tuesday. Is this bill similar to S. 1755, the Mobile Telecommunications Sourcing Act, legislation that the Senator and I introduced last year that is currently on the Senate calendar?

Mr. BROWNBACK. The Senator from North Dakota is correct. H.R. 4391 is substantively identical to S. 1755, which the Senator and I introduced last year, which is co-sponsored by every member of the Senate Commerce Committee, which was reported unanimously by the Senate Commerce Committee to the Senate, and for which the Senate Commerce Committee filed Senate Report No. 106–326.

Mr. DORGAN. How does H.R. 4391 differ from S. 1755?

Mr. BROWNBACK. H.R. 4391 amends title 4 of the U.S. Code, whereas S. 1755 amends title 47. H.R. 4391 reflects the drafting style of the House, whereas S. 1755 reflects the drafting style of the Senate. H.R. 4391 deleted the findings incorporated in section 2 of S. 1755. H.R. 4391 also changed the order in which the definitions appear in S. 1755. There are no substantive differences between S. 1755 and H.R. 4391. Therefore, H.R. 4391 and S. 1755 are substantively identical.

Mr. DORGAN. I thank the Senator from Kansas.

Mr. ROTH. Mr. President, I ask unanimous consent the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 4391) was read the third time and passed.

ORDERS FOR MONDAY, JULY 17, 2000

Mr. ROTH. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 12 noon on Monday, July 17. I further ask consent that on Monday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period of morning business, with Members permitted to speak for up to 10 minutes each, with the following exceptions: Senator BYRD, from 12 noon to 2 p.m.; Senator THOMAS or his designee, from 2 p.m. to 3 p.m.

Mr. REID. No objection.

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

PROGRAM

Mr. ROTH. Following morning business, the Senate will resume the Interior appropriations bill under the previous consent, with several amendments to be offered and debated throughout the day. However, any votes ordered with respect to the Interior bill will occur at 9:45 a.m. on Tuesday, July 18. As a reminder, there will be votes on the reconciliation bill on Monday at 6:15 p.m. This will include votes on amendments as well as on final passage of this important tax legislation.

MARRIAGE TAX PENALTY RELIEF RECONCILIATION ACT OF 2000—Continued

Mr. REID. Mr. President, if I could alert the Senator from Delaware, we just received a phone call that perhaps—we do not know yet—Senator KENNEDY may want to second degree an amendment offered by Senator ABRAHAM. We would have the same agreement we had this morning. If the majority decides they want to file their second degree, they would have that right to do so, also.

Mr. ROTH. That is satisfactory.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Mr. President, when I entered the Chamber a few moments ago, one of our colleagues was speaking, and he, as I best understood it, came out in favor of love, in favor of marriage, and in opposition to taxing death. And I thought to myself, that is an interesting bit of debate.

But one has to look at the public policies being espoused by those who are describing those positions to understand exactly how much they favor love and marriage and exactly how much they want to do with respect to our public laws and our Tax Code dealing with the taxing of death.

So I thought maybe I could just, for a couple minutes, comment on that. And then I want to talk about the various tax penalties and about an amendment that I am going to offer today.

In the Wall Street Journal of today, there is an op-ed piece written by Mr. George Soros, one of the more noted American financiers. He is chairman of the Soros Fund Management. I have no idea what Mr. Soros is worth, but suffice it to say that Mr. Soros is one of the more successful American entrepreneurs and financial gurus. He has made a substantial amount of money, and has been known as a very successful businessman. Here is what he writes in the Wall Street Journal of today. Mr. George Soros writes:

> Supporters of repealing the estate tax say the legislation would save family farms and businesses and lift a terrible and unfair burden. I happen to be fortunate enough to be eligible for the tax benefits of this legislation, and so I wish I could convince myself to believe the proponents' rhetoric. Unfortunately, it just isn't so. The truth is that repealing the estate tax would give a huge tax windfall to the wealthiest 2 percent of Americans. It would provide an average tax cut of