

## ORDER OF BUSINESS

Mr. LOTT. Mr. President, in light of the vote that just occurred on the Treasury-Postal Service appropriations bill, and the agreement just reached a few moments ago with respect to the District of Columbia appropriations, the Senate has conducted its last vote for the week. There will be no further votes tonight and no votes in the morning.

The next vote will occur on Tuesday, July 13. The Senate will reconvene on Monday, July 12, at noon. However, no votes will occur during Monday's session of the Senate.

Votes will occur during the session of the Senate beginning Tuesday, July 13, through Friday, July 16. There will be votes on Friday, July 16. So be prepared for that. That was under a previously agreed to cloture vote at 10:30 on Friday, the 16th, concerning the Social Security lockbox issue.

We will be in session some tomorrow. But there will be no recorded votes in the morning.

I thank all of our colleagues for their cooperation. Senator DASCHLE and our whips have all worked to make it possible to complete not one but two appropriations bills. I wish all of our colleagues a safe and happy holiday. I look forward to seeing you back on the 12th.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that when the Senate receives from the House of Representatives the companion bill to S. 1282, the Senate immediately proceed to the consideration of that measure; that all after the enacting clause be stricken and the text of Senate bill S. 1282, as passed, be inserted in lieu thereof; that the House bill, as amended, be read for the third time and passed; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses thereon, and that the Chair be authorized to appoint conferees on the part of the Senate; and that the foregoing occur without any intervening action or debate.

I further ask unanimous consent that the bill, S. 1282, not be engrossed; that it remain at the desk pending receipt of the House companion bill, and that upon passage by the Senate of the House bill, as amended, the passage of S. 1282 be vitiated and the bill be indefinitely postponed.

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

Mr. CAMPBELL. Mr. President, we agreed to a statement, after passage of the bill, of Senator TORRICELLI. I think that was the only one agreed to.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Mr. President, I thank the Senator from Colorado for his consideration.

## UNFAIR COMMUTER TAX

Mr. TORRICELLI. Mr. President, I have this evening withdrawn consider-

ation of an amendment that I offered with Senator LIEBERMAN, Senator DODD, and Senator LAUTENBERG. But I do so in the hope that in the intervening weeks the Finance Committee will consider this measure with the near certainty that my colleagues from Connecticut and I will return with Senator LAUTENBERG and offer this in the coming weeks. I rise tonight very simply and very briefly to make our case.

There is nothing more fundamental in this Federal union than the equal protection of all of our citizens. It is the very purpose of the union. A citizen can travel State-by-State, live anywhere in this Nation, and be subject to the same application of the law.

This principle, while 200 years old, is now tested again. Some weeks ago, the State of New York repealed the commuter tax for commuters into the city of New York. That tax had been in place for more than 30 years. But they did a peculiar thing that is offensive to our concept of national union. They repealed the tax for people who live in New York State and commute to New York City, but they retained the tax for the citizens of Connecticut, 80,000 strong, and 250,000 commuters in the State of New Jersey. Those people who I represent alone were contributing \$110 million to the city of New York.

It is not as if the legislature of the State of New York in doing this did not recognize they were trampling upon sacred constitutional grounds, because indeed in their State legislation they put a provision that if this was found unconstitutional for anybody, the law would be revoked. It was a political statement. It was not a sincere effort to legislate.

Indeed, as could be predicted, last week a judge did, indeed, rule that it was not only unfair to repeal this tax for New York commuters while imposing it on Connecticut and New Jersey, but it was unconstitutional and a violation of the privileges in the immunity clause of the U.S. Constitution.

I quote the judge who called this residency tax "arbitrary and irrational." The judge further recognized that "the only substantial difference between the two classes of commuters is in the State in which they reside."

It might be argued that the State of New York, having recognized this might be unconstitutional, a judge now having ruled it is unconstitutional, that we might let the matter rest. I do not believe that would be in the best interests of the Congress. Indeed, last week, the House of Representatives on a voice vote, without apparent objection, unanimously found this is bad policy and it should never happen again.

The legislation, the Computer Tax Fairness Act, that I have introduced with Senators DODD, LIEBERMAN, and LAUTENBERG, would have this Senate reach the same conclusion. I rise tonight not to offer an amendment but in the hopes of asking the Finance Committee in the next few weeks to review,

as the Ways and Means in the House of Representatives has done, to review this legislation, and to reach its own judgment, so in future weeks we can come back to the floor of the Senate and ask the Senate to make an informed judgment.

I believe it is important. Today it may be the people of Connecticut and New Jersey. This is a principle we will visit again. People who live in Indiana may one day commute to Chicago and find the city of Chicago thinks it is a good idea to tax somebody else for their services. I daresay the people of Alabama may one day find they are commuting to Mississippi and finding they are paying a tax subjected only on their own citizens. This is anathema to our national union. It is taxation without representation. It is a violation of privilege of immunities. It is a problem of equal protection. Indeed, it violates our sense of union.

While I do not insist on the amendment tonight, we will return to this moment in the hope that as the courts have found and as the House of Representatives has found, we can once again establish this principle.

Mr. DODD. Will the Senator yield?

Mr. TORRICELLI. I am happy to yield to the Senator.

Mr. DODD. I commend my colleague from New Jersey for taking a leadership role on this.

We should point out to our neighbors in New York how much we appreciate and support our great neighbor. The city of New York is a source of great economic vitality for our region. Our citizens are proud to live in our respective States of New Jersey and Connecticut, happy to work in the State of New York, but we want to be treated equally.

My colleague from New Jersey has rightfully raised this issue and pointed out that almost 100,000 constituents of mine who commute every day to the city of New York, and the almost 300,000 from the State of New Jersey, have raised a very important issue. We are confident our colleagues from New York are going to be tremendously sympathetic to this injustice that could be heaped on their neighboring States of New Jersey and Connecticut.

I thank my colleague from New Jersey for raising this issue.

Mr. LAUTENBERG. Mr. President, New York state legislature exempted New York state residents from paying the New York City commuter tax. But out-of-state residents—including people who live in New Jersey—are not exempt. They're supposed to keep paying the tax.

Commuting between states is an inescapable reality of modern life. As our population grows, the physical boundaries that used to divide one city from another are breaking down.

More and more everyday, our country is becoming a collection of regions. And that's especially true on the east coast, where urban populations are already closer together than they are anywhere else.

Should we punish people for this? Is it fair to single people out for harsher tax treatment just because they live in one state and work in another? Of course not. It's economic discrimination. And even worse, it's unconstitutional.

It's especially unfair in the case of New Jersey residents who work in New York City. Those people work hard. And their work brings real, tangible benefits to New York—benefits that translate into a stronger economy for New York City and the rest of the state.

New York needs those commuters. But that fact seems to escape the state's lawmakers. Their message to New Jersey residents is this—"You're second-class citizens. You don't live on our side of the state line, so you don't count."

In 1996 alone, nearly 240,000 New Jersey residents paid \$75 million in commuter taxes to New York. I'm sure they didn't like paying it, but at least in 1996 the tax was applied with a sense of fair play. Not anymore. Those commuters are plenty mad. And who can blame them?

Commuting to work is a necessity for millions of people. Often, it's an economic necessity. Or a desire to be close to family members.

When you tax people just for driving across state lines to work, you're essentially telling them they shouldn't have a choice about where they live.

That is wrong, Mr. President. I ask my colleagues to support this amendment.

THE PRESIDING OFFICER (Mr. THOMAS). The Senator from New York is recognized for 5 minutes.

Mr. SCHUMER. I very much appreciate the encomia that the Senator from Connecticut has given to our State of New York.

I want to thank my colleague from New Jersey for not forcing this dubious amendment tonight. First of all, there are two reasons to reject this amendment. One is that it is moot. Six days ago, as the Senator from New Jersey indicated, a court knocked out the entire commuter tax. To spend time debating this amendment right now, at this late hour, when people are eager to leave, and when the good work of the Senator from Texas and the Senator from Illinois has to be completed, does not make much sense.

Second, I caution that for the Senate to do this amendment without any hearings, without it going to the Finance Committee, might jeopardize all sorts of other complex decisions. Many States have pacts and agreements and covenants with neighboring States. How much this amendment affects those pacts and agreements, I don't know—but neither does anybody else in this Chamber.

To move this legislation which might have an effect on so many things, I am told, without nary a hearing or a discussion, would be a serious mistake. In fact, the Federation of Tax Adminis-

trators, on June 21, wrote about the companion bill in the House. They said:

Just what this bill is trying to do that has not already been done is the question. Unfortunately, when Congress attempts to restate existing constitutional law, the courts are left to cast about for a meaning for the new law. The resulting interpretations lead to countless examples of "unintended consequences." Because of the bill's widespread impact, its confusing language, and the fact that the protections Congress hopes to bestow upon the taxpayers of New Jersey are already firmly established in the U.S. Constitution [that is the Federation of Tax Administrators] would urge you at a minimum to withhold consideration of the House companion bill.

So I appreciate the fact we have done that in the House. We will debate this another day, this already moot point, and to not take any further time from my colleagues who are eager to debate other issues.

I yield back the remainder of my time and wish my colleagues a happy Fourth of July.

THE PRESIDING OFFICER. The Senator from Montana.

#### OPEN-MARKET REORGANIZATION FOR THE BETTERMENT OF INTERNATIONAL TELECOMMUNICATIONS ACT

Mr. BURNS. I ask unanimous consent that the Senate now proceed to consideration of S. 376 as reported by the Commerce Committee.

Mr. LOTT. Reserving the right to object, and I will not object, I just want to commend the Senator from Montana for his dogged determination to move this legislation. I am sure that all of its imperfections will be resolved in conference. I commend him for his efforts.

I withdraw my reservation.

THE PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

A bill (S. 376) a bill to amend the Communication Satellite Act of 1962 to promote competition and privatization in satellite communications, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. LOTT. Mr. President, today the Senate will pass a measure that will usher in a new era in the international satellite communications marketplace. This bill is the result of months of deliberation among many of my colleagues and builds upon a debate from last Congress.

First and foremost, I extend my appreciation to the distinguished chairman of the Communications Subcommittee, Senator CONRAD BURNS, for his unrelenting diligence in working with all parties involved, both in the Senate and in the private sector. There were numerous players who had a stake or an interest in this reform measure. Senator BURNS was willing to accommodate their perspectives while remaining true to his commitment to move forward. I thank him for that.

Along with Senator BURNS, other Members in this Chamber, Senator BREAU, Senator HOLLINGS, Senator STEVENS, and others were actively engaged in the process. Their contributions enhanced the final product in many respects and helped produce a more balanced bill. Let me also recognize Senator JOHN MCCAIN, chairman of the Senate Commerce Committee. His leadership and his support has been instrumental in helping to advance this effort, and I want to thank him as well.

Reaching a unified unanimous, Senate position on legislation of this magnitude was not a simple task. Although the bill garnered widespread agreement on principle, the technical issues have not been easy. Some were complex, given the marketplace transition from one dominated by intergovernmental organizations to one of private sector competition. Other issues were straightforward but contentious. This made it necessary to take the time and work through some of these areas in a fair and open manner. We did, and I am pleased that the Senate has now moved forward.

S. 376 enacts timely reform of a visionary policy adopted by Congress in the early 1960s to blaze the trail of a global communications network. It was the right policy at the right time. A solid foundation was laid as a result, and commercial satellite service has come of age. Now, over 35 years later, it is the right time for Congress to enact another visionary public policy. One that will move us from a marketplace dominated primarily by intergovernmental organizations to one of competitive, privately owned companies offering viable opportunities and real choices. A marketplace that will reflect today's market realities and encourage robust competition in our new satellite communications community for years to come. Such services are growing in demand, and Congress should act on behalf of consumers. They deserve it.

I always say that nothing could get done in the Senate without dedicated staff. Several individuals worked hard to prepare this legislation for passage. They include Mark Ashby, Lloyd Ator, Mark Buse, Greg Elias, Paula Ford, Leo Giacometto, Carole Grunberg, Maureen McLaughlin, Mike Rawson, Greg Rhode, Mitch Rose, Ivan Schlager, and Howard Waltzman. I thank them all for their time and their efforts.

It is my hope this is the year Congress will pass an international satellite privatization bill.

Mr. LIEBERMAN. Mr. President, I rise today to express my concerns about S. 376, the international satellite reform legislation. While I commend my colleagues who have worked hard on this very important issue, I am concerned that there is still more work to do to ensure reform that results in a truly competitive market.

Comprehensive satellite reform is long overdue. The 1962 Communications Satellite Act is based on a 1960s