Ryan White CARE Act dollars to purchase comprehensive health insurance policies for hundreds of Hoosiers through the Indiana Comprehensive Health Insurance Association (ICHIA), Indiana's high risk insurance pool, at roughly one-half of the cost of providing medical and pharmaceutical services under the State's Early Intervention Program (EIP) and AIDS Drug Assistance Program (ADAP);

Whereas, under Federal law, the Ryan White CARE Act is designated as the provider of last resort; therefore, it is recognized as the critical safety net program for low-income uninsured or underinsured individuals;

Whereas, the Federal Budget for Fiscal Year 2000 contains increased funding for the Ryan White CARE Act, and Indiana is expected to receive $7,813,713 beginning April 1, 2000;

Whereas, funding under Title II of the Ryan White CARE Act pays for care, treatment and social services;

Whereas, over 80% pay for life-extending and life-saving pharmaceuticals under Indiana's AIDS Drug Assistance Program (ADAP) and for comprehensive health insurance policies under Indiana's Health Insurance Assistance Program (HIAP);

Whereas, title III of the Ryan White CARE Act provides funding to public and private nonprofit entities in Indiana for outpatient early intervention and primary care services;

Whereas, the goal of the Ryan White CARE Act Special Projects of National Significance (SPNS) Program (Part F) is to advance knowledge about the care and treatment of persons living with HIV/AIDS by providing time-limited grants to assess models for delivering health and support services;

Whereas, SPNS projects have supported the development of innovative service models for HIV care to provide legal, health and social services to communities of color, youth, hard to reach populations, and those with dual diagnoses in Indiana; and

Whereas, the Midwest AIDS Training and Education Center (MATEC) is funded as part of Part F of the Ryan White CARE Act, and in Indiana, MATEC trains clinical health care providers provides consultation and technical assistance, and disseminates ever-changing information for the effective management of HIV disease; Therefore,

Be it resolved by the Senate of the General Assembly of the State of Indiana, the House of Representatives concurring:

SECTION 1. That the Indiana General Assembly affirms its support of the Ryan White CARE Act, and urges the Congress of the United States to expeditiously reauthorize the Act in order to ensure that the expanding medical care and support services needs of individuals living with HIV disease are met.

SECTION 2. The Secretary of the Senate is directed to transmit a copy of this resolution to the President and Vice President of the United States, the Senate Majority and Minority Leaders, the Speaker of the House of Representatives and the House Minority Leader, the Chairpersons and Ranking Minority Members of the Senate Health, Education, Labor and Pensions, Appropriations, and Budget Committees, and to the Chairpersons and Ranking Minority Members of the House Commerce, Appropriations, and Budget Committees, and to each Senator and Representative from Indiana in the Congress of the United States.

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. LIEBERMAN (for himself, Mr. BAYH, Ms. LANDRIEU, Mrs. LINCOLN, Mr. KOHL, Mr. GRAHAM, Mr. ROBB, and Mr. BREAUX):

S. 2254. A bill to amend the elementary and Secondary Education Act of 1965, to reauthorize and make improvements to that Act, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. McCAIN:

S. 2255. A bill to amend the Internet Tax Freedom Act to extend the moratorium through calendar year 2006; to the Committee on Commerce, Science, and Transportation.

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

S. 2256. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide standards and procedures to guide both State and local law enforcement agencies and law enforcement officers during internal investigations, interrogation of law enforcement officers, and administrative disciplinary hearings, to ensure accountability of law enforcement officers, to guarantee the due process rights of law enforcement officers, and to require States to enact law enforcement discipline, accountability, and due process laws; to the Committee on the Judiciary.

By Mr. BREAUX:

S. 2257. A bill to extend the temporary suspension of duty on Diiodomethyl-p-tolylsulfone; to the Committee on Finance.

By Mr. BREAUX:

S. 2258. A bill to extend the temporary suspension of duty on B-Bromo-B-nitrostyrene; to the Committee on Finance.

By Mr. TORRICELLI:

S. 2259. A bill to amend title 28, United States Code, to divide New Jersey into 2 judicial districts; to the Committee on the Judiciary.

By Mr. COVERDELL:

S. 2260. A bill to allow property owners to maintain existing structures designed for human habitation at Lake Sidney Lanier, Georgia; to the Committee on Environment and Public Works.

By Mr. SARBANES (for himself, Mr. ROBB, Ms. MIKULSKI, Mr. BAYH, and Mr. LIEBERMAN):

S. 2261. A bill to encourage the formation of industry-led training consortia, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. LOTT (for himself, Mr. MURKOWSKI, Mr. CRAIG, Mr. COVERDELL, Mrs. HUTCHISON, and Ms. COLLINS):

S. 2262. A bill to amend the Internal Revenue Code of 1986 to institute a Federal fuels tax holiday; read the first time.

By Mr. LOTT:

S. 2263. A bill to amend the Internal Revenue code of 1986 to institute a Federal fuels tax holiday; read the first time.

By Mr. ROCKEFELLER (for himself, Mr. JEFFORDS, and Mrs. HUTCHISON):

S. 2264. A bill to amend title 38, United States Code, to establish within the Veterans Health Administration the position of Advisor on Physician Assistants, and for other purposes; to the Committee on Veterans' Affairs.

By Mrs. HUTCHISON (for herself, Mr. BREAUX, Mr. LOTT, Mr. BROWNBACK, Mr. BINGAMAN, Mr. GRAMM, Mr. THOMAS, and Mr. INHOFE):

S. 2265. A bill to amend the Internal Revenue Code of 1986 to preserve marginal domestic oil and natural gas well production, and for other purposes; 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 Mr. REED (for himself, Mr. DASCHLE, Mr. LEAHY, Mr. LAUTENBERG, Mr. SCHUMER, Mr. DURBIN, Mrs. MURRAY, Mr. KOHL, Mr. TORRICELLI, Mr. LEVIN, Mrs. BOXER, Mr . ROBB, Mr. KENNEDY, Mrs. FEINSTEIN, Mr. BIDEN, Mr. BYRD, Mr. KERRY, Mr. REID, Mr. INOUYE, Mr. BRYAN, and Mr. BINGAMAN):

S. Res. 276. A resolution to express the sense of the Senate that the conferees on the Violent and Repeat Juvenile Offender Accountability and Rehabilitation Act should submit the conference report on the bill before April 20, 2000, and include the gun safety amendments passed by the Senate; to the Committee on the Judiciary.

By Mr. REED (for himself, Mrs. MURRAY, and Mr. SMITH of New Hampshire):

S. Con. Res. 97. A concurrent resolution expressing the support of Congress for activities to increase public awareness of multiple sclerosis; considered and agreed to.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LIEBERMAN (for himself, Mr. BAYH, Ms. LANDRIEU, Mrs. LINCOLN, Mr. KOHL, Mr. GRAHAM, Mr. ROBB, and Mr. BREAUX):

S. 2254. A bill to amend the Elementary and Secondary Education Act of 1965, to reauthorize and make improvements to that Act, and for other purposes; to the Committee on Health, Education, Labor and Pensions.

PUBLIC EDUCATION REINVESTMENT, REINVENTION, AND RESPONSIBILITY ACT

Mr. LIEBERMAN. Mr. President, I rise today to offer a new plan for Federal education spending to refocus our national education policy on helping states and local school districts raise academic achievement for all children, putting the priority for federal programs on performance instead of process, and on delivering results instead of developing rules.

In broad terms, the public Education Reinvestment, Reinvention, and Responsibility Act—better known as the ''Three R's''—calls on states and local districts to enter into a new compact with the federal government to work together to strengthen standards and improve educational opportunities, particularly for America's poorest children. It would provide states and local educators with significantly more federal funding and significantly more flexibility in targeting aid to meet their specific needs. In exchange, it would demand real accountability, and for the first time consequences on schools that continually fail to show progress.

From my visits with parents, teachers, and principals over this past year, it is clear that we as a nation still share a common love for the common school, for its egalitarian mission, for its democratizing force, and for its unmatched role in helping generation

after generation rise and shine. Unfortunately, we are asking schools to do more than they were designed to do, to compensate for disengaged parents and divided communities—for instructing teenage girls on how to raise their children while they try to raise the GPAs, to nourishing the bodies and psyches of grade-schoolers who often begin the day without breakfast or affection, to policing school halls for guns and narcotics.

At the same that schools are trying to cope with these new and complex stresses and strains, we are demanding that they teach more than that have ever taught before in our history. The reality is that in this high-tech, highly-competitive era, there are fewer low-skilled industrial jobs available, and a premium on knowledge and critical thinking, meaning it is no longer enough to provide some kids with just a rudimentary understanding of the basics. Employers and parents alike with better teachers, stronger standards, and higher test scores for all students, as well as state-of the art technology and the Information Age skills to match.

It is a tribute to the many dedicated men and women who are responsible for teaching our children that the bulk of our schools are as good as they are, in light of these intensifying pressures. But the strain is nevertheless building, and with it serious doubts about our public schools and their capability to meet these challenges. Just this fall the Democratic Leadership Council, of which I am proud to serve as chairman, released a national survey showing that two-thirds of the American people believe our public schools are in crisis.

I was surprised by that high percentage, which may be skewed somewhat by lingering shock over the growing incidents of school shootings. But we must admit that our public schools are not working for a lot of our kids. And, as a result, I believe that our public education system is facing an enormously consequential test, which will go a long way toward determining our future strength as a nation. It is a test of our time whether we can reform and in some ways reinvent our public education system to meet these new demands, without compromising the old ideals that have sustained the common school for generations.

For us to pass this test, we have to first recognize that there are serious problems with the performance of many public schools, and that public confidence in public education will continue to erode if we do not acknowledge and address those problems soon. While student achievement is up, we must realize the alarming achievement gap that separates minorities from Whites and low-income students from their more affluent counterparts. According to the state-by-state reading scores of fourth-graders on the National Assessment of Educational Progress, the achievement gap between African American and White students grew in 16 states between 1992 and 1998. The gap between Hispanic and White students grew in nine states over the same period of time. We must also question whether our schools are adequately preparing our youth to enter the global economy when, in international students, U.S. 12th graders score below the international average in mathematics and science compared to 21 other nations.

We also have to acknowledge that we have not done a very good job in recent years in providing every child with a well-qualified teacher, a critical component to higher student achievement. We are failing to attract enough good minds in the teaching profession—one survey of college students in 21 different fields of study found that education majors ranked 17th in their performance on the SAT. We are failing to adequately train enough of these aspiring teachers at education schools—in Massachusetts last year, to cite one particularly egregious example, 59 percent of the 1,800 candidates who took the state's first-ever certification exam flunked a literacy test that the state board of education chairman rated as at ''about the eighth-grade level.'' And, we are failing to deliver teachers to the classroom who truly know their subject matter—our national survey found that one-fourth of all secondary school teachers did not major in the core area of instruction, and that in the school districts with the highest concentration of minorities, students have less than a 50 percent chance of getting a math or science teacher who has a license or a degree in their field.

With that said, we also have to acknowledge that while more money alone wont solve our problems, we cannot honesty expect to reinvent our schools without it either. The reality is that there is a tremendous need for additional investment in our public schools, not just in urban areas but in every kind of community. Thousands of crumbling and overcrowded schools to modernize. Two million new teachers to hire and train. Billions in spiraling special education costs to meet.

We also have to recognize the basic math of trying to raise standards at a time of profound social turbulence that we will need to expend new sums to reach and teach children who in the past we never asked to excel, and who in the present will have to overcome enormous hurdles to do so. I believe any child can learn—any child—and that has been proven over and over again in the best schools in both my home state of Connecticut and in many of America's cities.

There are in fact plenty of positives to highlight in public education today, which is something else that we have to acknowledge, yet too often don't. I have made a concerted effort over the last few years to visit a broad range of schools and programs in Connecticut, and I can tell you that there is much happening in our public schools that we can be heartened by, proud of, and learn from.

There is the John Barry Elementary School in Meriden, Connecticut, which was singled out by the U.S. Department of Education as a Distinguished title I School for its work with disadvantaged students. Like many urban schools, Barry has to contend with a high-poverty, high-mobility student population, but through Reading Recovery and other interventions, Barry has had real success improving the reading skills of many of its students.

There is the Side by Side Charter School in Norwalk, one of 17 charter schools in Connecticut, which has created an exemplary multiracial program in response to the challenge of Sheff v. O'Neill to diminish racial isolation. With the freedom that goes with its charter, Side by Side is experimenting with a different approach to classroom assignments, having students stay with teachers for two consecutive years to take advantage of the relationships that develop, and by all indications it is working quite well for those kids.

And there is the BEST program, which, building on previous efforts to raise teacher skills and salaries, is now targeting additional state aid, training, and mentoring support to help local districts nurture new teachers and prepare them to excel. In this regard Connecticut is far ahead of most of the country in adapting its teacher quality programs to meet today's challenges—setting high performance standards both for teachers and those who train them, helping novices meet those standards, and holding the ones who don't accountable. The result is that Connecticut's blueprint is touted by some, including the National Commission on Teaching and America's Future, as a national model for others to follow.

A number of other states, led by Texas and North Carolina, are moving in this same direction—refocusing their education systems not on process but on performance, not on prescriptive rules and regulations but on results. More and more of them are in fact adopting what might be called a ''reinvest, reinvent, and responsibility'' strategy, by (1) infusing new resources into their public education systems; (2) giving local districts more flexibility; and (3) demanding new measures and mechanisms of accountability, to increase the chances that these investments will yield the intended return, meaning improved academic achievement for all students.

This move to trade flexibility for accountability, and to focus on performance instead of process, is not the definitive answer to passing the test I outlined earlier, of adapting our public schools to the rapidly-changing environment around us. There are obviously other parts of the equation, none more important that parental involvement. Everything we know from research indicates that an engaged parent makes a crucial difference in student achievement, particularly in terms of reading, and we have to do

more to get parents to play a more active role in their children's learning. But when it comes to improving the delivery of public education, the reinvestment and reinvention approach is the best solution I have heard yet, and probably our best hope for extending the promise of equal opportunity into the new century.

In Congress, our opportunity now is with the upcoming reauthorization of the Elementary and Secondary Education Act. Today, nearly $15 billion in Federal aid flows through ESEA programs to states and local education authorities, and other educational entities annually. While this constitutes a minute fraction of all the money spent on public education each year, it is still a lot of money, and past experience shows that Federal money has a habit of influencing local behavior. If we can reformulate the way we distribute those additional dollars, and peg our national programs to performance instead of process, we can go a long way toward encouraging more states and local school districts to reinvest and reinvent public education, while taking more responsibility for its outcomes.

Unfortunately, Congress seems more interested in being an agent of recrimination. We spend most of our time positioning ourselves for partisan advantage rather than trying to fix serious problems. We reduce a complicated issue to a simplistic multiple choice test, forcing a false choice between more spending and programs, or block grants and vouchers. And, the answer we are left with is none of the above.

Mr. President, I am pleased to join my colleagues Senators BAYH, BREAUX, GRAHAM, KOHL, LANDRIEU, LINCOLN, and ROBB in introducing this groundbreaking legislation that signifies that there is a better way, a third way to address education reform. It builds on the progress many states have already made through the standards movements. It calls for streamlining and consolidating the maze of programs under the Elementary and Secondary Education Act into five goal-oriented titles, each with more money and fewer strings attached, and all of them geared toward encouraging innovation, promoting what works, and ultimately raising academic achievement for all students.

We would concentrate our efforts on closing the achievement gap between the haves and have-nots, fostering English proficiency for immigrant children, improving the quality of teaching for all children, promoting choice and competition within the public system, and stimulating innovative and high performance educational initiatives. We would ask the states to set performance standards in each of these areas, and in exchange for the new funding and flexibility we provide, we would hold states accountable for delivering demonstrable results. We would reward success and, for the first time in the history of ESEA, punish chronic failure.

We agree with our Democratic colleagues that we need to invest more resources if we want to meet the new challenges of the new century, and prepare every student to succeed in the classroom. That is why we would boost ESEA funding by $35 billion over the next five years. But we also believe that the impact of this funding will be severely diluted if it is not better targeted to the worst-performing schools and if it is not coupled with a demand for results. That is why we not only increase Title I funding by 50 percent, but use a more targeted formula for distributing these new dollars to schools with the highest concentrations of poverty. And that is why we develop a new accountability system that strips federal funding from states that continually fail to meet their performance goals.

We also agree with our Republican colleagues that federal education programs are too numerous and too bureaucratic. That is why we eliminate dozens of federally microtargeted, micromanaged programs that are redundant or incidental to our core mission of raising academic achievement. But we also believe that we have a great national interest in promoting broad national educational goals, chief among them delivering on the promise of equal opportunity. It is not only foolish, however, but irresponsible to hand out federal dollars with no questions asked and no thought of national priorities. That is why we carve out separate titles in those areas that we think are critical to helping local districts elevate the performance of their schools.

The first would enhance our longstanding commitment to providing extra help to disadvantaged children through the Title I program, while better targeting $12 billion in aid—a 50 percent increase in funding—to schools with the highest concentrations of poor students. The second would combine various teacher training and professional development programs into a single teacher quality grant, increase funding by 100 percent to $1.6 billion annually, and challenge each state to pursue the kind of bold, performance-based reforms that my own state of Connecticut has undertaken with great success.

The third would reform the Federal bilingual education program and hopefully defuse the ongoing controversy surrounding it by making absolutely clear that our national mission is to help immigrant children learn and master English, as well as achieve high levels of achievement in all subjects. We must be willing to back this commitment with essential resources required to help ensure that all limited English proficient students are served.

Under our approach, funding for LEP programs would be more than doubled to $1 billion a year, and for the first time be distributed to states and local districts through a reliable formula, based on their LEP student population. As a result, school districts serving large LEP and high poverty student populations would be guaranteed federal funding, and would not be penalized because of their inability to hire savvy proposal writers for competitive grants.

The fourth would respond to the public demands for greater choice within the public school framework, by providing additional resources for charter school start-ups and new incentives for expanding local, intradistrict choice programs. And the fifth would radically restructure the remaining ESEA and ensure that funds are much better targeted while giving local districts greater flexibility in addressing specific needs. We consolidate more than 20 different programs into a single High Performance Initiatives title, with a focus on supporting bold new ideas, expanding access to summer school and after school programs, improving school safety, and building technological literacy. We increase overall funding by more than $200 million, and distribute this aid through a formula that targets more resources to the highest poverty areas.

The boldest change we are proposing is to create a new accountability title. As of today, we have plenty of rules and requirements on inputs, on how funding is to be allocated and who must be served, but little if any attention to outcomes, on how schools ultimately perform in educating children. This bill would reverse that imbalance by linking Federal funding to the progress states and local districts make in raising academic achievement. It would call on state and local leaders to set specific performance standards and adopt rigorous assessments for measuring how each district is faring in meeting those goals. In turn, states that exceed those goals would be rewarded with additional funds, and those that fail repeatedly to show progress would be penalized. In other words, for the first time, there would be consequences for poor performance.

In discussing how exactly to impose those consequences, we have run into understandable concerns about whether you can penalize failing schools without also penalizing children. The truth is that we are punishing many children right now, especially the most vulnerable of them, by forcing them to attend chronically troubled schools that are accountable to no one, a situation that is just not acceptable anymore. This bill minimizes the potential negative impact of these consequences on students. It provides the states with three years to set their performance-based goals and put in place a monitoring system for gauging how local districts are progressing, and also provides additional resources for states to help school districts identify and improve low-performing schools. If after those three years a state is still failing to meet its goals, the state would be penalized by cutting its administrative funding by 50 percent. Only after four

years of under performance would dollars targeted for the classroom be put in jeopardy. At that point, protecting kids by continuing to subsidize bad schools becomes more like punishing them.

I must address another concern that may be raised that this is a block grant in sheep's clothing. There are substantial differences between a straight block-grant approach and this streamlined structure. First, in most block-grant proposals the accountability mechanisms are vague, weak and often non-existent, which is one reason why I have opposed them in the Senate. Our bill would have tangible consequences, pegged not just to raising test scores in the more affluent suburban areas, but to closing the troubling achievement gap between students in poor, largely minority districts and their better-off peers.

This leads me to another way this bill is different. Unlike many block-grant supporters, I strongly believe that we have a great national interest and a national obligation to promote specific educational goals, chief among them delivering on the promise of equal opportunity, and that is reflected in our legislation. While it makes sense to streamline and eliminate as many strings as possible on Federal aid, to spur innovation and also to maximize the bang for our Federal buck, it does not make sense to hand over those Federal bucks with no questions asked, and thus eliminate the Federal role in setting national priorities. That is why, in the restructuring we have developed, we have maintained separate titles for disadvantaged students, limited English proficient students, teacher quality, public school choice, and high quality education initiatives, all of which, I would argue, are critical to raising academic achievement and promoting equal opportunity. And that is why of the more than $6 billion increase in annual funding I am proposing, $4 billion would be devoted to title I and those students most in need of our help.

It is a fairly common-sense strategy—reinvest in our public schools, reinvent the way we administer them, and restore a sense of responsibility to the children we are supposed to be serving. Hence the title of our bill: the Public Education Reinvention, Reinvestment, and Responsibility Act, or the Three R's for short. Our approach is humble enough to recognize there are no easy answers to turning around low-performing schools, to lifting teaching standards, to closing the debilitating achievement gap, and that most of those answers won't be found here in Washington anyway. But it is ambitious enough to try to harness our unique ability to set the national agenda and recast the federal government as an active catalyst for success instead of a passive enabler of failure.

Mr. BAYH. Mr. President, I rise today to speak on a matter of great importance and urgency to me. We are at a crossroads in American education and that is why I join with my colleagues Senators LIEBERMAN, LANDRIEU, KOHL, LINCOLN, BREAUX, GRAHAM, and ROBB in offering the Public Education Reinvestment, Reinvention, and Responsibility Act.

Since the middle of the 1800s, when Horace Mann and a group of others dedicated our country to the principle that every child should have access to a good public education, we have held that out as an ideal for our country. In the middle 1960s, there was growing recognition that for too many of our children, this principle was really a hollow dream. And so, the Elementary and Secondary Education Act (ESEA) was born. We introduce our version of ESEA today in recognition of the fact that for too many millions of American children the dream of a quality public education is still sorely lacking.

The consequences of any of our children not receiving a quality education are far greater than ever before. For the first time in our nation's history, the growing gap between the educational ''haves'' and ''have nots'' threatens to create a permanent underclass. If we do not address these shortcomings, the knowledge and information gap will lock many of our citizens out of the marketplace and prevent them from accessing opportunity in the New Economy. We stand here today in recognition of the fact that the solutions of the 1960s are inadequate to meet the challenges of the 21st Century and the years beyond. We stand here today to say the status quo is not good enough; that we must do better.

Our legislation proposes dramatic change in a significant rethinking of business as usual when it comes to education policy here in Washington, D.C. We propose a substantial increase in our nation's investment in education, because we recognize that we can't expect our schools, particularly our poorer schools, to get the job done if we don't give them the tools to get the job done. We propose an increase of $35 billion over five years in Federal education spending, a 50 percent increase for Title I funding, 90 percent increase for professional development funding for teachers, over a 30 percent increase for innovative programs, and nearly a doubling in funding for Charter schools and Magnet Schools so as to give parents greater public school choice. This is a significant investment of public dollars.

But we do more than just throw money at the problem, because we know that taxpayers, parents, and most of all our children, have a right to expect more from us. Instead, we focus on accountability. In return for increased investment, we insist upon results. We focus on outcomes, not incomes. No longer will we define success only in terms of how much money is spent, but instead of how much our children know. Can they read and write, add and subtract, know basic science?

No longer will we define accountability in terms of ordering local school districts to spend dollars in particular ways, but instead in terms of whether our children are getting the skills they need to make a successful life for themselves. This is a significant rethinking from the things that have prevailed here in Washington for several decades.

Our proposal also provides a substantial amount of flexibility. We don't agree with our colleagues on the far right in block grants which would allow money to be diverted from public education or to allow dollars to be diverted from focusing on our poorest students. But we do allow for local principals and superintendents to have a much greater say in determining how best to spend those dollars, because we believe that those at the local level who labor in the classrooms and the schools every day, can make those decisions far better than those of us who now work on the banks of the Potomac.

It was Thomas Jefferson who said that a society that expects to be both ignorant and free is expecting something that never has been and never shall be. So we put forward this proposal because we know that the cause of improving public education is critically important to our economy, critically important to the kind of society that we will be, and essential to the vibrancy of our democracy itself.

Mr. KOHL. Mr. President, I rise today as a proud cosponsor of the Public Education Reinvestment, Reinvention, and Responsibility Act of 2000—better known as ''Three R's.'' I have been pleased to work with the education community in Wisconsin, as well as Senator LIEBERMAN and our other cosponsors, on this important piece of legislation. I believe that this bill represents a realistic, effective approach to improving public education—where 90 percent of students are educated.

We have made great strides in the past six years toward improving public education. Nearly all States now have academic standards in place. More students are taking more challenging courses. Test scores have risen slightly. Dropout rates have decreased.

In Wisconsin, educators have worked hard to help students achieve. Fourth-graders and eighth-graders are showing continued improvement on State tests in nearly every subject, particularly in science and math. Third-graders are scoring higher on reading tests. Test results show some improvement across all groups, including African American, disabled, and economically disadvantaged groups.

Unfortunately, despite all of our best efforts, we still face huge challenges in improving public schools. The most recent TIMSS study of students from 41 different countries found that many American students score far behind those in other countries. In Wisconsin, scores in math, science and writing are

getting better but still need improvement. And test scores of students from low-income families, while showing some improvement, are still too low.

Mr. President, I strongly support the notion that the Federal government must continue to be a partner with States and local educators as we strive to improve public schools. As a nation, it is in all of our best interests to ensure that our children receive the best education possible. It is vital to their future success, and the success of our country.

However, addressing problems in education is going to take more than cosmetic reform. We are going to have to take a fresh look at the structure of Federal education programs. We need to let go of the tired partisan fighting over more spending versus block grants and take a middle ground approach that will truly help our States, school districts—and most importantly, our students.

Our ''Three R's'' bill does just that. It makes raising student achievement for all students—and eliminating the achievement gap between low-income and more affluent students—our top priorities. To accomplish this, our bill centers around three principles.

First, we believe that we must continue to make a stronger investment in education, and that Federal dollars must be targeted to the neediest students. A recent GAO study found that Federal education dollars are significantly more targeted to poor districts than money spent by States. Although Federal funds make up only 6–7 percent of all money spent on education, it is essential that we target those funds where they are needed the most.

Second, we believe that States and local school districts are in the best position to know what their educational needs are. They should be given more flexibility to determine how they will use Federal dollars to meet those needs.

Finally—and I believe this is the key component of our approach—we believe that in exchange for this increased flexibility, there must also be accountability for results. These principles are a pyramid, with accountability being the base that supports the federal government's grant of flexibility and funds.

For too long, we have seen a steady stream of Federal dollars flow to States and school districts—regardless of how well they educated their students. This has to stop. We need to reward schools that do a good job. We need to provide assistance and support to schools that are struggling to do a better job. And we need to stop subsidizing failure. Our highest priority must be educating children—not perpetuating broken systems.

Mr. President, I believe the ''Three R's'' bill is a strong starting point for taking a fresh look at public education. We need to build upon all the progress we've made, and work to address the problems we still face. This bill—by using the concepts of increased funding, targeting, flexibility—and most importantly, accountability—demonstrates how we can work with our State and local partners to make sure every child receives the highest quality education—a chance to live a successful productive life. I look forward to working with all of my colleagues on both sides of the aisle, as well as education groups in my State, as Congress debates ESEA in the coming months.

By Mr. MCCAIN:

S. 2255. A bill to amend the Internet Tax Freedom Act to extend the moratorium through calendar year 2006; to the Committee on Commerce, Science, and Transportation.

THE INTERNET TAX FREEDOM ACT OF 2000

Mr. MCCAIN. Mr. President, I am pleased to introduce legislation today to extend the moratorium on Internet taxes through 2006. This will ensure that Internet commerce remains free from burdensome, anticonsumer taxation while we discuss a fair and equitable tax structure for our new economy. This bill simply extends the law passed by Congress and signed by the President in October 1998.

The 1998 legislation imposed a moratorium and provided for a commission to report to Congress. While the Commission has not yet reported its recommendations, it is clear from published reports of their deliberations and from interviews with their members that a clear consensus is not imminent. More discussions and more time is necessary to arrive at a fair conclusion. Although I feel strongly that in the end a permanent moratorium is the best policy, which is why I introduced legislation to impose a permanent ban on Internet taxes, I also have become convinced that we need more time to determine how state and local governments will be affected. We need to consider whether the macroeconomic benefits of the new economy will outweigh the potential losses in direct revenues, how to ensure a level playing field for all venues of commerce, and how to simplify the overwhelming morass of tax rules, regulations and paperwork so that opportunities for new or small businesses are not lost in complex and archaic bureaucracy.

The compromises being discussed by the Commission are a good start to the debate, but more time is necessary to pursue these and other possible options. It is becoming increasingly clear that the answer to taxation of the internet must affect taxation of other commerce media, such as catalog sales, as well. We need to reexamine the level of services which the public wants to be provided by government and determine how to provide necessary revenue to accomplish the people's will. We need to ensure that taxation is not simply imposed to increase government bureaucracy.

Recent studies indicate that state and local governments will not suffer during this interim period. A June 1999 report by the well-known and respected auditing and business consulting firm or Ernst & Young concludes that total sales and use taxes not collected by state and local governments from Internet e-commerce transactions in 1998 amounted to only ''one-tenth of one percent of total state and local sales and use tax collections.'' Another May 1999 analysis of Internet commerce transactions through 2003 by Austan Goolsvee and Jonathan Zittrain, published in the National Tax Journal, predicts ''even with a 70 percent rate of growth in retail e-commerce transactions, a revenue loss of less than 2 percent of sales tax revenue.''

There are multiple reasons for this very marginal impact on state and local revenues. First, most of the e-commerce transactions are wither business-to-business transactions, or for services, such as financial services and travel, which are exempt from sales and use taxes in most states. Ernst & Young estimated only 13 percent of the total e-commerce sales transactions were of a type which would be subject to sales and use taxes if conducted in person.

Second, as pointed out by Austan Goolsbee and Jonathan Zittrain, the Internet is a ''trade creator''—that is, many transactions which occur through e-commerce would not take place at all without the internet.

Third, the Internet does not divert sales only from brick and mortar retailers, but also from mail order catalogs. Those sales are also subject to sales and use tax only where a nexus, a physical presence, in the taxing state.

We are currently seeing a continued rise in state and local revenues. Many states are currently debating how to refund money to their citizens, whether to cut sales taxes or income taxes. Thus, this moratorium should not negatively impact their ability to provide services during the interim.

It is important to look at the full picture here. The Internet is filled with web sites of small businesses which are expanding in ways which would never have before been economically feasible. For example, a small store in a small town which has historically had a limited market for its good now has a website that allows it to market and sell to people all over the country—all over the world. It increases its business and needs to hire more employees, and pays taxes on its increased revenues. The states and local governments benefits, not only from the additional taxes paid on the revenues, but in the economic benefits of additional jobs.

The potential burden of complying with tax regulations and the paperwork involved under current law for as many as 7,500 estimated taxing units in this country would ovrwhelm many businesses, especially small businesses. An example in the March 13, 2000 edition of Interactive Week is instructive. ''If you're a raw peanut, five states would require that sales taxes are paid

on your purchase. If you're roasted, 11 states charge a sales tax. Add some honey to that roasting, and now 21 states say you're taxable. Get drenched in caramel and mixed with caramel-coated popcorn and suddenly you're a snack, and 31 states will call the tax man.''

While I hope that the debate will conclude with a decision to leave the Internet as a ''tax-free-zone,'' I believe that it is important to continue the discussion and to move all stakeholders toward a consensus. This temporary extension of the moratorium already approved by Congress and the President will allow us to do that. This is a good compromise which will serve as a catalyst for consideration of the broader tax policy issues which need to enter into this discussion to ensure a fair and equitable tax system in this country.

I intend to move this bill through committee expeditiously and look forward to debating it on the Senate floor.

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. 2255

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

SECTION 1. INTERNET TAX MORATORIUM EXTENDED THROUGH 2006.

Section 1101(a) of the Internet Tax Freedom Act (47 U.S.C. 151 nt) is amended by striking ''3 years after the date of the enactment of this Act—'' and inserting ''on December 31, 2006:'',

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

S. 2256. A bill to amend title I of the Omnibus Crime Control and Safe Streets Act of 1968 to provide standards and procedures to guide both State and local law enforcement agencies and law enforcement officers during internal investigations, interrogation of law enforcement officers, and administrative disciplinary hearings, to ensure accountability of law enforcement officers, to guarantee the due process rights of law enforcement officers, and to require States to enact law enforcement discipline, accountability, and due process laws; to the Committee on the Judiciary.

THE STATE AND LOCAL LAW ENFORCEMENT DISCIPLINE, ACCOUNTABILITY AND DUE PROCESS ACT OF 2000

Mr. MCCONNELL. Mr. President, today I rise with Senator BIDEN to introduce the State and Local Law Enforcement Discipline, Accountability and Due Process Act of 2000. American families can turn on the news every night and see the reality of the war against crime and drugs. No one understands the dangers of this battle better than the men and women on the front lines. I'm talking about our nation's police officers.

We have entrusted the difficult work of protecting society to police officers. They know the stress and the strain of walking the daily beat, of being caught in the crossfire in a world of gangs and drugs. They do a very difficult job, and with few exceptions, they do it with honor and skill.

We should always remember that the vast majority of police officers work responsibly and risk their lives for all of us. In the words of one officer, 'the ultimate sacrifice could occur at any time. * * * [The] gangs and criminals have rewritten the rule book.'

To make matters worse, the pressure of crime and drugs—of gangs and thugs—is multiplied by the fear of unjust disciplinary actions. Our law enforcement officers face intrusive investigations into their professional and personal lives—oftentimes at the behest of some recently arrested criminal looking for a payback.

Unfortunately, many police officers are denied the same basic procedural and due process rights that the rest of us enjoy and take for granted. As a result, our officers live in the fear of: being investigated without notice; being interrogated without an attorney; and, being dismissed without a hearing.

We insist that police officers respect the constitutional rights of the citizens they serve. We insist that they adhere to the letter and spirit of our laws. We insist that they respect due process in their work. It is past time for us to give them the same kind of legal rights that every other citizen has come to enjoy. That is why Senator BIDEN and I have introduced this bill.

This bill strikes an important balance: it makes sure every police officer has basic fundamental procedural rights, while at the same time ensuring that citizens have the opportunity to raise legitimate complaints and concerns about police officer accountability.

For example, the bill guarantees due process rights to every police officer subject to investigation for non-criminal disciplinary action. Some of these rights include: the right to be informed of the administrative charges prior to being questioned; the right to be advised of the results of an investigation; the right to a hearing and an opportunity to respond; and the right to be represented by counsel or other representative.

At the same time the bill ensures that legitimate citizen complaints against police officers will be actively investigated, and that citizens will be informed of the progress and outcome of those investigations.

Finally, I must conclude by explaining that this bill is a product of years of input from the men and women who have experienced the daily pressures of police service, and continue to endure them. This legislation has benefitted from the thoughtful ideas and past support of many law enforcement groups, including the Fraternal Order of Police, the National Association of Police Organizations, and the International Brotherhood of Police Officers.

In particular, I am grateful to the contribution made by the Fraternal Order of Police. Over the past 8 years, I have worked closely with the Kentucky FOP to develop and promote this legislation.

The time has come to protect those who protect us. We must give our law enforcement officers the basic and fundamental rights that they desperately need and richly deserve.

By Mr. TORRICELLI:

S. 2259. A bill to amend title 28, United States Code, to divide New Jersey into two judicial districts; to the Committee on the Judiciary.

CREATING A NORTHERN AND SOUTHERN DISTRICT OF NEW JERSEY

● Mr. TORRICELLI. Mr. President, I rise today to introduce a bill that will help bring more criminals to justice and create a better federal judicial system in New Jersey. This legislation will divide the federal District of New Jersey into the Southern and Northern Districts of New Jersey which will enable the federal courts and federal agencies to better serve the approximately 8 million residents of the state. It will also bring much needed federal law enforcement resources to the state, particularly southern New Jersey.

Under the bill, the proposed Southern District of New Jersey would include 8 of the 21 counties in New Jersey and the Northern District of New Jersey would include the remaining 13. The federal courthouses would be located in Camden and Trenton for the Southern District and in Newark for the Northern District. All federal cases arising in the eight-county Southern District would be heard in the federal court in Camden or Trenton and cases from the 13-county Northern District would be heard in Newark. The bill would also result in the creation of several new federal positions for the Southern District including a Clerk of the Court, U.S. Attorney, U.S. Marshal, and a Federal Public Defender, among others.

By creating a new Southern District of New Jersey, more federal crime-fighting resources will be brought to a region which crime statistics reveal is besieged by violent crime. In 1998, southern New Jersey accounted for 25 percent of the state's urban murders, 32 percent of the state's murder arrests and 33 percent of the state's arrests for violent crimes. This initiative will also ensure that crime-fighting decisions are made locally instead of by officials who are based elsewhere in the state and that law enforcement officials in the region will get the resources needed to prosecute crimes effectively and expeditiously.

The creation of two districts will also provide relief from the crush of cases that have crowded the dockets of the federal courts in southern New Jersey and caused a severe backlog in the system. In 1998 alone, 281 federal criminal

cases were filed in federal courts in southern New Jersey and 161 criminal cases were still pending at the end of the year. In that same year, 2,116 civil cases were filed and 1,318 civil cases were pending at the end of the year. Moreover, of the 95 federal judicial districts across the nation, more than half generated fewer criminal and civil cases than southern New Jersey and in some cases with far more federal judicial and law enforcement resources. Currently, only 10 percent of the FBI agents, 15 percent of the United States Marshals and 18 percent of the Drug Enforcement Administration agents in New Jersey are assigned to the region. Of the 119 Assistant United States Attorneys in the state, only 12 are assigned to South Jersey.

Finally, the creation of a new Northern and Southern Districts of New Jersey is warranted based on the sheer size of the state. The current District of New Jersey is the third most populous federal judicial district in the nation. Of the 25 states that have a single federal judicial district, New Jersey has the largest population and more than a dozen states with smaller populations have multiple judicial districts. In fact, with more than 2 million residents in the southern counties, the population of the proposed Southern District of New Jersey would exceed that of almost half of the current judicial districts and the proposed Northern District would rank even higher.

This initiative enjoys broad bipartisan political support in New Jersey, and a similar bill has been introduced and cosponsored in the U.S. House of Representatives by the entire southern New Jersey Congressional delegation. The measure also has strong support in the southern counties and is backed by all eight southern county bar associations, the South Jersey Police Chief's Association, the Chamber of Commerce of Southern New Jersey and various former county prosecutors and former federal law enforcement officials.

While the process of reviewing and deliberating the merits of this legislation will be lengthy and time consuming, this is an idea which is long overdue. The citizens of New Jersey deserve a better federal judicial system and their fair share of federal crime-fighting resources. I look forward to working with my colleagues to secure passage of this legislation.

I ask unanimous consent that a copy of the legislation appear in the RECORD.

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

S. 2259

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

SECTION 1. FINDINGS.

The Congress finds the following:

(1) In 1978, the Judicial Conference of the United States established a procedure for creating new Federal judicial districts, which is still in force. According to the ''Proceedings of the Judicial Conference, September 21–22, 1978'', this procedure requires that 4 principal criteria be taken into consideration in evaluating the establishment of a new Federal judicial district: caseload, judicial administration, geography, and community convenience.

(2) The criterion of ''caseload'' is found to include the total number of Federal court cases and the number of cases per Federal judge, for both civil and criminal Federal cases.

(3)(A) The substantial criminal caseload concentrated in the southern counties of New Jersey requires the creation of a separate judicial district.

(B) 281 Federal criminal cases originated in the 8 southern New Jersey counties in 1998 and were handled by the 5 judges of the Camden vicinage and the 3 judges of the Trenton vicinage.

(C) The criminal caseload in the southern region of New Jersey exceeds that of 51 of the current Federal judicial districts. Only 44 of the 95 Federal district courts have more criminal cases filed than the southern region of New Jersey.

(D) For example, in the Eastern District of Virginia (9 judges), 110 criminal cases were filed in 1998. In the District of Connecticut (8 judges), only 221 criminal cases were filed in 1998.

(4)(A) The substantial civil caseload concentrated in the southern counties of New Jersey requires the creation of a separate judicial district.

(B) 2,116 Federal civil cases originated in the 8 southern New Jersey counties in 1998 and were handled by the 5 judges of the Camden vicinage and the 3 judges of the Trenton vicinage.

(C) The civil caseload in the southern region of New Jersey exceeds that of 52 of the current Federal judicial districts. Only 43 out of the 95 Federal districts have more civil cases filed than this region of the New Jersey District.

(D) For example, in the Southern District of West Virginia, a separate judicial district with 5 judges, only 1,315 civil cases were filed in 1998. The Western District of Tennessee, similarly, with 5 judges, had only 1,581 civil cases filed in 1998.

(5) The criterion of ''judicial administration'' is found to include the backlog of pending cases in a Federal judicial district, which hinders the effective resolution of pending business before the court.

(6)(A) The size of the backlog of pending cases concentrated in the southern counties of New Jersey requires the creation of a separate judicial district.

(B) The number of pending cases in the Camden vicinage of New Jersey exceeds the number of cases pending before entire judicial districts with similar numbers of judges, clearly indicating that southern New Jersey merits a separate Federal judicial district. For example, there are 1,431 civil cases pending before the Camden vicinage, and only 113 of those were commenced in 1999. The Western District of Tennessee, with 5 judges, had only 1,104 civil cases pending in 1998. The Western District of Oklahoma had only 1,359 civil cases pending in 1998 before 6 judges. Finally, there are 161 criminal cases pending before the Camden vicinage, while the entire Southern District of Indiana, with 5 judges, had only 116 criminal cases pending in 1998.

(7) The criterion of ''geography'' is found to mean the accessibility of the central administration of the Federal judicial district to officers of the court, parties with business before the court, and other citizens living within the Federal judicial district.

(8)(A) The distance between the northern and southern regions of New Jersey creates a substantial barrier to the efficient administration of justice.

(B) The distance from Newark, New Jersey to Camden, New Jersey is more than 85 miles.

(C) When a new Federal court district was created in Louisiana in 1971, the distance between New Orleans and Baton Rouge (nearly 80 miles) was cited as a major factor in creating a new district court, as travel difficulties were impeding the timely administration of justice.

(9) The criterion of ''community convenience'' is found to mean the extent to which creating a new Federal judicial district will allow the court to better serve the population and diverse communities of the area.

(10)(A) New Jersey's culturally and regionally diverse population of 8,000,000 citizens, widely distributed across a large State, is inconvenienced by having only 1 judicial district.

(B) Of the 25 States that have only a single Federal judicial district (including Puerto Rico, the United States territories, and the District of Columbia), New Jersey has the highest population.

(C) More than a dozen States have smaller populations than New Jersey, yet they have multiple Federal judicial districts, including Washington, Oklahoma, Iowa, Georgia, West Virginia, and Missouri.

(11) In evaluating the creation of a new Southern District of New Jersey, the Judicial Conference should seek the views of the chief judge of the affected district, the judicial council for the affected circuit court, and the affected United States Attorney as representative of the views of the Department of Justice, as required in the procedure established by the ''Proceedings of the Judicial Conference, September 21–22, 1978''.

SEC. 2. ESTABLISHMENT OF 2 DISTRICTS IN NEW JERSEY.

(a) CREATION.—Section 110 of title 28, United States Code, is amended to read as follows:

''§ 110. New Jersey

''New Jersey is divided into 2 judicial districts to be known as the Northern and Southern Districts of New Jersey.

''Northern District

''(a) The Northern District comprises the counties of Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, and Warren.

''Court for the Northern District shall be held at Newark.

''Southern District

''(b) The Southern District comprises the counties of Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, and Salem.ER

''Court for the Southern District shall be held at Camden and Trenton.''.

(b) JUDGESHIPS.—The item relating to New Jersey in the table set forth in section 133(a) of title 28, United States Code, is amended to read as follows:

''New Jersey:
  ''Northern 9
  ''Southern ..... 8''.

(c) BANKRUPTCY JUDGESHIPS.—The item relating to New Jersey in the table set forth in section 152(a)(1) of title 28, United States Code, is amended to read as follows:

''New Jersey:
  ''Northern 4
  ''Southern ..... 4''.

SEC. 3. DISTRICT JUDGES, BANKRUPTCY JUDGES, MAGISTRATE JUDGES, UNITED STATES ATTORNEY, UNITED STATES MARSHAL, AND FEDERAL PUBLIC DEFENDER.

(a) TRANSFER OF DISTRICT JUDGES.—(1) Any district judge of the District Court of New

Jersey who is holding office on the day before the effective date of this Act and whose official duty station is in Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, or Warren County shall, on or after such effective date, be a district judge for the Northern District of New Jersey. Any district judge of the District Court of New Jersey who is holding office on the day before the effective date of this Act and whose official duty station is in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County shall, on and after such effective date, be a district judge of the Southern District of New Jersey.

(2) Whenever a vacancy occurs in a judgeship in either judicial district of New Jersey, the vacancy shall first be offered to those judges appointed before the enactment of this Act and in active service in the other judicial district of New Jersey at the time of the vacancy, and of those judges wishing to fill the vacancy, the judge most senior in service shall fill that vacancy. In such a case, the President shall appoint a judge to fill the vacancy resulting in the district of New Jersey from which such judge left office.

(b) TRANSFER OF BANKRUPTCY AND MAGISTRATE JUDGES.—Any bankruptcy judge or magistrate judge of the District Court of New Jersey who is holding office on the day before the effective date of this Act and whose official duty station is in Bergen, Essex, Hudson, Hunterdon, Middlesex, Monmouth, Morris, Ocean, Passaic, Somerset, Sussex, Union, or Warren County shall, on or after such effective date, be a bankruptcy judge or magistrate judge, as the case may be, for the Northern District of New Jersey. Any bankruptcy judge or magistrate judge of the District Court of New Jersey who is holding office on the day before the effective date of this Act and whose official duty station is in Atlantic, Burlington, Camden, Cape May, Cumberland, Gloucester, Mercer, or Salem County shall, on and after such effective date, be a bankruptcy judge or magistrate judge, as the case may be, of the Southern District of New Jersey.

(c) UNITED STATES ATTORNEY, UNITED STATES MARSHAL, AND FEDERAL PUBLIC DEFENDER.—

(1) THOSE IN OFFICE.—This Act and the amendments made by this Act shall not affect the tenure of office of the United States attorney, the United States marshal, and the Federal Public Defender, for the District of New Jersey who are in office on the effective date of this Act, except that such individuals shall be the United States attorney, the United States marshal, and the Federal Public Defender, respectively, for the Northern District of New Jersey as of such effective date.

(2) APPOINTMENTS.—The President shall appoint, by and with the advice and consent of the Senate, a United States attorney and a United States marshal for the Southern District of New Jersey. The Court of Appeals for the Third Circuit shall appoint a Federal Public Defender for the Southern District of New Jersey.

(d) PENDING CASES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect any action commenced before the effective date of this Act and pending in the United States District Court for the District of New Jersey on such date.

(e) JURIES NOT AFFECTED.—This Act and the amendments made by this Act shall not affect the composition, or preclude the service, of any grand or petit jury summoned, empaneled, or actually serving in the Judicial District of New Jersey on the effective date of this Act.

SEC. 4. EFFECTIVE DATE.

(a) IN GENERAL.—This Act and the amendments made by this Act shall take effect 180 days after the date of the enactment of this Act.

(b) APPOINTMENTS.—Notwithstanding subsection (a), the President and the Court of Appeals for the Third Circuit may make the appointments under section 3(c)(2) at any time after the date of the enactment of this Act.●

By Mr. COVERDELL:

S. 2260. A bill to allow property owners to maintain existing structures designed for human habitation at Lake Sidney, Georgia; to the Committee on Environment and Public Works.

THE LAKE SIDNEY LANIER HOME PRESERVATION ACT

Mr. COVERDELL. Mr. President, today I rise to introduce legislation that is of the utmost importance to a group of homeowners in my state. They face one of the most chilling scenarios that could confront a property owner—the condemnation and destruction of their home by the federal government without compensation.

The series of events that led to this unfortunate situation began nearly fifty years ago. In 1957, Lake Sidney Lanier was completed by the United States Army Corps of Engineers to serve as a reservoir for Atlanta and as a flood management project for northeast Georgia. Over the years this lake, located near the head of the Chattahoochee and Chestatee Rivers, developed into one of the great landmarks in my state. More importantly, many families have chosen to build homes on property adjacent to the lake.

When the lake is full, water rises to 1,071 feet above sea level. When the lake was completed in 1957, the Corps established a flood control easement, or ''flood line,'' of 1,085 feet above sea level. The Corps decreed that no structures could be built below this line. Unfortunately, the Corps did not make an accurate initial survey of this easement. Between 1967 and 1972, a second survey of the lake was made by foot, and beginning in 1983, yet another survey was begun to determine if private structures were violating the Corps easement. This survey is about halfway complete.

In the meantime, properties which were based upon the early surveys were sold to families looking to build a home along the lake. Many, if not all, of these home owners were unaware of this easement when they purchased property along the lake. Therefore, I believe many homes, which were believed to be compliant with all Corps property lines when constructed, in fact encroach upon the easement. No one is entirely sure how many of the thousands of homes along the lake accidentally encroach on the Corps' easement.

Last year, the Corps began enforcing the easement in some areas. They decreed that homes which violate the easement must be brought into compliance or be destroyed. Now, Mr. President, you and I know very well that it is very difficult to move a house. Therefore, destruction is often the only option for most home owners.

To make matters worse, property owners lack legal recourse. Because they were unaware of the easement requirement, means for dealing with it were not built into their property deeds. In short, numerous home owners face a dire situation should the Corps decide to enforce the easement all around the lake.

To solve this problem, today I introduce the Lake Sidney Lanier Home Preservation Act. It is both simple and fair. My legislation allows home owners who accidentally violated the easement to sign a release exempting them from the Corps requirement. In exchange for this, the home owner surrenders all rights to legal recourse against the United States if the Corps is forced to flood the lake to the easement level. At this point, I would like to point out that Lake Lanier has never approached the 1,085 foot easement line—its historic high was a full seven feet below the flood line, which was recorded in spring 1964. In recent years, the lake has been below full pool almost year round.

Upon enactment of this bill a home owner will have one year to request that the Corps survey their property and determine if they need to seek a waiver. The home owner not the Corps, pays for the survey. If a home is found to be in violation of the easement, the home owner has 90 days to decide whether to seek a release from the easement, or to bring the structure into compliance.

My bill also applies only to homes built or begun prior to January 1, 2000. This will provide closure to this issue and discourage any more homes from being built below the flood line.

Mr. President, I wish there were a simple answer to the dilemma facing home owners along Lake Lanier. While the Corps has a responsibility to fulfill its responsibility to protect citizens in the event of a flood, we simply cannot allow hard working families to lose their homes in response to a hypothetical situation that could never arise.

My colleague in the House of Representatives, Mr. DEAL, introduced companion legislation. It is my hope that we can move the Lake Sidney Lanier Home Preservation Act forward as quickly as possible, and bring peace of mind to home owners caught in a situation beyond their control.

By Mr. SARBANES (for himself, Mr. ROBB, Ms. MIKULSKI, Mr. BAYH, and Mr. LIEBERMAN):

S. 2261. A bill to encourage the formation of industry-led training consortia, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

INDUSTRY TRAINING CONSORTIA ACT

● Mr. SARBANES. Mr. President, today, along with several of my colleagues, I am introducing the Industry

Training Consortia Act to provide our nation's workforce with the information technology and computer skills it needs to meet the emerging and rapidly changing requirements of our various technology sectors. The purpose of this legislation is to assist our business sector in establishing a national technology training infrastructure to provide our workforce with the skills it requires to remain competitive in the global, high technology marketplace.

The United States is currently the world's science and technology leader. We have achieved this status largely because we have had the most skilled, innovative, and competitive workforce in the world. Indeed, technical innovation, according to a report by the President's Council of Economic Advisers, has been responsible for more than half of America's productivity growth over the past fifty years. But technology is evolving so rapidly that some of our workers are being left behind. If we fail to keep them honed and highly skilled we risk losing our competitive edge.

Having the appropriate information technology skills is becoming more and more important in all sectors of our economy, not only in the high and biotech industries and the manufacturing sector, but also in the so-called low-tech industries. More than half of the new jobs created between 1984 and 2005 require or will require some education beyond high school. The percentage of workers who use computers at work has risen from 25% to 46% between 1984 and 1993. Moreover, firms today are not only using more technology, but are also reorganizing production processes in new ways, such as cellular production, use of teams, and other high performance structures and methods requiring higher levels and new kinds of skills.

A growing number of industries throughout the country are reporting serious difficulties in hiring workers with appropriate computer and information technology skills. The Bureau of Labor Statistics has estimated that between 1998 and 2008 we will need 2 million more newly trained and skilled Information Technology workers. That's an average of 200,000 additional workers a year.

In my own State of Maryland, we currently face an estimated shortfall of 10–12,000 workers with appropriate technology skills. A Maryland Department of Business and Economic Development survey indicates that 80% of firms which hire manufacturing or skilled trade workers, reported significant difficulty in finding applicants with the required skills for technology intensive jobs. The same survey indicates that more than two-thirds of businesses hiring computer technicians, engineers, analysts, or other technical or laboratory personnel experienced difficulty finding qualified workers. It also mentions that fifty-five percent of firms that hire college-level scientists or technical program graduates reported the same difficulty and that 62% of these firms reported that their need for hiring these types of graduates is expected to increase over the next five years.

While well intentioned, many existing training programs across the country are not structured to address this problem head on, from the perspective of industry. And while some post-secondary training institutions have reached out to industry and become more customer-focused, more still must identify ways to respond directly to the changing skills needs of our employers. Our community colleges, and even four-year colleges and universities, cannot shoulder the entire burden of continually reassessing skill needs and providing up-to-date training and equipment with which to train workers in relevant knowledge and skills. Some colleges and universities have been able to establish partnerships with larger firms that have human resource departments, but building partnerships with small and medium-sized firms has proven more difficult.

Many firms, but particularly small and medium-sized enterprises, have limited capacity to engage in significant and sustained workforce development efforts. Managers and owners of most firms are simply too busy running their business to develop training systems, especially for new or dislocated workers. Firms also often lack information on what kind of training they need and where they can get it. As a result, most forego training initiatives and instead try to hire workers away from other companies in related fields.

And because workers are so mobile, individual employers are reluctant to bear the burden of training employees, whether they are new or incumbent workers, simply due to the likelihood that they will leave to work for a competitor. Without an adequate return on the investment for paying to train their employees, coupled with an increasingly competitive global marketplace, many larger companies have begun to cut back on their in-house training programs.

A unique approach, one flexible enough to address the fluctuations, transitions and emerging needs of our high technology economy is required. In order to train and educate new entrants to the workforce, workers dislocated by economic change, and workers already in the workplace facing increased demands for higher levels of technology related skills, we need an industry driven training infrastructure.

The legislation I am introducing would establish working groups across the country in which employers, public agencies, schools, and workers can pool resources and expertise to train workers for emerging job opportunities and jobs threatened by economic and technological transition. It will help develop targeted consortia of industry, workers and training entities across the country to assess where and what gaps exist and provide the skills that industry and workers require to remain competitive and on the cutting edge.

Specifically, it would authorize a grants program—to be overseen by the Department of Commerce, in consultation with the Department of Labor,—and provide up to a $1 million federal match, for every dollar invested by state and local governments and the private sector for these working groups. The Department of Commerce would be authorized to budget $50 million annually for this purpose and funds would be allocated through a competitive grants process, with each consortia of firms as applicants.

This legislation will allow industries to identify their own skills needs and build these consortia around their common requirements. Alliances would serve to harness the expertise of state and local officials, educational leaders, regional chapters of trade associations and union officials and pool the resources available among these entities. But each group would be predominantly made up of industry, and would be industry driven. Indeed, if we are going to address what is becoming a skills crisis in this country, our businesses must have a leadership role in establishing the means by which we continue to build and upgrade the skills of workers in technology related fields.

Smaller scale versions of the types of skills alliances which my legislation proposes to develop have already shown promise. In Wisconsin, metal-working firms have banded together with the AFL–CIO in a publicly sponsored effort that used an abandoned mill building as a teaching facility, teaching workers essential skills on state-of-the-art manufacturing equipment. Rhode Island helped develop a skills alliance among plastics firms, who then worked with a local community college to create a polymer training laboratory linked to an apprenticeship program that guarantees jobs for graduates. In Washington, DC telecommunications firms donated computers, and helped to set up a program to train public high school students to be computer network administrators and are now hiring graduates of the program at an entry-level salary of $25,000–30,000.

With these grants, this approach can grow and flourish. Each of these initiatives is an investment in our workforce for the 21st Century. If we are to truly transition the U.S. worker to a technology based economy, we must ensure that these best practice examples become standard practice. I urge my colleagues to join me in ensuring the swift enactment of this legislation. I ask unanimous consent that a copy of this legislation be printed in the RECORD.

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

S. 2261

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 ''Industry Training Consortia Act''.

SEC. 2. DEFINITION.

In this Act:

(1) EMPLOYER.—The term ''employer'' includes a business.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of Commerce.

TITLE I—SKILL GRANTS

SEC. 101. AUTHORIZATION.

(a) IN GENERAL.—The Secretary of Commerce, in consultation and coordination with the Secretary of Labor and the Administrator of the Small Business Administration, shall provide grants to eligible entities described in subsection (b). The Secretary shall provide the grants to encourage employers to form consortia to share the cost of providing, and reduce the risk of investing in, employer-led education and training programs for employees that meet employer needs and market demand in specific occupations, for purposes of strengthening United States competitiveness.

(b) ELIGIBLE ENTITIES DESCRIBED.—

(1) IN GENERAL.—An eligible entity described in this subsection is a consortium that—

(A) shall consist of representatives from not fewer than 10 employers (or nonprofit organizations that represent employers) who are in a common industry or who have common skill needs; and

(B) may consist of representatives from 1 or more of the following:

(i) Labor organizations.

(ii) State and local government agencies.

(iii) Education organizations.

(2) MAJORITY OF REPRESENTATIVES.—A majority of the representatives comprising the consortium shall be representatives described in paragraph (1)(A).

(c) PRIORITY FOR SMALL BUSINESSES.—In providing grants under subsection (a), the Secretary shall give priority to an eligible entity if a majority of representatives forming the entity represent small-business concerns, as described in section 3(a) of the Small Business Act (15 U.S.C. 632(a)).

(d) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided to an eligible entity under subsection (a) may not exceed $1,000,000 for any fiscal year.

SEC. 102. APPLICATION.

To be eligible to receive a grant under section 101, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 103. USE OF AMOUNTS.

(a) IN GENERAL.—The Secretary may not provide a grant under section 101 to an eligible entity unless such entity agrees to use amounts received from such grant to develop an employer-led education and training program (which may be focused on developing skills related to computer technology, computer-based manufacturing technology, telecommunications, and other information technologies) necessary to meet employer needs and market demand in specific occupations.

(b) CONDUCT OF PROGRAM.—

(1) IN GENERAL.—In carrying out the program described in subsection (a), the eligible entity may provide for—

(A) an assessment of training and job skill needs for industry and other employers;

(B) development of a sequence of skill standards that are correlated with advanced industry or occupational practices;

(C) development of curriculum and training methods;

(D) purchase or receipt of donations of training equipment;

(E) identification of education and training providers;

(F) development of apprenticeship programs;

(G) development of education and training programs for incumbent and dislocated workers and new workers;

(H) development of the membership of the entity;

(I) development of internship, field, and technical project experiences; and

(J) provision of assistance to member employers in their human resource development planning.

(2) ADDITIONAL REQUIREMENT.—In carrying out the program described in subsection (a), the eligible entity shall—

(A) provide for development and tracking of performance outcome measures for the program and the education and training providers involved in the program; and

(B) prepare and submit to the Secretary such reports as the Secretary may require on best practices developed by the entity through the education and training program.

(c) ADMINISTRATIVE COSTS.—The eligible entity may use not more than 10 percent of the amount of such a grant to pay for administrative costs associated with the program described in subsection (a).

SEC. 104. REQUIREMENT OF MATCHING FUNDS.

The Secretary may not provide a grant under section 101 to an eligible entity unless such entity agrees that—

(1) the entity will make available non-Federal contributions toward the costs of carrying out activities under section 103 in an amount that is not less than $2 for each $1 of Federal funds provided under a grant under section 101; and

(2) of such non-Federal contributions, not less than $1 of each such $2 shall be from employers with representatives serving on the eligible entity.

SEC. 105. LIMIT ON ADMINISTRATIVE EXPENSES.

The Secretary may use not more than 5 percent of the funds made available to carry out this title—

(1) to pay for Federal administrative costs associated with making grants under this title, including carrying out activities described in section 106; and

(2) to develop and maintain an electronic clearinghouse of information on industry-led training consortia programs.

SEC. 106. INFORMATION AND TECHNICAL ASSISTANCE.

The Secretary shall distribute information and provide technical assistance to eligible entities on best practices developed through the education and training programs.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $50,000,000 for each of the fiscal years 2001, 2002, and 2003.

TITLE II—PLANNING GRANTS

SEC. 201. AUTHORIZATION.

(a) IN GENERAL.—The Secretary of Commerce, in consultation with the Secretary of Labor, shall provide grants to States to enable the States to assist employers, organizations, and agencies described in section 101(b) in conducting planning to form consortia described in such section.

(b) MAXIMUM AMOUNT OF GRANT.—The amount of a grant provided to a State under subsection (a) may not exceed $500,000 for any fiscal year.

SEC. 202. APPLICATION.

To be eligible to receive a grant under section 201, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

SEC. 203. REQUIREMENT OF MATCHING FUNDS.

The Secretary may not provide a grant under section 201 to a State unless such State agrees that the State will make available non-Federal contributions toward the costs of carrying out activities under this title in an amount that is not less than $1 for each $1 of Federal funds provided under a grant under section 201.

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $50,000,000 for fiscal year 2001.●

By Mr. ROCKEFELLER (for himself, Mr. JEFFORDS, and Mrs. HUTCHISON):

S. 2264. A bill to amend title 38, United States Code, to establish within the Veterans Health Administration the position of Advisor on Physician Assistants, and for other purposes; to the Committee on Veterans' Affairs.

RECOGNITION OF PHYSICIAN ASSISTANTS IN THE DEPARTMENT OF VETERANS AFFAIRS ACT OF 2000

● Mr. ROCKEFELLER. Mr. President, I am proud to introduce today the ''Recognition of Physician Assistants in the Department of Veterans Affairs Act of 2000,'' which I am delighted to cosponsor with Senators JEFFORDS and HUTCHISON. The bill before us would establish within the Veterans Health Administration an advisory position on physician assistants—an action long overdue.

It is baffling to me that the VA—the largest single employer of physician assistants in the country—does not provide direct representation for physician assistants. VA has nearly 1,200 physician assistants working in hospitals and clinics, yet VA is the only federal health care agency that does not have a physician assistant in a leadership role. Skimming through the VA phone directory, we find much needed representation for social workers, dentists, audiologists and speech pathologists, nutritionists, recreational therapists, and nurses. Physician assistants, however, are hidden within the bailiwick of the Chief Consultant for Primary and Ambulatory Care.

This lack of physician assistant leadership has translated into a lack of knowledge about the profession at the national level—which, in turn, has filtered down to the local level. For example, the scope of practice for physician assistants is not uniformly understood in all VA medical facilities and clinics. Practitioners in the field also report confusion regarding such issues as privileging, supervision, and physician countersignature. Some facilities unnecessarily restrict the ability of physician assistants to provide medical care, while others will not hire physician assistants. The unfortunate consequence of these restrictions is to limit veterans' access to quality medical care.

In June 1997, the final report of a work group to explore internal practice barriers for Advanced Practice Nurses,

Clinical Pharmacy Specialists, and Physician Assistants was issued. To date, we have seen no response regarding what VA plans to do to implement the recommendations contained in the report.

Although the work group's report does not contain a specific recommendation for an advisory position, the report clearly states that ''many times unnecessary, inappropriate restrictions have been placed on their [PAs] practice.'' An advisor would be especially helpful in clarifying all issues associated with the profession, including education, qualifications, clinical privileges, and scope of practice. I firmly believe that such an advisor is the key to removing barriers to greater use of these valued health care professionals. I also encourage VA to move ahead with the other recommendations contained in the work group report.

I personally understand the huge importance of physician assistants. My own state of West Virginia is highly dependent upon their expertise. We count on them to provide quality health care in a cost-effective way.

In closing, I thank the Veterans Affairs Physician Assistants Association, which has always provided me with the most up-to-date information about the state of the physician assistant profession. I hope the Committee on Veterans' Affairs will work expeditiously to pass this bill out of committee. Physician assistants—and their patients—are depending upon it.

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. 2264

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 ''Recognition of Physician Assistants in the Department of Veterans Affairs Act of 2000''.

SEC. 2. ESTABLISHMENT OF POSITION OF ADVISOR ON PHYSICIAN ASSISTANTS WITHIN OFFICE OF UNDERSECRETARY FOR HEALTH.

(a) ESTABLISHMENT.—Subsection (a) of section 7306 of title 38, United States Code, is amended—

(1) by redesignating paragraph (9) as paragraph (10); and

(2) by inserting after paragraph (8) the following new paragraph (9):

''(9) The Advisor on Physician Assistants, who shall carry out the responsibilities set forth in subsection (f).''.

(b) RESPONSIBILITIES.—That section is further amended—

(1) by redesignating subsection (f) as subsection (g); and

(2) by inserting after subsection (e) the following new subsection (f):

''(f) The Advisor on Physician Assistants under subsection (a)(9) shall—

''(1) advise the Under Secretary for Health on matters regarding the optimal utilization of physician assistants by the Veterans Health Administration;

''(2) advise the Under Secretary for Health on the feasibility and desirability of establishing clinical privileges and practice areas for physician assistants in the Administration;

''(3) develop initiatives to facilitate the utilization of the full range of clinical capabilities of the physician assistants employed by the Administration;

''(4) provide advice on policies affecting the employment of physician assistants by the Administration, including policies on educational requirements, national certification, recruitment and retention, staff development, and the availability of educational assistance (including scholarship, tuition reimbursement, and loan repayment assistance); and

''(5) carry out such other responsibilities as the Under Secretary for Health shall specify.''.●

Mr. JEFFORDS. Mr. President, I am pleased to join Senators ROCKEFELLER and HUTCHISON in the introduction of the Recognition of Physician Assistants in the Department of Veterans Affairs Act of 2000. This legislation will establish a position of advisor on physician assistants within the office of the Undersecretary of Health for Veterans Affairs.

Physician assistant are very valuable members of the VA health care delivery team. But unlike most components of the team, physician assistants have no representative within the VA's Office of the Undersecretary for Health. As the largest employer of physician assistants in the country, the VA will be establishing important precedents as the role of physician assistants evolves over the coming decade. Physician assistants must be part of the discussion and represented at the level where key health care delivery decisions are made.

An advisory position would be established by this legislation to inform the Undersecretary for Health on such matters as optimal utilization of physician assistants by the VA, the advisability of establishing clinical privileges and practice areas, the development of appropriate educational requirements and certification criteria, and other matters.

This representation is critically important at this time. As the VA moves toward Medicare Subvention and the requisite billing expertise, questions will continually arise surrounding the role of physician assistants. There must be consistent input on these matters directly from physician assistants.

I urge my colleagues to carefully consider this legislation and I hope it is quickly enacted into law.

By Mrs. HUTCHISON (for herself, Mr. BREAUX, Mr. LOTT, Mr. BROWNBACK, Mr. BINGAMAN, Mr. GRAMM, Mr. THOMAS, and Mr. INHOFE):

S. 2265. A bill to amend the Internal Revenue Code of 1986 to preserve marginal domestic oil and natural gas well production, and for other purposes; to the Committee on Finance.

MARGINAL WELL PRESERVATION ACT OF 2000

Mrs. HUTCHISON. Mr. President, I am pleased today to introduce with my colleague from Louisiana, Senator BREAUX, and the other cosponsors of the bill, the Marginal Well Preservation Act of 2000. This bill represents a necessary and workable proposal to ensure that the United States does not lose even more of its domestic energy production and to help prevent the further escalation of gasoline, diesel, and home heating oil prices for consumers.

Mr. President, just a few days ago, on March 18, President Clinton announced his support of a number of provisions to respond to the recent spike in oil and gasoline prices in America. Among the issues to which he referred, I was most pleased and surprised to hear the president express his support for, quote, 'tax incentives . . . for domestic oil production,' enquote.

Well I for one welcome the President's long overdue endorsement of an issue that I and many other Senators have been promoting, discussing, and introducing legislation on for years. It is unfortunate that the President's newfound support for domestic oil production comes now, rather than a year ago when our domestic producers were being wiped-out by record low oil prices and when communities across Texas and other states were having their economic and tax base decimated. Nevertheless, I do welcome the president's comments, and I urge him to now turn those comments into action.

I publicly urge him and the Treasury Department to pledge to sign into law, and to urge Congress to pass, the bill we are introducing today. Called the Marginal Well Preservation Act of 2000, this bill borrows from legislation I introduced earlier this year to create incentives to keep marginal wells (those producing fewer than 15 barrels per day—and a corresponding level for natural gas) in production during times when oil and gas prices fall below break-even. The bill also contains provisions that the Administration explicitly endorsed over the weekend: the same-year deduction of geological and geophysical (exploratory) and delay rental costs associated with lease development. Taken together, these two provisions will help ensure a minimal level of protection for our nation's independent oil and gas producers and will help prevent America from becoming even more dangerously dependent on foreign oil.

Mr. President, in addition to the President's recent round of proposals, tt seems as if everyone these days has their own ''quick fix'' to address the recent spike in oil and gas prices. But regardless of what short term solutions may be proposed, as America slips further and further into dependence on foreign oil the volatility of oil and gasoline prices is almost certain to get worse. The only logical response to this crisis is to increase our domestic supply of oil and gas.

Much of the estimated 350 billion barrels of our domestic oil reserve lies not on public lands, but on private property where oil and gas production already occurs. Why isn't that oil and

gas being produced? The answer is that much of it is in small pockets and is relatively difficult to retrieve. Such ''marginal well'' production accounts for roughly 20 percent of our domestic oil production, or about as much as we import from Saudi Arabia.

But while these wells are critical to our energy security, they are the most susceptible to oil price crashes, like we saw during 1998 when oil fell below $10 per barrel. During this time we lost over 65,000 American jobs and over 150,000 marginal oil and gas wells. And despite the high price of oil today, the small, independent producers that own the majority of marginal wells cannot assume the economic risk of re-opening them because there is no assurance that the price of oil will not again fall in the near future (see enclosed article).

The Marginal Well Preservation Act will provide a tax credit of $3 per barrel for the first three barrels of production when oil falls to between $17 and $14 per barrel for oil, and a corresponding price for natural gas. This represents the average break-even price for these wells. In states like Texas, where marginal well tax incentives have been enacted, the result has been to keep thousands of wells open that would have been closed, and thousands of American jobs here that would have moved overseas. Such a tax credit at the federal level would reduce our dependence on foreign oil and help us meet our growing demand for natural gas.

If we were to enact the marginal well tax credit today, we would not only ensure a long-term safety net for producers, but we would also create an incentive today to re-open those shut-in wells. In fact, a reasonable estimate is that, within a reasonably short period of time, we could bring half, or 75,000 of those shut-in wells back into production. This would mean an addition of about 250,000 barrels of daily production. Given that America uses 19 million barrels of oil per day this may not seem like much, but when one considers just how tight the supply of oil is today, this relatively small increase in production could have a significant impact in the price of crude oil and oil products like gasoline and diesel fuel.

In addition, Mr. President, this bill brings the U.S. Tax Code in line with the present-day realities of the oil and gas industry by allowing oil and gas exploration (geological and geophysical) costs to be expensed rather than capitalized, and by allowing delay rental lease payments to be deducted in the year in which they are paid, rather than when the oil is actually pumped. The Administration's own endorsement of this measure, which I and others have been promoting for years, should mean it's quick enactment into law, and I hope that it does.

In fact, the Administration estimates that allowing the expensing of exploration costs alone could spur an additional daily production of 126,000 barrels, on top of the roughly quarter million barrels that the marginal well provision would bring back in the near-term. For those keeping score, that totals almost 400,000 barrels of added daily production that can conservatively be expected to result from the passage of this bill. But it must be done soon. We are quickly approaching a $2 per gallon nationwide price for gasoline, and we have not even entered the peak vacation driving season. Americans need relief now, and this bill will give it to them.

Mr. President, this legislation is long overdue, and I appreciate the support of Senator BREAUX and my other colleagues who are cosponsoring the bill. Most importantly, I urge the President and my other colleagues in the Senate, particularly those from non-energy producing states, to join with us in supporting this effort. High prices and low prices are two sides of the same coin, and it is high time we realize that. Price dives are as detrimental to producers as price spikes are to consumers.

We can break this cycle, and we can do it now by passing the Marginal Well Preservation Act.

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. 2265

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Marginal Well Preservation Act of 2000.''

(b) AMENDMENT OF 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. TAX CREDIT FOR MARGINAL DOMESTIC OIL AND NATURAL GAS WELL PRODUCTION.

(a) PURPOSE.—The purpose of this section is to prevent the abandonment of marginal oil and gas wells responsible for half of the domestic production of oil and gas in the United States.

(b) CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.—Subpart D of part IV of subchapter A of chapter 1 (relating to business credits) is amended by adding at the end the following new section:

''SEC. 45D. CREDIT FOR PRODUCING OIL AND GAS FROM MARGINAL WELLS.

''(a) GENERAL RULE.—For purposes of section 38, the marginal well production credit for any taxable year is an amount equal to the product of—

''(1) the credit amount, and

''(2) the qualified crude oil production and the qualified natural gas production which is attributable to the taxpayer.

''(b) CREDIT AMOUNT.—For purposes of this section—

''(1) IN GENERAL.—The credit amount is—

''(A) $3 per barrel of qualified crude oil production, and

''(B) 50 cents per 1,000 cubic feet of qualified natural gas production.

''(2) REDUCTION AS OIL AND GAS PRICES INCREASE.—

''(A) IN GENERAL.—The $3 and 50 cents amounts under paragraph (1) shall each be reduced (but not below zero) by an amount which bears the same ratio to such amount (determined without regard to this paragraph) as—

''(i) the excess (if any) of the applicable reference price over $14 ($1.56 for qualified natural gas production), bears to

''(ii) $3 ($0.33 for qualified natural gas production).

The applicable reference price for a taxable year is the reference price for the calendar year preceding the calendar year in which the taxable year begins.

''(B) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2000, each of the dollar amounts contained in subparagraph (A) shall be increased to an amount equal to such dollar amount multiplied by the inflation adjustment factor for such calendar year (determined under section 43(b)(3)(B) by substituting '1999' for '1990').

''(C) REFERENCE PRICE.—For purposes of this paragraph, the term 'reference price' means, with respect to any calendar year—

''(i) in the case of qualified crude oil production, the reference price determined under section 29(d)(2)(C), and

''(ii) in the case of qualified natural gas production, the Secretary's estimate of the annual average wellhead price per 1,000 cubic feet for all domestic natural gas.

''(c) QUALIFIED CRUDE OIL AND NATURAL GAS PRODUCTION.—For purposes of this section—

''(1) IN GENERAL.—The terms 'qualified crude oil production' and 'qualified natural gas production' mean domestic crude oil or natural gas which is produced from a marginal well.

''(2) LIMITATION ON AMOUNT OF PRODUCTION WHICH MAY QUALIFY.—

''(A) IN GENERAL.—Crude oil or natural gas produced during any taxable year from any well shall not be treated as qualified crude oil production or qualified natural gas production to the extent production from the well during the taxable year exceeds 1,095 barrels or barrel equivalents.

''(B) PROPORTIONATE REDUCTIONS.—

''(i) SHORT TAXABLE YEARS.—In the case of a short taxable year, the limitations under this paragraph shall be proportionately reduced to reflect the ratio which the number of days in such taxable year bears to 365.

''(ii) WELLS NOT IN PRODUCTION ENTIRE YEAR.—In the case of a well which is not capable of production during each day of a taxable year, the limitations under this paragraph applicable to the well shall be proportionately reduced to reflect the ratio which the number of days of production bears to the total number of days in the taxable year.

''(3) DEFINITIONS.—

''(A) MARGINAL WELL.—The term 'marginal well' means a domestic well—

''(i) the production from which during the taxable year is treated as marginal production under section 613A(c)(6), or

''(ii) which, during the taxable year—

''(I) has average daily production of not more than 25 barrel equivalents, and

''(II) produces water at a rate not less than 95 percent of total well effluent.

''(B) CRUDE OIL, ETC.—The terms 'crude oil', 'natural gas', 'domestic', and 'barrel' have the meanings given such terms by section 613A(e).

''(C) BARREL EQUIVALENT.—The term 'barrel equivalent' means, with respect to natural gas, a conversion ratio of 6,000 cubic feet of natural gas to 1 barrel of crude oil.

''(d) OTHER RULES.—

''(1) PRODUCTION ATTRIBUTABLE TO THE TAXPAYER.—In the case of a marginal well in which there is more than one owner of operating interests in the well and the crude oil or natural gas production exceeds the limitation under subsection (c)(2), qualifying crude oil production or qualifying natural gas production attributable to the taxpayer shall be determined on the basis of the ratio which taxpayer's revenue interest in the production bears to the aggregate of the revenue interests of all operating interest owners in the production.

''(2) OPERATING INTEREST REQUIRED.—Any credit under this section may be claimed only on production which is attributable to the holder of an operating interest.

''(3) PRODUCTION FROM NONCONVENTIONAL SOURCES EXCLUDED.—In the case of production from a marginal well which is eligible for the credit allowed under section 29 for the taxable year, no credit shall be allowable under this section unless the taxpayer elects not to claim the credit under section 29 with respect to the well.''

''(c) CREDIT TREATED AS BUSINESS CREDIT.—Section 38(b) is amended by striking ''plus'' at the end of paragraph (11), by striking the period at the end of paragraph (12) and inserting '', plus'', and by adding at the end the following new paragraph:

''(13) the marginal oil and gas well production credit determined under section 45D(a).''

(d) CREDIT ALLOWED AGAINST REGULAR AND MINIMUM TAX.—

(1) IN GENERAL.—Subsection (c) of section 38 (relating to limitation based on amount of tax) is amended by redesignating paragraph (3) as paragraph (4) and by inserting after paragraph (2) the following new paragraph:

''(3) SPECIAL RULES FOR MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—

''(A) IN GENERAL.—In the case of the marginal oil and gas well production credit—

''(i) this section and section 39 shall be applied separately with respect to the credit, and

''(ii) in applying paragraph (1) to the credit—

''(I) subparagraphs (A) and (B) thereof shall not apply, and

''(II) the limitation under paragraph (1) (as modified by subclause (I)) shall be reduced by the credit allowed under subsection (a) for the taxable year (other than the marginal oil and gas well production credit).

''(B) MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—For purposes of this subsection, the term 'marginal oil and gas well production credit' means the credit allowable under subsection (a) by reason of section 45D(a).''

(2) CONFORMING AMENDMENT.—Subclause (II) of section 38(c)(2)(A)(ii) is amended by inserting ''or the marginal oil and gas well production credit'' after ''employment credit''.

(e) CARRYBACK.—Subsection (a) of section 39 (relating to carryback and carryforward of unused credits generally) is amended by adding at the end the following new paragraph:

''(3) 10-YEAR CARRYBACK FOR MARGINAL OIL AND GAS WELL PRODUCTION CREDIT.—In the case of the marginal oil and gas well production credit—

''(A) this section shall be applied separately from the business credit (other than the marginal oil and gas well production credit),

''(B) paragraph (1) shall be applied by substituting '10 taxable years' for '1 taxable years' in subparagraph (A) thereof, and

''(C) paragraph (2) shall be applied—

''(i) by substituting '31 taxable years' for '21 taxable years' in subparagraph (A) thereof, and

''(ii) by substituting '30 taxable years' for '20 taxable years' in subparagraph (B) thereof.''

(f) COORDINATION WITH SECTION 29.—Section 29(a) is amended by striking ''There'' and inserting ''At the election of the taxpayer, there''.

(g) CLERICAL AMENDMENT.—The table of sections for subpart D of part IV of subchapter A of chapter 1 is amended by adding at the end the following item:

''Sec. 45D. Credit for producing oil and gas from marginal wells.''

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

SEC. 3. ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES AND DELAY RENTAL PAYMENTS.

(a) PURPOSE.—The purpose of this section is to recognize that geological and geophysical expenditures and delay rentals are ordinary and necessary business expenses that should be deducted in the year the expense is incurred.

(b) ELECTION TO EXPENSE GEOLOGICAL AND GEOPHYSICAL EXPENDITURES.—

(1) IN GENERAL.—Section 263 (relating to capital expenditures) is amended by adding at the end the following new subsection:

''(j) GEOLOGICAL AND GEOPHYSICAL EXPENDITURES FOR OIL AND GAS WELLS.—Notwithstanding subsection (a), a taxpayer may elect to treat geological and geophysical expenses incurred in connection with the exploration for, or development of, oil or gas as expenses which are not chargeable to capital account. Any expenses so treated shall be allowed as a deduction in the taxable year in which paid or incurred.''

(2) CONFORMING AMENDMENT.—Section 263A(c)(3) is amended by inserting ''263(j),'' after ''263(i),''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to expenses paid or incurred after the date of the enactment of this Act.

(B) TRANSITION RULE.—In the case of any expenses described in section 263(j) of the Internal Revenue Code of 1986, as added by this subsection, which were paid or incurred on or before the date of the enactment of this Act, the taxpayer may elect, at such time and in such manner as the Secretary of the Treasury may prescribe, to amortize the suspended portion of such expenses over the 36-month period beginning with the month in which the date of the enactment of this Act occurs. For purposes of this subparagraph, the suspended portion of any expense is that portion of such expense which, as of the first day of the 36-month period, has not been included in the cost of a property or otherwise deducted.

(c) ELECTION TO EXPENSE DELAY RENTAL PAYMENTS.—

(1) IN GENERAL.—Section 263 (relating to capital expenditures), as amended by subsection (b)(1), is amended by adding at the end the following new subsection:

''(k) DELAY RENTAL PAYMENTS FOR DOMESTIC OIL AND GAS WELLS.—

''(1) IN GENERAL.—Notwithstanding subsection (a), a taxpayer may elect to treat delay rental payments incurred in connection with the development of oil or gas within the United States (as defined in section 638) as payments which are not chargeable to capital account. Any payments so treated shall be allowed as a deduction in the taxable year in which paid or incurred.

''(2) DELAY RENTAL PAYMENTS.—For purposes of paragraph (1), the term 'delay rental payment' means an amount paid for the privilege of deferring the drilling of an oil or gas well under an oil or gas lease.''

(2) CONFORMING AMENDMENT.—Section 263A(c)(3), as amended by subsection (b)(2), is amended by inserting ''263(k),'' after ''263(j),''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall apply to payments made or incurred after the date of the enactment of this Act.

(B) TRANSITION RULE.—In the case of any payments described in section 263(k) of the Internal Revenue Code of 1986, as added by this subsection, which were made or incurred on or before the date of the enactment of this Act, the taxpayer may elect, at such time and in such manner as the Secretary of the Treasury may prescribe, to amortize the suspended portion of such payments over the 36-month period beginning with the month in which the date of the enactment of this Act occurs. For purposes of this subparagraph, the suspended portion of any payment is that portion of such payment which, as of the first day of the 36-month period, has not been included in the cost of a property or otherwise deducted.

ADDITIONAL COSPONSORS

S. 424

At the request of Mr. COVERDELL, the name of the Senator from Arkansas (Mr. HUTCHINSON) 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.

S. 483

At the request of Ms. SNOWE, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 483, a bill to amend the Congressional Budget and Impoundment Control Act of 1974 to limit consideration of nonemergency matters in emergency legislation and permit matter that is extraneous to emergencies to be stricken as provided in the Byrd rule.

S. 542

At the request of Mr. ABRAHAM, the names of the Senator from Nevada (Mr. BRYAN) and the Senator from Iowa (Mr. GRASSLEY) were added as cosponsors of S. 542, a bill to amend the Internal Revenue Code of 1986 to expand the deduction for computer donations to schools and allow a tax credit for donated computers.

S. 546

At the request of Mr. DORGAN, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 546, a bill to amend the Internal Revenue Code of 1986 to allow a deduction for 100 percent of the health insurance costs of self-employed individuals.

S. 577

At the request of Mr. HATCH, the names of the Senator from Louisiana (Mr. BREAUX) and the Senator from Pennsylvania (Mr. SANTORUM) were added as cosponsors of S. 577, a bill to provide for injunctive relief in Federal district court to enforce State laws relating to the interstate transportation of intoxicating liquor.