its goal of ensuring children and youth with disabilities equal protection of the law; now, therefore, be it

Resolved by the Assembly and Senate of the State of California, jointly, That the Legislature respectfully memorializes the President and Congress of the United States to provide the full 40-percent federal share of funding for special education programs so that California and other states participating in these critical programs will not be required to take funding from other vital state and local programs in order to fund this underfunded federal mandate; and be it further

Resolved, That the Chief Clerk of the Assembly transmit copies of this resolution to the President and Vice President of the United States, to the Speaker of the House of Representatives, to the Majority Leader of the Senate, to the Chair of the Senate Committee on Budget, to the Chair of the House Committee on the Budget, to the Senate Committee on Appropriations, to the Chair of the House Committee on Appropriations, to each Senator and Representative from California in the Congress of the United States, and to the United States Secretary of Education.

POM–353. A petition from a citizen of the state of Pennsylvania relative to prisons; to the Committee on the Judiciary.

POM–354. A resolution adopted by the Board of Education of the Baldwin Park, California, Unified School District relative to special education funding; to the Committee on Appropriations.

POM–355. A resolution adopted by the Board of Supervisors of Florence County, Wisconsin, relative to the Forest Plan Revision of the Ten Year Plan for the Nicolet National Forest; to the Committee on Energy and Natural Resources.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. THOMPSON, from the Committee on Governmental Affairs, with amendments:

S. 1214: A bill to ensure the liberties of the people by promoting federalism, to protect the reserved powers of the States, to impose accountability for Federal preemption of State and local laws, and for other purposes (Rept. No. 106–159).

By Mr. ROTH, from the Committee on Finance: Report to accompany the bill (S. 1389) to provide additional trade benefits to certain beneficiary countries in the Caribbean (Rept. No. 106–160).

By Mr. BOND, from the Committee on Appropriations, without amendment:

S. 1596: An original bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes (Rept. No. 106–161).

By Mr. HATCH, from the Committee on the Judiciary, without amendment and with a preamble:

S. Res. 178: A resolution designating the week beginning September 19, 1999, as ''National Historically Black Colleges and Universities Week.''

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. MCCAIN (for himself and Mr. FEINGOLD):

S. 1593. A bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; to the Committee on Rules and Administration.

By Mr. KERRY (for himself, Mr. WELLSTONE, Mr. BINGAMAN, Mr. SARBANES, Mr. LEVIN, and Mr. CLELAND):

S. 1594. A bill to amend the Small Business Act and Small Business Investment Act of 1958; to the Committee on Small Business.

By Mr. KYL (for himself and Mr. MCCAIN):

S. 1595. A bill to designate the United States courthouse at 401 West Washington Street in Phoenix, Arizona, as the ''Sandra Day O'Connor United States Courthouse''; to the Committee on Environment and Public Works.

By Mr. BOND:

S. 1596. An original bill making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, commissions, corporations, and offices for the fiscal year ending September 30, 2000, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. KERREY:

S. 1597. A bill to amend the Internal Revenue Code of 1986 to provide enhanced tax incentives for charitable giving, and for other purposes; to the Committee on Finance.

By Mr. ROBERTS:

S. 1598. A bill to amend title 5, United States Code, to provide for appropriate overtime pay for National Weather Service forecasters performing essential services during severe weather events, and to limit Sunday premium pay for employees of the National Weather Service to hours of service actually performed on Sunday; to the Committee on Governmental Affairs.

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 1599. A bill to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Black Hills National Forest and to use funds derived from the sale or exchange to acquire replacement sites and to acquire or construct administrative improvements in connection with Black Hills National Forest; to the Committee on Energy and Natural Resources.

By Mr. HARKIN (for himself, Mr. LEAHY, Mr. JEFFORDS, Mr. REID, Mr. KENNEDY, and Mr. WELLSTONE):

S. 1600. A bill to amend the Employee Retirement Income Security Act of 1974 to prevent the wearing away of an employee's accrued benefit under a defined benefit plan by the adoption of a plan amendment reducing future accruals under the plan; to the Committee on Health, Education, Labor, and Pensions.

By Mr. BAUCUS:

S. 1601. A bill to amend title XVIII of the Social Security Act to exclude small rural providers from the prospective payment system for hospital outpatient department services; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. MCCAIN (for himself and Mr. FEINGOLD):

S. 1593. A bill to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform; to the Committee on Rules and Administration.

BIPARTISAN CAMPAIGN REFORM ACT OF 1999

Mr. MCCAIN. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1593

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Bipartisan Campaign Reform Act of 1999''.

SEC. 2. SOFT MONEY OF POLITICAL PARTIES.

Title III of the Federal Election Campaign Act of 1971 (2 U.S.C. 431 et seq.) is amended by adding at the end the following:

''SEC. 323. SOFT MONEY OF POLITICAL PARTIES.

''(a) NATIONAL COMMITTEES.—

''(1) IN GENERAL.—A national committee of a political party (including a national congressional campaign committee of a political party) and any officers or agents of such party committees, shall not solicit, receive, or direct to another person a contribution, donation, or transfer of funds, or spend any funds, that are not subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) APPLICABILITY.—This subsection shall apply to an entity that is directly or indirectly established, financed, maintained, or controlled by a national committee of a political party (including a national congressional campaign committee of a political party), or an entity acting on behalf of a national committee, and an officer or agent acting on behalf of any such committee or entity.

''(b) STATE, DISTRICT, AND LOCAL COMMITTEES.—

''(1) IN GENERAL.—An amount that is expended or disbursed by a State, district, or local committee of a political party (including an entity that is directly or indirectly established, financed, maintained, or controlled by a State, district, or local committee of a political party and an officer or agent acting on behalf of such committee or entity) for Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(2) FEDERAL ELECTION ACTIVITY.—

''(A) IN GENERAL.—The term 'Federal election activity' means—

''(i) voter registration activity during the period that begins on the date that is 120 days before the date a regularly scheduled Federal election is held and ends on the date of the election;

''(ii) voter identification, get-out-the-vote activity, or generic campaign activity conducted in connection with an election in which a candidate for Federal office appears on the ballot (regardless of whether a candidate for State or local office also appears on the ballot); and

''(iii) a communication that refers to a clearly identified candidate for Federal office (regardless of whether a candidate for State or local office is also mentioned or identified) and is made for the purpose of influencing a Federal election (regardless of whether the communication is express advocacy).

''(B) EXCLUDED ACTIVITY.—The term 'Federal election activity' does not include an amount expended or disbursed by a State, district, or local committee of a political party for—

''(i) campaign activity conducted solely on behalf of a clearly identified candidate for State or local office, provided the campaign activity is not a Federal election activity described in subparagraph (A);

''(ii) a contribution to a candidate for State or local office, provided the contribution is not designated or used to pay for a

Federal election activity described in subparagraph (A);

''(iii) the costs of a State, district, or local political convention;

''(iv) the costs of grassroots campaign materials, including buttons, bumper stickers, and yard signs, that name or depict only a candidate for State or local office;

''(v) the non-Federal share of a State, district, or local party committee's administrative and overhead expenses (but not including the compensation in any month of an individual who spends more than 20 percent of the individual's time on Federal election activity) as determined by a regulation promulgated by the Commission to determine the non-Federal share of a State, district, or local party committee's administrative and overhead expenses; and

''(vi) the cost of constructing or purchasing an office facility or equipment for a State, district or local committee.

''(C) GENERIC CAMPAIGN ACTIVITY.—The term 'generic campaign activity' means an activity that promotes a political party and does not promote a candidate or non-Federal candidate.

''(c) FUNDRAISING COSTS.—An amount spent by a national, State, district, or local committee of a political party, by an entity that is established, financed, maintained, or controlled by a national, State, district, or local committee of a political party, or by an agent or officer of any such committee or entity, to raise funds that are used, in whole or in part, to pay the costs of a Federal election activity shall be made from funds subject to the limitations, prohibitions, and reporting requirements of this Act.

''(d) TAX-EXEMPT ORGANIZATIONS.—A national, State, district, or local committee of a political party (including a national congressional campaign committee of a political party), an entity that is directly or indirectly established, financed, maintained, or controlled by any such national, State, district, or local committee or its agent, and an officer or agent acting on behalf of any such party committee or entity, shall not solicit any funds for, or make or direct any donations to, an organization that is described in section 501(c) of the Internal Revenue Code of 1986 and exempt from taxation under section 501(a) of such Code (or has submitted an application for determination of tax exempt status under such section).

''(e) CANDIDATES.—

''(1) IN GENERAL.—A candidate, individual holding Federal office, agent of a candidate or individual holding Federal office, or an entity directly or indirectly established, financed, maintained or controlled by or acting on behalf of one or more candidates or individuals holding Federal office, shall not—

''(A) solicit, receive, direct, transfer, or spend funds in connection with an election for Federal office, including funds for any Federal election activity, unless the funds are subject to the limitations, prohibitions, and reporting requirements of this Act; or

''(B) solicit, receive, direct, transfer, or spend funds in connection with any election other than an election for Federal office or disburse funds in connection with such an election unless the funds—

''(i) are not in excess of the amounts permitted with respect to contributions to candidates and political committees under paragraphs (1) and (2) of section 315(a); and

''(ii) are not from sources prohibited by this Act from making contributions with respect to an election for Federal office.

''(2) STATE LAW.—Paragraph (1) does not apply to the solicitation, receipt, or spending of funds by an individual who is a candidate for a State or local office in connection with such election for State or local office if the solicitation, receipt, or spending of funds is permitted under State law for any activity other than a Federal election activity.

''(3) FUNDRAISING EVENTS.—Notwithstanding paragraph (1), a candidate may attend, speak, or be a featured guest at a fundraising event for a State, district, or local committee of a political party.''.

SEC. 3. INCREASED CONTRIBUTION LIMITS FOR STATE COMMITTEES OF POLITICAL PARTIES AND AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUALS.

(a) CONTRIBUTION LIMIT FOR STATE COMMITTEES OF POLITICAL PARTIES.—Section 315(a)(1) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(1)) is amended—

(1) in subparagraph (B), by striking ''or'' at the end;

(2) in subparagraph (C)—

(A) by inserting ''(other than a committee described in subparagraph (D))'' after ''committee''; and

(B) by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(D) to a political committee established and maintained by a State committee of a political party in any calendar year which, in the aggregate, exceed $10,000.''.

(b) AGGREGATE CONTRIBUTION LIMIT FOR INDIVIDUAL.—Section 315(a)(3) of the Federal Election Campaign Act of 1971 (2 U.S.C. 441a(a)(3)) is amended by striking ''$25,000'' and inserting ''$30,000''.

SEC. 4. REPORTING REQUIREMENTS.

(a) REPORTING REQUIREMENTS.—Section 304 of the Federal Election Campaign Act of 1971 (2 U.S.C. 434) is amended by adding at the end the following:

''(d) POLITICAL COMMITTEES.—

''(1) NATIONAL AND CONGRESSIONAL POLITICAL COMMITTEES.—The national committee of a political party, any national congressional campaign committee of a political party, and any subordinate committee of either, shall report all receipts and disbursements during the reporting period.

''(2) OTHER POLITICAL COMMITTEES TO WHICH SECTION 323 APPLIES.—In addition to any other reporting requirements applicable under this Act, a political committee (not described in paragraph (1)) to which section 323(b)(1) applies shall report all receipts and disbursements made for activities described in subparagraphs (A) and (B)(v) of section 323(b)(2).

''(3) ITEMIZATION.—If a political committee has receipts or disbursements to which this subsection applies from any person aggregating in excess of $200 for any calendar year, the political committee shall separately itemize its reporting for such person in the same manner as required in paragraphs (3)(A), (5), and (6) of subsection (b).

''(4) REPORTING PERIODS.—Reports required to be filed under this subsection shall be filed for the same time periods required for political committees under subsection (a).''.

(b) BUILDING FUND EXCEPTION TO THE DEFINITION OF CONTRIBUTION.—Section 301(8)(B) of the Federal Election Campaign Act of 1971 (2 U.S.C. 431(8)(B)) is amended—

(1) by striking clause (viii); and

(2) by redesignating clauses (ix) through (xiv) as clauses (viii) through (xiii), respectively.

SEC. 5. CODIFICATION OF BECK DECISION.

Section 8 of the National Labor Relations Act (29 U.S.C. 158) is amended by adding at the end the following:

''(h) NONUNION MEMBER PAYMENTS TO LABOR ORGANIZATION.—

''(1) IN GENERAL.—It shall be an unfair labor practice for any labor organization which receives a payment from an employee pursuant to an agreement that requires employees who are not members of the organization to make payments to such organization in lieu of organization dues or fees not to establish and implement the objection procedure described in paragraph (2).

''(2) OBJECTION PROCEDURE.—The objection procedure required under paragraph (1) shall meet the following requirements:

''(A) The labor organization shall annually provide to employees who are covered by such agreement but are not members of the organization—

''(i) reasonable personal notice of the objection procedure, the employees eligible to invoke the procedure, and the time, place, and manner for filing an objection; and

''(ii) reasonable opportunity to file an objection to paying for organization expenditures supporting political activities unrelated to collective bargaining, including but not limited to the opportunity to file such objection by mail.

''(B) If an employee who is not a member of the labor organization files an objection under the procedure in subparagraph (A), such organization shall—

''(i) reduce the payments in lieu of organization dues or fees by such employee by an amount which reasonably reflects the ratio that the organization's expenditures supporting political activities unrelated to collective bargaining bears to such organization's total expenditures; and

''(ii) provide such employee with a reasonable explanation of the organization's calculation of such reduction, including calculating the amount of organization expenditures supporting political activities unrelated to collective bargaining.

''(3) DEFINITION.—In this subsection, the term 'expenditures supporting political activities unrelated to collective bargaining' means expenditures in connection with a Federal, State, or local election or in connection with efforts to influence legislation unrelated to collective bargaining.''.

By Mr. KERRY (for himself, Mr. WELLSTONE, Mr. BINGAMAN, Mr. SARBANES, Mr. LEVIN and Mr. CLELAND):

S. 1594. A bill to amend the Small Business Act and Small Business Investment Act of 1958; to the Committee on Small Business.

COMMUNITY DEVELOPMENT AND VENTURE CAPITAL ACT OF 1999

Mr. KERRY. Mr. President, the bill that I am sending to the desk is the Community Development and Venture Capital Act of 1999. I am pleased to share the introduction of this with Senators WELLSTONE, BINGAMAN, SARBANES, LEVIN, and CLELAND as cosponsors of it. This small business legislation is designed to promote economic development, business investment, productive wealth, and stable jobs in new markets.

It establishes a New Markets Venture Capital program that is part of President Clinton's New Markets Initiative that he mentioned in the ''State of the Union Address'' and promoted on a 4-day tour this summer.

New Markets are our country's low- and moderate-income communities where there is little to no sustained economic activity but many overlooked business opportunities. According to Michael Porter, a respected business analyst who has written extensively on competitiveness, ''. . . inner

cities are the largest underserved market in America, with many tens of billions of dollars of unmet consumer and business demand.'' Many rural areas also contain low- and moderate-income communities.

Think of the inner-city areas of Boston's Roxbury or New York's East Harlem, or the rural desolation of Kentucky's Appalachia or Mississippi's Delta region. These are our neediest communities—urban and rural pockets that are so depleted that no internal resource exists to jump start the economy. These are places where there have been multi-generations of unemployment and abandoned commercial centers and main streets.

To get at this complex and deep-rooted economic problem, this legislation has three parts: a venture capital program to funnel investment money into our poorest communities, a program to expand the number of venture capital firms that are devoted to investing in such communities, and a mentoring program to link established, successful businesses with businesses and entrepreneurs in stagnant or deteriorating communities in order to facilitate the learning curve.

The center piece is the New Markets Venture Capital Program. Its purpose is to stimulate economic development through public-private partnerships that invest venture capital in smaller businesses that are located in impoverished rural and urban areas or that employ low-income people.

Both innovative and fiscally sound, this legislation creates a new venture capital program within the Small Business Administration that is built on two of the agency's most popular programs. It is financially structured similar to the Agency's successful Small Business Investment Company program, and incorporates a technical assistance component similar to that successfully used in SBA's microloan program.

However, unlike the SBIC program which focuses solely on small businesses with high-growth potential and claims successes such as Staples and Calloway Golf, the New Markets Venture Capital program will focus on smaller businesses that show promise of financial and social returns—what we call a ''double bottomline.'' These businesses tend to be higher risk, need longer periods to pay back money, need intensive, ongoing financial, management and marketing assistance, and have more modest prospects for return on investment than SBIC investments. For example, the returns on investments typically range from five to ten percent for community development venture capital funds versus SBIC's expected 20 to 30 percent rates of returns.

To balance out the equation, they also provide quality, stable jobs, create productive wealth in and among our neediest communities and need a smaller equity investment. Equity investments for community development investment funds will range from $50,000 to $300,000 versus the $300,000 to $5 million of typical deal sizes in the Agency's SBIC program.

Among other conditions, in order for an organization to be eligible to participate and approved as a New Markets Venture Capital company, it must have a management team with experience in community development financing or venture capital financing, be able to raise at least $5 million of non-SBA money for debentures, and raise matching funds for SBA's technical assistance grants.

Community development venture capitalists, we should be reminded, use all the discipline of traditional venture capitalists.

At the Small Business Committee roundtable we held in May on the Agency's SBIC program and other venture capital proposals, community development venture capital groups from Massachusetts to Minnesota to Kentucky talked about profit. Like traditional venture capital funds, community development funds have to make prudent investments to earn profits in order to attract and keep investors. But they balance that with social objectives. One of the most important social goals for Boston Community Venture Fund is job creation and job quality.

Elyse Cherry, who is President of the Boston Community Venture Fund, invited me, former Treasury Secretary Robert E. Rubin and former Congressman Joseph P. Kennedy II and others to tour a company her Fund invested in called City Fresh Foods. Located in Roxbury, one of Boston's neediest neighborhoods, Glynn and Sheldon Lloyd started a company that manufactures prepares African-American and Hispanic meals for the community and corporate clients. And through the Meals-on-Wheels program, this company serves the elderly in Roxbury and Dorchester districts. In addition to providing a needed service, City Fresh Foods has created 20 jobs, hires from the community, pays its employees from $8 to $16 per hour, and offers training and opportunity for them to move from entry-level jobs to supervisory positions.

There are more success stories like this around the country. The Community Development Venture Capital funds across the country have a proven track record in making smart, responsible investments in small businesses in their communities, but the capital needs of firms in economically distressed areas far outweigh the existing capacity of these organizations. Compared to the more than 1,143 traditional and SBIC venture capital firms in the U.S., only some 40 funds nationwide concentrate on investing in companies that show promise of financial and social returns. We simply need more community development venture capital funds to reach more of these underserved communities.

The second component of this bill, the ''Community Development Venture Capital Assistance Program,'' recognizes that need and is designed to increase the number and expertise of community development venture capital funds, such as New Markets Venture Capital companies, around the country. A Community Development Venture Capital organization has a primary mission of promoting community development in low-income communities through investment in private businesses.

Senator WELLSTONE has carried the water on community development venture capital concept and deserves special credit for educating the Small Business Committee about this important economic development tool. He introduced this initiative in March. It is virtually identical to the bill he introduced in the last Congress and passed the full Senate as part of a comprehensive small business bill, H.R. 3412.

First, the Community Development Venture Capital Assistance program would authorize $15 million for SBA grants to private, nonprofit organizations with expertise in making venture capital investments in poor communities. These organizations would use these grants to provide hands-on technical assistance to spawn and develop new and emerging CDVC or NMVC companies. The intermediary organizations would match the grants dollar-for-dollar with non-Federal sources.

Second, this program would provide $5 million in SBA grants to colleges, universities, and other firms or organizations—public or private—to create and operate training and intern programs, organize a national conference, and fund academic research and studies dealing with community development venture capital.

Finally, to complement the venture capital investments and the program to foster the emergence and growth of more community development venture capital companies, this legislation would build on the BusinessLINC grant program. Already a successful public-private partnership that the SBA and Department of Treasury launched last June, it encourages larger businesses to mentor smaller businesses, enhancing the economic vitality and competitive capacity of small businesses located in the targeted areas. This Act will authorize $3 million a year to further promote and expand this program.

It's easy to stare past the broken inner cities and boarded up rural towns to the intrigues and fantasies of a booming Wall Street, flourishing suburbs and record-low national unemployment. But as we trumpet the successes of our economy, we must be smart and leverage that prosperity to jumpstart and strengthen our communities that are struggling. This legislation aims to do just that.

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

Mr. KERRY. Mr. President, I ask unanimous consent that letters of support be printed in the RECORD.

There being no objection, the letters were ordered to be printed in the RECORD, as follows:

BOSTON COMMUNITY CAPITAL,
Boston, MA, July 16, 1999.

Hon. JOHN F. KERRY,
Ranking Member, Committee on Small Business, U.S. Senate, Washington, DC.

DEAR SENATOR KERRY: I am writing to you as president of Boston Community Venture Fund, an affiliate of Boston Community Capital, and as a Board Member of the Community Development Venture Capital Alliance (CDVCA), in strong support of your leadership regarding the Administration's New Markets Venture Capital legislative proposal. I appreciate your positive public remarks concerning New Markets, including at your Committee's recent ''roundtable.'' It is my understanding that you plan to introduce the administration's proposal soon, and I will be extremely pleased and proud to have you as our leading advocate in the Senate. CDVCA has worked closely with the Small Business Administration as they have drafted their proposal, and I have enjoyed working with Patty Forbes of your Small Business Committee staff, as well.

As you know, a New Markets Venture Capital program would help to direct private, equity financing to small, high-potential growth firms in economically distressed urban and rural areas. As the nation's leading practitioners of community development venture capitalism, the Alliance and its member organizations have begun to establish a strong record of effectively promoting such investment through what we call social entrepreneurship—equity investing with a ''double bottom-line'' mission of creating jobs and wealth among economically disadvantaged populations.

CDVCA strongly supported the Senate's action last year in passing community development venture capital ''capacity-building'' legislation. Unfortunately, that effort, initiated by Senator Wellstone, did not pass in the House before the end of the last Congress. We continue to believe that capacity-building assistance for the community development venture capital field would be crucial to the success of a New Markets program at SBA. We urge you to consider adding a provision to incorporate this capacity-building, or ''Wellstone,'' concept into any bill you might introduce.

CDVCA also believes that a New Markets Venture Capital program could be more workably and effectively targeted if the Administration's discussion draft were modified. CDVCA's member-organizations all have a primary mission of serving low-income people. Indeed, we would prefer that such a mission be a requirement for eligibility for applicants to become New Markets Venture Capital companies in the bill. However, even as our organizations pursue that mission, none of our member-funds restricts itself to investing within geographical bounds as narrow as those suggested by the Administration. Serious pockets of poverty exist outside the census tracts which are the primary basis for that Administration proposal's geographical targeting. We have provided your staff with suggestions for amending that provision, and we would appreciate it if you could consider such changes before introducing a bill.

We strongly support the Administration's proposal, and we are especially hopeful regarding its prospects for enactment following the President's important recent tour of low-income urban and rural communities. I look forward to continuing to work with you and your office, and I hope you will feel free to contact me or Bob Rapoza, who represents our Alliance in Washington, should you have any questions. Bob's number is 292–393–5225.

Thank you for your attention to this issue. I hope to be discussing it further with you in the very near future.

Sincerely,

ELYSE D. CHERRY,
President,
Boston Community Venture Fund.

SEPTEMBER 15, 1999.

DEAR MEMBERS OF CONGRESS: We urge you to support the President's proposal for a ''New Markets Venture Capital Companies'' program to be administered by the Small Business Administration. The program would help establish 10–20 new venture capital investment funds with a mission of creating good jobs and new businesses in economically distressed communities across America.

The remarkable prosperity now enjoyed by much of the country unfortunately is leaving large numbers of Americans behind. One reason is lack in many urban and rural communities of the needed equity capital and technical assistance which are key to starting and expanding new businesses.

An emerging industry of community development venture capitalists is addressing this need. Committed to a ''double bottom-line'' of rigorously promoting profit-making growth companies while also creating large numbers of good jobs in low-income communities, these funds have demonstrated impressive results. The same model of business development that has driven economic expansion in the Silicon Valley and Route 128 in Massachusetts, coupled with a focus on poor communities and job creation, is beginning to make a powerful difference in areas such as rural Appalachia, Minnesota's Iron Range, inner-city Baltimore, Boston and elsewhere.

We need to build on the success of this grassroots model to help ensure that all of America's communities have a chance to participate in current growth. A modest public investment, leveraging significant private capital, would yield tremendous national benefits.

The Administration's proposal is contained in the President's FY 2000 budget request. Bills to be introduced by Senator John Kerry and Representative Nydia Velazquez, the Ranking Members of their respective Small Business Committees, faithfully embody the same concept. We are very hopeful that this idea, grounded in local self-help principles and targeted to where it is most needed, can be enacted as a bipartisan legislative accomplishment.

A New Markets Venture Capital program would allow participating funds to issue SBA-guaranteed debentures for urgently needed equity capital and to receive matching technical assistance grants to allow the intensive, hands-on management and direction which is key to the success of community development venture capital. A $45-million Federal investment would match other sources on a dollar-for-dollar basis and be directed over 10 years to generate hundreds of millions of dollars in economic activity.

All this would take place in communities that currently have the most trouble attracting private investment, despite numerous potential business opportunities with good returns and outstanding social benefits. Participation would be on a competitive basis and geared toward funds with a combination of a strong financial track record and a mission of community development. The program would be community-based to meet the specific needs of each area in which it operates.

Community development venture capital funds are proving that the tools of venture capital can fuel business creation and expansion, create good jobs and improve the lives of people in low-income communities. We hope you can give a boost to this extremely promising new tool for genuine economic development by supporting and passing New Markets Venture Capital legislation this year.

Sincerely,

African-American Venture Capital Fund, LLC, Louisville, KY
Alternatives Federal Credit Union, Ithaca, NY
Appalachian Center for Economic Networks, Athens, OH
Arkansas Enterprise Group, Arkadelphia, AR
Association for Enterprise Opportunity, Chicago, IL
Banc of America SBIC Corporation, Charlotte, NC
Bank One, Chicago, IL
Boston Community Capital, Boston, MA
Carras Community Investment, Inc, Fort Lauderdale, FL
Cascadia Revolving Fund, Seattle, WA
CDFI Coalition, Philadelphia, PA
CEI Ventures, Inc, Portland, ME
Center for Community Self-Help, Durham, NC
Commons Capital, Nantucket, MA
Community Loan Fund of Southwestern Pennsylvania, Inc, Pittsburgh, PA
Development Corporation of Austin, Austin, MN
DVCRF Ventures, Philadelphia, PA
Enterprise Corporation of the Delta, Jackson, MS
Enterprise Foundation, Columbia, MD
First Nations Development Institute, Fredericksburg, VA
Gulf South Capital, Inc, Jackson, MS
Illinois Facilities Fund, Chicago, IL
Impact Seven, Inc, Almena, WI
Intrust USA, Wilmington, DE
J.P. Morgan Community Development Corporation, New York, NY
Kentucky Highlands Investment Corporation, London, KY
Karen H. Lightman, Senior Policy Associate, Carnegie Mellon University Center for Economic Development, Pittsburgh, PA
Local Economic Assistance Program, Inc, Oakland, CA
LEAP, Inc, Brooklyn, NY
Millennium Fund, LLC, Seattle, WA
Minnesota Investment Network Corporation, Minneapolis MN
Mountain Ventures, Inc, London, KY
MSBDFA Management Group, Inc, Baltimore, MD
National Association of Affordable Housing Lenders, Washington, DC
National Community Capital Association, Philadelphia, PA
National Congress for Community Economic Development, Washington, DC
National Cooperative Bank Development Corporation, Washington, DC
National Council of LaRaza, Washington, DC
New York City Investment Fund, New York, NY
New York Community Investment Company L.L.C. New York, NY
Northern Community Investment Corporation, St. Johnsbury, VT
Northern Initiatives, Marquette, MI
Northeast Ventures Corporation, Duluth, MN
Pioneer Human Services, Seattle, WA
Resources for Human Development, Philadelphia, PA
The Roberts Enterprise Development Fund, San Francisco, CA
Rural Development & Finance Corp, San Antonio, TX

Silicon Valley Community Ventures, San Francisco, CA
Southern Development Bank, Arkadelphia, AR
Southern Tier West Regional Planning and Development Board, Salamanca, NY
Sustainable Jobs Fund, Durham, NC
Woodstock Institute, Chicago, IL
Vermont Community Loan Fund, Inc, Montpelier, VT
Virgin Islands Capital Resources, Inc, St. Thomas, USVI

NORTHEAST VENTURES,
Duluth, MN, September 16, 1999.

Senator JOHN F. KERRY,
Small Business Committee/Democratic Staff, Washington, DC.

DEAR SENATOR KERRY: I am writing in support of the New Markets Venture Capital bill, which I understand you are introducing today. I serve as chair and chief executive officer of Northeast Ventures, a $12 million community development venture capital firm investing in northeastern Minnesota, a restructured iron mining area of the country. Over the last ten years, we have invested almost $10 million in 21 growth companies which would not exist but for the presence of our equity capital. We apply market disciplines along side a frankly stated social purpose of intervening in this distressed area.

I also serve as chair of the Community Development Venture Capital Alliance, a national alliance of community development venture capital funds. We have 40 funds throughout the United States and eastern Europe. All these funds have a mission of poverty alleviation through the disciplined use of venture capital in distressed areas and among distressed populations.

The New Markets Venture Capital legislation has the potential of providing significant additional funding and catalyzing the creation of a significant number of new funds for this important purpose.

We thank you very much for your support. Nothing could be more important than job and wealth creation in the most distressed urban and rural areas of our country.

Respectfully submitted,

NICK SMITH,
Chairman.

• Mr. SARBANES. Mr. President, we have spent a lot of time in the Senate praising the booming American economy and low unemployment rates. I, like the rest of the colleagues, am proud to see our country benefitting from such prosperity, but all Americans are not participating in these benefits.

In reality, Americans that live in low income areas, either in cities or rural areas, are not experiencing today's prosperity. This is largely because they do not have the economic infrastructure in their communities to take advantage of it. Poor communities frequently lack local businesses to employ residents and provide services, creating no point of entrance for participation in the larger American economy.

It is for these reasons that I am cosponsoring the Community Development and Venture Capital Act of 1999 introduced by Senator KERRY. This legislation is part of President Clinton's New market Initiatives Proposal. As my colleagues know, I have already introduced America's Private Investment Companies Act of 1999, or APIC, which is another part of the New Market initiative.

The Community Development and Venture Capital Act makes a three pronged effort to infuse capital into distressed communities, and establish small businesses in our nations most needy neighborhoods. First, the bill will use federal money to leverage private funding for venture capital companies with a commitment to community development, referred to as New market Venture Capital Companies (NMVC). This will help to nurture new businesses in poor areas. The companies funding by this bill will function much like the successful SBIC program that the Small Business Administration sponsors, but will focus on businesses in targeted neighborhoods that need more patient, long term capital funding, and added technical assistance to ensure success.

Furthermore, the bill will increase the number of community development venture capital funds so that more communities can be served by the program and expand the successful business mentoring program, BusinessLINC, already in place.

I have long argued that the best social policy is a job. This legislation, combined with the APIC bill and the New markets Tax Credit introduced by Senator ROCKEFELLER, will be a catalyst to the creation of new businesses and the jobs and economic opportunities they bring in those areas most in need.•

By Mr. KERREY:

S. 1597. A bill to amend the Internal Revenue Code of 1986 to provide enhanced tax incentives for charitable giving, and for other purposes; to the Committee on Finance.

ENHANCED INCENTIVES FOR CHARITABLE GIVING ACT OF 1999

• Mr. KERREY. Mr. President, I am introducing legislation today to provide enhanced incentives for charitable giving.

I very much believe that we ought to do what we can to encourage those who are doing so well in this economy to give generously to organizations who serve those who have been left behind in these prosperous times. I worked to have a number of charitable giving provisions included in the Senate version of the tax bill we passed earlier this year and was delighted that those provisions were included in that bill. Regrettably these provisions were deleted from the final version of the tax bill, something which contributed to my decision to vote against the conference report on that bill. The bill I am introducing today is a stand-alone version of the charitable giving provisions that I was proud to have worked to include in the Senate version of the tax bill.

The purpose of this bill is simple: to provide powerful incentives for those who have more to give to those who have less.

The first provision in this bill would allow taxpayers some extra time to decide to make donations to low-income schools in a given tax year. Under current law individuals can already take charitable deductions for contributions to public and private schools. Clearly, wealthier schools, where parents have the resources to make these contributions, benefit most from this tax treatment.

What this provision attempts to do is highlight the fact that a charitable deduction can be taken for these types of donations generally while providing an incentive for giving to low-income private and public schools in particular. Since the parents in these schools are low-income, this provision is not aimed at getting them to give—it is aimed at getting taxpayers outside of these low-income schools to help the children in those schools. Wealthier public and private schools already get these contributions, this provision attempts to get some contributions going to schools where more than half of the children are economically disadvantaged.

This provision tracks the way we allow contributions to Individual Retirement Accounts, IRAs, to be made. Under current law, taxpayers can make contributions to an IRA up until the date their taxes are due—April 15—and still have those contributions qualify for the previous taxable year. This provision would simply allow contributions to low income elementary and secondary schools to be made up until April 15—thereby highlighting and encouraging taxpayers to make these contributions.

The second provision in this bill allows taxpayers who do not itemize their deductions, to take a small deduction for charitable contributions. Across the country, seventy-three percent of all taxpayers do not itemize and therefore are not able to take a charitable deduction. In Nebraska, that number is even higher, a full seventy-eight percent of Nebraska's taxpayers do not itemize. This bill would allow a single taxpayer who does not itemize a $50 deduction and taxpayers filing jointly a $100 charitable deduction. While this provision may not cover all of the charitable giving that these individuals and families make, it recognizes and encourages charitable giving by people who may not give a million dollars, but give donations that are meaningful nonetheless to good causes like their church or synagogue, or their children's PTA, or the Girl Scouts or the Salvation Army. We ought to encourage that giving and provide a small incentive to do so. That is the purpose behind this provision.

The legislation I am introducing today also raises the percentage amount of income that an individual may deduct in a given year from 50 percent of their adjusted gross income to 75 percent. It also raises the limits on gifts of capital gain property to charities from 30 percent to 50 percent. In

addition, this bill increases the corporate charitable deduction limit from 10 to 20 percent of taxable income.

These provisions are designed to encourage those who give a lot, to give even more. While I recognize that those who receive these tax benefits are apt to be higher-income taxpayers, I also recognize that the charities that will receive these increased donations are apt to use these donations to help low-income individuals. In short, I'm not overly troubled by distributional tables on a policy which will induce those with more to give to those who need help the most.

And finally, this bill contains an important reform of what is known as the excess business holdings rule. That rule limits the ability of a private foundation to hold more than twenty percent of a corporation's voting stock for more than five years. At present, I believe this rule discourages potential donors with major stockholdings in publicly-trade corporate stock from making significant contributions of these holdings to charitable foundations. This is just the opposite of what we should be doing, particularly at a time when we are expecting more, not less, from organizations with charitable purposes. The proposal I have included in this bill would allow private foundations to increase their holding in publicly traded stock of a corporation received by bequest from 20 percent to 49 percent.

Taken together I believe these proposals do much to encourage people to give more. I urge my colleagues to support this legislation and hope that it will be included in any broad tax legislation that we consider.

I ask that the text of the bill be printed in the RECORD.

The bill follows:

S. 1597

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Enhanced Incentives for Charitable Giving Act of 1999''.

SEC. 2. CHARITABLE CONTRIBUTIONS TO CERTAIN LOW INCOME SCHOOLS MAY BE MADE IN NEXT TAXABLE YEAR.

(a) IN GENERAL.—Section 170(f) of the Internal Revenue Code of 1986 (relating to disallowance of deduction in certain cases and special rules) is amended by adding at the end the following new paragraph:

''(10) TIME WHEN CERTAIN CONTRIBUTIONS DEEMED MADE.—

''(A) IN GENERAL.—At the election of the taxpayer, a qualified low-income school contribution shall be deemed to be made on the last day of the preceding taxable year if the contribution is made on account of such taxable year and is made not later than the time prescribed by law for filing the return for such taxable year (not including extensions thereof). The election may be made at the time of the filing of the return for such table year, and shall be made and substantiated in such manner as the Secretary shall by regulations prescribe.

''(B) QUALIFIED LOW-INCOME SCHOOL CONTRIBUTION.—For purposes of subparagraph (A), the term 'qualified low-income school contribution' means a charitable contribution to an educational organization described in subsection (b)(1)(A)(ii)—

''(i) which is a public, private, or sectarian school which provides elementary or secondary education (through grade 12), as determined under State law, and

''(ii) with respect to which at least 50 percent of the students attending such school are eligible for free or reduced-cost lunches under the school lunch program established under the National School Lunch Act.''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 3. DEDUCTION FOR PORTION OF CHARITABLE CONTRIBUTIONS TO BE ALLOWED TO INDIVIDUALS WHO DO NOT ITEMIZE DEDUCTIONS.

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

''(m) DEDUCTION FOR INDIVIDUALS NOT ITEMIZING DEDUCTIONS.—In the case of an individual who does not itemize his deductions for the taxable year, there shall be taken into account as a direct charitable deduction under section 63 an amount equal to the lesser of—

''(1) the amount allowable as a deduction under subsection (a) for the taxable year, or

''(2) $50 ($100 in the case of a joint return).''.

(b) DIRECT CHARITABLE DEDUCTION.—

(1) IN GENERAL.—Subsection (b) of section 63 of the Internal Revenue Code of 1986 is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) the direct charitable deduction.''.

(2) DEFINITION.—Section 63 of such Code is amended by redesignating subsection (g) as subsection (h) and by inserting after subsection (f) the following new subsection:

''(g) DIRECT CHARITABLE DEDUCTION.—For purposes of this section, the term 'direct charitable deduction' means that portion of the amount allowable under section 170(a) which is taken as a direct charitable deduction for the taxable year under section 170(m).''.

(3) CONFORMING AMENDMENT.—Subsection (d) of section 63 of such Code is amended by striking ''and'' at the end of paragraph (1), by striking the period at the end of paragraph (2) and inserting '', and'', and by adding at the end the following new paragraph:

''(3) the direct charitable deduction.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 4. INCREASE IN LIMIT ON CHARITABLE CONTRIBUTIONS AS PERCENTAGE OF AGI.

(a) IN GENERAL.—

(1) INDIVIDUAL LIMIT.—Section 170(b)(1) of the Internal Revenue Code of 1986 (relating to percentage limitations) is amended—

(A) by striking ''50 percent'' in subparagraph (A) and inserting ''the 75 percent'', and

(B) by striking ''30 percent'' each place it appears in subparagraph (C) and inserting ''50 percent''.

(2) CORPORATE LIMIT.—Section 170(b)(2) of such Code is amended by striking ''10 percent'' and inserting ''20 percent''.

(b) CONFORMING AMENDMENTS.—Section 170(d)(1)(A) of the Internal Revenue Code of 1986 is amended by striking ''50 percent'' each place it appears and inserting ''75 percent''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1999.

SEC. 5. LIMITED EXCEPTION TO EXCESS BUSINESS HOLDINGS RULE.

(a) IN GENERAL.—Section 4943(c)(2) of the Internal Revenue Code of 1986 (relating to permitted holdings in a corporation) is amended by adding at the end the following new subparagraph:

''(D) RULE WHERE VOTING STOCK IS PUBLICLY TRADED.—

''(i) IN GENERAL.—If—

''(I) the private foundation and all disqualified persons together do not own more than the 49 percent of the voting stock and not more than the 49 percent in value of all outstanding shares of all classes of stock of an incorporated business enterprise,

''(II) the voting stock owned by the private foundation and all disqualified persons together is stock for which market quotations are readily available on an established securities market, and

''(III) the requirements of clause (ii) are met,

then subparagraph (A) shall be applied by substituting '49 percent' for '20 percent'.

''(ii) REQUIREMENTS TO BE MET.—The requirements of this clause are met during any taxable year—

''(I) in which disqualified persons with respect to the private foundation do not receive compensation (as an employee or otherwise) from the corporation or engage in any act with such corporation which would constitute self-dealing within the meaning of section 4941(d) if such corporation were a private foundation and if each such disqualified person were a disqualified person with respect to such corporation,

''(II) in which disqualified persons with respect to such private foundation do not own in the aggregate more than 2 percent of the voting stock and not more than 2 percent in value of all outstanding shares of all classes of stock in such corporation, and

''(III) for which there is submitted with the annual return of the private foundation for such year (filed within the time prescribed by law, including extensions, for filing such return) a certification which is signed by all the members of an audit committee of the Board of Directors of such corporation consisting of a majority of persons who are not disqualified persons with respect to such private foundation and which certifies that such members, after due inquiry, are not aware that any disqualified person has received compensation from such corporation or has engaged in any act with such corporation that would constitute self-dealing within the meaning of section 4941(d) if such corporation were a private foundation and if each such disqualified person were a disqualified person with respect to such corporation.

For purposes of this clause, the fact that a disqualified person has received compensation from such corporation or has engaged in any act with such corporation which would constitute self-dealing within the meaning of section 4941(d) shall be disregarded if such receipt or act is corrected not later than the due date (not including extensions thereof) for the filing of the private foundation's annual return for the year in which the receipt or act occurs and on the terms that would be necessary to correct such receipt or act and thereby avoid imposition of tax under section 4941(b).''.

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to foundations established by bequest of decedents dying after December 31, 1999.●

By Mr. DASCHLE (for himself and Mr. JOHNSON):

S. 1599. A bill to authorize the Secretary of Agriculture to sell or exchange all or part of certain administrative sites and other land in the Black Hills National Forest and to use funds derived from the sale or exchange to acquire replacement sites and to acquire or construct administrative improvements in connection with Black Hills National Forest; to the Committee on Energy and Natural Resources.

BLACK HILLS NATIONAL FOREST LEGISLATION

Mr. DASCHLE. Mr. President, today I am introducing legislation to authorize the Black Hills National Forest to sell or exchange property it owns in order to acquire new property for the purpose of constructing two new district offices for the forest. The legislation is cosponsored by my colleague from South Dakota, Senator JOHNSON.

On February 27, 1998, the Forest Service approved the consolidation of the Black Hills National Forest's seven Ranger Districts into four districts. As a result, the Pactola/Harney and Spearfish/Nemo Ranger Districts are each currently managed by one District Ranger, but utilize two offices each. Combining these four separate offices into two district offices would save money in the long-term, be more efficient, and ensure good customer service for users of the forest.

One of the new district offices would be located on federally-owned property in Spearfish Canyon and house the Spearfish/Nemo Ranger District employees. The other new district office would be located on property to be procured near Rapid City, and would house the Pactola/Harney Ranger District and the Rapid City Research Station employees.

It is important to note that this legislation is particularly necessary given the extraordinarily poor working conditions experienced by the employees of the Rapid City Research Station. Their building is literally falling apart and fails to meet basic safety standards. In fact, due to a lack of proper ventilation and a failure to meet fire codes, the fire marshal has prohibited the research station from carrying out any of the chemical analysis critical to its mission. As a result, that work must be contracted out, using funds that could more appropriately be spent elsewhere.

Much of the resources necessary for the implementation of this legislation can be gained by selling property that will be made unnecessary by the construction of the new offices. However, the legislation does authorize any additional funds that may be necessary to complete this important project.

I have worked carefully with the Forest Service to develop this legislation. I believe it is a sensible and efficient way to ensure that the agency can meet the needs of the public. I urge my colleagues to give it their support.

By Mr. BAUCUS:

S. 1601. A bill to amend title XVIII of the Social Security Act to exclude small rural providers from the prospective payment system for hospital outpatient department services; to the Committee on Finance.

SMALL RURAL PROVIDER ACT OF 1999

Mr. BAUCUS. Mr. President, I rise today to introduce the Small Rural Provider Act of 1999.

Small, rural hospitals have always played a vital role in ensuring access to quality health care. Today, rural hospitals are as important as ever. Half of all American hospitals are in rural areas, and these institutions account for fully one-quarter of the hospital beds in our country. And rural hospitals across America are expanding and improving their services, from disease prevention to rehabilitation to outpatient surgery.

But if the outpatient prospective payment system (PPS) goes into effect as currently proposed, rural hospitals in Montana and across the nation will lose millions of dollars in Medicare payments each year. Some of our smallest hospitals—the ones we should be supporting the most—will lose more than half of their current payments. That's just not right, and we should pass legislation to fix it.

Why does the outpatient PPS pose such a threat to small, rural hospitals? As you know, Mr. President, instead of reimbursing hospitals for the actual costs that they incur, a PPS would pay hospitals on a fixed, limited rate. That might make sense for a large hospital in Chicago or New York City that sees thousands of patients every day. But it doesn't make sense for a small hospital that doesn't enjoy the same economies of scale. It certainly doesn't make sense for Madison Valley Hospital, in Ennis, Montana, which would face an estimated 62.6 percent cut in outpatient payments under PPS.

Mr. President, how can small, rural hospitals, already struggling to improve their services with limited funds, survive and operate with half as much money? How can hospitals that rely on Medicare patients for most of their revenue endure a 50 percent pay-cut? The simple answer is: they cannot.

And let's remember, Mr. President, many of these hospitals are home to skilled nursing facilities (SNFs) and home health agencies (HHAs). These are the same SNFs and HHAs that have already been harmed by new prospective payment systems of their own.

This is a very simple bill. It would allow small, rural hospitals to opt out of the outpatient PPS. Without this bill, hospitals all across rural America will face devastating shortfalls in the coming year—and the quality of our country's health care will suffer. With this bill, the small hospitals that serve rural Americans throughout the nation can continue to improve the quality of their services.

Passing this bill is the right thing to do, and I urge my colleagues to join me in supporting it.

Mr. President, I ask unanimous consent that a copy of the bill be printed in the RECORD.

There being no objection, the bill was ordered to be printed in the RECORD, as follows:

S. 1601

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Small Rural Provider Act of 1999''.

SEC. 2. EXCLUSION OF SMALL RURAL PROVIDERS FROM PPS FOR HOSPITAL OUTPATIENT DEPARTMENT SERVICES.

(a) IN GENERAL.—Section 1833(t)(1) of the Social Security Act (42 U.S.C. 13951(t)(1)) is amended—

(1) in subparagraph (B), by striking ''For purposes of this'' and inserting ''Subject to subparagraph (C), for purposes of this''; and

(2) by adding at the end the following:

''(C) EXCLUSION FOR SERVICES FURNISHED BY SMALL RURAL PROVIDERS.—The term 'covered OPD services' does not include services furnished by a—

''(i) medicare-dependent, small rural hospital, as defined in section 1886(d)(5)(G)(iv);

''(ii) a critical access hospital, as defined in section 1861(mm)(1);

''(iii) sole community hospital, as defined in section 1886(d)(5)(D)(iii); or

''(iv) a hospital (determined as of the date of enactment of the Small Rural Provider Act of 1999) that—

''(I) has less than 50 beds; and

''(II) performed less than 5,000 outpatient procedures during the 12-month period ending on such date;

if such hospital, within the 180-day period beginning on the date of enactment of the Small Rural Provider Act of 1999, requests the Secretary to exclude services furnished by such hospital from the prospective payment system established under this subsection.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect as if included in the enactment of the Balanced Budget Act of 1997.

ADDITIONAL COSPONSORS

S. 386

At the request of Mr. GORTON, the names of the Senator from Utah (Mr. HATCH) and the Senator from Connecticut (Mr. LIEBERMAN) were added as cosponsors of S. 386, a bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt bond financing of certain electric facilities.

S. 391

At the request of Mr. KERREY, the name of the Senator from Missouri (Mr. ASHCROFT) was added as a cosponsor of S. 391, a bill to provide for payments to children's hospitals that operate graduate medical education programs.

S. 482

At the request of Mr. ABRAHAM, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 482, a bill to amend the Internal Revenue Code of 1986 to repeal the increase in the tax on the social security benefits.

S. 635

At the request of Mr. MACK, the name of the Senator from North Carolina (Mr. HELMS) was added as a cosponsor of S. 635, a bill to amend the Internal