

EC-9071. A communication from the Secretary of Transportation, transmitting, pursuant to law, the report of the Office of Inspector General for the period October 1, 1999, through March 31, 2000; to the Committee on Governmental Affairs.

EC-9072. A communication from the Office of Personnel Management, transmitting a draft of proposed legislation relative to the physicians comparability allowance program; to the Committee on Governmental Affairs.

EC-9073. A communication from the Department of the Interior, transmitting a draft of proposed legislation relative to the use and distribution of the Western Shoshone Judgment Funds; to the Committee on Indian Affairs.

EC-9074. A communication from the Corporate Policy and Research Department, Pension Benefit Guaranty Corporation transmitting, pursuant to law, the report of a rule entitled "Benefits Payable in Terminated Single-Employer Plans; Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing and paying Benefits"; received May 18, 2000; to the Committee on Health, Education, Labor, and Pensions.

EC-9075. A communication from the Patent and Trademark Office, Department of Commerce transmitting, pursuant to law, the report of a rule entitled "Changes to Permit Payment of Patent and Trademark Office Fees by Credit Card" (RIN0651-AB07), received May 18, 2000; to the Committee on the Judiciary.

EC-9076. A communication from the Board of Governors of the Federal Reserve System transmitting, pursuant to law, the report of a rule entitled "Regulation P-Privacy of Consumer Financial Information" (Docket No. R-1058), received May 18, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC-9077. A communication from the Office of Thrift Supervision, department of the Treasury transmitting, pursuant to law, the report of a rule entitled "Privacy of Consumer Financial Information" (RIN1550-AB36), received May 18, 2000; to the Committee on Banking, Housing, and Urban Affairs.

EC-9078. A communication from the Federal Railroad Administration, Department of Transportation, transmitting a report entitled "Implementation of Positive Train Control Systems"; to the Committee on Commerce, Science, and Transportation.

#### INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Ms. SNOWE:

S. 2600. A bill to amend title XVIII of the Social Security Act to make enhancements to the critical access hospital program under the medicare program; to the Committee on Finance.

By Mr. ASHCROFT:

S. 2601. A bill to amend the Internal Revenue Code of 1986 to exclude from the gross income of an employee any employer provided home computer and Internet access; to the Committee on Finance.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE:

S. 2600. A bill to amend title XVIII of the Social Security Act to make en-

hancements to the critical access hospital program under the Medicare Program; to the Committee on Finance.

CRITICAL ACCESS HOSPITAL ENHANCEMENT ACT

• Ms. SNOWE. Mr. President, I rise today to introduce the Critical Access Hospital Enhancement Act of 2000. This bill provides some much-needed program flexibility and refinements to the Medicare Critical Access Hospital Program.

Congress created the Critical Access Hospital Program three years ago when we passed the Balanced Budget Act of 1997 (P.L. 105-33). Under current law, a Critical Access Hospital must be located at a distance of over 35 miles from the nearest hospital; have emergency room and inpatient services provided by physicians, physician assistants and nurse practitioners; have fifteen or fewer inpatient beds; and inpatient stays must be limited to an average of 96 hours (four days).

The Critical Access Hospital program enables eligible rural hospitals to receive higher reimbursement rates for acute medical care. Through special allowances for staffing and reimbursements, designation as a Critical Access Hospital means that a community may be able to maintain local health care access which would otherwise be lost.

Many rural patients are Medicare and Medicaid participants and reduced reimbursements hit hospitals and medical centers hard: for example, two-thirds of the patients at Blue Hill Memorial Hospital in my home state of Maine are enrolled in Medicare or Medicaid. Designation as a Critical Access Hospital is especially important to these small, rural hospitals because it provides higher reimbursement rates.

To date, there are 165 hospitals across the country that have been designated as Critical Access Hospitals, and three in Maine: Blue Hill Memorial in Blue Hill, St. Andrews Hospital in Boothbay Harbor, and C.A. Dean Memorial Hospital in Greenville. Without the Critical Access Hospital program many small, rural hospitals—many of which are often the only point of care for miles—will be lost. My bill seeks to strengthen this program; it is my hope that with passage of the legislation I introduce today, more of our nation's small, rural hospitals will be able to participate in this valuable program.

This bill will bring increased flexibility and programmatic refinements to the Critical Access Hospital Program through the restoration of bad debt payments, extending cost-based reimbursement to ambulance and home health services associated with Critical Access Hospitals, and modifying the provisions related to swing bed and laboratory services. In addition, I propose including a seasonality adjustment for hospitals that are based in communities that experience large seasonal population fluctuations.

Rural residents are often poorer and more likely to lack private health insurance when compared with their urban neighbors. As a result, rural hos-

pitals disproportionately incur bad debt expenses. The BBA reduced bad debt payments for hospitals and the Health Care Financing Administration has interpreted this provision to apply to Critical Access Hospitals. My bill restores bad debt payments as a way to improve participation rates in the Critical Access Hospital program.

Emergency medical care is a crucial component in the Critical Access Hospital health care delivery system. Congress clearly stated that all outpatient departmental services furnished by Critical Access Hospitals should be reimbursed on the basis of reasonable costs, but HCFA has carved out ambulance services. My bill extends cost-based reimbursement to ambulance services associated with Critical Access Hospitals as it follows Congress's original legislative intent.

Critical Access Hospitals are often the sole sponsor of home health services in remote areas. If a Critical Access Hospital is the only home health provider in a rural community, then it would be useful to reimburse those services on the basis of reasonable costs. This bill will extend cost-based reimbursement to home health services associated with Critical Access Hospitals and will help maintain access to post-acute medical care for Medicare beneficiaries.

Critical Access Hospitals are currently required to comply with extensive minimum data set standards under the skilled nursing facility (SNF) prospective payment system (PPS). This bill will provide cost based reimbursement to swing bed services furnished by Critical Access Hospitals to help alleviate some of the administrative expenses associated with SNF PPS.

Laboratory services furnished by Critical Access Hospitals have historically been reimbursed on the basis of reasonable costs. In an attempt to clarify the statute and eliminate the collection of beneficiary coinsurance, the Balanced Budget Refinement Act (P.L. 106-113) that we passed last November inadvertently referenced the fee schedule. Consequently, HCFA has interpreted the provision to mean laboratory services now will be reimbursed at the fee schedule rate. Correcting this provision is critical to ensuring that Medicare beneficiaries have access to important laboratory tests, and my bill does just that.

Seasonal fluctuations can occur in places like coastal Maine where tourism swells the population in an area or in a small town near a ski resort. This seasonal population increase makes many otherwise tiny hospitals ineligible for the Critical Access Hospital Program. We must ensure that hospitals are available year round for a community's permanent population. It seems to me that if a hospital generally serves a community with a population of 2,000 but is seasonally faced with substantially much larger population, it should not de facto be made

ineligible for the benefits of the Critical Access Hospital Program.

The final provision in The Critical Access Hospital Enhancement Act will allow a state flexibility in designating a hospital with more than 15 beds as a Critical Access Hospital if those additional beds are used only for seasonal fluctuations in admissions, and if the average annual occupancy is not more than 15.

Mr. President, small hospitals across the country are facing an increasingly uncertain future, and we must lend additional support to our rural health care providers. Refining the Critical Access Hospital program will ensure that the Critical Access Hospital designation is flexible enough for most rural areas. Expanding the Critical Access Hospital Program is critical to these small hospitals and the communities they serve. ●

By Mr. ASHCROFT:

S. 2601. A bill to amend the Internal Revenue Code of 1986 to exclude from the gross income of an employee any employer provided home computer and Internet access; to the Committee on Finance.

BRIDGING THE DIGITAL DIVIDE ACT OF 2000

● Mr. ASHCROFT. Mr. President, I rise today to introduce the Bridging the Digital Divide Act of 2000, a bill to make it easier for working Americans to obtain computers and computer equipment so that no one is left behind in the new Internet economy. This legislation makes it possible for employees to accept computers offered by their employers without having to pay the IRS taxes on the value of the computer.

Mr. President, the high-tech sector is an increasingly important part of our economy, creating new synergies and opportunities for Americans of all ages. The more we can do to encourage every American to participate in the Internet revolution, the more productive we as a nation will be.

But the benefits of the high-tech revolution, while lucrative, must not be limited to only some of our citizens. The great promise of the Internet revolution is that the benefits and rewards are accessed at the individual level; not just reserved for big businesses or multinational corporations. Our government should facilitate, not hinder, bringing that promise to each American.

In the long term, I believe that being hooked up to the Internet will be as universal as television. It is important to remember that the Internet is a new technology, one that few people had heard of ten years ago. We have gone from 5.8 million U.S. households online in 1994 to almost 40 million in 1999. By 2003, it is projected that 60 million households will be hooked up to the Internet.

In the short term, however, it is important to facilitate the availability of the Internet to all Americans. While many citizens have been taking advan-

tage of the opportunities the Internet has to offer, too many Americans and Missourians have been left behind. Too many people are opting out or being left behind by the Internet economy.

According to Forrester Research, income is the main driver of Internet adoption. Americans who earn more, participate more, and thereby develop the ability to earn even more. According to a 1998 study by the Department of Commerce, households with income of \$75,000 and more are over 20 times more likely to have Internet access than those at the lowest income levels.

This divide among income levels also indicates a divide along racial lines as well. According to the same Department of Commerce report, black and Hispanic households are roughly two-fifths as likely to have Internet access as white households. Overall, according to Forrester Research, only 33 percent of African American households are online, ten percent fewer than the national average.

In my home state of Missouri, great progress has been made toward the goal of bringing the state on-line. Since 1989, during my tenure as Governor, Missouri has managed a state-wide network that connects state government departments and transmits voice, data, and video between them. The state Department of Administration runs the network, which connects government offices statewide over 14 nodes. In addition, according to the Department of Commerce, 42 percent of Missouri households have computers.

Despite this progress, there is still more to do. In terms of Internet usage, Missouri ranks 32nd out of the 50 states, with only 24.3 percent of households connected to the Internet in 1998. Clearly, it is in Missouri's interest to promote increased connectedness.

Across the nation, those who appreciate the power and opportunities inherent in the Internet continue to increase their involvement in the high-tech world. 60 percent of computer sales are being made to households that have already purchased a computer, demonstrating that these households recognize the importance of remaining current and up to date with their computer equipment. At the same time, only 40 percent of computer sales are being made to households purchasing a computer for the first time. If we want more Americans to experience the high-tech economy, we should encourage first time computer purchases and find ways to make computer ownership easier for families who are currently without.

According to Dr. Mark Dean, a specialist in advanced technology development for IBM, the solution to the digital divide is to put computers in as many homes as possible. Unfortunately, when employers have tried to help bridge this gap by providing their employees with computers and Internet access, the Internet Revenue Service has widened the digital divide by treating the new equipment as a "tax-

able event," or in other words, requiring the employee to pay income tax on the value of the computer.

Recently, the Ford Motor Company began a laudable effort to increase involvement of its employees in the high-tech economy. In February, Ford announced that it would give all of its 350,000 employees free computers for their homes. Ford is doing this because they recognize the value of having a workforce that is computer literate and internet savvy. Ford understands that in the digital economy, on-line workers are more productive workers—whatever their responsibilities are with the company.

Unfortunately, the IRS does not see things the same way. The IRS approach is to tax everything it can get its hands on, including the computers Ford is providing to employees to help bridge the digital divide. According to the IRS, the employees who receive these computers from their employer are liable for tax on the value of the computers.

Mr. President, this is wrong. When companies make the move to bring all of their employees into the 21st century, the government should not make it harder on the workers to accept the technology by increasing their taxes. Ford's employees should not be penalized for having an employer that understands the importance of a computer-literate workforce. The fact is that computers are a vital business tool, for all employees, and Ford has demonstrated its understanding of this fact by providing these computers for every employee, from the newest worker to the CEO.

Ford's employees should not have to suffer as a result of the IRS's 19th century approach to tax policy. It is for this reason that my bill, the Bridging the Digital Divide Act of 2000, instructs the IRS not to treat computers provided to all employees by an employer as taxable income to the employee. This measure is in the interest of employees and employers alike. And because computers in the home will help increase our economic productivity and hence our output, we can expect that the long term impact of this provision will prove beneficial not just to workers and their families but to the nation's economy as well.

Mr. President, many politicians stand up and complain about the problem of the "digital divide." The Ford Motor Company has actually found a solution—a private sector solution—for its employees. The response of the government should be to thank Ford and encourage other companies to do what Ford has done—to take action that is in the best interest of its workers, not just for today, but for the future as well. But instead, the government response is to tax the recipients. I hope that other companies will follow Ford's example. By enacting this legislation, we may be making it possible for the private sector to help solve the digital divide, and will at least be ensuring

that the government will not put the taxman in the way of the bridge-builders of the new economy. ●

#### ADDITIONAL COSPONSORS

S. 534

At the request of Mr. TORRICELLI, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 534, a bill to expand the powers of the Secretary of the Treasury to regulate the manufacture, distribution, and sale of firearms and ammunition, and to expand the jurisdiction of the Secretary to include firearm products and non-powder firearms.

S. 569

At the request of Mr. GRASSLEY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 569, a bill to amend the Internal Revenue Code of 1986 to exclude certain farm rental income from net earnings from self-employment if the taxpayer enters into a lease agreement relating to such income.

S. 1495

At the request of Mr. MACK, the name of the Senator from Pennsylvania (Mr. SANTORUM) was added as a cosponsor of S. 1495, a bill to establish, wherever feasible, guidelines, recommendations, and regulations that promote the regulatory acceptance of new and revised toxicological tests that protect human and animal health and the environment while reducing, refining, or replacing animal tests and ensuring human safety and product effectiveness.

S. 1909

At the request of Mr. TORRICELLI, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 1909, a bill to provide for the preparation of a Governmental report detailing injustices suffered by Italian Americans during World War II, and a formal acknowledgement of such injustices by the President.

S. 2084

At the request of Mr. LUGAR, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 2084, a bill to amend the Internal Revenue Code of 1986 to increase the amount of the charitable deduction allowable for contributions of food inventory, and for other purposes.

S. 2099

At the request of Mr. REED, the names of the Senator from New Jersey (Mr. LAUTENBERG) and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 2099, a bill to amend the Internal Revenue Code of 1986 to require the registration of handguns, and for other purposes.

S. 2274

At the request of Mr. GRASSLEY, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from South Dakota (Mr. DASCHLE), and the

Senator from North Carolina (Mr. HELMS) were added as cosponsors of S. 2274, a bill to amend title XIX of the Social Security Act to provide families and disabled children with the opportunity to purchase coverage under the medicaid program for such children.

S. 2297

At the request of Mr. CRAPO, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2297, a bill to reauthorize the Water Resources Research Act of 1984.

S. 2330

At the request of Mr. ROTH, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2330, a bill to amend the Internal Revenue Code of 1986 to repeal the excise tax on telephone and other communication services.

S. 2419

At the request of Mr. JOHNSON, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 2419, a bill to amend title 38, United States Code, to provide for the annual determination of the rate of the basic benefit of active duty educational assistance under the Montgomery GI Bill, and for other purposes.

S. CON. RES. 100

At the request of Mr. HAGEL, the names of the Senator from Alaska (Mr. MURKOWSKI), the Senator from Arizona (Mr. MCCAIN), the Senator from Oklahoma (Mr. INHOFE), the Senator from Michigan (Mr. ABRAHAM), the Senator from Illinois (Mr. FITZGERALD), the Senator from Iowa (Mr. GRASSLEY), the Senator from Ohio (Mr. DEWINE), the Senator from Kentucky (Mr. BUNNING), the Senator from California (Mrs. BOXER), and the Senator from Texas (Mrs. HUTCHISON) were added as cosponsors of S. Con. Res. 100, a concurrent resolution expressing support of Congress for a National Moment of Remembrance to be observed at 3:00 p.m. eastern standard time on each Memorial Day.

S. CON. RES. 113

At the request of Mr. MOYNIHAN, the names of the Senator from New Jersey (Mr. TORRICELLI) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. Con. Res. 113, a concurrent resolution expressing the sense of the Congress in recognition of the 10th anniversary of the free and fair elections in Burma and the urgent need to improve the democratic and human rights of the people of Burma.

S. RES. 304

At the request of Mr. BIDEN, the name of the Senator from Delaware (Mr. ROTH) was added as a cosponsor of S. Res. 304, a resolution expressing the sense of the Senate regarding the development of educational programs on veterans' contributions to the country and the designation of the week that includes Veterans Day as "National Veterans Awareness Week" for the

presentation of such educational programs.

#### ORDERS FOR TUESDAY, MAY 23, 2000

Mr. LOTT. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, May 23. I further ask unanimous consent that on Tuesday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period for morning business, with Senators permitted to speak for up to 10 minutes each, with the following exceptions: Senator GRAMS, or his designee, from 9:30 a.m. to 10 a.m.; Senator THOMAS, or his designee, from 10 a.m. to 10:30 a.m.; Senator DURBIN, or his designee, from 11 a.m. to 11:30 a.m.

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

Mr. LOTT. Mr. President, I further ask unanimous consent that the Senate stand in recess from the hours of 12:30 p.m. to 2:15 p.m. for the weekly policy luncheons.

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

#### ORDER FOR RECORD TO REMAIN OPEN

Mr. LOTT. Mr. President, I ask unanimous consent that the RECORD remain open until 4 p.m. for the submission of statements by Members.

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

#### PROGRAM

Mr. LOTT. Mr. President, for the information of all Senators, the Senate will be in a period for morning business until 11:30 tomorrow morning. Following morning business, it is hoped the Senate can begin consideration of S. 2536, the Agriculture appropriations bill. It is my intention to complete action on this important spending bill and the legislative appropriations bill, if it is available from the House. Senators can expect votes throughout the week.

#### ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. LOTT. Mr. President, if there is no further business to come before the Senate, I now ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 1:34 p.m., adjourned until Tuesday, May 23, 2000, at 9:30 a.m.