

former chiefs of staff of the Committee, and former Commissioners of the IRS. Staff reviewed proposals that have been made, and considered particular issue areas. The resulting report, released yesterday, suggests ways to accomplish the same policy goals that underlie the current income tax code, but in less duplicative or less convoluted ways.

I am glad to see that the Joint Committee has released its report. Similarly, I am gratified that Finance Committee Chairman CHUCK GRASSLEY is holding a hearing today to receive the report and discuss this important subject.

Although I do not agree with every suggestion put forth in the report, I am convinced that this report and these hearings are exactly the kind of institutional step that we need to take if we are to reform the tax code.

Here are a just a few examples of areas where Congress could well simplify the tax code:

The AMT: The complicated Alternative Minimum Tax is beginning to affect more and more middle-income taxpayers. It needs reform.

Capital Gains: Ever since the 1997 law created differing capital gains rates for differing holding periods, the capital gains form has become very complicated. Some have proposed an exclusion from capital gains income for the first several hundred dollars of capital gains income, so that modest investors in mutual funds would not be subjected to filling out the capital gains schedule.

The Earned Income Tax Credit: At the Finance Committee hearing today, Richard Lipton, head of the American Bar Association tax section, argues for simplifying the earned-income tax credit, designed to help low-income working families. In Mr. Lipton's words, "In effect, Congress has given the poor a tax break with one hand and then taken it away with the other by making it too complex to understand."

Child Credits: Robert Cherry and Max Sawicky of the Economic Policy Institute have proposed a universal unified child credit that combines the dependent care credit, the earned income tax credit, the child credit, and the additional child credit. Similar work has been advanced by David Ellwood and Jeff Liebman of Harvard University's John F. Kennedy School of Government. Congress could well examine combining various child credits to make them fairer and easier to use.

The Standard Deduction: We could expand the standard deduction so that fewer taxpayers needed to itemize their deductions.

The Personal and Dependent Exemptions: Alternatively, we could expand the personal and dependent exemptions.

The Nanny Tax: Congress has simplified the law by raising the threshold of wages paid for filing employer taxes and by incorporating the filing into the form 1040. The threshold could be further raised.

Education Incentives: Today's code contains several different education incentive provisions, including tuition credits, like Lifetime Learning or the Hope Credit, Education IRAs, State deductible tuition programs, limited interest deductions, and employer provided assistance. These provisions contain numerous and differing eligibility requirements. Congress might work to harmonize these programs.

A simplified tax code makes good economic policy sense. We would improve the economy's efficiency if we could minimize the impact of the tax code on the economic decisions of businesses and individuals.

The tax code's complexity frustrates average households. This is a real issue with many people of fairly modest means. I hold listening sessions in each of Wisconsin's 72 counties every year, and I frequently hear of people's frustrations with the tax code's complexity.

I am gratified to see that the Joint Committee on Taxation has addressed the budget resolution's request seriously, and has produced its extensive product. I commend the Joint Committee's efforts.

We need to advance the process of simplification further. I look forward to working with colleagues in the Finance Committee and the Senate on ways to reform and simplify the tax code.

INFORMATION BROKERS

Mr. NELSON of Florida. Mr. President, the Washington Post reported this morning that several prominent banks, insurance companies and law firms regularly purchased consumers' confidential financial information from an information broker that illegally gathered the data using "pretext" calling. This despicable practice involves a caller who contacts a business or government entity and uses a person's social security number or other personal identifier to trick an unsuspecting clerk to provide confidential information about everything from a person's checking account balance to her investment portfolio.

The prohibition against this fraudulent practice was recently strengthened by Congress through the Gramm-Leach-Bliley Act, but reports of abuse have continued. Information brokers with little regard for people's privacy are doing the dirty work for organizations that otherwise portray themselves as privacy proponents. These so-called information brokers allow companies seeking such information to cut corners at the expense of consumers.

And the apparent willingness of some in the financial industry to purchase such information calls into question the industry's commitment to protecting consumers' privacy. Further, if companies buy information from suspect sources, there are limited prohibitions on redistributing it.

If a company isn't required to get a customer's express consent prior to

selling, sharing or disclosing his information, then the customer has little opportunity to stop the spread of inaccurate information.

Earlier this year, I introduced legislation that, if passed, would help minimize the collateral damage that can occur when financial institutions purchase information from these suspect firms. My bill would require a consumer's express consent before a financial company can share personally identifiable financial information with its affiliates and express written consent before it can transfer personally identifiable medical information. I want to put the consumers in control. Consumer control ensures that personally identifiable information is only used for the purpose it was gathered for and protects consumers from the further spread of inaccurate information.

Too often these days, personally identifiable medical and financial information is being shared, bought, or sold; and, it's being done without the consent of the consumer. This practice must stop. And it is our job to pass legislation that will stop it.

I call on my colleagues in the Banking committee to move forward with this legislation as soon as possible, so that it can be considered by the full Senate. Now is the time to close the financial privacy loophole so that we prevent a further erosion of our privacy rights.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, April 25, 2001, the Federal debt stood at \$5,681,916,012,004.34, Five trillion, six hundred eighty-one billion, nine hundred sixteen million, twelve thousand, four dollars and thirty-four cents.

One year ago, April 25, 2000, the Federal debt stood at \$5,714,810,000,000, Five trillion, seven hundred fourteen billion, eight hundred ten million.

Five years ago, April 25, 1996, the Federal debt stood at \$5,092,768,000,000, Five trillion, ninety-two billion, seven hundred sixty-eight million.

Ten years ago, April 25, 1991, the Federal debt stood at \$3,425,956,000,000, Three trillion, four hundred twenty-five billion, nine hundred fifty-six million.

Fifteen years ago, April 25, 1986, the Federal debt stood at \$2,003,491,000,000, Two trillion, three billion, four hundred ninety-one million, which reflects a debt increase of more than \$3.5 trillion, \$3,678,425,012,004.34, Three trillion, six hundred seventy-eight billion, four hundred twenty-five million, twelve thousand, four dollars and thirty-four cents during the past 15 years.

ADDITIONAL STATEMENTS

IN HONOR OF NAVY LIEUTENANT SHANE OSBORN

● Mr. JOHNSON. Mr. President, I rise today to honor South Dakota's native