they be confirmed, subject to the nominees' commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

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. HATCH:

S. 1406. A bill to combat hate crimes; to the Committee on the Judiciary.

By Mr. FRIST:

S. 1407. A bill to authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 2000, 2001, and 2002, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. JEFFORDS (for himself, Mr. MOYNIHAN, Mr. SCHUMER, MR. LAUTENBERG, Mr. LIEBERMAN, and Mr. LEAHY):

S. 1408. A bill to amend the Small Business Investment Act of 1958 to promote the clean-up of abandoned, idled, or underused commercial or industrial facilities, the expansion or redevelopment of which are complicated by real or perceived environmental contamination, and for other purposes; to the Committee on Small Business.

By Mr. MCCONNELL (for himself and Mr. BUNNING):

S. 1409. A bill to amend the Internal Revenue Code of 1986 to reduce from 24 months to 12 months the holding period used to determine whether horses are assets described in section 1231 of such Code; to the Committee on Finance.

By Mr. STEVENS:

S. 1410. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain air transportation; to the Committee on Finance.

S. 1411. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing electricity from certain renewable resources; to the Committee on Finance.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mrs. MURRAY (for herself, Mr. WARNER, Mr. HATCH, Mr. BINGAMAN, Mrs. BOXER, Mr. CHAFEE, Mr. DODD, Mr. DORGAN, Mr. EDWARDS, Mr. GORTON, Mr. GRAMS, Mr. JEFFORDS, Mr. JOHNSON, Mr. KENNEDY, Mr. KERRY, Ms. LANDRIEU, Mr. LAUTENBERG, Mr. LEVIN, Mr. LIEBERMAN, Mr. MOYNIHAN, Mr. REID, Mr. ROBB, Mr. SARBANES, Mr. SCHUMER, Mr. SMITH of Oregon, Mr. SPECTER, Mr. TORRICELLI, and Mr. WELLSTONE):

S. Res. 158. A resolution designating October 21, 1999, as a ''Day of National Concern About Young People and Gun Violence''; to the Committee on the Judiciary.

By Mrs. HUTCHISON (for herself, Mr. BOND, Ms. COLLINS, Mr. FRIST, Mr. ALLARD, Mr. EDWARDS, Mr. COCHRAN, Mr. CLELAND, Mr. ROBERTS, and Mr. TORRICELLI):

S. Con. Res. 47. A concurrent resolution expressing the sense of Congress regarding the regulatory burdens on home health agencies; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH:

S. 1406. A bill to combat hate crimes.

COMBATING HATE CRIMES

Mr. HATCH: Mr. President, in the face of some of the hate crimes that have riveted public attention—and have unfortunately made the name Benjamin Nathaniel Smith synonymous with the recent spate of shootings in Illinois; the names James Byrd synonymous with Jasper, Texas; and the name Matthew Shepard synonymous with Laramie, Wyoming—I am committed in my view that the Senate must lead and speak against hate crimes.

During and just preceding this past generation, Congress has been the engine of progress in securing America's civil rights achievements and in driving us as a society increasingly closer to the goal of equal rights for all under the law.

Historians will conclude, I have little doubt, that many of America's greatest strides in civil rights progress took place just before this present moment on history's grand time line: Congress protected Americans from employment discrimination on the basis of race, sex, color, religion, and national origin with the passage of the Civil Rights Act of 1964; Congress protected Americans from gender-based discrimination in rates of pay for equal work with the Equal Pay Act of 1963; and from age discrimination with the passage of the Age Discrimination in Employment Act of 1967; Congress extended protections to immigration status with the Immigration Reform and Control Act in 1986, and to the disabled with the passage of the Americans With Disabilities Act in 1990. And the list continues on and on.

Yet while America's elected officials have striven mightily through the passage of such measures to stop discrimination in the workplace, or at the hands of government actors, what remains tragically unaddressed in large part is discrimination against peoples' own security—that most fundamental right to be free from physical harm.

Despite our best efforts, discrimination continues to persist in many forms in this country, but most sadly in the rudimentary and malicious form of violence against individuals because of their identities.

A fair question for this Congress is what it will do to stem this ugly form of hatred and to counter hate crime as boldly as this Congress has attempted to redress workplace bias and governmental discrimination. Will we continue to advance boldly in this latest civil rights frontier by furthering Congress' proud legacy, or will we demur on the ground that this is not now a battle for our waging?

Let me state, unequivocally, that this is America's fight. As much as we condemn all crime, hate crime can be more sinister that non-hate crime.

A crime committed not just to harm an individual, but out of the motive of sending a message of hatred to an entire community—oftentimes a community defined on the basis of immutable traits—is appropriately punished more harshly, or in a different manner, than other crimes.

This is in keeping with the longstanding principle of criminal justice—as recognized recently by the U.S. Supreme Court in a unanimous decision upholding Wisconsin's sentencing enhancement for hate crimes—that the worse a criminal defendant's motive, the worse the crime. (*Wisconsin* v. *Mitchell*, 1993)

Moreover, hate crimes are more likely to provoke retaliatory crimes; they inflict deep, lasting, and distinct injuries—some of which never heal—on victims and their family members; they incite community unrest; and, ultimately, they are downright un-American.

The melting pot of America is, worldwide, the most successful multi-ethnic, multi-racial, and multi-faith country in all recorded history. This is something to ponder as we consider the atrocities so routinely sanctioned in other countries—like Serbia so recently—committed against persons entirely on the basis of their racial, ethnic, or religious identity.

I am resolute in my view that the federal government can play a valuable role in responding to hate crime. One example here is my sponsorship of the Hate Crime Statistics Act of 1990, a law which instituted a data collection system to assess the extent of hate crime activity, and which now has thousands of voluntary law enforcement agency participants.

Another, more recent example, is the passage in 1996 of the Church Arson Protection Act, which, among other things, criminalized the destruction of any church, synagogue, mosque, or other place of religious worship because of the race, color, or ethnic characteristics of an individual associated with that property.

To be sure, however, any federal response—to be a meaningful one—must abide by the constitutional limitations imposed on Congress, and be cognizant of the limitations on Congress' enumerated powers that are routinely enforced by the courts.

This is more true today than it would have been even a mere decade ago, given the significant revival by the U.S. Supreme Court of the federalism doctrine in a string of decisions beginning in 1992. Those decisions must make us particularly vigilant in respecting the courts' restrictions on Congress' powers to legislate under section 5 of the 14th amendment, and under the commerce clause. [*City of Boerne* (invalidating Religious Freedom Restoration Act under 14th amendment); *Lopez* (invalidating Gun-Free School Zones Act under commerce clause); *Brzondala* (4th circuit decision

invalidating one section of the Violence Against Women Act on both grounds).]

We therefore need to arrive at a federal response to hate crimes that is not only as effective as possible, but that carefully navigates the rocky shoals of these court decisions. To that end, I have prepared an approach that I believe will be not only an effective one, but one that would avoid altogether the constitutional risks that attach to other possible federal responses that have been raised.

Indeed, just a couple months ago, Deputy Attorney General Eric Holder testified before the Senate Judiciary Committee that states and localities should continue to be responsible for prosecuting the overwhelming majority of hate crimes, and that no legislation is worthwhile if it is invalidated as unconstitutional.

There are four principal components to my approach:

First, it creates a meaningful partnership between the federal government and the states in combating hate crime, by establishing within the Justice Department a fund to assist state and local authorities in investigating and prosecuting hate crime.

Much of the cited justification given by those who advocate broad federal jurisdiction over hate crimes is a lack of adequate resources at the state and local level.

Accordingly, before we take the step of making every criminal offense motivated by a hatred of someone's immutable traits a federal offense, it is imperative that we equip states and localities with the resources necessary so that they can undertake these criminal investigations and prosecutions on their own.

Second, my approach undertakes a comprehensive analysis of the raw data that has been collected pursuant to the 1990 Hate Crime Statistics Act, including a comparison of the records of different jurisdictions—some with hate crime law, others without—to determine whether there is, in fact, a problem in certain states' prosecution of those criminal acts constituting hate crimes.

Third, my approach directs an appropriate, neutral forum to develop a model hate crimes statute that would enable states to evaluate their own laws, and adopt—in whole or in part from the model statute—hate crime legislation at the state level.

One of the arguments cited for a federalization of enforcement is the varying scope and punitive force of state laws. Yet there are many areas of grave national concern—such as drunk driving, by way of example—that are appropriately left to the states for criminal enforcement and punishment.

Before we make all hate crimes federal offenses, I believe we should pursue avenues that advance consistency among the states through the voluntary efforts of their legislatures. Perhaps, upon completion of this model hate crime law, Congress will review its recommendation and consider additional ways to promote uniformity among the states.

Fourth, my proposal makes a long-overdue modification of our existing federal hate crime law (passed in 1969) to allow for the prosecution by federal authorities of those hate crimes that are classically within federal jurisdication—that is, hate crimes in which state lines have been crossed.

Mr. President, I believe that passage of this comprehensive measure will prove a strong antidote to the scourge of hate crimes.

It is no answer for the Senate to sit by silently while these crimes are being committed. The ugly, bigoted, and violent underside of some in our country that is reflected by the commission of hate crimes must be combated at all levels of government.

For some, federal leadership necessitates federal control. I do not subscribe to this view, especially when it comes to this problem. It has been proposed by some that to combat hate crime Congress should enact a new tier of far-reaching federal criminal legislation. That approach strays from the foundations of our constitutional structure—namely, the first principles of federalism that for more than two centuries have vested states with primary responsibility for prosecuting crimes committed within their boundaries.

As important as this issue is, there is little evidence such a step is warranted, or that it will do any more than what I have proposed. In fact, one could argue that national enforcement of hate crime could decrease if states are told the federal government has assumed primary responsibility over hate crime enforcement.

Accordingly, we must lead—but lead resonsibly—recognizing that we live in a country of governments of shared and divided responsibilities.

In confronting a world of prejudice greater than any of us can now imagine, Lincoln said to Congress in 1862 that the ''dogmas of the quiet past'' were ''inadequate to the stormy present. The occasion is piled high with difficulty, and we must rise—with the occasion. As our case is new, so we must think anew, and act anew.''

In that very spirit, I encourage this body to question the dogma that federal leadership must include federal control, and I encourage this body to act anew by supporting a proposal that is far-reaching in its efforts to stem hate crime, and that is at the same time respectful of the primacy states have traditionally enjoyed in prosecuting crimes committed within their boundaries.

Ultimately, I believe the approach I have set forth is a principled way to accommodate our twin aims—our well-intentioned desire to investigate, prosecute, and, hopefully, end these vicious crimes; and our unequivocal duty to respect the constitutional boundaries governing any legislative action we take.

My proposal should unite all of us on the point about which we should most fervently agree—that the Senate must speak firmly and meaningfully in denouncing as wrong in all respects those actions we have increasingly come to know as hate crimes. Our continued progress in fighting to protect Americans' civil rights demands no less.

Mr. President, I feel deeply about this. I hope our colleagues will look at this seriously and realize this is the way to go. It appropriately respects the rights of the States and the rights of the Federal Government. It appropriately sets the tone. It appropriately goes after these types of crimes in a very intelligent and decent way. I believe it is the way to get at the bottom of this type of criminal activity in our society today.

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. 1406

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

SECTION 1. HATE CRIMES.

(a) DECLARATIONS.—Congress declares that—

(1) further efforts must be taken at all levels of government to respond to the staggering brutality of hate crimes that have riveted public attention and shocked the Nation;

(2) hate crimes are prompted by bias and are committed to send a message of hate to targeted communities, usually defined on the basis of immutable traits;

(3) the prominent characteristic of a hate crime is that it devastates not just the actual victim and the victim's family and friends, but frequently savages the community sharing the traits that caused the victim to be selected;

(4) any efforts undertaken by the Federal Government to combat hate crimes must respect the primacy that States and local officials have traditionally been accorded in the criminal prosecution of acts constituting hate crimes; and

(5) an overly broad reaction by the Federal Government to this serious problem might ultimately diminish the accountability of State and local officials in responding to hate crimes and transgress the constitutional limitations on the powers vested in Congress under the Constitution.

(b) STUDIES.—

(1) COLLECTION OF DATA.—

(A) DEFINITION OF HATE CRIME.—In this paragraph, the term ''hate crime'' means—

(i) a crime described in subsection (b)(1) of the first section of the Hate Crime Statistics Act (28 U.S.C. 534 note); and

(ii) a crime that manifests evidence of prejudice based on gender or age.

(B) COLLECTION FROM CROSS-SECTION OF STATES.—Not later than 120 days after the date of enactment of this Act, the Comptroller General of the United States, in consultation with the National Governors' Association, shall select 10 jurisdictions with laws classifying certain types of crimes as hate crimes and 10 jurisdictions without such laws from which to collect data described in subparagraph (C) over a 12-month period.

(C) DATA TO BE COLLECTED.—The data to be collected are—

(i) the number of hate crimes that are reported and investigated;

(ii) the percentage of hate crimes that are prosecuted and the percentage that result in conviction;

(iii) the length of the sentences imposed for crimes classified as hate crimes within a jurisdiction, compared with the length of sentences imposed for similar crimes committed in jurisdictions with no hate crime laws; and

(iv) references to and descriptions of the laws under which the offenders were punished.

(D) COSTS.—Participating jurisdictions shall be reimbursed for the reasonable and necessary costs of compiling data under this paragraph.

(2) STUDY OF TRENDS.—

(A) IN GENERAL.—Not later than 18 months after the date of enactment of this Act, the Comptroller General of the United States and the General Accounting Office shall complete a study that analyzes the data collected under paragraph (1) and under the Hate Crime Statistics Act of 1990 to determine the extent of hate crime activity throughout the country and the success of State and local officials in combating that activity.

(B) IDENTIFICATION OF TRENDS.—In the study conducted under subparagraph (A), the Comptroller General of the United States and the General Accounting Office shall identify any trends in the commission of hate crimes specifically by—

(i) geographic region;

(ii) type of crime committed; and

(iii) the number of hate crimes that are prosecuted and the number for which convictions are obtained.

(c) MODEL STATUTE.—

(1) IN GENERAL.—To encourage the identification and prosecution of hate crimes throughout the country, the Attorney General shall, through the National Conference of Commissioners on Uniform State Laws of the American Law Institute or another appropriate forum, and in consultation with the States, develop a model statute to carry out the goals described in subsection (a) and criminalize acts classified as hate crimes.

(2) REQUIREMENTS.—In developing the model statute, the Attorney General shall—

(A) include in the model statute crimes that manifest evidence of prejudice; and

(B) prepare an analysis of all reasons why any crime motivated by prejudice based on any traits of a victim should or should not be included.

(d) SUPPORT FOR CRIMINAL INVESTIGATIONS AND PROSECUTIONS BY STATE AND LOCAL LAW ENFORCEMENT OFFICIALS.—

(1) ASSISTANCE OTHER THAN FINANCIAL ASSISTANCE.—

(A) IN GENERAL.—At the request of a law enforcement official of a State or a political subdivision of a State, the Attorney General, acting through the Director of the Federal Bureau of Investigation, shall provide technical, forensic, prosecutorial, or any other form of assistance in the criminal investigation or prosecution of any crime that—

(i) constitutes a crime of violence (as defined in section 16 of title 18, United States Code);

(ii) constitutes a felony under the laws of the State; and

(iii) is motivated by prejudice based on the victim's race, ethnicity, or religion or is a violation of the State's hate crime law.

(B) PRIORITY.—In providing assistance under subparagraph (A), the Attorney General shall give priority to crimes committed by offenders who have committed crimes in more than 1 State.

(2) GRANTS.—

(A) IN GENERAL.—There is established a grant program within the Department of Justice to assist State and local officials in the investigation and prosecution of hate crimes.

(B) ELIGIBILITY.—A State or political subdivision of a State applying for assistance under this paragraph shall—

(i) describe the purposes for which the grant is needed; and

(ii) certify that the State or political subdivision lacks the resources necessary to investigate or prosecute the hate crime.

(C) DEADLINE.—An application for a grant under this paragraph shall be approved or disapproved by the Attorney General not later than 24 hours after the application is submitted.

(D) GRANT AMOUNT.—A grant under this paragraph shall not exceed $100,000 for any single case.

(E) REPORT.—Not later than December 31, 2001, the Attorney General, in consultation with the National Governors' Association, shall submit to Congress a report describing the applications made for grants under this paragraph, the award of such grants, and the effectiveness of the grant funds awarded.

(F) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this paragraph $5,000,000 for each of fiscal years 2000 and 2001.

(e) INTERSTATE TRAVEL TO COMMIT HATE CRIME.—

(1) IN GENERAL.—Chapter 13 of title 18, United States Code, is amended by adding at the end the following:

"§ 249. Interstate travel to commit hate crime

''(a) IN GENERAL.—A person, whether or not acting under color of law, who—

''(1) travels across a State line or enters or leaves Indian country in order, by force or threat of force, to willfully injure, intimidate, or interfere with, or by force or threat of force to attempt to injure, intimidate, or interfere with, any person because of the person's race, color, religion, or national origin; and

''(2) by force or threat of force, willfully injures, intimidates, or interferes with, or by force or threat of force attempts to willfully injure, intimidate, or interfere with any person because of the person's race, color, religion, or national origin,

shall be subject to a penalty under subsection (b).

''(b) PENALTIES.—A person described in subsection (a) who is subject to a penalty under this subsection—

''(1) shall be fined under this title, imprisoned not more than 1 year, or both;

''(2) if bodily injury results or if the violation includes the use, attempted use, or threatened use of a dangerous weapon, explosives, or fire, shall be fined under this title, imprisoned not more than 10 years, or both; or

''(3) if death results or if the violation includes kidnapping or an attempt to kidnap, aggravated sexual abuse or an attempt to commit aggravated sexual abuse, or an attempt to kill—

''(A) shall be fined under this title, imprisoned for any term of years or for life, or both; or

''(B) may be sentenced to death.''.

(2) TECHNICAL AMENDMENT.—The analysis for chapter 13 of title 18, United States Code, is amended by adding at the end the following:

''249. Interstate travel to commit hate crime.''.

By Mr. FRIST:

S. 1407. A bill to authorize appropriations for the Technology Administration of the Department of Commerce for fiscal years 2000, 2001, and 2002, and for other purposes; to the Committee on Commerce, Science, and Transportation.

TECHNOLOGY ADMINISTRATION AUTHORIZATION ACT FOR FISCAL YEARS 2000, 2001, AND 2002

● Mr. FRIST. Mr. President, I rise today to offer a bill to authorize the appropriations for the Technology Administration (TA) of the Department of Commerce for fiscal years 2000, 2001, and 2002. This bill authorizes funding for activities in the National Institute of Standards and Technology (NIST), the National Technical Information Services (NTIS), the Office of Technology Policy (OTP), and the Office of Space Commercialization (OSC).

The Technology Administration is the only federal agency responsible for maximizing technology's contribution to America's economic growth, and for partnering with industry to improve U.S. industrial competitiveness. Because technological progress is the single most important factor in our current economic growth, it is important that the agency be adequately funded to pursue its missions, even during the current era of fiscal constraints. As the pace of technological changes accelerates and as the world transitions to a digital economy, we must work proactively to ensure that the private sector has the best possible tools to compete in this new economy.

NIST, as the main research laboratory in Technology Administration, promotes and strengthens the U.S. economy by collaborating with industry to apply new technology, measurement methods, and technical standards. In support of the programs in Scientific and Technical Research and Services, the bill seeks to increase the authorization amounts for fiscal years 2001 and 2002 by 5.5 percent annually, consistent with my objective for doubling the aggregate federal funding for civilian research over an 11-year period beginning in fiscal year 2000.

In keeping with my firm belief that our national commitment to technological innovation must include a complete framework that also facilitates the realization and commercialization of new technologies in the marketplace, the bill also continues to provide funding for two NIST programs that have been particularly contentious: the Advanced Technology Program (ATP) and the Manufacturing Extension Program (MEP). We respond to existing criticisms of ATP with several changes to the administration of ATP awards to ensure that the program fulfills its originally intended mission. These modifications include provisions to ensure that federal funds would not interfere or compete with private capital for the commercialization of new technologies, and that these funds would benefit primarily small businesses.

With MEP approaching maturity, the evidence of its success in providing technical assistance and advanced

business practices to help small manufacturers improve their competitiveness has been overwhelming. However, as we transition from a labor-based to a knowledge-based economy, the function of the manufacturing sector will change and its needs will evolve accordingly. In anticipation of these changes, the legislation requests the Director of NIST to examine these issues closely, and recommend modification or expansion of MEP as appropriate.

NTIS is an agency within Technology Administration that collects, archives, and disseminates scientific, technical, and related business information produced by or for the federal government. NTIS is required to cover its expenses through its revenues. However, the advance of the Internet and the convenience of electronic dissemination of information freely via agency web sites have severely impacted NTIS's ability to sell its products. It is my belief that the agency serves an important mission in ensuring the preservation of research results produced from federal investment. Yet, prudent fiscal management practice dictates that we give serious consideration to the agency and its future. Accordingly, the bill reauthorizes additional funding for the agency, but only if the Secretary can recommend potential resolutions to the issue. We leave open the option of possibly resolving this issue in a later bill.

Through the Technology Administration Act of 1998 (P.L. 105–309), we created the Office of Space Commercialization, and for the first time, the Office will receive its own funding authorization. As the pace of activities to commercialize aspects of space increases, I hope that the Office will become a more active participant in the ongoing discussion between the government and industry in this strategically important market.

Two other issues that the legislation addresses include the commissioning of a study to strengthen and maintain technical expertise of the national laboratories, and a study on the role and impact of international and domestic technical standards of global commerce. These are issues with national impact that I believe we must discuss in a timely manner.

Mr. President, I believe that this authorization bill reflects a balance between prudent fiscal policies and wise investment for our Nation's future. We have incorporated input from my colleagues in the Senate, the House, and the Administration, as well as my constituents, and other interested parties. The legislation reaffirms our national commitment to maximize technology's contribution to economic growth in a responsible manner, while at the same time, prepares us for changes ahead as we transition into a knowledge-based economy. It also seeks to maintain America's unique technical skills. Therefore, I urge my colleagues to support timely passage of this legislation so that we can give a clear indication to the American people that we are serious about enhancing U.S. competitiveness as we approach the next century, and ensuring that our federal investment is well spent.●

By Mr. JEFFORDS (for himself, Mr. MOYNIHAN, Mr. SCHUMER, Mr. LAUTENBERG, Mr. LIEBERMAN, and Mr. LEAHY):

S. 1408. A bill to amend the Small Business Investment Act of 1958 to promote the cleanup of abandoned, idled, or underused commercial or industrial facilities, the expansion or redevelopment of which are complicated by real or perceived environmental contamination, and for other purposes; to the Committee on Small Business.

SMALL BUSINESS BROWNFIELDS REDEVELOPMENT ACT OF 1999

Mr. JEFFORDS. Mr. President, I rise today to introduce the Small Business Brownfields Redevelopment Act of 1999.

As we debate the best avenue to promote smart growth in our communities, a prominent issue is brownfields revitalization. Historically an issue of corporate America, small businesses can play a crucial role in revitalizing brownfields sites. Providing small businesses with the necessary capital to redevelop these sites is critical. The potential for small businesses to redevelop brownfields sites has gone untapped for far too long.

Although Congress clarified lender liability in 1996—in the FY 1997 Omnibus Appropriations bill—P.L. 104–208—there has been little progress to enhance small business brownfields redevelopment efforts. Larger corporations have the necessary resources; for example, Bank of America has recognized the economic benefits for brownfields lending. The Small Business Brownfields Redevelopment Act of 1999 would level this playing field.

Our goal with this legislation is to take an existing framework—the Small Business Administration's (SBA) successful loan guarantee and community development corporation programs—and channel important resources into brownfields redevelopment and prevention. It is a concept with multiple objectives. It will provide legitimacy to brownfields investment and lending, which does not now exist; and promote innovative cleanup technologies.

By redeveloping brownfields and easing development pressure on greenfields, we are promoting smart growth; and by providing critical financial tools to our small businesses, we are promoting the backbone of our nation's economy. Revitalizing brownfields is pro-business, pro-community, and pro-environment.

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. 1408

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 Business Brownfields Redevelopment Act of 1999''.

SEC. 2. SMALL BUSINESS DEVELOPMENT COMPANY PROGRAM SET-ASIDE FOR BROWNFIELD PREVENTION AND REDEVELOPMENT.

Section 504 of the Small Business Investment Act of 1958 (15 U.S.C. 697a) is amended by adding at the end the following:

''(c) SET-ASIDE FOR BROWNFIELD PREVENTION AND REDEVELOPMENT PROJECTS.—

''(1) IN GENERAL.—Of the amount authorized for financings under this section in each fiscal year, the Administration shall set aside the lesser of $50,000,000 or 10 percent, which shall be used by qualified State and local development companies to finance projects that assist qualified small businesses (or prospective owners or operators of qualified small businesses) in—

''(A) carrying out site assessment and cleanup activities at brownfield sites or at sites contaminated with petroleum; and

''(B) acquiring new, clean technologies and production equipment.

''(2) DEFINITIONS.—In this subsection—

''(A) the term 'brownfield site' has the meaning given that term in section 321(d);

''(B) the term 'site assessment' means any investigation of a site determined to be appropriate by the President and undertaken pursuant to section 104(b) of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (42 U.S.C. 9604(b));

''(C) the term 'qualified small business' means a small business—

''(i) that—

''(I) has acquired a brownfield site; or

''(II) uses, in the course of doing business, any hazardous substance (as defined in section 101(14) of such Act (42 U.S.C. 9601(14)); and

''(ii) that has limited or no access to capital from conventional sources, as determined by the Administration; and

''(D) the term 'qualified State or local development company' has the meaning given that term in section 503(e).''.

SEC. 3. PROMOTION OF SMALL BUSINESS INVESTMENT COMPANIES FOR BROWNFIELD ACTIVITIES.

Title III of the Small Business Investment Act of 1958 (15 U.S.C. 681 et seq.) is amended by adding at the end the following:

''SEC. 321. SMALL BUSINESS INVESTMENT COMPANIES FOR BROWNFIELD ACTIVITIES.

''(a) ESTABLISHMENT OF CERTAIN SMALL BUSINESS INVESTMENT COMPANIES.—The Administration shall promote the establishment of 1 or more small business investment companies, the primary purpose of which is to finance—

''(1) cleanup activities for brownfield sites or sites contaminated with petroleum, including those that use innovative or experimental cleanup technologies; or

''(2) projects that assist small businesses in cleaning up the facilities owned or operated by those small businesses and adopting new, clean technologies.

''(b) AUTHORITY TO WAIVE CERTAIN FEE.—The Administration may waive any filing fee otherwise required by the Administration under this title with respect to any small business investment company described in subsection (a).

''(c) SET-ASIDE.—Notwithstanding any other provision of this title, of the amount authorized for purchases of participating securities and guarantees of debentures under this title in each fiscal year, the Administration shall set aside the lesser of $2,000,000 or 10 percent, which shall be used to provide leverage to any small business investment company described in subsection (a).

''(d) BROWNFIELD SITE DEFINED.—In this section, the term 'brownfield site' means an abandoned, idled, or underused commercial or industrial facility, the expansion or redevelopment of which is complicated by real or perceived environmental contamination.''.

Mr. MOYNIHAN. Mr. President, I rise to introduce the Small Business Brownfields Redevelopment Act of 1999, a bill to set aside a portion of the Small business Administration's (SBA) resources for use by small businesses for brownfields prevention and redevelopment.

I am pleased to co-sponsor this measure with Senator JEFFORDS of Vermont. Together, we co-chair the Northeast-Midwest Senate Coalition. We recognize that our area of the country has its share of brownfields and the need for this important legislation.

Many smaller banks, including those represented by the SBA, are hesitant to lend to projects involving brownfields which they perceive to be risky. Our bill will encourage and provide the legitimacy to brownfields investment and lending that is long overdue.

This bill designates a portion of the funding of two of SBA's programs, Section 504, Certified Development Companies (CDCs) and Small Business Investment Companies (SBICs), for brownfields activities. This will ensure that small businesses receive the support they need to promote the redevelopment of valuable land.

Companies across the nation have recognized the financial and social advantages of Smart Growth and brownfields redevelopment. Communities call on us to preserve and promote open space. This bill unites the goals of businesses and residents in a common purpose: more efficient, economical and ecological use of our nation's lands.

By Mr. MCCONNELL (for himself and Mr. BUNNING):

S. 1409. A bill to amend the Internal Revenue Code of 1986 to reduce from 24 months to 12 months the holding period used to determine whether horses are assets described in section 1231 of such Code; to the Committee on Finance.

LEGISLATION REDUCING THE CAPITAL GAINS HOLDING PERIOD FOR HORSES

Mr. MCCONNELL. Mr. President, I join with my colleague, Mr. BUNNING, to introduce legislation to reduce from 24 months to 12 months the capital gains holding period for horses. All capital assets—with the exception of horses and cattle—qualify for the lowest capital gains tax rate if held for 12 months. This discrepancy in the tax code is simply not fair to the horse industry.

The horse industry is extremely important to our economy, and accounts for thousands of jobs. Whether it is owning, breeding, racing, or showing horses—or simply enjoying an afternoon ride along a trail—one in thirty-five Americans is touched by the horse industry. In Kentucky alone, the horse industry has an economic impact of $3.4 billion, involving 150,000 horses and more than 50,000 employees.

What supports this industry is the investment in the horses themselves. Much like other businesses, outside investments are essential to the operation and growth of the horse industry. Without others willing to buy and breed horses, it is impossible for the industry to remain competitive. The two-year holding period ultimately discourages investment, putting this industry —and the 1.4 million jobs it supports nationwide—at risk. Clearly, this is bad economic policy and must be changed.

Mr. President, the two-year holding period for horses is sorely outdated. It was established in 1969, primarily as an anti-tax shelter provision. Since then, there have been a number of changes in the tax code. Specifically, the passive loss limitations have been adopted, putting an end to these previous tax loopholes.

Although horses are categorized as livestock, they have an entirely different function than other animals, like cattle. While both are livestock, the investment in these two animals is entirely different. Beef is a commodity, with a finite and generally short life span. However, horses—whether they are used for racing, showing, or working—are frequently bought and sold multiple times over their longer life in order to maximize the return on the owner's investment. Additionally, once horses retire from the track or show arena, they continue to enhance their value through breeding.

Mr. President, there is no sound argument for distinguishing horses from other capital assets. The two-year holding period discriminates against the horse industry and must be reduced. I urge my colleagues to join Senator BUNNING and me in correcting this unfair tax policy. Mr. President, I ask that the text of this legislation be printed in the RECORD.

The bill follows:

S. 1409

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

SECTION 1. HOLDING PERIOD REDUCED TO 12 MONTHS FOR PURPOSES OF DETERMINING WHETHER HORSES ARE SECTION 1231 ASSETS.

(a) IN GENERAL.—Subparagraph (A) of section 1231(b)(3) of the Internal Revenue Code of 1986 (relating to definition of property used in the trade or business) is amended by striking ''and horses''.

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

By Mr. STEVENS:

S. 1410. A bill to amend the Internal Revenue Code of 1986 with respect to the treatment of certain air trnasportation; to the Committee on Finance.

EMPTY SEAT TAX RELIEF LEGISLATION

Mr. STEVENS. Mr. President, I am introducing a bill to equate the tax treatment of persons occupying what would otherwise be empty seats on private aircraft with the treatment of airline employees flying on a space available basis on regularly scheduled flights. Right now, use of these empty seats is deemed taxable personal income to the employee. I refer to it as the ''empty-seat tax.'' Filling these empty seats—the way airlines do—can be likened to personnel taking offsets on freight flights, and empty seat passengers on auto, trucks, taxis or limousines that are being driven for business.

Under current law, airline employees and retirees and their parents and children can fly tax-free on scheduled commercial flights for nonbusiness reasons. Military personnel and their families can hop military flights for nonbusiness reasons without the imposition of tax. Current and former employees of airborne freight or cargo haulers, together with their parents and children, can fly tax-free for nonbusiness reasons on seats that would have otherwise been empty.

In addition, no tax is imposed on passengers accompanying employees traveling on business via auto or other nonaircraft transportation. For example, a trucker can take his wife on a haul without facing the imposition of a tax for the seat that she occupies. Yet tax is frequently imposed on employees or ''deemed'' employees flying for nonbusiness reasons when they occupy what would otherwise be unused seats on business flights of noncommercial aircraft. Employers who own or lease these aircraft are compelled by IRS regulations to consider 13 separate factors or steps in determining the incidence and amount of tax to be imposed on their employees. My proposal seeks to deal with this inequity by treating all passengers the same way.

Under this provision, the employer would have to demonstrate to the IRS on audit that the flight would have been made in the ordinary course of the employer's business whether or not the person was on the flight. The employer would also have to show that the presence of the person did not cause the employer to incur additional costs for the flight. Personal use of a plane, such as when an executive files with his or her family or guests to a vacation home, would remain fully taxable, just as under current law.

In 1984, the Joint Committee on Taxation concluded that it was ''unacceptable'' to continue ''conditions'' under which ''taxpayers in identical or comparable situations have been treated differently'' because of the ''inequities, confusion and administrative difficulties for business, employees and the internal revenue service resulting from this situation.'' The Joint Committee on Taxation was right then, and the comment continues to be accurate 15 years later.

This is not just about creating equity for all passengers. It also goes to our ultimate goal of simplifying the Tax

Code for all Americans. Upon passage of this provision, a separate category of taxpayer will be eliminated and employees and employers will be able to better assess the tax implications of travel on aircraft.

This is an especially important issue to large States with smaller populations because air travel comprises such a large part of our transportation systems. Instead of getting on a plane to travel across country, many people from rural areas get on a plane to travel within the State.

This is also a health care issue. Many people in rural States like mine must take an empty seat on a company-owned airplane because they get sick and need medical treatment that can only be found in larger cities. In the contiguous States, someone can call an ambulance to take a car or bus to a larger metropolitan area to receive medical treatment. There are no buses from Barrow to Fairbanks or Cold Bay to Anchorage. The current Tax Code overlooks this fact of life and my provision will take this into account. We must begin to treat all passengers fairly, regardless of how they get to their final destination.

By Mr. STEVENS:

S. 1411. A bill to amend the Internal Revenue Code of 1986 to extend the credit for producing electricity from certain renewable resources; to the Committee on Finance.

FISH OIL HEAT ACT OF 1999

Mr. STEVENS. Mr. President, today I introduce the Fish Oil Heat Act of 1999. This act would provide a tax credit for fishing operations who choose to burn waste fish oil rather than diesel fuel. Fishing operations would earn a tax credit for each Btu of heat produced by this alternative fuel source. This measure is similar to others that are before the Senate in that it encourages businesses to use alternative energy sources at hand rather than relying solely on fossil fuels.

This bill would amend section 45 of the Tax Code to include fish oil as a qualified energy producing resource. Fishing operations, whether on shore or at sea are able to use fish oil to keep their working areas warm and to process the fish they harvest. My legislation would expand the current Tax Code to provide an incentive to use alternative energy sources by including heat generated by waste fish oil under section 45. As it stands now, the Tax Code allows tax credits for electricity produced by wind or through a closed loop biomass system. Fishing operations are often isolated from energy grids and they do not rely on the organic biomass systems for energy, so they cannot take advantage of the electricity producing tax credit.

Several Senators have introduced bills to expand the current Tax Code to allow for new energy producing tax credits from alternative resources. However, the tax credits are limited to a single form of energy—electricity. My bill would take into account a different form of energy—heat. This provision would give the same amount of tax credit for a single Btu of heat produced as the current Tax Code allows for a kilowatt hour of electricity produced. This will create equity within the tax system and across industry lines.

Fishing operations in my State are often isolated and rely on the resources they have at hand. Unlike many of the industries in the contiguous United States, fishing operations in Alaska can't connect to area wide power grids. They rely on fossil fuels to run generators for heat and electricity. The fuel must be transported to the operation, often by barge or small boat. This bill would encourage these isolated fishing operations to collect and use the waste fish oil that they generate to keep their business warm. This would cut down on the amount of fossil fuel being transported to these distant locations, thus reducing the chances of fuel spills. Additionally, by encouraging the fishing operations to burn the waste oil they generate, we can reduce the amount of fish oil going to waste.

ADDITIONAL COSPONSORS

S. 125

At the request of Mr. FEINGOLD, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 125, a bill to reduce the number of executive branch political appointees.

S. 294

At the request of Mr. WYDEN, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 294, a bill to direct the Secretary of the Army to develop and implement a comprehensive program for fish screens and passage devices.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Wisconsin (Mr. KOHL) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 472

At the request of Mr. GRASSLEY, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 472, a bill to amend title XVIII of the Social Security Act to provide certain medicare beneficiaries with an exemption to the financial limitations imposed on physical, speech-language pathology, and occupational therapy services under part B of the medicare program, and for other purposes.

S. 484

At the request of Mr. CAMPBELL, the name of the Senator from Michigan (Mr. ABRAHAM) was added as a cosponsor of S. 484, a bill to provide for the granting of refugee status in the United States to nationals of certain foreign countries in which American Vietnam War POW/MIAs or American Korean War POW/MIAs may be present, if those nationals assist in the return to the United States of those POW/MIAs alive.

S. 510

At the request of Mr. CAMPBELL, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 510, a bill to preserve the sovereignty of the United States over public lands and acquired lands owned by the United States, and to preserve State sovereignty and private property rights in non-Federal lands surrounding those public lands and acquired lands.

S. 522

At the request of Mr. LAUTENBERG, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 522, a bill to amend the Federal Water Pollution Control Act to improve the quality of beaches and coastal recreation water, and for other purposes.

S. 541

At the request of Ms. COLLINS, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 541, a bill to amend title XVIII of the Social Security Act to make certain changes related to payments for graduate medical education under the medicare program.

S. 632

At the request of Mr. DEWINE, the name of the Senator from New Hampshire (Mr. GREGG) was added as a cosponsor of S. 632, a bill to provide assistance for poison prevention and to stabilize the funding of regional poison control centers.

S. 717

At the request of Ms. MIKULSKI, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 717, a bill to amend title II of the Social Security Act to provide that the reductions in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds $1,2000, adjusted for inflation.

S. 751

At the request of Mr. LEAHY, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 751, a bill to combat nursing home fraud and abuse, increase protections for victims of telemarketing fraud, enhance safeguards for pension plans and health care benefit programs, and enhance penalties for crimes against seniors, and for other purposes.

S. 758

At the request of Mr. ASHCROFT, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 758, a bill to establish legal standards and procedures for the fair, prompt, inexpensive, and efficient resolution of personal injury claims arising out of asbestos exposure, and for other purposes.