

1. Improve the condition of the ranges used by the wild horses;

2. Increase the population and improve the habitat of deer, antelope and other species of wildlife living on those public lands;

3. Allow an increased use of the public lands and the development of native flora and vegetation;

4. Improve conditions for hunting and other outdoor sports;

5. Reduce the amount of money required to shelter, feed and prepare wild horses for adoption; and

6. Reduce the risk of deaths of wild horses because of freezing, starvation and drought: Now, therefore, be it

*Resolved by the Assembly and Senate of the State of Nevada, Jointly,* That the Nevada Legislature urges Congress to amend the provisions of the Wild Free-Roaming Horses and Burros Act to require the Secretary of the Interior and the Secretary of Agriculture to establish the necessary regulations and procedures whereby horses and burros in excess of the appropriate management levels are gathered in a timely fashion, and unadoptable horses and burros are made available for sale at open market; and be it further

*Resolved,* That the Nevada Legislature urges Congress to include provisions in the Wild Free-Roaming Horses and Burros Act directing that the proceeds of sales of unadoptable horses and burros be granted to the state director of the federal land management agency responsible for the horses and burros which were gathered off public lands, prior to sale, and that these proceeds be used to augment wild horse and burro management programs in the state; and be it further

*Resolved,* That the establishment of the appropriate management levels should be based on sound scientific and locally-collected resource information that incorporates and fully acknowledges other existing multiple uses of the land, such as the needs of other wildlife and livestock living on the land; and be it further

*Resolved,* That the establishment of the appropriate management levels should be concluded by the end of the federal fiscal year 2002, and maintained thereafter, irrespective of the outlet capacity of the federal horse adoption programs; and be it further

*Resolved,* That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives, each member of the Nevada Congressional Delegation and each legislator of the other 49 states; and be it further

*Resolved,* That this resolution becomes effective upon passage and approval.

#### REPORTS OF COMMITTEES SUBMITTED DURING ADJOURNMENT

Under the authority of the order of the Senate of July 1, 1999, the following reports of committees were submitted on July 8, 1999:

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 712: A bill to amend title 39, United States Code, to allow postal patrons to contribute to funding for highway-rail grade crossing safety through the voluntary purchase of certain specially issued United States postage stamps (Rept. No. 106-104).

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 1072: A bill to make certain technical and other corrections relating to the Centen-

nial of Flight Commemoration Act (36 U.S.C. 143 note; 112 Stat. 3486 et seq.) (Rept. No. 106-105).

#### REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 296: A bill to provide for continuation of the Federal research investment in a fiscally sustainable way, and for other purposes (Rept. No. 106-106).

#### 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. LAUTENBERG (for himself, Mrs. BOXER, Mr. DURBIN, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mrs. MURRAY, Mr. KERRY, Mr. TORRICELLI, Mr. FEINGOLD, Mr. KOHL, Mr. KENNEDY, and Mr. SCHUMER):

S. 1345. A bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals; to the Committee on the Judiciary.

By Mr. BOND:

S. 1346. A bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration; to the Committee on Small Business.

By Mr. BROWNBACK:

S. 1347. A bill to amend the Internal Revenue Code of 1986 to exclude from gross income capital gain from the disposition of certain urban property, Indian reservation property, or farm property which has been held for more than 5 years; to the Committee on Finance.

By Mr. BROWNBACK (for himself, Mr. KYL, Mr. HAGEL, Mr. ALLARD, Mr. ENZI, Mr. SESSIONS, Mr. HELMS, and Mr. INHOFE):

S. 1348. A bill to require Congress and the President to fulfill their Constitutional duty to take personal responsibility for Federal laws; to the Committee on Governmental Affairs.

By Mr. THOMAS:

S. 1349. A bill to direct the Secretary of the Interior to conduct special resource studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System; to the Committee on Energy and Natural Resources.

By Mr. GRASSLEY (for himself and Mr. TORRICELLI):

S. 1350. A bill to amend the Internal Revenue Code of 1986 to expand the availability of medical savings accounts; to the Committee on Finance.

By Mr. GRASSLEY (for himself, Mr. MURKOWSKI, and Mr. HARKIN):

S. 1351. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from renewable resources; to the Committee on Finance.

By Mr. COVERDELL (for himself, Mr. THURMOND, Mr. CLELAND, and Mr. HOLLINGS):

S.J. Res. 29. A joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina; to the Committee on the Judiciary.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

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

S. Res. 137. A resolution to congratulate the United States Women's Soccer Team on winning the 1999 Women's World Cup Championship; to the Committee on the Judiciary.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LAUTENBERG (for himself, Mrs. BOXER, Mr. DURBIN, Mr. MOYNIHAN, Mrs. FEINSTEIN, Mrs. MURRAY, Mr. KERRY, Mr. TORRICELLI, Mr. FEINGOLD, Mr. KOHL, Mr. KENNEDY, and Mr. SCHUMER):

S. 1345. A bill to amend title 18, United States Code, to prohibit certain interstate conduct relating to exotic animals; to the Committee on the Judiciary.

#### CAPTIVE EXOTIC ANIMAL PROTECTION ACT OF 1999

Mr. LAUTENBERG. Mr. President, I rise to introduce the Captive Exotic Animal Protection Act, which would prohibit the barbaric and unsporting practice of "canned hunts," or caged kills. I am pleased to be joined by my cosponsors Senators BOXER, DURBIN, FEINGOLD, FEINSTEIN, KENNEDY, KERRY, KOHL, MOYNIHAN, MURRAY, SCHUMER, and TORRICELLI.

A typical canned hunt operation collects surplus animals from wild animal parks, circuses, and even petting zoos, and then sells the right to brutally kill these animals to so-called "hunters." In reality, no hunting, tracking or shooting skills are required. For a price, any "hunter" is guaranteed a kill of the exotic animal of his choice—one located by a guide and blocked from escape. A wild boar "kill" may sell for \$250, a pygmy goat for \$400, while a rare Arabian Ibex may fetch up to \$5000. The actual "hunt" of these tame animals occurs within a fenced enclosure, leaving the animal virtually no chance for escape. Fed and cared for by humans, these animals often have lost their instinctual impulse to flee from the so-called hunters who "stalk" them.

The actual killing methods employed by these hunters only compound the cruelty of slaughtering these often trusting animals. In order to preserve the animal as a "trophy," hunters will fire multiple shots into non-vital organs, condemning the animal to a slow and painful death.

Canned hunts are condemned by pro-animal and pro-hunting groups alike for being cruel and unethical. Many real hunters believe that canned hunts are unethical and make a mockery of their sport. For example, the Boone and Crockett Club, a hunting organization founded by Teddy Roosevelt, has called canned hunts "unfair" and "un-sportsmanlike." Bill Burton, the

former outdoors writer for the Baltimore Sun and a hunter, testifying in support of this legislation, stated, "[t]here is a common belief that the hunting of creatures which have no reasonable avenue to escape is not up to traditional standards. Shooting game in confinement is not within these standards."

In addition to being unethical, these canned hunts present a serious health and safety problem for livestock and native wildlife. Accidental escapes of animals from exotic game ranches are not uncommon, posing a very real threat to nearby livestock and indigenous wildlife. John Talbott, acting director of the Wyoming Department of Fish and Game, has stated that, "[t]uberculosis and other disease documented amount game ranch animals in surrounding states," pose "an extremely serious threat to Wyoming's native big game." In recognition of this threat, Wyoming itself has banned canned hunting facilities, as have the States of California, Connecticut, Georgia, Maryland, Massachusetts, Nevada, New Jersey, North Carolina, Rhode Island, and Wisconsin. Unfortunately, the remaining States lack legislation to outlaw canned hunts, and because interstate commerce in exotic animals is common, federal legislation is essential to control these cruel practices.

My bill is similar to legislation I introduced in the 105th Congress, S. 995. The legislation I am introducing today will specifically target only canned hunt facilities, and will not affect any animal industries, such as cattle ranchers, rodeos, livestock shows, petting zoos, horse and dog racing, or wildlife hunting. Furthermore, this bill will not apply to large hunting ranches, such as those over 1,000 acres, which give the hunted animal a greater opportunity to escape. This bill merely seeks to ban the transport and trade of non-native, exotic animals for the purpose of staged trophy hunts.

The idea of a defenseless animal meeting a violent end as the target of a canned hunt is, at the very least, distasteful to many of us. In an era when many of us are seeking to curb violence in our culture, canned hunts are certainly one form of gratuitous brutality that does not belong in our society.

I urge my colleagues who want to understand the cruelty involved in a canned hunt to visit my office and view a videotape of an actual canned hunt. You will witness a defenseless Corsican ram, cornered near a fence, being shot over and over again with arrows, clearly experiencing an agonizing death, only to be dealt a final blow by a firearm after needless suffering.

Please join me in support of this legislation which will help to put an end to this needless suffering.

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. 1345

*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 "Captive Exotic Animal Protection Act of 1999".

#### SEC. 2. TRANSPORT OR POSSESSION OF EXOTIC ANIMALS FOR PURPOSES OF KILLING OR INJURING THEM.

(a) IN GENERAL.—Chapter 3 of title 18, United States Code, is amended by adding at the end the following:

##### "§ 48. Exotic animals

"(a) PROHIBITION.—Whoever, in or affecting interstate or foreign commerce, knowingly transfers, transports, or possesses a confined exotic animal, for the purposes of allowing the killing or injuring of that animal for entertainment or for the collection of a trophy, shall be fined under this title, imprisoned not more than 1 year, or both.

"(b) DEFINITIONS.—In this section—

"(1) the term 'confined exotic animal' means a mammal of a species not historically indigenous to the United States, that has been held in captivity for the shorter of—

"(A) the greater part of the life of the animal; or

"(B) a period of 1 year;

whether or not the defendant knew the length of the captivity; and

"(2) the term 'captivity' does not include any period during which an animal—

"(A) lives as it would in the wild, surviving primarily by foraging for naturally occurring food, roaming at will over an open area of not less than 1,000 acres; and

"(B) has the opportunity to avoid hunters."

(b) CLERICAL AMENDMENT.—The analysis for chapter 3 of title 18, United States Code, is amended by adding at the end the following:

"48. Exotic animals."

By Mr. BOND:

S. 1346. A bill to ensure the independence and nonpartisan operation of the Office of Advocacy of the Small Business Administration; to the Committee on Small Business.

#### INDEPENDENT OFFICE OF ADVOCACY ACT

• Mr. BOND. Mr. President, today, I am introducing the Independent Office of Advocacy Act. This bill has been drafted to build on the success of the Office of Advocacy over the past 23 years. It is intended to strengthen the foundation to make the Office of Advocacy a stronger and more effective advocate for all small businesses throughout the United States.

The Office of Advocacy is a unique office within the Federal government. It is part of the Small Business Administration (SBA/Agency), and its director, the Chief Counsel for Advocacy, is nominated by the President and confirmed by the Senate. At the same time, the Office is also intended to be the independent voice for small business within the Federal government. It is supposed to develop proposals for changing government policies to help small businesses, and it is supposed to represent the views and interests of small businesses before other Federal agencies.

As the director of the Office of Advocacy, the Chief Counsel for Advocacy

has a dual responsibility. On the one hand, he is the independent watchdog for small business. On the other hand, he is also a part of the President's Administration. As you can imagine, those are sometimes very difficult roles to play simultaneously.

The Independent Office of Advocacy Act is designed to make the Office of Advocacy and Chief Counsel for Advocacy a fully independent advocate within the Executive Branch acting on behalf of the small business community. The bill would establish a clear mandate that the Office of Advocacy will fight on behalf of small businesses regardless of the position taken on critical issues by the President and his Administration.

The Office of Advocacy as envisioned by the Independent Office of Advocacy Act will be unique within the executive branch. The Chief Counsel for Advocacy will be a wide-ranging advocate, who will be free to take positions contrary to the Administration's policies and to advocate change in government programs and attitudes as they impact small businesses.

In 1976, Congress established the Office of Advocacy in the SBA to be the eyes, ears and voice for small business within the Federal government. Over time, it has been assumed that the Office of Advocacy is the "independent" voice for small business. While I strongly believe that the Office of Advocacy and the Chief Counsel for Advocacy should be independent and free to advocate or support positions that might be contrary to the administration's policies, I have come to find that the Office is not as independent as necessary to do the job adequately for small business.

For example, funding for the Office of Advocacy comes from the Salaries and Expense Account of the SBA's budget. Staffing is allocated by the SBA Administrator to the Office of Advocacy from the overall staff allocation for the Agency. In 1990, there were 70 full-time employees working on behalf of small businesses in the Office of Advocacy. Today's allocation of staff is 49, and fewer are actually on-board as the result of the hiring freeze imposed by the SBA Administrator. The Independence of the Office is diminished when the Office of Advocacy staff is reduced to allow for increased staffing for new programs and additional initiatives in other areas of SBA, at the discretion of the Administrator.

In addition, the General Accounting Office (GAO) recently completed a report for me on personnel practices at the SBA (GAO/GGD-99-68). I was alarmed by the GAO's finding that Assistant and Regional Advocates hired by the Office of Advocacy share many of the attributes of Schedule C political appointees. In fact, Regional Advocates are frequently cleared by the White House personnel office—the same procedure followed for approving Schedule C political appointees.

The facts discussed in the GAO Report cast the Office of Advocacy in a

whole new light—one that had not been apparent until now. The report raises questions, concerns and suspicions regarding the independence of the Office of Advocacy. Has there been a time when the Office did not pursue a matter as vigorously as it might have were it not for direct or indirect political influence? Prior to receipt of the GAO Report, my response was a resounding "No." But now, a question mark arises.

Let me take a moment and note that I will be unrelenting in my efforts to insure the complete independence of the Office of Advocacy in all matters, at all times, for the continued benefit of all small businesses. However, so long as the Administration controls the budget allocated to the Office of Advocacy and controls who is hired, the independence of the Office may be in jeopardy. We must correct this situation, and the sooner we do it, the better it will be for the small business community.

The Independent Office of Advocacy Act builds a firewall to prevent the political intrusion into the management of day-to-day operations of the Office of Advocacy. The bill requires that the SBA's budget include a separate account for the Office of Advocacy. No longer would its funds come from the general operating account of the Agency. The separate account would also provide for the number of full-time employees who would work within the Office of Advocacy. No longer would the Chief Counsel for Advocacy have to seek approval from the SBA Administrator to hire staff for the Office of advocacy.

The bill also continues the practice of allowing the Chief Counsel to hire individuals critical to the mission of the Office of Advocacy without going through the normal competitive procedures directed by federal law and the Office of Personnel Management (OPM). I believe this special hiring authority, which is limited only to employees within the Office of Advocacy, is beneficial because it allows the Chief Counsel to hire quickly those persons who can best assist the Office in responding to changing issues and problems confronting small businesses.

Mr. President, the Independent Office of Advocacy Act is a sound bill. The bill is the product of a great deal of thoughtful, objective review and consideration by me, the staff of the Committee on Small Business, representatives of the small business community, former Chief Counsels for Advocacy and others. These individuals have also devoted much time and effort in actively participating in a Committee Roundtable discussion on the Office of Advocacy, which my Committee held on April 21, 1999. It is my hope the Committee on Small Business will be able to consider the Independent Office of Advocacy Act in the near future.●

By Mr. THOMAS:

S. 1349. A bill to direct the Secretary of the Interior to conduct special re-

source studies to determine the national significance of specific sites as well as the suitability and feasibility of their inclusion as units of the National Park System; to the Committee on Energy and Natural Resources.

NATIONAL PARK SYSTEM NEW AREA STUDY ACT  
OF 2000

Mr. THOMAS. Mr. President, I rise today to introduce the National Park System New Area Study Act of 2000.

Mr. President, last year when we passed the National Parks Vision 20-20 legislation, we made a number of revisions in the way we do business within the National Park System. One of those changes concerned the conduct of new park studies.

Prior to the National Park Service undertaking any new area studies, and from this point forward, Congress must act affirmatively on a list submitted by the Secretary of the Interior for studies on potential new units of the System.

Pursuant to Public Law 105-391, the Secretary has submitted a list and this legislation reflects the Secretary's request.

Mr. President, I ask unanimous request that the bill be printed in the RECORD.

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

S. 1349

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

**SECTION 1. SHORT TITLE.**

This Act may be cited as the "National Park System New Area Study Act of 2000".

**SEC. 2. FINDINGS AND PURPOSES:**

(a) FINDINGS.—Congress finds that pursuant to Public Law 105-391, the Administration has submitted a list of areas recommended for study for potential inclusion in the National Park System in fiscal year 2000.

(b) PURPOSE.—The purpose of this Act is to direct the Secretary of the Interior to direct special resource studies to determine the national significance of the sites, and/or areas, listed in Section 5 of this Act to determine the national significance of each site, and/or area, as well as the suitability and feasibility of their inclusion as units of the National Park System.

**SEC. 3. DEFINITIONS.**

In this Act:

(1) SECRETARY.—The term "Secretary" means the Secretary of the Interior acting through the Director of the National Park Service.

**SEC. 4. STUDIES.**

(a) IN GENERAL.—Not later than 2 years after the date on which funds are made available for the purpose of this Act, the Secretary, shall submit to the Committee on Energy and Natural Resources of the Senate and the Committee on Resources of the House of Representatives individual resource studies of the sites, and/or areas, listed in Section 5 of this Act.

(b) CONTENTS.—The study under subsection (a) shall—

(1) identify the location and the suitability and feasibility of designating the sites, and/or areas, as units of the National Park System; and

(2) include cost estimates for any necessary acquisition, development, operation

and maintenance, and identification of alternatives for the management, administration, and protection of the area.

**SEC. 5. SITES AND/OR AREAS.**

(a) The areas recommended for study for potential inclusion in the National Park System include the following:

- (1) Bioluminescent Bay, Mosquito Lagoon, Puerto Rico;
- (2) Brandywine and Paoli Battlefields, Pennsylvania;
- (3) Civil Rights Trail, Nationwide;
- (4) Gaviota Coast Seashore, California;
- (5) Kate Mullaney House, New York;
- (6) Low Country Gullah Culture, South Carolina, Georgia and Florida;
- (7) Nan Madol, Northern Marianas;
- (8) Walden Pond and Woods, in Concord and Lincoln, Massachusetts; and
- (9) World War II sites on Palau and Saipan.

**SEC. 6. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. GRASSLEY (for himself and Mr. TORRICELLI):

S. 1350. A bill to amend the Internal Revenue Code of 1986 to expand the availability of medical savings accounts; to the Committee on Finance.

MEDICAL SAVINGS ACCOUNT IMPROVEMENT ACT  
OF 1999

Mr. GRASSLEY. Mr. President, today, on behalf of myself and my colleague, Senator TORRICELLI, I am introducing legislation, the Medical Savings Account Improvement Act of 1999, which would make it possible for any individual to purchase a medical savings account and which would liberalize existing law authorizing medical savings accounts in a number of other respects.

Medical savings accounts are a good idea, Mr. President. They are basically IRAs—an idea everybody understands—which must be used for payment of medical expenses.

The widespread use of medical savings accounts should have several beneficial consequences.

They should reduce health care costs. Administrative costs should be lower. Consumers with MSAs should use health care services in a more discriminating manner. Consumers with MSAs should be more selective in choosing providers. This should cause those providers to lower their prices to attract medical savings account holders as patients.

Medical savings accounts can also help to put the patient back into the health care equation. Patients should make more cost-conscious choices about routine health care. Patients with MSAs would have complete choice of provider.

Medical savings accounts should make health care coverage more dependable. MSAs are completely portable. MSAs are still the property of the individual even if they change jobs. Hence, for those with MSAs, job changes do not threaten them with the loss of health insurance.

Medical savings accounts should increase health care coverage. Perhaps as many as half of the more than 40 million Americans who are uninsured at

any point in time are without health insurance only for four months or less. A substantial number of these people are uninsured because they are between jobs. Use of medical savings accounts should reduce the number of the uninsured by equipping people to pay their own health expenses while unemployed.

Medical savings accounts should promote personal savings. Since pre-tax monies are deposited in them, there should be a strong tax incentive to use them.

Mr. President, our bill would do several things:

First, it would repeal the limitations on the number of MSAs that can be established.

Second, it stipulates that the availability of these accounts is not limited to employees of small employers and self-employed individuals.

Third, it increases the amount of the deduction allowed for contributions to medical savings accounts to 100 percent of the deduction.

Fourth, it permits both employees and employers to contribute to medical savings accounts.

Fifth, it reduces the permitted deductibles under high deductible plans from \$1,500 in the case of individuals to \$1,000 and from \$3,000 in the case of couples to \$2,000.

Finally, the bill would permit medical savings accounts to be offered under cafeteria plans.

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

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

S. 1350

*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 "Medical Savings Account Improvement Act of 1999".

#### SEC. 2. EXPANSION OF AVAILABILITY OF MEDICAL SAVINGS ACCOUNTS.

(a) REPEAL OF LIMITATIONS ON NUMBER OF MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Subsections (i) and (j) of section 220 of the Internal Revenue Code of 1986 are hereby repealed.

(2) CONFORMING AMENDMENTS.—

(A) Paragraph (1) of section 220(c) of such Code is amended by striking subparagraph (D).

(B) Section 138 of such Code (relating to Medicare+Choice MSA) is amended by striking subsection (f).

(b) AVAILABILITY NOT LIMITED TO ACCOUNTS FOR EMPLOYEES OF SMALL EMPLOYERS AND SELF-EMPLOYED INDIVIDUALS.—

(1) IN GENERAL.—Section 220(c)(1)(A) of the Internal Revenue Code of 1986 (relating to eligible individual) is amended to read as follows:

"(A) IN GENERAL.—The term 'eligible individual' means, with respect to any month, any individual if—

"(i) such individual is covered under a high deductible health plan as of the 1st day of such month, and

"(ii) such individual is not, while covered under a high deductible health plan, covered under any health plan—

"(I) which is not a high deductible health plan, and

"(II) which provides coverage for any benefit which is covered under the high deductible health plan."

(2) CONFORMING AMENDMENTS.—

(A) Section 220(c)(1) of such Code is amended by striking subparagraph (C).

(B) Section 220(c) of such Code is amended by striking paragraph (4) (defining small employer) and by redesignating paragraph (5) as paragraph (4).

(C) Section 220(b) of such Code is amended by striking paragraph (4) (relating to deduction limited by compensation) and by redesignating paragraphs (5), (6), and (7) as paragraphs (4), (5), and (6), respectively.

(c) INCREASE IN AMOUNT OF DEDUCTION ALLOWED FOR CONTRIBUTIONS TO MEDICAL SAVINGS ACCOUNTS.—

(1) IN GENERAL.—Paragraph (2) of section 220(b) of such Code is amended to read as follows:

"(2) MONTHLY LIMITATION.—The monthly limitation for any month is the amount equal to 1/2 of the annual deductible (as of the first day of such month) of the individual's coverage under the high deductible health plan."

(2) CONFORMING AMENDMENT.—Clause (ii) of section 220(d)(1)(A) of such Code is amended by striking "75 percent of".

(d) BOTH EMPLOYERS AND EMPLOYEES MAY CONTRIBUTE TO MEDICAL SAVINGS ACCOUNTS.—Paragraph (4) of section 220(b) of such Code, as redesignated by subsection (b)(2)(C), is amended to read as follows:

"(4) COORDINATION WITH EXCLUSION FOR EMPLOYER CONTRIBUTIONS.—The limitation which would (but for this paragraph) apply under this subsection to the taxpayer for any taxable year shall be reduced (but not below zero) by the amount which would (but for section 106(b)) be includible in the taxpayer's gross income for such taxable year."

(e) REDUCTION OF PERMITTED DEDUCTIBLES UNDER HIGH DEDUCTIBLE HEALTH PLANS.—

(1) IN GENERAL.—Subparagraph (A) of section 220(c)(2) of such Code (defining high deductible health plan) is amended—

(A) by striking "\$1,500" and inserting "\$1,000"; and

(B) by striking "\$3,000" in clause (ii) and inserting "\$2,000".

(2) CONFORMING AMENDMENT.—Subsection (g) of section 220 of such Code is amended—

(A) by striking "1998" and inserting "1999"; and

(B) by striking "1997" and inserting "1998".

(f) MEDICAL SAVINGS ACCOUNTS MAY BE OFFERED UNDER CAFETERIA PLANS.—Subsection (f) of section 125 of such Code is amended by striking "106(b)".

(g) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

Mr. TORRICELLI. Mr. President, I rise today, along with my distinguished colleague from Iowa, Senator GRASSLEY, to introduce legislation that will provide Americans more choices and control in their health care decisions.

Since becoming available in 1996, medical savings accounts (MSA's) have proven to be an effective solution for Americans who are self-employed, unsatisfied with their current health plan or working for a company unable to provide health insurance. By allowing consumers to save money tax-free to cover medical expenses, MSA's have ensured that people who previously were unable to acquire health cov-

erage, such as single parents, the self-employed, small businesses and their employees, and working families, now have affordable medical coverage. In fact, since MSA's became available, the General Accounting Office reports that 37 percent of all MSA's have been purchased by people who were previously uninsured.

Due to current restrictions, however, the size of the market is limited. Congress must allow the benefits from MSA's to reach more Americans.

Our bill, the Medical Savings Account Effectiveness Act of 1999, will make MSA's a permanent health care option for all Americans by expanding enrollment beyond the current cap. This legislation will allow both employers and employees to contribute to an MSA and will allow policyholders to fully fund the deductible. In addition, it will lower the individual deductible to \$1,000 and the family deductible to \$2,000. Finally, it will allow MSA's to be offered through "cafeteria plans."

By expanding MSA's, this legislation will give policyholders direct control over medical expenditures, offer them a new freedom to select the physician or specialist of their choice, and make insurance affordable for millions of Americans.

By Mr. GRASSLEY (for himself, Mr. MURKOWSKI, and Mr. HARKIN):

S. 1351. A bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from newable resources; to the Committee on Finance.

THE BIOMASS AND WIND ENERGY TAX CREDIT

Mr. GRASSLEY. Mr. President, I rise today to acknowledge the unfortunate expiration of the section 45 tax credit on June 30 for electricity produced from alternative energy sources. In response, I am introducing legislation to extend and expand the credit to help sustain the public benefits derived from these sources. As many of my colleagues know, I authored the section 45 credit in the Senate and it was included in the Energy Policy Act of 1992. I am being joined in this bipartisan effort today by Senator MURKOWSKI and Senator HARKIN.

Earlier this year, I introduced S. 414 to extend the wind energy portion of section 45, which has been extremely successful. The purpose of today's bill is to extend and expand the biomass portion of section 45 to include technologies such as biomass combustion and cofiring biomass with coal-fired facilities. Formerly, section 45 only allowed the use of closed-loop biomass, which has proven to be unworkable. Consequently, the biomass aspect of section 45 has never been utilized. The clean, controlled combustion of biomass, which in layman's terms consists of woodchips, agricultural byproducts, and untreated construction debris, is another proven, effective technology that currently generates numerous pollution avoidance and waste management public benefits across the nation.

Unfortunately, the 1992 bill restrictively defined qualifying biomass processes by requiring taxpayers to grow the biomass solely for the purposes of combustion. This then-untested theory has since proven to be singularly uneconomic, and taxpayers have never claimed one single cent of tax credits. My bill retains this dormant "closed-loop" biomass provision in the hopes that some day it may be found feasible.

In order to retain the environmental, waste management, and the rural employment benefits that we currently receive from the existing "open-loop" biomass facilities, by bill rewrites section 45 to allow tax credits for clean combustion of wood waste and similar residues in these unique facilities. These valuable, yet economically vulnerable, facilities that convert 20 million tons of waste into clean electricity annually, and which have never received section 45 tax credits, would be eligible for the same ten years of tax credits per facility, beginning at date of enactment.

Importantly, we have gone to great lengths to ensure that the definition of qualifying biomass materials is limited to organic, nonhazardous materials that are clearly proven to burn cleanly without any pollution risk. Also, to allay any concern that biomass plants might burn paper and thus possibly jeopardize the amount of paper that is available to be recycled, I have specifically excluded paper that is commonly recycled from the list of materials that would qualify for the credit.

One promising technology that does not yet operate here in the U.S., but has now been proven to be feasible and practical, involves the cofiring of biomass with coal. A partial tax credit for cofiring would stimulate economic growth in rural areas by creating new markets for forage crops. The environmental benefits from reduced coal plant emissions would also be substantial.

Finally, my bill acknowledges the potential that biomass combustion has to solve the nation's pressing poultry waste problem by making electricity produced from the combustion of poultry litter eligible for the sec. 45 tax credit. As Chairman ROTH has recently pointed out, the increased growth of our domestic chicken and turkey industry has created the need to find a new, creative means for disposing of the waste of some 600 million chickens in the Delaware, Maryland, and Virginia peninsula alone.

Today, much of the waste from these operations (deposited upon biomass materials) is spread on farmland, resulting in a nutrient runoff that has contaminated streams, rivers and bays, with devastating effect on the local environment. Fortunately, scientists in the United Kingdom have developed a combustion technology that cleanly disposes of the waste and produces clean electricity. While no such plants are currently operating in the U.S., state and local authorities in the af-

fectured jurisdictions assure us that, with the enactment of this critical tax credit legislation, action would be taken to build these plants immediately.

With regard to wind energy, and my involvement in supporting this technology which goes back to my authorship of the Wind Energy Incentives Act of 1992, I am proud to say that this credit is one of the success stories of section 45. The public policy benefits of wind energy are indisputable: it is clean, safe and abundant within the United States. I understand that every 10,000 megawatts of wind energy produced in the U.S. can reduce carbon monoxide emissions by 33 million metric tons by replacing the combustion of fossil fuels.

Mr. President, I believe this bill provides a common sense combination of current and new technologies to help maintain the economic, environmental and waste management benefits derived from wind and biomass power. This bill has strong support from both the biomass industry and environmental groups including the Union of Concerned Scientists and the Natural Resources Defense Council. I urge my colleagues to join in supporting this legislation.

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. 1351

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

**SECTION 1. CREDIT FOR ELECTRICITY PRODUCED FROM RENEWABLE RESOURCES.**

(a) EXTENSION AND MODIFICATION OF PLACED-IN-SERVICE RULES.—Paragraph (3) of section 45(c) of the Internal Revenue Code of 1986 is amended to read as follows:

"(3) QUALIFIED FACILITY.—

"(A) WIND FACILITIES.—In the case of a facility using wind to produce electricity, the term 'qualified facility' means any facility owned by the taxpayer which is originally placed in service after December 31, 1993, and before July 1, 2004.

"(B) BIOMASS FACILITIES.—In the case of a facility using biomass to produce electricity, the term 'qualified facility' means, with respect to any month, any facility owned, leased, or operated by the taxpayer which is originally placed in service before July 1, 2004, if, for such month—

"(i) biomass comprises not less than 75 percent (on a Btu basis) of the average monthly fuel input of the facility for the taxable year which includes such month, or

"(ii) in the case of a facility principally using coal to produce electricity, biomass comprises not more than 25 percent (on a Btu basis) of the average monthly fuel input of the facility for the taxable year which includes such month.

"(C) SPECIAL RULES.—

"(i) In the case of a qualified facility described in subparagraph (B)(i)—

"(I) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph, and

"(II) subsection (b)(3) shall not apply to any such facility originally placed in service before January 1, 1997.

"(ii) In the case of a qualified facility described in subparagraph (B)(ii)—

"(I) the 10-year period referred to in subsection (a) shall be treated as beginning no earlier than the date of the enactment of this paragraph, and

"(II) the amount of the credit determined under subsection (a) with respect to any project for any taxable year shall be adjusted by multiplying such amount (determined without regard to this clause) by 0.59."

(b) CREDIT NOT TO APPLY TO ELECTRICITY SOLD TO UTILITIES UNDER CERTAIN CONTRACTS.—Section 45(b) of the Internal Revenue Code of 1986 (relating to limitations and adjustments) is amended by adding at the end the following:

"(4) CREDIT NOT TO APPLY TO ELECTRICITY SOLD TO UTILITIES UNDER CERTAIN CONTRACTS.—

"(A) IN GENERAL.—The credit determined under subsection (a) shall not apply to electricity—

"(i) produced at a qualified facility placed in service by the taxpayer after June 30, 1999, and

"(ii) sold to a utility pursuant to a contract originally entered into before January 1, 1987 (whether or not amended or restated after that date).

"(B) EXCEPTION.—Subparagraph (A) shall not apply if—

"(i) the prices for energy and capacity from such facility are established pursuant to an amendment to the contract referred to in subparagraph (A)(ii);

"(ii) such amendment provides that the prices set forth in the contract which exceed avoided cost prices determined at the time of delivery shall apply only to annual quantities of electricity (prorated for partial years) which do not exceed the greater of—

"(I) the average annual quantity of electricity sold to the utility under the contract during calendar years 1994, 1995, 1996, 1997, and 1998, or

"(II) the estimate of the annual electricity production set forth in the contract, or, if there is no such estimate, the greatest annual quantity of electricity sold to the utility under the contract in any of the calendar years 1996, 1997, or 1998; and

"(iii) such amendment provides that energy and capacity in excess of the limitation in clause (ii) may be—

"(I) sold to the utility only at prices that do not exceed avoided cost prices determined at the time of delivery, or

"(II) sold to a third party subject to a mutually agreed upon advance notice to the utility.

For purposes of this subparagraph, avoided cost prices shall be determined as provided for in 18 CFR 292.304(d)(1) or any successor regulation."

(c) QUALIFIED FACILITIES INCLUDE ALL BIOMASS FACILITIES.—

(1) IN GENERAL.—Subparagraph (B) of section 45(c)(1) of the Internal Revenue Code of 1986 (defining qualified energy resources) is amended to read as follows:

"(B) biomass."

(2) BIOMASS DEFINED.—Paragraph (2) of section 45(c) of such Code (relating to definitions) is amended to read as follows:

"(2) BIOMASS.—The term 'biomass' means—

"(A) any organic material from a plant which is planted exclusively for purposes of being used at a qualified facility to produce electricity, or

"(B) any solid, nonhazardous, cellulosic waste material which is segregated from other waste materials and which is derived from—

"(i) any of the following forest-related resources: mill residues, precommercial thinnings, slash, and brush, but not including old-growth timber,

"(ii) poultry waste,

"(iii) urban sources, including waste pallets, crates, and dunnage, manufacturing and construction wood wastes, and landscape or right-of-way tree trimmings, but not including unsegregated municipal solid waste (garbage) or paper that is commonly recycled, or

"(iv) agriculture sources, including orchard tree crops, vineyard, grain, legumes, sugar, and other crop by-products or residues."

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

By Mr. COVERDELL (for himself, Mr. THURMOND, Mr. CLELAND, and Mr. HOLLINGS):

S.J. Res. 29. A joint resolution to grant the consent of Congress to the boundary change between Georgia and South Carolina; to the Committee on the Judiciary.

GRANTING CONGRESSIONAL CONSENT FOR THE GEORGIA-SOUTH CAROLINA INTERSTATE COMPACT

Mr. COVERDELL. Mr. President, today I rise to offer a joint resolution to grant congressional consent to an Interstate Compact between my state of Georgia and the state of South Carolina which resolves a border dispute whose origin dates back to the Articles of Confederation between the two states. On June 25, 1990, the Supreme Court in *Georgia vs. South Carolina* (No. 74, Original) ruled that Georgia lost sovereignty over the Barnwell Islands in the Savannah River to South Carolina. These islands had shifted due to erosion and accretion since the time of the first scientifically accurate survey of the area in 1855. The Supreme Court further ordered the two states to determine a new boundary and submit it to the Court for final approval.

During the summer of 1993, the two states with the assistance of the National Oceanic and Atmospheric Administration (NOAA) reached an agreement on a common boundary. Subsequently, the agreement was adopted by the Georgia General Assembly on April 5, 1994, and by the South Carolina General Assembly on May 29, 1996.

On May 26, 1999, the agreed boundary was forwarded to Congress for its approval in accordance with the U.S. Constitution Article IV, Section 10. This Compact once adopted will amend the Beaufort Convention of 1787.

With passage of this resolution, granting Congress' consent to the Georgia-South Carolina Interstate Compact, Congress will have fulfilled its obligation, and the agreed upon boundary will be presented to the Supreme Court for its final approval and application. I am pleased to have my colleagues from South Carolina, Senators THURMOND and HOLLINGS, and my colleague from Georgia, Senator CLELAND, join me in sponsoring this historic piece of legislation. In this day, where members from both sides of the aisle are speaking of the need for more bipartisanship, I would like to commend these two great states for coming together and reaching an

agreement on such a contentious issue and ask for the full Senate's support for this important and necessary legislation.

Mr. President, I ask for unanimous consent that the following chronology be included in the RECORD.

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

#### GEORGIA-SOUTH CAROLINA BORDER AGREEMENT FOR THE LOWER REACHES OF THE SAVANNAH RIVER TO THE SEA—CHRONOLOGY OF EVENTS

April 28, 1787—The Beaufort Convention: Under the Articles of Confederation of 1778, South Carolina and Georgia agreed that the boundary between the two states would be in the northern branch of the Savannah River, reserving all islands in the river to Georgia.

January 30, 1922—*Georgia v. South Carolina* (No. 16, Original): The U.S. Supreme Court held that where there were no islands in the boundary rivers, the boundary in on the water midway between the main banks when the water is at ordinary stage. When there are islands, the boundary is midway between the banks of the island and the South Carolina shore, with the water at ordinary stage.

June 25, 1990—*Georgia v. South Carolina* (No. 74, Original): The U.S. Supreme Court held that Georgia lost sovereignty over the Barnwell Islands to South Carolina by acquiescence, and that the Beaufort Convention did not control new islands that later emerged in the Savannah River. Accordingly, the Court generally adopted the findings (with some exceptions) of its Special Master, Senior Judge Walter E. Hoffman, with regard to several disputed islands and the headlands of the river. The Court directed the two states to determine the boundary in accordance with the principles in its rulings, and to submit the boundary to the Court for final approval.

June 24, 1991—Cooperative Agreement: Both states and the National Oceanic and Atmospheric Administration (NOAA) entered a cooperative agreement to survey the area and plot the boundary. In order to comply with the requirement that the river be charted as it existed prior to the dredgings and changes in the navigational courses which occurred in the 1880's, the parties adopted the Special Master's decision that the main thread of the Savannah River as it existed on the 1855 charts would be used. NOAA flew new aerial surveys of the river and plotted the 1855 thread of the river on the new surveys.

Summer, 1993—Joint Meetings and Negotiations: After NOAA completed its work, the states realized that the course of the river had changed so substantially since 1855 that using the 1855 thread of the river was unworkable. Because of recent navigational channel deepening efforts by the U.S. Corps of Engineers, Georgia and South Carolina agreed to use the northern edge of the shipping channel, including any turning basins, as the primary agreed upon boundary. More specifically, the "new" boundary would start from the middle of the river above Pennyworth Island, between Pennyworth Island and the South Carolina shore, and then to the tidewater and the northern edge of the Back River turning basin. After following the navigational channel to the buoy nearest the 3-mile territorial limit, the boundary would then depart eastward along the 104 degree bearing adopted by the Court.

April 5, 1994—Georgia General Assembly Adopts Agreed Boundary: Georgia adopted

the agreed boundary line, using the Annual Survey—1992, Savannah Harbor, as amended by the Savannah Harbor Deepening Project. The line was plotted using the Georgia Plane Coordinate System.

May 29, 1996—South Carolina General Assembly Adopts Agreed Boundary: South Carolina adopted the agreed boundary line, but asked NOAA to convert the Georgia coordinates to points of latitude and longitude.

November, 1998—Charts assembled: Because only three original copies of the 1992 channel charts were available, a special printing of the color charts was run, with the Savannah Harbor Deepening Project charts bound together.

May 26, 1999—Agreed Boundary Forwarded for Congressional Approval: The States submitted the agreed boundary to the Congress for approval as an Interstate Compact pursuant to the United States Constitution, Article IV, Section 10, which amends the Beaufort Convention of 1787.

#### ADDITIONAL COSPONSORS

S. 17

At the request of Mr. DODD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 17, a bill to increase the availability, affordability, and quality of child care.

S. 71

At the request of Ms. SNOWE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 71, a bill to amend title 38, United States Code, to establish a presumption of service-connection for certain veterans with Hepatitis C, and for other purposes.

S. 115

At the request of Ms. SNOWE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 115, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 210

At the request of Mr. MOYNIHAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 210, a bill to establish a medical education trust fund, and for other purposes.

S. 285

At the request of Mr. MCCAIN, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 285, a bill to amend title II of the Social Security Act to restore the link between the maximum amount of earnings by blind individuals permitted without demonstrating ability to engage in substantial gainful activity and the exempt amount permitted in determining excess earnings under the earnings test.

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 424, a bill to preserve and protect the free choice of individuals and employees to form, join, or assist labor organizations, or to refrain from such activities.