

discount shall be allowed with respect to such nonbusiness assets), and

“(B) the nonbusiness assets shall not be taken into account in determining the value of the interest in the entity.

“(2) NONBUSINESS ASSETS.—For purposes of this subsection—

“(A) IN GENERAL.—The term ‘nonbusiness asset’ means any asset which is not used in the active conduct of 1 or more trades or businesses.

“(B) EXCEPTION FOR CERTAIN PASSIVE ASSETS.—Except as provided in subparagraph (C), a passive asset shall not be treated for purposes of subparagraph (A) as used in the active conduct of a trade or business unless—

“(i) the asset is property described in paragraph (1) or (4) of section 1221(a) or is a hedge with respect to such property, or

“(ii) the asset is real property used in the active conduct of 1 or more real property trades or businesses (within the meaning of section 469(c)(7)(C)) in which the transferor materially participates and with respect to which the transferor meets the requirements of section 469(c)(7)(B)(ii).

For purposes of clause (ii), material participation shall be determined under the rules of section 469(h), except that section 469(h)(3) shall be applied without regard to the limitation to farming activity.

“(C) EXCEPTION FOR WORKING CAPITAL.—Any asset (including a passive asset) which is held as a part of the reasonably required working capital needs of a trade or business shall be treated as used in the active conduct of a trade or business.

“(3) PASSIVE ASSET.—For purposes of this subsection, the term ‘passive asset’ means any—

“(A) cash or cash equivalents,

“(B) except to the extent provided by the Secretary, stock in a corporation or any other equity, profits, or capital interest in any entity,

“(C) evidence of indebtedness, option, forward or futures contract, notional principal contract, or derivative,

“(D) asset described in clause (iii), (iv), or (v) of section 351(e)(1)(B),

“(E) annuity,

“(F) real property used in 1 or more real property trades or businesses (as defined in section 469(c)(7)(C)),

“(G) asset (other than a patent, trademark, or copyright) which produces royalty income,

“(H) commodity,

“(I) collectible (within the meaning of section 401(m)), or

“(J) any other asset specified in regulations prescribed by the Secretary.

“(4) LOOK-THRU RULES.—

“(A) IN GENERAL.—If a nonbusiness asset of an entity consists of a 10-percent interest in any other entity, this subsection shall be applied by disregarding the 10-percent interest and by treating the entity as holding directly its ratable share of the assets of the other entity. This subparagraph shall be applied successively to any 10-percent interest of such other entity in any other entity.

“(B) 10-PERCENT INTEREST.—The term ‘10-percent interest’ means—

“(i) in the case of an interest in a corporation, ownership of at least 10 percent (by vote or value) of the stock in such corporation,

“(ii) in the case of an interest in a partnership, ownership of at least 10 percent of the capital or profits interest in the partnership, and

“(iii) in any other case, ownership of at least 10 percent of the beneficial interests in the entity.

“(5) COORDINATION WITH SUBSECTION (b).—Subsection (b) shall apply after the application of this subsection.

“(e) LIMITATION ON MINORITY DISCOUNTS.—For purposes of this chapter and chapter 12, in the case of the transfer of any interest in an entity other than an interest which is actively traded (within the meaning of section 1092), no discount shall be allowed by reason of the fact that the transferee does not have control of such entity if the transferee and members of the family (as defined in section 2032A(e)(2)) of the transferee have control of such entity.”.

(b) EFFECTIVE DATE.—The amendments made by this section shall apply to transfers after the date of the enactment of this Act.

## NOTICES OF HEARINGS/MEETINGS

### SUBCOMMITTEE ON NATIONAL PARKS

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources.

The hearing will take place on Thursday, June 20, 2002, at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the following bills:

S. 139 and H.R. 3928, to assist in the preservation of archaeological, paleontological, zoological, geological, and botanical artifacts through construction of a new facility for the University of Utah Museum of Natural History, Salt Lake City, Utah;

S. 1609 and H.R. 1814, to amend the National Trails System Act to direct the Secretary of the Interior to conduct a study on the feasibility of designating the Metacomet-Mattabesett Trail extending through western Massachusetts and central Connecticut as a national historic trail;

S. 1925, to establish the Freedom's Way National Heritage Area in the States of Massachusetts and New Hampshire, and for other purposes;

S. 2196, to establish the National Mormon Pioneer Heritage Area in the State of Utah, and for other purposes;

S. 2388, to direct the Secretary of the Interior to study certain sites in the historic district of Beaufort, South Carolina, relating to the Reconstruction Era;

S. 2519, to direct the Secretary of the Interior to conduct a study of Coltsville in the State of Connecticut for potential inclusion in the National Park System; and

S. 2576, to establish the Northern Rio Grande National Heritage Area in the State of New Mexico, and for other purposes.

Because of the limited time available for the hearing, witnesses must 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, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202-224-9863).

### COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, June 19, 2002, at 9:30 a.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the following bills addressing the recreation fee program on Federal lands:

S. 2473, to enhance the Recreational Fee Demonstration Program for the National Park Service, and for other purposes; and

S. 2607, to authorize the Secretary of the Interior and the Secretary of Agriculture to collect recreation fees on Federal lands, and for other purposes.

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, 312 Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact David Brooks of the committee staff at (202) 224-9863.

## AUTHORITY FOR COMMITTEES TO MEET

### COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, June 11, 2002, at 10:45 a.m., to hold a hearing on public diplomacy.

### Agenda

#### Witnesses

Panel 1: The Honorable Charlotte Beers, Under Secretary for Public Diplomacy and Public Affairs, Department of State, Washington, DC; and the Honorable Norman Pattiz, Governor, Broadcasting Board of Governors, Washington, DC.

Panel 2: The Honorable Mark Ginsberg, Former Ambassador to Morocco, CEO and Managing Director, Northstar Equity Group, Washington, DC; the Honorable Newt Gingrich, Former Speaker, U.S. House of Representatives, Senior Fellow, American Enterprise Institute, Washington, DC; Mr. David Hoffman, President, Internews, Arcada, CA; and Mr. Veton Surroi, Chairman, Koha Media Group, Pristina, Kosovo.

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

### COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate

on Tuesday, June 11, 2002, at 2:30 p.m., to hold a hearing on Liberia.

#### Agenda

#### Witnesses

Panel 1: The Honorable Walter Kansteiner, Assistant Secretary for African Affairs, Department of State, Washington, DC.

Panel 2: Ms. Binaifer Nowrojee, Senior Researcher, Human Rights Watch Africa Division, New York, New York; and Ms. Rory Anderson, Africa Policy Specialist, World Vision, Washington, DC.

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

#### COMMITTEE ON INDIAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on Tuesday, June 11, 2002 at 1:30 p.m. in room 485 of the Russell Senate Office Building to conduct an oversight hearing on the work of the U.S. Department of Interior's Branch of Acknowledgment and Research within the Bureau of Indian Affairs.

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

#### COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on "The Criminal Justice System and Mentally Ill Offenders" on Tuesday, June 11, 2002 in Dirksen room 226 at 10:00 a.m.

#### Agenda

#### Witnesses

Panel I: The Honorable Ted Strickland, U.S. Representative (D-OH-6th), Washington, DC.

Panel II: Chief Gary Margolis, University of Vermont, Director of Police Services, Burlington, VT; Ms. Marylou Sudders, Commissioner of Mental Health, Commonwealth of Massachusetts, Boston, MA; the Honorable Kenneth Mayfield, President-Elect, National Association of Counties, Commissioner, Dallas County, Dallas, TX; and Captain John Caceci, Monroe County Jail, Rochester, NY.

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

#### SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 11, 2002, at 10 a.m. to hold a closed hearing on the joint inquiry into the events of September 11, 2001.

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

#### SELECT COMMITTEE ON INTELLIGENCE

Mr. REID. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Tuesday, June 11, 2002, at 2:30 p.m. to hold a closed hearing on the joint inquiry into the events of September 11, 2001.

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

#### SUBCOMMITTEE ON AGING

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Aging be authorized to meet for a hearing on "Preventing Elder Falls" during the session of the Senate on Tuesday, June 11, 2002, at 2:30 p.m. in SD-430.

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

#### SUBCOMMITTEE ON COMMUNICATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Communications of the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, June 11, 2002, at 9:30 a.m. on "Spectrum Management: Improving the Management of Government and Commercial Spectrum Domestically and Internationally."

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

#### SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION, AND FEDERAL SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs' Subcommittee on International Security, Proliferation and Federal Services be authorized to meet on Tuesday, June 11, 2002, at 10 a.m. for a hearing regarding "Cruise Missile and UAV Threats to the United States."

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

#### PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. I ask unanimous consent that Nicolette Boehland be granted the privilege of the floor for the duration of the debate on S. 625.

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

#### ORDERS FOR WEDNESDAY, JUNE 12, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., Wednesday, June 12; that following the prayer and the pledge, 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 there then be a period of morning business until 10:40 a.m., with Senators permitted to speak for up to 10 minutes each, with the first half of the time under the control of the majority leader or his designee, and the second half of the time under the control of the Republican leader or his designee; that at 10:40 a.m., the Senate proceed to the House Chamber for the Joint Meeting with the Prime Minister of Australia; and then the Senate stand in recess until 12:30 p.m.; further, that at 12:30 p.m., the Senate resume consideration of H.R. 8.

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

#### MEASURE RETURNED TO THE CALENDAR

Mr. REID. Mr. President, I ask unanimous consent that S. 625 be returned to the calendar.

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

#### PROGRAM

Mr. REID. Mr. President, as I indicated, tomorrow we believe Senator DORGAN will lay down an amendment at 12:30. That would mean that debate would culminate at about 2:30 tomorrow afternoon, at which time we would have a vote on his amendment, the second-degree amendment, and the Conrad amendment. Following that, unless there is some other amendment, the Senator from Texas would lay down his amendment, and that would mean at approximately 5:15 or 5:30 we would vote on his amendment. We hope to complete this legislation tomorrow evening sometime.

The majority leader will make a determination as to what we will move to. That would be good because it is Thursday. I know he has been working with the Senator from Kansas to come up with an agreement to move forward on the cloning, stem cell legislation. That would allow us to hopefully complete that matter the following day. We have a lot of work to do.

Hopefully, on Friday we can even do something that is constructive in nature and complete more legislation.

The majority leader indicated on the floor today that prior to the July 4 recess, he will move to the defense authorization bill. That is a very difficult bill, as we know. There are a lot of amendments always. So that will take a good part of the legislative week. So there is a lot of work to do and little time to do it.

#### APPOINTMENT OF COMMITTEE TO ESCORT THE HONORABLE JOHN HOWARD, PRIME MINISTER OF AUSTRALIA

Mr. REID. Mr. President, I ask unanimous consent that the President of the Senate be authorized to appoint a committee on the part of the Senate to join a like committee on the part of the House of Representatives to escort the Honorable John Howard, Prime Minister of Australia, into the House Chamber for a joint meeting on Wednesday, June 12, 2002.

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

#### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, I believe there is no further business to come before the Senate. That being the case, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 6:14 p.m., adjourned until Wednesday, June 12, 2002, at 9:30 a.m.