

"(D) any determinations regarding the award of, and the amount of, employer-provided grants or rights that are based on performance are—

"(i) made based upon meeting previously established performance criteria (which may include hours of work, efficiency, or productivity) of any business unit consisting of at least 10 employees or of a facility, except that, any determinations may be based on length of service or minimum schedule of hours or days of work; or

"(ii) made based upon the past performance (which may include any criteria) of one or more employees in a given period so long as the determination is in the sole discretion of the employer and not pursuant to any prior contract."

(b) **EXTRA COMPENSATION.**—Section 7(h) of the Fair Labor Standards Act of 1938 (29 U.S.C. 207(h)) is amended—

(1) by striking "Extra" and inserting the following:

"(2) Extra"; and

(2) by inserting after the subsection designation the following:

"(1) Except as provided in paragraph (2), sums excluded from the regular rate pursuant to subsection (e) shall not be creditable toward wages required under section 6 or overtime compensation required under this section."

(c) **EFFECTIVE DATE.**—The amendments made by this section shall take effect on the date that is 90 days after the date of enactment of this Act.

(d) **LIABILITY OF EMPLOYERS.**—No employer shall be liable under the Fair Labor Standards Act of 1938 for any failure to include in an employee's regular rate (as defined for purposes of such Act) any income or value derived from employer-provided grants or rights obtained pursuant to any stock option, stock appreciation right, or employee stock purchase program if—

(1) the grants or rights were obtained before the effective date described in subsection (c);

(2) the grants or rights were obtained within the 12-month period beginning on the effective date described in subsection (c), so long as such program was in existence on the date of enactment of this Act and will require shareholder approval to modify such program to comply with section 7(e)(8) of the Fair Labor Standards Act of 1938 (as added by the amendments made by subsection (a)); or

(3) such program is provided under a collective bargaining agreement that is in effect on the effective date described in subsection (c).

(e) **REGULATIONS.**—The Secretary of Labor may promulgate such regulations as may be necessary to carry out the amendments made by this Act.

The PRESIDING OFFICER. The Senator from Iowa.

IOWA STATE UNIVERSITY ATHLETICS

Mr. GRASSLEY. Mr. President, we often hear about some of the things that are wrong with intercollegiate athletics and how they sometimes detract from the top priority of our colleges and universities, which is educating students.

Let me point to an example of how excellence in undergraduate education and excellence in intercollegiate athletics can go hand-in-hand, and it's from my home state of Iowa.

Iowa State University is experiencing one of its most successful years ever in intercollegiate athletics.

This year, Iowa State made history by being the first university in the Big 12 Conference or its predecessor conferences—the Big 8 and the Southwest Conferences—to win four basketball trophies in one season—both men's and women's regular season and conference tournament championships.

Both teams earned ISU record-high seedings in the NCAA Tournament, the men took a second seed and the women took a third and both did well in the tournament. The men advanced to the "Elite Eight" and the women to the "Sweet Sixteen" after an "Elite Eight" appearance last year.

Marcus Fizer became the schools' first-ever consensus first-team All-American, and Stacy Frese and Angie Welle of the women's team were also All-America selections. Stacy Frese drew this honor for the second year in a row.

The Cyclone wrestling team—led by two-time NCAA champion and tournament MVP Cael Sanderson—finished second in the nation.

The women's gymnastics team won its first-ever Big 12 Conference Championship.

These are just a few of Iowa State's 450 student-athletes, young people who are getting an education while exhibiting their special athletic skills.

And just how are they using this opportunity?

Here are some examples from last year because the final stats from this year aren't in, but I'm told they will be similar—or even better.

Of the 450 student athletes 168, or 40 percent, made the Athletic Department's Academic Honor Roll for maintaining a "B" or better GPA and nearly 100 earned academic All-Big 12 recognition.

This year, basketball player Paul Shirley, who majors in mechanical engineering, and Stacy Frese, a finance major, are again Academic All-Americans.

Iowa State student-athletes also lead the Big 12 in the most important statistic—their graduation rate.

They are No. 1 in the Big 12 regarding their four-year graduation rates and No. 1 regarding their six-year graduation rates two of the past three reporting periods.

Iowa State student athletes are also No. 1 in terms of overall graduation rate for student-athletes who stay in school for their entire eligibility with 9 of out 10 student athletes getting their degree.

We are all very proud of the Cyclones this year for what they have done in competition, and in the classroom. I hope I have the opportunity to come to the floor and offer the same statistics and facts next year. Go Cyclones!

The PRESIDING OFFICER. The Senator from Kansas.

THE MARRIAGE PENALTY

Mr. BROWNBACK. Mr. President, I rise today to speak on the issue of the marriage penalty and progress that has been made today on getting this important tax relief out across the country.

First, I applaud Chairman ROTH for his work on this important issue. Just today, the Senate Finance Committee considered an important bill to provide marriage penalty relief. This bill would provide relief to millions of American families—around 25 million—suffering under the burden of a marriage penalty.

The proposal considered by the Senate Finance Committee passed today. We are now another step closer to getting this to the floor, which I believe will take place sometime during the week of April 11, to be able to consider providing this important tax relief to the American public. I am delighted that that bill cleared through the Senate Finance Committee today.

The Senate Finance Committee used the House-passed version as a base, upon which it built an even broader and more inclusive bill. Our bill restores fairness and equity to a Tax Code that has come to penalize the institution of marriage in over 66 different ways. That is pretty imaginative, to find that many ways, but it is in there.

First, our bill eliminates the marriage penalty in the standard deduction. I want to give the numbers. The standard deduction this year for a single taxpayer is \$4,400. However, for a married couple filing jointly, the standard deduction is only \$7,350—not even twice the amount for single filers.

Our bill does a simple, clear, and just thing. Our bill doubles the standard deduction by making it \$8,800. This change in the tax law would take place beginning in 2001, by immediately doubling the standard deduction for joint filers. Our bill is fair. That is the fair thing to do. It is the right thing to do.

Second, our bill widens the 15-percent tax bracket. Under current law, the 15-percent tax bracket for a single taxpayer ends at an income threshold of \$26,250. I know these are a lot of numbers, but it is important to show the specifics of the Tax Code and where it penalizes marriage and how we are fixing it.

For a married couple, their bracket is less than double this threshold of \$26,250. In fact, the threshold is \$43,850 for a married couple filing jointly—another penalty.

If our bill were fully phased in this year, it would mean that the 15-percent bracket would extend upward to an income amount of \$52,500. So for a married couple filing jointly, instead of having a \$43,850 threshold level, it goes up to \$52,500. It doubles what it is for a single filer. This is real marriage penalty relief and elimination. It is relief because even income earners above the current upper income threshold for the 15-percent bracket—these are the upper income levels of the 15-percent bracket—will be able to fall down through

the brackets and thus lower their total tax liability. It is elimination because it doubles the bracket, thus eliminating the marriage penalty in the 15-percent bracket. Again, what we are after is to make everything equal. If you have two single filers or if you have a married couple both filing, they should pay the same amount in taxes. That is what we are trying to get at with this marriage penalty elimination.

It will benefit those people hit by this marriage penalty. It is going to lower the taxes for America's families. That is important. It is also equitable.

Third, our bill applies the same principle of bracket widening to the 28-percent bracket as well. We are just talking about the 15-percent bracket, doubling that \$26,250 to \$52,500 instead of the current level of \$43,850 for a married couple. That is the 15-percent bracket, the upper end of it. We would also do it for the 28-percent bracket, the 28-percent bracket as applied to singles earning between \$26,250 to \$63,550. That \$63,550 is the upper level of the 28-percent bracket.

As in the 15-percent bracket, this amount is not double for joint filers for married couples. You don't get a doubling amount. You actually get cut back from that. Under our marriage penalty relief bill, it is double. That level at which you can stay in the 28-percent bracket as a married couple filing joint would be exactly double what you were as a single person. So again, we just make it equitable and fair. If it is two people filing singly or if it is a couple filing jointly, it will be the same taxable event. That is fair. That is equitable.

Fourth, our bill increases the phase-out range for the earned-income tax credit. This is an important feature. Particularly for low-income families with children, they can incur a significant marriage penalty because of current limits on the earned-income tax credit. If both spouses work, the phase-out of the EITC on the basis of their combined income can lead to the loss of some or all of the EITC benefits to which they would be entitled as singles. In other words, if you have two people filing singly, they would be entitled to a certain amount of earned-income tax credit. But if you combine their incomes, you don't get the same amount of earned-income tax credit for the couple as you do for two singles. Our bill fixes that problem as well.

The Senate Finance Committee proposal increases the beginning and ending points of the phaseout range by \$2,500. This change will be effective December 31, 2000. This will mean families who currently are ineligible for the credit but within the \$2,500 of eligibility will be able to receive the refundable EITC. This will reduce the marriage penalty EITC.

As I mentioned, the marriage penalty is 66 places in the Tax Code. We are getting at some of the most pernicious areas. For the earned-income tax cred-

it, if you are a two-wage earner family and you should have both been able to qualify for the EITC, once you get married you should have the same amount of EITC available to your family. This particularly applies to lower income families. It is an important thing that we are doing. We fix this in our bill.

Our bill helps families at all income levels: low income, middle income, on up.

Finally, our bill would permanently extend the provision that allows the personal nonrefundable credits to offset both the regular tax and the minimum tax. It is important that America's families receive the full benefit of the tax cuts they were promised. This important change will allow America's families to maintain the \$500-per-child tax credit, the Hope scholarship, the adoption credit, and many others that they would not be able to unless we change this particular area of the marriage penalty that applies as well.

Our bill provides fairness and equity. It provides hard-working American families with the tax relief they deserve.

Those are some of the specifics of the bill. I think this is an excellent bill in fixing some of these key areas of the marriage penalty. I think we have outlined previously the reasons for doing it. It is not fair to tax people because they get married and make them pay a penalty for the price of being married.

More important, marriage is important. We should send a positive signal that this is a good thing. Stable families are important. Our approach also recognizes that every spouse has a great contribution that they make. At the same time our approach reduces and eliminates the marriage penalty for many filers, it sends an important signal to all of America that we recognize the institution of marriage and we intend to promote it as a fundamental building block of our society.

I am hopeful this bill is going to be considered on the floor with a reasoned debate and not be too burdened down with amendments that are not germane and that we will be able to provide this marriage penalty relief to the millions of Americans, around 25 million married couples, who are currently adversely affected by the Tax Code.

There is more to do. The marriage penalty is in 66 different places. We only get at a few of them, but we get at some important ones. Today's is an important step by the Finance Committee to report this bill out. I think it is a clear and an important step towards our ultimate goal of getting this through the Senate, the conference between the House and the Senate, and to the President where I urge his signature. We must pass this important bill.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

(Mr. BROWBACK assumed the Chair.)

Mr. SESSIONS. Mr. President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mr. SESSIONS. Mr. President, I express my appreciation to the Chair for his important remarks on the details of the legislation that came out of the Senate Finance Committee today. That legislation takes a big step forward and basically eliminates the marriage penalty that exists in our tax law today.

Chairman ROTH has been a champion of improving our Tax Code. I am pleased to see that he has moved this legislation. It is something I know the Chair and I have advocated for a long time, as have many others in this body. We need to look at our policy in America and see if it is actually affirming the values we hold dear: Particularly, are we setting governmental policy in this country that damages families? Is that one of the reasons for the breakup of families in this country? I think it needs to be considered. I believe it is a matter of importance.

Good public policy is what we are about. We need to spend more time asking ourselves what is going to happen when we pass certain legislation. All of us agree that when you tax an item, a process, or an act, you get less of it. If you subsidize another act or process, you get more of it. That is just fundamental economics on which almost everybody would agree.

What we have in the marriage penalty is an amazing event. In this Government, we have created, according to the Congressional Budget Office, a tax burden of nearly \$1,400 per married couple. If they are living separately, they will pay \$1,400 on average less than if they are married. That is an amazing event. I happen to know someone who got divorced recently. When they divorced, they said their tax bill went down \$1,600. Had they divorced in December instead of January, they would have had an extra \$1,600 from that year's return. We have the incredible, amazing event in which Federal tax policy encourages family breakup. It provides a bonus—\$1,600 a year—as long as they remain single, for example. That is the kind of policy that we have created here.

Likewise, people who marry are penalized. I know a young person that married recently. He and his wife both work. They believe it will cost them over \$1,000 a year to get married. This is \$100 a month we are talking about. We are talking about people being taxed an additional \$100 a month for following through on an institution that this Nation traditionally—before we got into this matter—venerated, and that is marriage and family. So I think this is a big deal. It is a very big deal. It is bad public policy. It is wrong. It is unfair. We should not continue this policy and we need to end it now. I believe we are on the road to achieving that. I am excited about it. Some time ago, we realized that we

were not increasing the deductions for families who had children and that young families were struggling to raise children.

This tax bill doesn't deal with children, just marriage. We had a long struggle, but we finally passed a \$500 per child tax credit for young families trying to raise kids. For two kids, that is \$1,000 a year, and nearly \$85 a month. Parents can buy shoes and clothes, take the kids to the movies, buy something after ball practice at McDonald's. That is real money to real American citizens. Now we are talking here about another \$100 a month, on average, or \$110, \$120 a month that married people are having to pay for the privilege of getting married. That should not be. It is a punishing and unfair tax. Furthermore, it should not, in my view, be based on income. Just because you make a little more money than somebody else, why should you be penalized for getting married? That doesn't make sense to me. This is not, in my view, a tax reduction issue so much as it is a fairness issue. Let's eliminate this unfairness. I am excited about what is happening here. Families will be able to buy that new dress, buy tires for their car, or fix the muffler, or get a new set of shocks, things they may need on a monthly basis—things that families do on a regular basis.

Also, I want to point out that this penalty is particularly noticeable now that we have more married women working. The penalty is even worse when a married woman's income comes close to the amount of income of the husband. So the husband and wife marry and there is this unexpected tax. You get whacked, and you wonder whether it is worth both people working. It oftentimes hurts the woman more than the man. In this country we would like to see equal opportunity in salaries, that there not be a glass ceiling for women, and that they ought to be able to have the same salary opportunities. But the more likely, on a statistical basis, that the woman receives the same salary as a man, the more this penalty will fall on her. So I think it is clearly unfair to both men and women.

Mr. President, I want to say again that we are making a big step toward ending a penalty, a tax, a detriment, a burden on an institution that is critical to the salvation and strength of this country, which is marriage. We are taxing that, penalizing that, and we are discouraging marriage. We are subsidizing singleness and divorce, actually. That is not good public policy. I believe we can do better. Of course, it will have no impact on a single person. No burden will fall on them because of passing this bill. It will simply be leveling the playing field and making it a more fair system. I thank the Senator from Kansas, and I thank Senator ROTH and the others who have worked on this legislation. We are moving forward. It is time to pass this bill, to give some relief and eliminate this unfair tax on marriage.

I yield the floor.

ADDITIONAL STATEMENTS

MENTAL RETARDATION AWARENESS MONTH

• Mr. GRAMS. Mr. President, I rise today to honor ARC Minnesota, and the men and women who volunteer countless hours to improve the quality of life for children and adults with mental retardation and their families. March is officially this nation's "Mental Retardation Awareness Month"—but the efforts of these individuals should be celebrated year-round.

As legislators at the federal level, our support tends to come in the form of funding. It would be an understatement to say that children and adults with mental retardation and their families are faced with unique challenges. Needs differ from family to family. For some, it may be specialized education needs, and for others health care access. And as a member of the Senate Budget Committee, I realize the vast array of programs we've created to address the broad spectrum of needs—all of which compete for tax dollars.

That is why I have strenuously supported initiatives which provide greater flexibility and control by individuals. Programs such as A+ accounts that help families meet unique educational needs that federal, state and local programs cannot. Legislation like the Patients' Bill of Rights Plus Act that expands medical savings accounts, ultimately providing more flexible health care access—particularly benefiting those that are uninsured.

Mr. President, while Mental Retardation Awareness Month is coming to a close, it doesn't mean that Congress cannot move forward with policies which provide unique solutions to the unique challenges faced by individuals with mental retardation and their families. I would urge my colleagues to join me in commemorating the work of the 1,000 chapters of the ARC, in Minnesota and across this nation, with their pledge to work towards this goal.●

DIABETES RESEARCH

• Mr. BAUCUS. Mr. President, I rise today to support increased research funding for diabetes, a devastating disease that afflicts 16 million Americans, one-third of whom do not even know that they have it.

Diabetes kills one American every three minutes, discriminating neither on the basis of age, race, or belief. It is a lifelong affliction, with severe consequences. This was made painfully clear to me by a meeting I recently had with a boy and his family from Montana.

Justin Windham, from Missoula, said to me: "I want a cure for diabetes because I don't want to have any long term effects like: going blind, kidney problems, or losing my legs. Also I would like to be able to eat whatever my friends eat and not feel left out."

Justin, and the 16 million other Americans with diabetes, should be

able to live their lives without fear of medical complications or the pain of being ostracized. That is why Congress has a responsibility to fund diabetes research and prevention. I urge my colleagues to devote increased resources for research on diabetes, so that our scientists can find a cure.●

IN MEMORY OF ION RATIU

• Mr. ROTH. Mr. President, I rise today to honor the life and accomplishments of Ion Ratiu of Romania who passed away on the 16th of January.

I had the honor of developing a close friendship with Ion. He was an outstanding politician, a very successful businessman, a philanthropist and, above all, a freedom fighter and a leader devoted to deepening relations between Romania and the United States.

Born in Romania at the end of World War II, Ion Ratiu spent a good part of his life in the United Kingdom and the United States. Here in Washington he developed many friendships and many of us have benefited from the warm hospitality of his Georgetown home.

Those of us who had the pleasure of his friendship can only have been impressed by the tremendous personal energy he directed against the dictatorship that dominated his homeland until the Velvet Revolutions of 1989. Ion was himself an incarnation of many elements of democracy's powerful arsenal. He was a journalist reporting on Romania's tragedy. He was a protector and rescuer of its dissidents. He was the founder of the "Free Romania Movement." He was the unyielding proponent of human rights in Romania.

In addition to tearing down Communism and building democracy in Romania, Ion Ratiu was also one who contributed to the foundation of deeper ties and links between Romania and the West, particularly the United States.

In London he led the British-Romanian Association for 20 years, and with his wife and sons established the Romanian Cultural Center. Here in Washington, Ion endowed the Ion Ratiu Chair at Georgetown University, a lighthouse for Romanian-American relations.

After the Romanian Revolution, Ion Ratiu was elected a member of national Parliament in Bucharest. He even was a strong contender for the Romanian presidency. Ion benefited from the respect of all his colleagues in the Romanian Parliament. He was appreciated for his commitment to democracy and unyielding efforts to earn for his country membership in the North Atlantic Treaty Organization. It was no surprise for me that Ion, a member of the opposition, led his parliament's delegation to the NATO Parliamentary Assembly.

The Romanian nation is mourning and so are Ion Ratiu's friends in the United States and the United Kingdom.