

when I was in the House of Representatives. People may recall that it was not too long ago when you went to a grocery store and picked up a can of peas or a package of spaghetti or an ice cream bar from the shelves or the cooler and looked at the side. What did you see? You saw that this is an ice cream bar, this is a can of peas, and this is a box of spaghetti. That is the only information you got about that food—nothing more; nothing about sodium; nothing about fat; nothing more. Because they did not feel like telling you.

So we decided that it would be in the consumers' best interest if they had some notion what was in this product. You go shopping at the grocery store and watch. People clog the aisles these days picking up one of these cans. They turn to the back. They want to find out what is in it. How much fat is in this one? How much saturated fat is in that product?

You give people information and they will use it. It is good information. It improves their health. It makes them better consumers. Is that a bad regulation that we require people to tell the American people what is in food? No. I think it is a good regulation. But I will guarantee you this. Those who are required to do it fought every step of the way. The last thing they wanted to do was to have to comply with another regulation. I think these regulations make sense.

We are talking about regulations for safety, health, and the environment. Not all of them, not every one of them, but the bulk of the directions of what we were doing with regulation makes a lot of sense.

I do not want the debate this week here in the Senate to be a debate that is thoughtless. I would like it to be a debate that is thoughtful. Let us find out which regulations are troublesome, not which regulations are inconvenient or costly. I do not want to say to this industry or to that industry, "Yes. It is costly for you to comply with the clean air requirements. So that is fine. We will understand. We will give you a little break." I am sorry. I do not intend to give them a break. I do not intend that they have dirty air so they can have more profits.

I would like us to do this in a reasonable way. As I said when I started, there are some regulations that make no sense. I have seen some of them. I have participated in trying to get agencies to change some of them. I would be the first to admit that there are plenty of people working in the Federal Government who know all about theories and know all about the details but do not have the foggiest notion about what the compliance burdens are. These things need to make some rational sense. They need to be dealing with a goal that makes sense. They need to be constructed in a way so that compliance is enhanced. But I hope that the debate we have this week will really center on the questions about government regulation. What are we

doing this for? In most cases, we are doing this for the public good.

So, Mr. President, I think this is going to be a fascinating and interesting debate. We have some people in this Chamber who would like the wholesale repeal of a whole lot of important environmental and safety regulations. I do not happen to support that. Some would. Others who say every regulation is terrific. I do not support that either. I think what we ought to do is try to figure out what works and what does not, to get rid of what does not, and keep what works and keep what is good for this country.

I hope that is the kind of discussion we will have as the week goes on on the issue of regulatory reform.

Mr. President, at this point I would like to yield the remainder of my 15 minutes.

The PRESIDING OFFICER. The Senator's time has expired.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

BILLIONAIRES' TAX LOOPHOLE

Mr. KENNEDY. Mr. President, one of the worst examples of Republican misplaced priorities is the current blatant attempt to keep the tax loophole open for billionaires who renounce their American citizenship in order to avoid paying taxes on the massive wealth they have accumulated in America.

Under current law, these unpatriotic billionaires get a juicy tax break for turning their back on Uncle Sam. Does anyone in America seriously think they deserve it?

When Democrats initially tried to close the loophole last April, our proposal was rejected—supposedly because a few so-called technical questions needed to be addressed.

It turns out that the only serious technical issue was how to keep the loophole open, or at least save as much of it as possible.

The Joint Committee on Taxation completed its long-awaited study on the loophole on June 1 and it turned out to be a blatant attempt to save the loophole, rather than close it.

The Ways and Means Committee found the ways and means to keep the loophole open. They have even given the bill an appropriate number—H.R. 1812.

What a perfect number for a tax loophole bill—1812. That is about the year their thinking on tax reform stopped. Democrats will try to bring their 1812 bill into the 20th century when it gets to the Senate—and close that loophole tight on those unpatriotic billionaires.

I just wish our Republican friends would put as much time and effort into

closing tax loopholes and reducing corporate welfare as they put into keeping loopholes open.

We would save tens of billions of dollars, and balance the budget far more fairly, instead of balancing it on the backs of Medicare and education and low-income working families.

Tomorrow, the Senate Finance Committee will be holding a hearing on the billionaires' tax loophole. It is vitally important that the Senate stand firm in its desire to close this flagrant loophole once and for all.

On April 6, 96 of us went on record in favor of closing it. If we really want to close this loophole, we cannot accept the Ways and Means Committee bill. That bill is more loophole than law.

It does not prevent massive income tax avoidance by patient expatriates, and it does nothing to prevent avoidance of estate taxes and gift taxes.

First, the House bill allows expatriates to pay no U.S. tax on their gains if they wait 10 years before they sell their assets.

This part of the loophole already exists in current law, as has been repeatedly pointed out.

There is no reason to leave it open. Expatriates should be taxed when they expatriate—at the time they thumb their nose at Uncle Sam.

Second, under the House bill, gains from foreign assets built up during U.S. citizenship would not be subject to U.S. tax after expatriation takes place. All U.S. citizens pay taxes on worldwide income, so why should not expatriates?

Any serious proposal to address this issue must tax the gains on the expatriate's worldwide assets, and this tax must be imposed at the time of expatriation.

In addition, under the House bill, expatriates will continue to use tax planning gimmicks to avoid taxes on gains from domestic assets by shifting income from this country to foreign countries. As long as the Tax Code exempts foreign assets from the tax, wealthy expatriates will find new ways to shift assets and avoid taxes.

Third, the House bill cannot be effectively enforced. Expatriates can leave the U.S. tax jurisdiction without paying the tax or posting any security. They merely fill out a form at the time of expatriation, and the IRS will be left in the cold.

Fourth, the House bill does nothing to prevent expatriates from avoiding gift and estate taxes. With good legal advice, an expatriate can transfer all assets to a foreign corporation and then give it all away without any gift tax liability.

Finally, in a particularly obnoxious maneuver, the Ways and Means Committee bill unsuccessfully attempted to gerrymander the effective date of its watered-down reform in a transparent attempt to permit a few more undeserving billionaires to slither through the full loophole before the mild committee changes take effect.

Under this proposal, wealthy tax evaders would have qualified for the

loophole by simply having begun, not completed, the process of renouncing their citizenship by the February 6 effective date.

The Ways and Means Committee knows how to set a strict effective date when it wants to. On the very bill where the controversy over the billionaires' loophole first erupted, the committee set a strict effective date to prevent Viacom, Inc., from obtaining a \$640 million break on the sale of its cable TV properties.

The committee required a binding contract to be reached by the effective date. Viacom could not meet that requirement, even though it had taken many steps over many months before the effective date to negotiate the contract.

Viacom lost the tax break because it had not taken the final step—and the same strict requirement of final action should be applied to billionaires who are in the process of renouncing their citizenship.

If they had not completed the final step by February 6, they should not be able to use the loophole.

Fortunately, the Democrats prevailed on the effective date, because of the spotlight placed on the issue. But that still did not stop them from finding an additional loophole for some of those seeking exemption.

To help these expatriates, the Republicans on the committee carved a new loophole for expatriates who become a citizen of a country in which the individual's spouse or parents were born.

In sum, at a time when Republicans in Congress are cutting Medicare, education, and other essential programs in order to pay for lavish tax cuts for the rich, they are also maneuvering to salvage this unjustified loophole for the least deserving of the superwealthy—billionaires who renounce America, after all America has done for them.

I say, this loophole should be closed now, and it should be closed tight—no ifs, ands, or buts. I intend to do all I can to see that it is.

Let us close the loophole, not just pretend it is being closed as the Ways and Means Committee bill does.

WAS CONGRESS IRRESPONSIBLE? LOOK AT THE ARITHMETIC

Mr. HELMS. Mr. President, the skyrocketing Federal debt, which long ago soared into the stratosphere, is in a category like the weather—everybody talks about it but scarcely anybody had undertaken the responsibility of trying to do anything about it. That is, not until immediately following the elections last November.

When the new 104th Congress convened in January, the U.S. House of Representatives quickly approved a balanced budget amendment to the U.S. Constitution. In the Senate all but one of the 54 Republicans supported the balanced budget amendment; only 13 Democrats supported it. Since a two-thirds vote is necessary to approve a

constitutional amendment, the proposed Senate amendment failed by one vote. There will be another vote later this year or next year.

Mr. President, as of the close of business Friday, July 7, the Federal debt—down to the penny—stood at exactly \$4,929,459,412,839.22 or \$18,712.31 for every man, woman, and child on a per capita basis.

SOUTH CAROLINA WATERMELONS: A RED, JUICY SMILE

Mr. HOLLINGS. Mr. President, I rise today to draw attention to a little green and red sticker on my lapel. It says, "I love watermelon." And Mr. President, I sure do.

Thanks to the hard work of South Carolina watermelon farmers like Jim Williams of Lodge in Colleton County, Senators and their aides tomorrow will be able to taste the sweet, juicy, red meat of the melon that we call smile fruit. All day Tuesday, my staff will deliver more than 500 watermelons to offices throughout the Senate.

This year, farmers in South Carolina planted more than 11,000 acres of watermelons. We produce all kinds of watermelons—Jubilees, Sangrias, Allsweets, Star Brites, Crimson Sweets, red seedless, yellow seedless, and a variety of other hybrids marketed in the Eastern United States.

Through the end of this month, farmers in Allendale, Bamberg, Barnwell, Colleton, Hampton, and other southern South Carolina counties will harvest hundreds of thousands of watermelons. In the Pee Dee areas around Chesterfield, Darlington, and Florence Counties, the harvest will continue until about August 20.

Mr. President, the bottom line is that all of these farmers will be laboring in the heat and humidity to bring Americans what we call Mother Nature's perfect candy. Our remarkable watermelons are sweet, succulent, and, most importantly, nutritious and fatfree. However, while many of us savor the taste of juicy pink watermelons at the beach, at barbecues, and at family reunions, we often forget the work and labor that goes into producing such a delicious fruit. In fact, if you ask many children these days where watermelons come from, they will answer "the grocery store." The truth is, Mr. President, that our farmers are among the most often forgotten workers in our country. Without their dedication and commitment, our Nation would not enjoy such a wonderful selection of fresh fruit, vegetables, and other foods.

South Carolina farmers lead the way in the production of watermelons. For example, my State was a leader in the development of black plastic and irrigation to expand the watermelon growing season. By covering the earth in the spring with black plastic, farmers are able to speed up the melons' growth by raising soil temperatures. In addition, the plastic allows farmers to shut

out much of the visible light, which inhibits weed growth. In addition, I am pleased to note that the scientists at the USDA vegetable laboratory in my hometown of Charleston continue to strive to find more efficient and effective ways to produce one of our State's most popular fruits.

Therefore, as my fellow Members and their staffs feast on watermelons tomorrow, I hope they all will remember the folks in South Carolina who made this endeavor possible: Jim Williams of Williams Farms in Lodge; Les Tindal, our State agriculture commissioner; Wilton Cook of the Clemson University Extension Service in Charleston; Minta Wade of the South Carolina Department of Agriculture; and members of the South Carolina Watermelon Association and South Carolina Watermelon Board in Columbia. They all have worked extremely hard to ensure that Senators can get a taste of South Carolina.

I trust that all Senators and their staffers will savor tomorrow one of the finest examples of the excellent produce we grow in our State. I also hope to see many folks wearing their "I love watermelon" stickers in celebration of the fruit that makes everyone smile—South Carolina watermelons.

MILO WINTER

Mr. PRESSLER. Mr. President, today I am pleased to pay tribute to an outstanding educator, Mr. Milo Winter, of Rapid City, SD. Throughout his career, he made tremendous contributions to our State in music education.

For the past 26 years, Milo served as band director at Stevens High School. The community of Rapid City knows him for his commitment to education and his drive for excellence. However, his reputation extends far beyond the borders of our State. He is known across the United States for his work at band festivals and clinics.

To see Milo's positive effect on his students and the community, one needs only look at the achievements of the Rapid City Stevens Band. In 1975, the band was selected by the United States Bicentennial Commission to represent the United States at a music festival held in the former Czechoslovakia. This was the first performance by an American high school band behind the Iron Curtain. In 1981 and 1984, the band received first place honors at the Cherry Blossom Band Festival here in Washington, DC. The band's appearance in the 1987 Tournament of Roses Parade in Pasadena, CA, marked the first time a band from South Dakota performed in this world-famous parade. Perhaps the greatest honor the band has earned is the Sudler Flag of Honor. This award, presented in 1987, is one of the most prestigious awards a band can receive. To receive this award, bands must be nominated for their outstanding performance of march music and be approved by a national committee.