Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 543

At the request of Mr. WELLSTONE, the names of the Senator from New York (Mrs. CLINTON), the Senator from West Virginia (Mr. BYRD), and the Senator from Michigan (Mr. LEVIN) were added as cosponsors of S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 570

At the request of Mr. BIDEN, the names of the Senator from Washington (Mrs. MURRAY), the Senator from Massachusetts (Mr. KERRY), and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 570, a bill to establish a permanent Violence Against Women Office at the Department of Justice.

S. 627

At the request of Mr. GRASSLEY, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 627, a bill to amend the Internal Revenue Code of 1986 to allow individuals a deduction for qualified long-term care insurance premiums, use of such insurance under cafeteria plans and flexible spending arrangements, and a credit for individuals with long-term care needs.

S. 630

At the request of Mr. BURNS, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 630, a bill to prohibit senders of unsolicited commercial electronic mail from disguising the source of their messages, to give consumers the choice to cease receiving a sender's unsolicited commercial electronic mail messages, and for other purposes.

S. 670

At the request of Mr. DASCHLE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 670, a bill to amend the Clean Air Act to eliminate methyl tertiary butyl ether from the United States fuel supply and to increase production and use of ethanol, and for other purposes.

S. RES. 41

At the request of Mr. HATCH, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. Res. 41, a resolution designating April 4, 2001, as ''National Murder Awareness Day''.

S. RES. 44

At the request of Mr. COCHRAN, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S. Res. 44, a resolution designating each of March 2001, and March 2002, as ''Arts Education Month''.

S. RES. 55

At the request of Mr. WELLSTONE, the names of the Senator from Connecticut (Mr. DODD) and the Senator from Louisiana (Ms. LANDRIEU) were added as cosponsors of S. Res. 55, a resolution designating the third week of April as ''National Shaken Baby Syndrome Awareness Week'' for the year 2001 as and all future years.

S. RES. 57

At the request of Mr. BOND, the names of the Senator from Kansas (Mr. ROBERTS, the Senator from Wisconsin (Mr. FEINGOLD), and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. Res. 57, a resolution to express the sense of the Senate that the Federal investment in programs that provide health care services to uninsured and low-income individuals in medically under-served areas be increased in order to double access to care over the next 5 years.

S. RES. 63

At the request of Mr. CAMPBELL, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. Res. 63, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. FEINSTEIN.

S. 672. A bill to amend the immigration and Nationality Act to provide for the continued classification of certain aliens as children for purposes of that Act in cases where the aliens ''age-out'' while awaiting immigration processing, and for other purposes, to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, today I am pleased to introduce the Child Status Protection Act of 2001. This legislation would protect children who are in danger of losing their eligibility for an immigration visa because of the inability of the Immigration and Naturalization Service INS to process their petitions or applications in a timely fashion.

Children caught in the INS backlogs often face the problem of ''aging out'' of eligibility for family-based visas on their 21st birthday. One case recently brought to my attention was that of a couple who were lawful permanent residents. In 1993, they filed family-based petitions for their three children. Although the INS approved the petitions, as of March 2000, none of the children had become permanent residents. When they turned 21, the two oldest children were switched into another visa category because they no longer qualify as ''minor children.'' Now, they are in another backlog in which they have to wait another eight years to get a green card.

The legislation I have introduced today would provide a child, whose timely filed application for a family-based, employment-based, or diversity visa was submitted before the child reached his or her 21st birthday, the opportunity to remain eligible for that visa until the visa becomes available. The legislation also would protect the child of an asylum seeker whose application was submitted prior to the child's 21st birthday.

In recent years, the INS has faced a dramatic increase in the number of immigration benefit petitions and applications filed. This combined with the agency's slow service, and antiquated filing and computer data systems, has caused millions of our constituents to endure long waits of three to five years before getting their cases adjudicated.

The INS backlogs have carried a heavy price: children who are the beneficiaries of petitions and applications are ''aging out'' of eligibility for their visas, even though they were fully eligible at the time their applications were filed. This has occurred because some immigration benefits are only available to the ''child'' of a United States citizen or lawful permanent resident, and the Immigration and Nationality Act defines a ''child'' as an unmarried person under the age of 21.

As a consequence, a family whose child's application for admission to the United States has been pending for years may be forced to leave that child behind either because the INS was unable to adjudicate the application before the child's 21st birthday, or because growing immigration backlogs in the immigration visa category caused the visa to be unavailable before the child reached his 21st birthday. As a result, the child loses the right to admission to the United States. This what is commonly known as ''aging out.''

Situations like these leave both the family and the child in a difficult dilemma. Under current law, lawful permanent residents who are outside of the United States face a difficult choice when their child ''ages-out'' of eligibility for a first preference visa. Emigrating parents must decide to either come to the United States and leave their child behind, or remain in their country of origin and lose out on their American dream in the United States. In the end, we as a country stand to lose when we are deprived of their cultural gifts, talents and many contributions.

For lawful permanent residents who already live in the United States, their dilemma is different. They must make the difficult choice of either sending their child who has ''aged-out'' of visa eligibility back to their country of origin, or have the child stay in the United States out-of-status, in violation of our immigration laws, and thus, vulnerable to deportation. No law should encourage this course of action.

One compelling example is that of 17-year-old Juan, a youngster born in Guatemala, who applied for adjustment

of status under the Nicaraguan and Central American Relief Act in 1999. He is a junior in high school with a 4.0 grade point average. His mother came to the United States in 1986, fleeing life-threatening conditions in Guatemala. Juan, who was six years old at the time, joined her four years later. Today, Juan has yet to have an interview with the INS. Given the expected three- to five-year wait for the INS to adjudicate adjustment of status applications, this high achieving student may not only miss out on his dream of becoming an engineer, his home state of California stands to lose out on the contributions he undoubtedly will make.

The aging out problem also extends to those who have fled persecution and are granted asylum in the U.S. Current law permits persons granted asylum to have their child join them in the United States. However, if the child ages out while the parent's application for asylum is being adjudicated, the child is no longer automatically entitled to remain with his parent.

As Members of Congress we, too, have been confronted with this issue. Because the Attorney General does not have the discretion to protect the status of these children, we often are called upon to introduce private bills to grant them the status they deserve. Unfortunately, these bills are limited in number and not all deserving children are able get private bills introduced on their behalf.

The Child Status Protection Act of 2001 would correct these inequities and help protect a number of children who, through no fault of their own, face the consequence of being separated from their immediate family. It is a modest but urgently needed reform of our immigration laws, and I urge my colleagues to support this legislation. I ask unanimous consent that the text of the Child Status Protection Act of 2001 be printed in the RECORD.

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

S. 672

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 ''Child Status Protection Act''.

SEC. 2. CHILD STATUS PROTECTION.

(a) IMMEDIATE RELATIVES.—Section 201(b)(2)(A) of the Immigration and Nationality Act (8 U.S.C. 1151(b)(2)(A)) is amended by adding at the end the following:

''(iii) Notwithstanding section 101(b)(1), an unmarried alien 21 years of age or older on whose behalf a petition was filed under section 204 to classify the alien as an immediate relative under clause (i) shall be classified as a child of a citizen of the United States for purposes of that clause, and the petition shall be considered a petition for classification under that clause, if the alien attained 21 years of age after the date on which the petition was filed but while the petition is pending before the Attorney General.

''(iv) An unmarried alien under 21 years of age on whose behalf a petition was filed under section 204 to classify the alien as an immigrant under section 203(a)(2)(A) shall be classified as a child of a citizen of the United States for purposes of clause (i), and the petition shall be considered a petition for classification under that clause, if a petitioning parent became a naturalized citizen of the United States after the petition was filed but while the petition is pending before the Attorney General..

''(v) An unmarried alien who was in a marriage on the date a petition was filed under section 204 to classify the alien as an immigrant under section 203(a)(3) shall be classified as a child of a citizen of the United States for purposes of clause (i), and the petition shall be considered a petition for classification under the clause, if—

''(I) the alien's marriage was legally terminated while the petition is pending before the Attorney General; and

''(II) the alien was under 21 years of age on the date of legal termination of the marriage.''.

(b) FAMILY-SPONSORED, EMPLOYMENT-BASED, AND DIVERSITY IMMIGRANTS.—Section 203(d) of the Immigration and Nationality Act (8 U.S.C. 1153(d)) is amended to read as follows:

''(d) TREATMENT OF FAMILY MEMBERS.—

''(1) IN GENERAL.—A spouse or child (as defined in subparagraph (A), (B), (C), (D), or (E) of section 101(b)(1)) shall, if not otherwise entitled to immigrant status and the immediate issuance of a visa under subsection (a), (b), or (c), be entitled to the same status, and the same order of consideration provided in the respective subsection, if accompanying or following to join, the spouse or parent.

''(2) CONTINUED CLASSIFICATION OF CERTAIN ALIENS AS CHILDREN.—An unmarried alien 21 years of age or older on whose behalf a petition was filed under section 204 to classify the alien as an immigrant under subsection (a), (b), or (c), who is accompanying or following to join his or her parent under this section shall be classified as a child for purposes of entitlement to the same immigrant status of the parent, and the petition shall be considered a petition for classification for such purposes, if the alien attained 21 years of age after the date on which the petition was filed but while the petition is pending before the Attorney General.''.

(c) ASYLEES.—Section 208(b)(3) of the Immigration and Nationality Act (8 U.S.C. 1158(b)(3)) is amended—

(1) by striking ''A spouse'' and inserting ''(A) IN GENERAL.—A spouse''; and

(2) by adding at the end the following:

''(B) CONTINUED CLASSIFICATION OF CERTAIN ALIEN AS CHILDREN FOR ASYLUM ELIGIBILITY.—A unmarried alien who is accompanying or seeking to join a parent granted asylum under this subsection, who is seeking to be granted asylum under this paragraph, and who was under 21 years of age on the date on which the alien's parent applied for asylum under this section shall continue to be classified as a child for purposes of this paragraph, if the alien attained 21 years of age after the application was filed but while the application is pending before the Attorney General.''.

SEC. 3. EFFECTIVE DATE.

Section 2, and the amendments made by section 2 shall apply to—

(1) all applications and petitions filed before the date of enactment of this Act and pending on such date; and

(2) all applications and petitions filed on or after such date.

By Mr. HAGEL (for himself, Mr. BIDEN, and Mr. LUGAR):

S. 673. A bill to establish within the executive branch of the Government an interagency committee to review and coordinate United States nonproliferation efforts in the independent states of the former Soviet Union; to the Committee on Government Affairs.

Mr. HAGEL. Mr. President, today I am introducing a bill to address the coordination of spending, both public and private, on U.S. non-proliferation efforts in Russia. I am pleased to be joined in introducing this bill by my colleagues Senators BIDEN and LUGAR.

In 1991, the world faced the very real specter of nuclear chaos erupting from the disintegration of the Soviet Union. Largely through the foresight and leadership of Senators Nunn and LUGAR, Congress established a fledging program that year authorizing the use of Defense Department funds to assist with the safe and secure transportation, storage, and dismantlement of nuclear, chemical and other weapons in the former Soviet Union. The world is a much safer place because of these efforts. I commend my friend and cosponsor, Senator LUGAR, for the important contribution he has made to the national security of this nation.

In the past ten years the Nunn-Lugar initiative has grown into a multi-pronged attack by the Departments of Defense, State and Energy to ensure that weapons of mass destruction, weapons-usable material and technology, and weapons-related knowledge in Russia and the Newly Independent States remain beyond the reach of terrorist and weapons-proliferating states. This investment has yielded an impressive return. Over the past decade, important gains have been made in securing weapons, technology and knowledge in the former Soviet Union. By assisting Russia we have enhanced our own national security. But this success has come with problems of coordination.

U.S. public spending on non-proliferation programs in the Russian Federation suffers from a lack of coordination within and among United States Government agencies and departments. As recently as last January, a bipartisan task force led by former Senator Howard Baker and former White House Counsel Lloyd Cutler released a report calling for improved coordination within the U.S. government on non-proliferation assistance to Russia. The importance of these programs to the national security of this nation demands that we address this issue. We must coordinate U.S. government non-proliferation efforts in Russia to ensure that our overall spending on these efforts is both efficient and maximized to further the national security interests of the United States.

Ensuring the efficiency of our public spending also requires that we take into account the increased spending and investment by the United States private sector on non-proliferation efforts in Russia. This private spending, still small but registering positive results, will continue to increase. We must ensure that public spending on

Russian non-proliferation programs is not in conflict with this important contribution from the U.S. private sector.

The Non-Proliferation Assistance Coordination Act of 2001 calls on the President to create an interagency committee that will monitor and coordinate the implementation of United States non-proliferation efforts in Russia. Under the direction of the President's National Security Assistant, representatives from the Departments of State, Defense, Energy and Commerce would provide guidance on coordinating, de-conflicting and maximizing the utility of United States public spending on our important non-proliferation efforts in Russia. I believe U.S. non-proliferation efforts in Russia, first initiated a decade ago under the leadership of Senators LUGAR and Nunn, have made lasting contributions to the national security of the United States. This bill will ensure that future non-proliferation assistance to Russia is well spent.

Mr. President, I ask unanimous consent that the full 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. 673

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 ''Non-proliferation Assistance Coordination Action of 2001''.

SEC. 2. FINDINGS.

Congress finds that—

(1) United States nonproliferation efforts in the independent states of the former Soviet Union have achieved important results in ensuring that weapons of mass destruction, weapons-usable material and technology, and weapons-related knowledge remain beyond the reach of terrorists and weapons-proliferating states;

(2) although these efforts are in the United States national security interest, the effectiveness of these efforts suffers from a lack of coordination within and among United States Government agencies;

(3) increased spending and investment by the United States private sector on non-proliferation efforts in the independent states of the former Soviet Union, specifically, spending and investment by the United States private sector in job creation initiatives and proposals for unemployed Russian weapons scientists and technicians, is making an important contribution in ensuring that knowledge related to weapons of mass destruction remains beyond the reach of terrorists and weapons-proliferating states; and

(4) increased spending and investment by the United States private sector on non-proliferation efforts in the independent states of the former Soviet Union requires the establishment of a coordinating body to ensure that United States public and private efforts are not in conflict, and to ensure that public spending on efforts by the independent states of the former Soviet Union is maximized to ensure efficiency and further United States national security interests.

SEC. 3. INDEPENDENT STATES OF THE FORMER SOVIET UNION DEFINED.

In this Act, the term ''independent states of the former Soviet Union'' has the meaning given the term in section 3 of the FREEDOM Support Act (22 U.S.C. 5801).

SEC. 4. ESTABLISHMENT OF COMMITTEE ON NON-PROLIFERATION ASSISTANCE TO THE INDEPENDENT STATES OF THE FORMER SOVIET UNION.

(a) ESTABLISHMENT.—There is established within the executive branch of the Government an interagency committee known as the ''Committee on Nonproliferation Assistance to the Independent States of the Former Soviet Union'' (in this Act referred to as the ''Committee'').

(b) MEMBERSHIP.—

(1) IN GENERAL.—The Committee shall be composed of five members, as follows:

(A) A representative of the Department of State designated by the Secretary of State.

(B) A representative of the Department of Energy designated by the Secretary of Energy.

(C) A representative of the Department of Defense designated by the Secretary of Defense.

(D) A representative of the Department of Commerce designated by the Secretary of Commerce.

(E) A representative of the Assistant to the President for National Security Affairs designated by the Assistant to the President.

(2) LEVEL OF REPRESENTATION.—The Secretary of a department named in subparagraph (A), (B), (C), or (D) of paragraph (1) shall designate as the department's representative an official of that department who is not below the level of an Assistant Secretary of the department.

(b) CHAIR.—The representative of the Assistant to the President for National Security Affairs shall serve as Chair of the Committee. The Chair may invite the head of any other department or agency of the United States to designate a representative of that department or agency to participate from time to time in the activities of the Committee.

SEC. 5. DUTIES OF COMMITTEE.

(a) IN GENERAL.—The Committee shall have primary continuing responsibility within the executive branch of the Government for—

(1) monitoring United States nonproliferation efforts in the independent states of the former Soviet Union; and

(2) coordinating the implementation of United States policy with respect to such efforts.

(b) DUTIES SPECIFIED.—In carrying out the responsibilities described in subsection (a), the Committee shall—

(1) arrange for the preparation of analyses on the issues and problems relating to coordination within and among United States departments and agencies on nonproliferation efforts of the independent states of the former Soviet Union;

(2) arrange for the preparation of analyses on the issues and problems relating to coordination between the United States public and private sectors on nonproliferation efforts in the independent states of the former Soviet Union, including coordination between public and private spending on nonproliferation programs of the independent states of the former Soviet Union and coordination between public spending and private investment in defense conversion activities of the independent states of the former Soviet Union;

(3) provide guidance on arrangements that will coordinate, de-conflict, and maximize the utility of United States public spending on nonproliferation programs of the independent states of the former Soviet Union to ensure efficiency and further United States national security interests;

(4) encourage companies and nongovernmental organizations involved in non-proliferation efforts of the independent states of the former Soviet Union to voluntarily report these efforts to the Committee;

(5)(A) arrange for the preparation of analyses on the issues and problems relating to the coordination between the United States and other countries with respect to non-proliferation efforts in the independent states of the former Soviet Union; and

(B) provide guidance and arrangements that will coordinate, de-conflict, and maximize the utility of United States public spending on nonproliferation programs of the independent states of the former Soviet Union to ensure efficiency and further United States national security interests; and

(6) consider, and make recommendations to the President and Congress with respect to, proposals for new legislation or regulations relating to United States nonproliferation efforts in the independent states of the former Soviet Union as may be necessary.

SEC. 6. ADMINISTRATIVE SUPPORT.

All United States departments and agencies shall provide, to the extent permitted by law, such information and assistance as may be requested by the Committee or the Secretary of State in carrying out their functions and activities under this Act.

SEC. 7. CONFIDENTIALITY OF INFORMATION.

Information which has been submitted or received in confidence shall not be publicly disclosed, except to the extent required by law, and such information shall be used by the Committee only for the purpose of carrying out the functions and activities set forth in this Act.

SEC. 8. STATUTORY CONSTRUCTION.

Nothing in this Act—

(1) applies to the data-gathering, regulatory, or enforcement authority of any existing United States department or agency over nonproliferation efforts in the independent states of the former Soviet Union, and the review of those efforts undertaken by the Committee shall not in any way supersede or prejudice any other process provided by law; or

(2) applies to any activity that is reportable pursuant to title V of the National Security Act of 1947 (50 U.S.C. 413 et seq.).

By Ms. COLLINS (for herself and Ms. LANDRIEU):

S. 674. A bill to amend the Internal Revenue Code of 1986 to provide new tax incentives to make health insurance more affordable for small businesses, and for other purposes; to the Committee on Finance.

Ms. COLLINS. Mr. President, I am pleased to join with my colleague from Louisiana, Senator LANDRIEU, in introducing bipartisan legislation, the Access to Affordable Health Care Act, that is designed to make health insurance more affordable both for individuals and for small businesses that provide health care coverage for their employees.

In the past few years, Congress has taken some major steps to expand access to affordable health insurance for all Americans. One of the first bills I sponsored on coming to the Senate was legislation to establish the State Children's Health Insurance Program, which was enacted as part of the Balanced Budget Act. States have enthusiastically responded to this program, which now provides affordable health insurance coverage to over two million

children nationwide, including nearly 10,000 in Maine's expanded Medicaid and CubCare programs.

Thanks to these efforts, coupled with an increase in employer coverage fueled by our strong economy, we are making some progress. For the first time in twelve years, the number of Americans without health insurance actually dropped from about 44 million to 42.6 million. While this is good news, it by no means minimizes the problem. There are still far too many Americans without health insurance. Clearly, we must make health insurance more available and affordable.

Since most Americans get their health insurance through the workplace, it is a common assumption that people without health insurance are unemployed. The fact is, however, that most uninsured Americans are members of families with at least one full-time worker: 85 percent of the Americans who do not have health insurance are in a family with a worker.

Uninsured, working Americans are most often employees of small businesses, the backbone of the economy in Maine. Some 60 percent of uninsured workers are employed by small firms. If we want to reduce the number of uninsured Americans, we need to consider how we can help more small businesses afford health insurance for their employees.

According to a recent National Federation of Independent Businesses survey, the cost of health insurance is the number one problem facing small businesses. And it has been since 1986. It is time for us to listen and to lend a hand to these small businesses.

Small employers generally face higher costs for health insurance than larger firms, which makes them less likely to offer coverage. Premiums are generally higher for small businesses because they do not have as much purchasing power as large companies, which limits their ability to bargain for lower rates. They also have higher administrative costs because they have fewer employees among whom to spread the fixed costs of a health benefits plan. Moreover, they are not as able to spread risks of medical claims over as many employees as can large firms.

As a consequence, only 42 percent of small businesses with fewer than 50 employees offer health insurance to their employees. By way of contrast, more than 95 percent of businesses with 100 or more employees offer insurance.

Moreover, the smaller the business, the less likely it is to offer health insurance to its employees. Small businesses want to provide health insurance for their employees, but the cost is often just too high.

Simply put, the biggest obstacle to health care coverage in the United States today is cost. While American employers everywhere, from giant multinational corporations to the small corner store, are facing huge hikes in their health insurance costs, these rising costs are particularly problematic for small businesses and their employees. Many small employers are facing premium increases of 15 to 30 percent or more. This can cause them either to drop their health benefits or to pass the additional costs on to their employees through increased deductibles, higher copays or premium hikes. This, too, is troubling and will likely add to the ranks of the uninsured since it will cause some employees, particularly lower-wage workers who are disproportionately affected by increased costs, to drop or turn down coverage when it is offered to them.

According to another survey of small businesses, two-thirds of small business owners said that they would seriously consider offering health benefits if they were provided with some assistance with premiums. Almost one-half would consider doing so if their costs fell 10 percent.

To respond to these findings, we are introducing the Access to Affordable Health Care Act, which will help small employers cope with these rising costs. Our bill will provide new tax credits for small businesses to help make health insurance more affordable. It will encourage those small businesses that do not currently offer health insurance to do so and will help businesses that currently do offer insurance to continue coverage even in the face of rising costs.

Under our proposal, employers with fewer than ten employees will receive a tax credit of 50 percent of the employer contribution to the cost of employee health insurance. Employers with ten to 25 employees will receive a 30 percent credit. Under the bill, the credit would be based on an employer's yearly qualified health insurance expenses of up to $2,000 for individual coverage and $4,000 for family coverage.

The legislation we are introducing will also make health insurance more affordable for individuals and families who must purchase health insurance on their own. The Access to Affordable Health Care Act will provide an above-the-line tax deduction for individuals who pay at least 50 percent of the cost of their own health and long-term care insurance. Regardless of whether an individual takes the standard deduction or itemizes, he or she will be provided relief by the new above-the-line deduction.

The bill also will allow self-employed Americans to deduct the full amount of their health care premiums. Some 25 million Americans are in families headed by a self-employed individual, of these, five million are uninsured. Establishing parity in the tax treatment of health insurance costs between the self-employed and those working for large businesses is not just a matter of equity. It will also help to reduce the number of uninsured, but working Americans. Our bill will make health insurance more affordable for the 82,000 people in Maine who are self-employed. They include our lobstermen, our hairdressers, our electricians, our plumbers, and the many owners of mom-and-pop stores that dot communities throughout the state.

The Access to Affordable Health Care Act, which has been endorsed by the National Federation of Independent Business, will help small businesses afford health insurance for their employees, and it will also make coverage more affordable for working Americans who must purchase it on their own. I urge my colleagues to join us as cosponsors of this important legislation.

By Mr. ENZI (for himself and Mr. THOMAS):

S. 675. A bill to ensure the orderly development of coal, coalbed methane, natural gas, and oil in ''common areas'' of the Powder River Basin, Wyoming and Montana, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. ENZI. Mr. President, I rise today to introduce the ''Powder River Basin Resource Development Act of 2001.'' This legislation will provide a procedure for the orderly and timely resolution of disputes between coal producers and oil and gas operators in the Powder River Basin in north-central Wyoming and southern Montana. This legislation is cosponsored by my colleague from Wyoming, Senator THOMAS.

The Powder River Basin in Wyoming and southern Montana is one of the richest energy resource regions in the world. This area contains the largest coal reserves in the United States, providing nearly thirty percent of America's total coal production. This region also contains rich reserves of oil and gas, including coalbed methane. Wyoming is the fifth largest producer of natural gas in the county and the sixth largest producer of crude oil. The Powder River Basin plays an ever-increasing role in the development of coalbed methane as Wyoming continues to help meet the growing needs for natural gas in the Rocky Mountain region and the country as a whole. The Powder River Basin and the State of Wyoming as a whole provide many of the resources that heat our homes, fuel our cars, generate electricity for our computers, microwaves, and televisions. In short, there is very little that any one of us does in a day that is not affected by the resources of coal, oil, and natural gas.

The production of these natural resources represents a vital part of the economy of my home state of Wyoming. The coal and oil and gas industries employ more than 21,000 people in Wyoming. We in Wyoming educate our students, build our roads, and provide our citizens with many of their social services through property taxes, severance taxes, and mineral royalties collected from the development of these energy resources. Since Wyoming has no state income tax, our State relies very heavily on revenues from the minerals extraction industries for our tax base.

Given the great importance both the coal and oil and gas industries have to Wyoming's economy, the State of Wyoming and the federal government have tried to encourage concurrent development in areas where it is feasible and safe to do so. Unfortunately, this is not always possible. This legislation provides a procedure for the fair and expeditious resolution of conflicts between oil and gas producers and coal producers who have conflicting mineral interests on land in the Powder River Basin in Wyoming and southern Montana.

This legislation establishes a specific procedure to resolve conflicts between coal producers and oil and gas producers when their mineral development rights come into conflict because of overlapping leases. First, this proposal requires that once a potential conflict is identified, the affected parties must attempt to negotiate an agreement between themselves to resolve this conflict. Second, if the parties are unable to come to an agreement between themselves, either of the parties may file a petition for relief in U.S. district court in the district in which the conflict is located. Third, after receiving a petition, the court would determine whether an actual conflict exists. Fourth, if the court determines that a conflict does in fact exist, the court would determine whether the public interest, as determined by the greater economic benefit of each mineral, is best served by suspension of the federal coal lease or suspension or termination of all or part of the oil and gas lease. Fifth, a panel of three experts would be assembled to determine the value of the mineral of lesser economic value. Each of the parties in conflict would appoint one of the three experts. The third expert would be chosen jointly from the two parties. Finally, after the panel issues its final valuation report, the court would enter an order setting the compensation that is due the developer who had to temporarily or permanently forgo his development rights. This compensation would be paid by the owner of the mineral of greater economic value. A credit against federal royalties would also be available for this compensation price for limited number of situations where neither the existence of the conflict nor compensation to the conflicting mineral owner was foreseen in the original federal lease bid.

The ''Powder River Basin Resource Development Act of 2001'' has several benefits over the present system. First, it requires parties whose mineral interests come into conflict to attempt to negotiate an agreement among themselves before either one of them avails himself of the expedited resolution mechanism. No such requirement exists today. Second, it directs the Secretary of the Interior to encourage expedited development of federal minerals that (1) are leased pursuant to the federal Mineral Leasing Act; (2) exist in conflict areas; and (3) which may otherwise be lost or bypassed. As such, this legislation encourages full and expeditious development of federally leased resources in this narrow conflict area where it is economically feasible and safe to do so. Third and finally, this bill provides a fair and expeditious procedure to resolve conflicts which cannot be resolved between the two parties themselves and it does so by ensuring that any mineral owner will be fully compensated for any suspension or loss of his mineral rights. In turn, this proposal will prevent the serious economic hardship to thousands of families and the State treasury that could occur if mineral development is stalled for an indefinite amount of time due to protracted litigation under the current system.

This legislation is the result of over two years of work and represents the input of all the stakeholders: coalbed methane producers, deep oil and gas developers, the coal industry, landowners, the State of Wyoming, and the Department of the Interior. It is nearly identical to legislation that was favorably reported out of the Senate Energy Committee last summer by a voice vote. By providing a fair, expeditious, cost-effective and certain method to resolve conflicts between mineral producers in one of the most bountiful energy regions in the world, the ''Powder River Basin Resource Development Act of 2001'' represents an important chapter in the continuing effort to develop a comprehensive national energy policy for the 21st century.

By Mr. HATCH (for himself, Mr. BAUCUS, Mr. ENSIGN, Mr. MURKOWSKI, Mr. TORRICELLI, Mr. SCHUMER, and Mr. BREAUX):

S. 676. A bill to amend the Internal Revenue Code of 1986 to extend permanently the subpart F exemption for active financing income; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise today on behalf of myself and Senators BAUCUS, ENSIGN, TORRICELLI, SCHUMER, MURKOWSKI, and BREAUX, to introduce legislation to permanently extend the exclusion from Subpart F for active financing income earned on business operations overseas. This legislation permits American financial services firms doing business abroad to continue to defer U.S. tax on their earnings from their foreign financial services operations until such earnings are returned to the U.S. parent company.

The permanent extension of this provision is particularly important in today's global marketplace. Over the last few years the financial services industry has seen technological and global changes that have altered the very nature of the way these corporations do business, both here and abroad. The U.S. financial industry is a worldwide leader and plays a pivotal role in maintaining confidence in the international marketplace. It is essential that our tax laws adapt to the fast-paced and ever-changing business environment of today.

Let me outline exactly why this bill is needed. Regulated U.S. financial institutions with operations overseas need to retain earnings in foreign subsidiaries in order to meet ever-expanding capital requirements. Unfortunately, if the tax provision this bill seeks to permanently extend is allowed to expire at the end of this year, as is scheduled under the current law, those earnings will be subject to current U.S. taxation. Obviously, current taxation makes it more costly for a growing overseas business to meet those capital requirements, an impediment that is not in place for most foreign-based competitors.

Congress recognized this fact as long ago as the early 1960s, when the Kennedy Administration proposed the imposition of current taxation for all overseas income of U.S.-based corporations. Counsel for the Joint Committee on Taxation testified at that time that Congress could not constitutionally tax shareholders on the unremitted earnings of foreign subsidiaries except in cases where such tax was necessary to prevent the evasion or avoidance of tax. In cutting back the scope of the President's proposal, the House Ways and Means Committee stated, in part, ''to impose the U.S. tax currently on U.S. shareholders of American-owned businesses operating abroad would put such firms at a disadvantage with other firms located in the same areas not subject to U.S. tax.''

Forty years later, those words still ring true. The competition abroad for U.S. banks, for example, is no longer the Chases, Bankers Trusts, and Bank of Americas of the world. They are now Deutschebank, ABN Amro, HSBC, and Societe Generale. These foreign-based financial institutions are big players in the worldwide arena operating, usually, under home-country tax regimes that generally do not tax currently their active financial income earned outside their home countries.

The bill we are introducing today would provide a consistent, equitable, and stable international tax regime for this important component of our economy. A permanent extension of this provision would provide American companies much-needed stability. Our current ''on-again, off-again'' habit of annual extension limits the ability of U.S.-based firms to compete fully in the marketplace and interferes with their decision making and long-term planning. The activities that give rise to this income are long-range in nature, not easily or inexpensively stopped and started on a year-to-year basis. Permanency is the only thing that makes sense when it comes to this kind of tax policy.

This legislation will give U.S.-based financial services companies consistency and stability. The permanent extension of this exclusion from Subpart F provides tax rules that will ensure that the U.S. financial services industry is on an equal competitive footing with their foreign-based competitors

and, just as importantly, provides tax treatment that is consistent with the tax treatment accorded most other U.S. companies.

The world has changed rapidly over the past few years. Like it or not, we live and compete in a global economy. In many respects, our Tax Code is outdated and represents the world as it was in the 1960s or 1970s, or in some cases, even before. If we close our eyes to these facts, we risk losing our worldwide leadership. The legislation we are introducing today will not solve all of our tax problems, nor even all of the tax problems of U.S. companies trying to compete internationally. It will, however, solve one very important problem. And this would be a start from which we can build.

I urge my colleagues to support this important bill and ask 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. 676

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

SECTION 1. PERMANENT SUBPART F EXEMPTION FOR ACTIVE FINANCING INCOME.

(a) BANKING, FINANCING, OR SIMILAR BUSINESSES.—Section 954(h) of the Internal Revenue Code of 1986 (relating to special rule for income derived in the active conduct of banking, financing, or similar businesses) is amended by striking paragraph (9).

(b) INSURANCE BUSINESSES.—Section 953(e) of the Internal Revenue Code of 1986 (defining exempt insurance income) is amended by striking paragraph (10) and by redesignating paragraph (11) as paragraph (10).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years of a foreign corporation beginning after December 31, 2001, and to taxable years of United States shareholders with or within which such taxable years of such foreign corporation end.

Mr. BAUCUS. Mr. President, today I am pleased to join my colleague Senator HATCH in introducing legislation to permanently extend the exception from Subpart F for active financing income.

Current law contains a temporary provision, expiring at the end of this year, that makes sure that the active financial services income that a U.S. financial services company earns abroad is not subjected to U.S. tax until that income is distributed back to the U.S. parent company. Our legislation is intended to keep the U.S. financial services industry on an equal footing with foreign-based competitors by making this provision permanent.

The growing interdependence of world financial markets has highlighted the need to rationalize U.S. tax rules that undermine the ability of American financial services industries to compete in the international arena. At the same time, it is important to ensure that the U.S. tax treatment of worldwide income does not encourage avoidance of U.S. tax through the sheltering of income in foreign tax havens. However, I believe it is possible to adequately protect the federal fisc without jeopardizing the international expansion and competitiveness of U.S.-based financial services companies, including finance and credit entities, commercial banks, securities firms, and insurance companies.

The active financing provision is particularly important today. The U.S. financial services industry is second to none and plays a pivotal role in maintaining confidence in the international marketplace. Through our network of tax treaties, we have made tremendous progress in gaining access to new foreign markets for this industry in recent years. Our tax laws should complement, rather than undermine, this effort.

As is the case with other tax provisions such as the research and development tax credit, the temporary nature of the U.S. active financing exception denies U.S. companies the certainty enjoyed by their foreign competitors. The economic growth of American's financial sector is impaired by the uncertainty under the current system created by continually extending the exception on a temporary basis. The activities that are affected by this provision are long-range in nature and therefore those entering into these activities need to know the long-range tax consequences of their actions. A permanent extension of the active financing exception is needed to allow our financial services industry to compete internationally.

I ask my colleagues to join me in supporting this legislation, and provide a consistent, equitable, and stable international tax regime for the U.S. financial services industry.

By Mr. HATCH (for himself, Mr. BREAUX, Mr. JEFFORDS, Ms. SNOWE, Mrs. LINCOLN, and Mr. ALLARD):

S. 677. A bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes; to the Committee on Finance.

Mr. HATCH. Mr. President, I rise today to introduce the Housing Bond and Credit Modernization and Fairness Act of 2001. I am joined in this effort by Senators BREAUX, JEFFORDS, ALLARD, LINCOLN, and SNOWE. This legislation will bring about important adjustments in two of the most important and popular federal affordable housing programs that have been enacted, Housing Bonds, or single family Mortgage Revenue Bonds, MRBs, as they are commonly known, and the Low Income Housing Tax Credit. Identical legislation was recently introduced in the House by Congressmen AMO HOUGHTON and RICHARD NEAL.

These programs are popular because they are state-administered, federal tax incentives to encourage private investment in first-time homebuyer mortgages for low and moderate-income families and privately developed and owned apartments for low-income renters. The changes proposed by this legislation were endorsed by the National Governors Association at its recent meeting. The Governors know how important the Housing Bond and Housing Tax Credit programs are in efforts to meet the housing needs of low and moderate-income families. The bill is also supported by the National Council of State Housing Agencies.

Last year more than 80 members of this Body cosponsored legislation that was included in last year's Community Renewal Tax Relief Act of 2000, which was signed into law by President Clinton. That legislation adjusted for past inflation in the operating levels of the Housing Tax Credit and MRB programs. Specifically, the Act increased the per capita low-income housing tax credit cap as well as the State-volume limits on tax-exempt private activity bonds, under which the MRB program falls. However, even with these long overdue changes, many people who are qualified to receive housing assistance under these programs cannot get it. The reason is that a few obsolete provisions in the programs stand in the way. The legislation we are introducing today will modernize these programs and remove these barriers. Specifically, the bill includes three changes.

First, the bill would repeal the so-called Ten-Year Rule. This rule, which was enacted in 1988, prevents states from using mortgage payments received ten years after the original Mortgage Revenue Bond was issued to make new mortgage loans to additional qualified purchasers. A recent report by Merrill Lynch states, ''The Ten-Year Rule, to a large extent, offsets gains from the volume cap increase.'' Between 1998 and 2002, this rule will result in the loss of over $8.5 billion in mortgage authority, denying over 100,000 qualified lower income homebuyers affordable MRB-financed mortgages. Each year, the Ten-Year Rule will keep tens of thousands of additional qualified lower income homebuyers from getting an affordable MRB-financed mortgage, including many in my home State of Utah.

Second, the bill would replace the current-law unworkable limit on the price of the homes these MRB mortgages can finance with a simple limit that works. Let me explain. Current law limits the price of homes purchased with MRB-financed mortgages to 90 percent of the average area home price. States have the option of determining their own purchase price limits or of relying on Treasury-published safe harbor limits. Most states rely on the Treasury limits because it is costly, burdensome, and often impossible to collect accurate and comprehensive sales price data.

The problem is that, like many states, the Treasury Department does not have access to reliable and comprehensive sales price data. This has

especially been a problem for states, such as Utah, with many rural areas. In fact, Treasury last issued safe harbor limits in 1994, based on 1993 data. Home prices have risen approximately 30 percent in the past eight years, and in some areas of the country by a much higher percentage. This means that the MRB program simply cannot work in many parts of many states because qualified buyers cannot find homes priced below the outdated limits. To have an outdated and unworkable requirement that holds back the families that this program is designed to help is poor public policy that cries out for remedy.

The bill we are introducing today would allow States to determine purchase price limits without reliance on nonexisting sales price data. It does this by limiting the purchase price to three and a half times the MRB qualifying income limit. In the 106th Congress, I joined my friend and colleague from Arkansas, Senator LINCOLN, in introducing this provision as a standalone bill.

Finally, the bill would make Housing Tax Credit apartment production more viable in many very low income, and especially rural, areas by allowing the use of the greater of area or statewide median incomes for determining qualifying income and rent levels. This is how income and rent levels are determined under the very successful multifamily bond program. Current law requires States to use area median income to determine eligible incomes of Housing Tax Credit tenants. In many very low income areas, median incomes are simply too low to generate sufficient rents to make these housing projects feasible. Data from HUD show that current income limits inhibit Housing Tax Credit development in as many as 1,700 of the 2,364 non-metropolitan counties across the country.

The Housing Tax Credit and the MRB programs work and they are important to each State. The Congress recognized this last year by making the important adjustments in the operating levels of these programs to compensate for past inflation. More than 80 senators joined us in this effort by cosponsoring the legislation. This was a vital first step in improving the ability of these programs to meet the affordable housing needs of millions of Americans. Now, we must finish the job by correcting the problems in the programs that limit their effectiveness in delivering this affordable housing. For those of you that cosponsored these bills last year, and those of our colleagues who are new to the Senate, I am asking you to join this bipartisan effort of Senators from both rural and urban States to see that these important provisions are enacted this year.

I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 677

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 ''Housing Bond and Credit Modernization and Fairness Act of 2001''.

SEC. 2. REPEAL OF REQUIRED USE OF CERTAIN PRINCIPAL REPAYMENTS ON MORTGAGE SUBSIDY BOND FINANCINGS TO REDEEM BONDS.

(a) IN GENERAL.—Subparagraph (A) of section 143(a)(2) of the Internal Revenue Code of 1986 (defining qualified mortgage issue) is amended by adding ''and'' at the end of clause (ii), by striking '', and'' at the end of clause (iii) and inserting a period, and by striking clause (iv) and the last sentence.

(b) CONFORMING AMENDMENT.—Clause (ii) of section 143(a)(2)(D) of such Code is amended by striking ''(and clause (iv) of subparagraph (A))''.

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

SEC. 3. MODIFICATION OF PURCHASE PRICE LIMITATION UNDER MORTGAGE SUBSIDY BOND RULES BASED ON MEDIAN FAMILY INCOME.

(a) IN GENERAL.—Paragraph (1) of section 143(e) of the Internal Revenue Code of 1986 (relating to purchase price requirement) is amended to read as follows:

''(1) IN GENERAL.—An issue meets the requirements of this subsection only if the acquisition cost of each residence the owner-financing of which is provided under the issue does not exceed the greater of—

''(A) 90 percent of the average area purchase price applicable to the residence, or

''(B) 3.5 times the applicable median family income (as defined in subsection (f)).''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to financing provided, and mortgage credit certificates issued, after the date of the enactment of this Act.

SEC. 4. DETERMINATION OF AREA MEDIAN GROSS INCOME FOR LOW-INCOME HOUSING CREDIT PROJECTS.

(a) IN GENERAL.—Paragraph (4) of section 42(g) of the Internal Revenue Code of 1986 (relating to certain rules made applicable) is amended by striking the period at the end and inserting ''and the term 'area median gross income' means the amount equal to the greater of—

''(A) the area median gross income determined under section 142(d)(2)(B), or

''(B) the statewide median gross income for the State in which the project is located.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to—

(1) housing credit dollar amounts allocated after the date of the enactment of this Act, and

(2) buildings placed in service after such date to the extent paragraph (1) of section 42(h) of the Internal Revenue Code of 1986 does not apply to any building by reason of paragraph (4) thereof.

AMENDMENTS SUBMITTED AND PROPOSED

SA 170. Mr. DOMENICI proposed an amendment to the concurrent resolution H. Con. Res. 83, establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

SA 171. Mr. DOMENICI (for Mr. MCCAIN) proposed an amendment to the bill S. 27, to amend the Federal Election Campaign Act of 1971 to provide bipartisan campaign reform.

TEXT OF AMENDMENTS

SA 170. Mr. DOMENICI proposed an amendment to the concurrent resolution H. Con. Res. 83, establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2001; as follows:

Strike all after the resolving clause and insert the following:

SECTION 1. CONCURRENT RESOLUTION ON THE BUDGET FOR FISCAL YEAR 2002.

(a) DECLARATION.—Congress determines and declares that the concurrent resolution on the budget for fiscal year 2001 is revised and replaced and that this resolution is the concurrent resolution on the budget for fiscal year 2002 including the appropriate budgetary levels for fiscal years 2003 through 2011 as authorized by section 301 of the Congressional Budget Act of 1974 (2 U.S.C. 632).

(b) TABLE OF CONTENTS.—The table of contents for this concurrent resolution is as follows:

TITLE I—RECOMMENDED LEVELS AND AMOUNTS

SEC. 101. RECOMMENDED LEVELS AND AMOUNTS.

The following budgetary levels are appropriate for the fiscal years 2001 through 2011:

(1) FEDERAL REVENUES.—For purposes of the enforcement of this resolution—

(A) The recommended levels of Federal revenues are as follows:

Fiscal year 2001: $1,630,290,000,000.
Fiscal year 2002: $1,674,228,000,000.
Fiscal year 2003: $1,716,017,000,000.
Fiscal year 2004: $1,765,435,000,000.
Fiscal year 2005: $1,818,193,000,000.
Fiscal year 2006: $1,870,639,000,000.
Fiscal year 2007: $1,943,134,000,000.
Fiscal year 2008: $2,034,496,000,000.
Fiscal year 2009: $2,138,797,000,000.
Fiscal year 2010: $2,246,021,000,000.
Fiscal year 2011: $2,377,168,000,000.

(B) The amounts by which the aggregate levels of Federal revenues should be reduced are as follows:

Fiscal year 2001: $172,000,000.
Fiscal year 2002: $29,260,000,000.
Fiscal year 2003: $66,094,000,000.
Fiscal year 2004: $98,900,000,000.
Fiscal year 2005: $131,577,000,000.
Fiscal year 2006: $168,944,000,000.
Fiscal year 2007: $192,621,000,000.
Fiscal year 2008: $208,314,000,000.
Fiscal year 2009: $221,319,000,000.
Fiscal year 2010: $243,281,000,000.