

for offering employer-based health insurance coverage and to provide for the establishment of health insurance purchasing pools; to the Committee on Finance.

By Mrs. CLINTON (for herself, Mr. SMITH, Mr. MARTINEZ, Mr. REED, and Mr. DURBIN):

S. 1330. A bill to amend the Internal Revenue Code of 1986 to provide incentives for employer-provided employee housing assistance, and for other purposes; to the Committee on Finance.

By Mr. JOHNSON (for himself, Mr. THOMAS, Mr. ENZI, Mr. DORGAN, Mr. BURNS, Mr. THUNE, Mr. BINGAMAN, and Mr. BAUCUS):

S. 1331. A bill to amend the Agricultural Marketing Act of 1946 to change the date of implementation of country of origin labeling to January 30, 2006; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. SPECTER (for himself and Mr. LEAHY):

S. 1332. A bill to prevent and mitigate identity theft; to ensure privacy; and to enhance criminal penalties, law enforcement assistance, and other protections against security breaches, fraudulent access, and misuse of personally identifiable information; read the first time.

By Mr. CORNYN (for himself, Mrs. LINCOLN, Mrs. HUTCHISON, Mr. TALENT, Mr. SANTORUM, Mr. COLEMAN, Mr. ISAKSON, Mr. ROBERTS, Mr. BROWNBACK, Mr. BOND, Mr. HATCH, Mr. ALLARD, Mr. ALEXANDER, Mr. MARTINEZ, and Mr. PRYOR):

S. 1333. A bill to amend the Agricultural Marketing Act of 1946 to establish a voluntary program for country of origin labeling of meat, and for other purposes; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. BUNNING (for himself, Mr. STEVENS, and Mr. ROCKEFELLER):

S. 1334. A bill to provide for integrity and accountability in professional sports; to the Committee on Commerce, Science, and Transportation and the Committee on Finance.

By Mr. DODD (for himself, Mr. KENNEDY, Mr. KERRY, and Mr. BINGAMAN):

S. 1335. A bill to amend title XVIII of the Social Security Act to preserve access to appeals before administrative law judges under the medicare program; to the Committee on Finance.

By Mr. PRYOR:

S. 1336. A bill to establish procedures for the protection of consumers from misuse of, and unauthorized access to, sensitive personal information contained in private information files maintained by commercial entities engaged in, or affecting, interstate commerce, provide for enforcement of those procedures by the Federal Trade Commission, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. ENZI (for himself and Mr. BAUCUS):

S. 1337. A bill to restore fairness and reliability to the medical justice system and promote patient safety by fostering alternatives to current medical tort litigation, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Ms. MURKOWSKI (for herself and Mr. STEVENS):

S. 1338. A bill to require the Secretary of the Interior, acting through the Bureau of Reclamation and the United States Geological Survey, to conduct a study on groundwater resources in the State of Alaska, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. LEAHY (for himself, Ms. COLLINS, Mr. JEFFORDS, Mrs. BOXER, Mr. KERRY, Mr. BIDEN, Ms. CANTWELL,

Mr. CARPER, Mr. ROCKEFELLER, Mr. CORZINE, Mr. DAYTON, Mr. REID, Mr. DODD, Mrs. CLINTON, Mr. DURBIN, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. HARKIN, Mr. KENNEDY, Mr. KOHL, Mr. OBAMA, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Ms. MIKULSKI, Mrs. MURRAY, Mr. REED, Mr. SARBANES, Mr. SCHUMER, Mr. WYDEN, Mr. AKAKA, and Ms. SNOWE):

S.J. Res. 20. A joint resolution disapproving a rule promulgated by the Administrator of the Environmental Protection Agency to delist coal and oil-direct utility units from the source category list under the Clean Air Act; 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 Mr. SANTORUM (for himself, Mr. FEINGOLD, Mr. SMITH, Ms. COLLINS, Mr. COLEMAN, and Mr. VOINOVICH):

S. Res. 184. A resolution expressing the sense of the Senate regarding manifestations of anti-Semitism by United Nations member states and urging action against anti-Semitism by United Nations officials, United Nations member states, and the Government of the United States, and for other purposes; to the Committee on Foreign Relations.

#### ADDITIONAL COSPONSORS

S. 37

At the request of Mrs. FEINSTEIN, the names of the Senator from Nebraska (Mr. NELSON), the Senator from Vermont (Mr. LEAHY), and the Senator from Florida (Mr. MARTINEZ) were added as cosponsors of S. 37, a bill to extend the special postage stamp for breast cancer research for 2 years.

S. 313

At the request of Mr. LUGAR, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 313, a bill to improve authorities to address urgent nonproliferation crises and United States nonproliferation operations.

S. 331

At the request of Mr. JOHNSON, the names of the Senator from New Jersey (Mr. LAUTENBERG), the Senator from California (Mrs. BOXER), and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 331, a bill to amend title 38, United States Code, to provide for an assured adequate level of funding for veterans health care.

S. 335

At the request of Ms. COLLINS, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 335, a bill to reauthorize the Congressional Award Act.

S. 484

At the request of Mr. WARNER, the name of the Senator from Florida (Mr. MARTINEZ) was added as a cosponsor of S. 484, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax

basis and to allow a deduction for TRICARE supplemental premiums.

S. 513

At the request of Mr. GREGG, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 513, a bill to provide collective bargaining rights for public safety officers employed by States or their political subdivisions.

S. 521

At the request of Mrs. HUTCHISON, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 521, a bill to amend the Public Health Service Act to direct the Secretary of Health and Human Services to establish, promote, and support a comprehensive prevention, research, and medical management referral program for hepatitis C virus infection.

S. 627

At the request of Mr. HATCH, the names of the Senator from Virginia (Mr. ALLEN) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S. 627, a bill to amend the Internal Revenue Code of 1986 to permanently extend the research credit, to increase the rates of the alternative incremental credit, and to provide an alternative simplified credit for qualified research expenses.

S. 709

At the request of Mr. DEWINE, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 709, a bill to amend the Public Health Service Act to establish a grant program to provide supportive services in permanent supportive housing for chronically homeless individuals, and for other purposes.

S. 713

At the request of Mr. ROBERTS, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 713, a bill to amend the Internal Revenue Code of 1986 to provide for collegiate housing and infrastructure grants.

S. 759

At the request of Mr. SCHUMER, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 759, a bill to amend the Internal Revenue Code of 1986 to make higher education more affordable, and for other purposes.

S. 792

At the request of Mr. DORGAN, the names of the Senator from Louisiana (Ms. LANDRIEU) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of S. 792, a bill to establish a National sex offender registration database, and for other purposes.

S. 828

At the request of Mr. HARKIN, the name of the Senator from North Carolina (Mr. BURR) was added as a cosponsor of S. 828, a bill to enhance and further research into paralysis and to improve rehabilitation and the quality of life for persons living with paralysis and other physical disabilities, and for other purposes.

S. 861

At the request of Mr. ISAKSON, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 861, a bill to amend the Internal Revenue Code of 1986 to provide transition funding rules for certain plans electing to cease future benefit accruals, and for other purposes.

S. 875

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 875, a bill to amend the Internal Revenue Code of 1986 and the Employee Retirement Income Security Act of 1974 to increase participation in section 401(k) plans through automatic contribution trusts, and for other purposes.

S. 1047

At the request of Mr. SUNUNU, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from Utah (Mr. BENNETT), the Senator from Virginia (Mr. WARNER), the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Hampshire (Mr. GREGG) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 1047, a bill to require the Secretary of the Treasury to mint coins in commemoration of each of the Nation's past Presidents and their spouses, respectively to improve circulation of the \$1 coin, to create a new bullion coin, and for other purposes.

S. 1112

At the request of Mr. GRASSLEY, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 1112, a bill to make permanent the enhanced educational savings provisions for qualified tuition programs enacted as part of the Economic Growth and Tax Relief Reconciliation Act of 2001.

S. 1129

At the request of Mr. LUGAR, the name of the Senator from Tennessee (Mr. ALEXANDER) was added as a cosponsor of S. 1129, a bill to provide authorizations of appropriations for certain development banks, and for other purposes.

S. 1246

At the request of Mr. DODD, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1246, a bill to require the Secretary of Education to revise regulations regarding student loan payment deferment with respect to borrowers who are in postgraduate medical or dental internship, residency, or fellowship programs.

S. 1269

At the request of Mr. INHOFE, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 1269, a bill to amend the Federal Water Pollution Control Act to clarify certain activities the conduct of which does not require a permit.

S. 1280

At the request of Ms. SNOWE, the name of the Senator from Mississippi

(Mr. LOTT) was added as a cosponsor of S. 1280, a bill to authorize appropriations for fiscal years 2006 and 2007 for the United States Coast Guard, and for other purposes.

S. 1305

At the request of Mr. BROWNBAC, the names of the Senator from Florida (Mr. MARTINEZ) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of S. 1305, a bill to amend the Internal Revenue Code of 1986 to increase tax benefits for parents with children, and for other purposes.

S. 1317

At the request of Mr. HATCH, the names of the Senator from Ohio (Mr. DEWINE), the Senator from Kansas (Mr. ROBERTS), the Senator from North Carolina (Mrs. DOLE) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1317, a bill to provide for the collection and maintenance of cord blood units for the treatment of patients and research, and to amend the Public Health Service Act to authorize the Bone Marrow and Cord Blood Cell Transplantation Program to increase the number of transplants for recipients suitable matched to donors of bone marrow and cord blood.

S. 1320

At the request of Mr. DEWINE, the names of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1320, a bill to provide multilateral debt cancellation for Heavily Indebted Poor Countries, and for other purposes.

S. RES. 31

At the request of Mr. COLEMAN, the names of the Senator from Kentucky (Mr. BUNNING) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. Res. 31, a resolution expressing the sense of the Senate that the week of August 7, 2005, be designated as "National Health Center Week" in order to raise awareness of health services provided by community, migrant, public housing, and homeless health centers, and for other purposes.

S. RES. 42

At the request of Mr. LUGAR, the names of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from New Hampshire (Mr. SUNUNU) were added as cosponsors of S. Res. 42, a resolution expressing the sense of the Senate on promoting initiatives to develop an HIV vaccine.

S. RES. 172

At the request of Mr. BROWNBAC, the names of the Senator from Ohio (Mr. DEWINE) and the Senator from Oklahoma (Mr. COBURN) were added as cosponsors of S. Res. 172, a resolution affirming the importance of a national weekend of prayer for the victims of genocide and crimes against humanity in Darfur, Sudan, and expressing the sense of the Senate that July 15 through 17, 2005, should be designated as a national weekend of prayer and reflection for Darfur.

At the request of Mr. CORZINE, the names of the Senator from Illinois (Mr. DURBIN), the Senator from Colorado (Mr. SALAZAR) and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. Res. 172, supra.

S. RES. 182

At the request of Mr. COLEMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. Res. 182, a resolution supporting efforts to increase childhood cancer awareness, treatment, and research.

AMENDMENT NO. 1023

At the request of Mrs. BOXER, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of amendment No. 1023 proposed to H.R. 2361, a bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 1025

At the request of Mr. DORGAN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of amendment No. 1025 proposed to H.R. 2361, a bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 1030

At the request of Mr. BINGAMAN, the name of the Senator from New Mexico (Mr. DOMENICI) was added as a cosponsor of amendment No. 1030 proposed to H.R. 2361, a bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 1046

At the request of Mr. SARBANES, the names of the Senator from Tennessee (Mr. ALEXANDER), the Senator from Delaware (Mr. CARPER) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of amendment No. 1046 proposed to H.R. 2361, a bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes.

AMENDMENT NO. 1052

At the request of Mr. CONRAD, his name was added as a cosponsor of amendment No. 1052 proposed to H.R. 2361, a bill making appropriations for the Department of the Interior, environment, and related agencies for the fiscal year ending September 30, 2006, and for other purposes.

At the request of Mrs. MURRAY, the names of the Senator from Maryland (Ms. MIKULSKI), the Senator from South Dakota (Mr. JOHNSON), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Arkansas (Mrs. LINCOLN) and the Senator from New Jersey (Mr. CORZINE) were added as cosponsors of amendment No. 1052 proposed to H.R. 2361, supra.

At the request of Ms. LANDRIEU, her name was added as a cosponsor of

amendment No. 1052 proposed to H.R. 2361, supra.

STATEMENTS ON INTRODUCED  
BILLS AND JOINT RESOLUTIONS

By Mr. LOTT (for himself and Mr. BAUCUS):

S. 1327. A bill to amend the Internal Revenue Code of 1986 to modify the active business definition under section 355; to the Committee on Finance.

Mr. LOTT. Mr. President, I rise today to introduce legislation proposing a change to the Internal Revenue Code that has been endorsed by both the Joint Committee on Taxation and the United States Treasury Department. It is a simplification measure that has been passed by this body on three separate occasions, and I am pleased to be joined by the gentleman from Montana, Senator BAUCUS, the Ranking Democratic Member on the Finance Committee, in introducing this common sense legislation today. It is now time for Congress to act again and include this meritorious provision in the next appropriate tax bill reported from the Finance Committee.

Corporations and affiliated groups of corporations, for any number of good reasons, find it appropriate and many times necessary to shed some of their businesses. If the business is not being sold, the Internal Revenue Code makes it possible to reorganize without having to recognize gain on the transaction. A typical transaction is a spin-off transaction performed per the terms of section 355 of the Internal Revenue Code, where a parent corporation distributes the shares of its subsidiary(s) to its shareholders who once had shares of just the parent corporation now have shares of both the parent and the shares of just the parent corporation now have shares of its subsidiary(s) to its shareholders who once had shares of just the parent corporation now have shares of both the parent and the subsidiary. As a matter of long-standing tax policy, there is typically no tax exacted with these kinds of divisions, nor should there be. Typically the business hasn't changed what it is doing; it is simply being done under a separated ownership structure and the shareholders have ownership in two corporations instead of one, with no overall change in their holdings.

In order to be accorded tax-free treatment, section 355 requires the corporation involved in the transaction to be engaged in an "active trade or business." Under the current regulations interpreting section 355 of the Internal Revenue Code, a much more rigorous test of "active trade or business" is imposed if a holding company seeks to spin-off a subsidiary than would be the case if the subsidiary were simply owned directly by the parent corporation. It is a distinction without substance and requires corporations, holding companies, to go through major restructurings to satisfy the requirements of section 355. There is abso-

lutely no substantive policy rationale for such a result. The distinction is inappropriate and has been identified as such by both the staff of the Joint Committee on Taxation and the Treasury Department in 1999 and 2000. This legislation addresses that anomaly and treats both situations equally.

The cost of this provision is minimal, at about \$8 million a year by the last revenue estimate from the staff of the Joint Committee on Taxation. This provision is a small but significant step toward simplification of the tax code, and I urge my colleagues on the Finance Committee and in this body to act on this change one more time, and hopefully for the last time.

Mr. BAUCUS. Mr. President, virtually everyone supports tax simplification. But for some reason, it is awfully hard to accomplish. Today, I am pleased to join my friend and colleague from Mississippi, Senator LOTT, in introducing tax legislation that is non-controversial and a clear tax simplification measure. Further, the bill we are filing today has been supported in the past by the Joint Tax Committee and the U.S. Treasury.

Normally, corporations are taxed on distributions of property to shareholders as if sold at fair market value. However, section 355 of the tax code provides corporations with the flexibility to distribute one or more of their businesses to their shareholders, such as in a spin-off, without triggering tax consequences if the transaction meets important requirements. Through this exception in section 355, corporations may make strategic business decisions without imposing tax burdens on their shareholders, but only if both the distributing and distributed businesses continue as an active trade or business. The regulatory structure that has evolved over the years under section 355 has created very different "active trade or business" tests depending on whether the distributing corporation operates as a holding company or whether it holds the business assets directly. There is no rationale to support that distinction.

Both the staff of the Joint Tax Committee and the Clinton Treasury Department recommended that the rules be conformed as a tax simplification measure. The Senate has passed legislation similar to what we are proposing today on three occasions. And, on one of those occasions, it passed the House as well in legislation that was later vetoed for other reasons. I have heard of no opposition to this change, which would simply apply a "look through" rule for the "active trade or business" test on an affiliated group level, so that parent holding companies could count the active businesses of its subsidiaries. And it would eliminate hours of wasted time and resources in tax planning activities that serve no function other than to try and conform corporate ownership structures to satisfy the literal language of current tax requirements.

Again, I should emphasize that this proposal does not bring wholesale change to section 355. Spin-off requirements dealing with the continuity of historical shareholder interest, continuity of business enterprises, business purpose, and absence of any device to distribute earnings and profits all remain. With a cost of less than \$10 million a year, this is an affordable step we can take now to simplify the Internal Revenue Code.

I am pleased to join with Senator LOTT in working for passage of this important simplification bill, and I urge my colleagues on the Finance Committee and in the Senate give our bill every consideration.

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

S. 1328. A bill to amend the Safe Drinking Water Act to ensure that the District of Columbia and States are provided a safe, lead-free supply of drinking water; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, I rise today to introduce the Lead-Free Drinking Water Act of 2005 with my colleague Senator SARBANES. We are joined by our colleagues, Congresswoman NORTON, Congressman WAXMAN, and others, who will be introducing the House companion bill today. Today, we introduce this bill for the second time.

Last year, we shared the shock felt by DC residents when it was first reported that lead levels in the DC public water system were significantly higher than Federal guidelines, and had been so for at least 2 years.

We sought answers to the same questions everyone was asking themselves—How much water did I drink? How much water did my children drink? What are the effects of lead in our bloodstream?

We shared the outrage felt by many DC residents, asking ourselves—why were we not told about this sooner? How did this happen? What are we going to do about it?

In the 108th Congress, we attempted to answer those questions. We held a hearing in the Senate Environment and Public Works Committee and listened to the concerns of DC parents worried about their children's health.

We listened to experts who identified weaknesses in the Safe Drinking Water Act and the lead and copper rule, governing how the public is informed when lead is present in a drinking water system and what corrective actions public water systems must take.

One of the most disturbing points is that many of the things that happened in Washington, DC, were within the boundaries of the existing rules that purport to protect the public from lead in drinking water.

We responded by introducing the Lead-Free Drinking Water Act of 2004, which sought to correct the weaknesses in those rules.

Today, we are reintroducing the Lead-Free Drinking Water Act of 2005.