

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

S. 2602. A bill to provide for the Secretary of Housing and Urban Development to fund, on a 1-year emergency basis, certain requests for grant renewal under the programs for permanent supportive housing and shelter-plus-care for homeless persons; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. BENNETT:

S. 2603. An original bill making appropriations for the Legislative Branch for the fiscal year ending September 30, 2001, and for other purposes; placed on the calendar.

By Mr. DORGAN (for himself and Mr. ROCKEFELLER):

S. 2604. A bill to amend title 19, United States Code, to provide that rail agreements and transactions subject to approval by the Surface Transportation Board are no longer exempt from the application of the antitrust laws, and for other purposes; to the Committee on the Judiciary.

By Ms. COLLINS:

S. 2605. A bill to amend the Internal Revenue Code of 1986 to expand income averaging to include the trade or business of fishing and to provide a business credit against income for the purchase of fishing safety equipment; to the Committee on Finance.

By Mr. HOLLINGS (for himself, Mr. ROCKEFELLER, Mr. BRYAN, Mr. BREAU, Mr. INOUE, Mr. FEINGOLD, Mr. EDWARDS, Mr. KERREY, Mr. CLELAND, Mr. DURBIN, and Mr. BYRD):

S. 2606. A bill to protect the privacy of American consumers; to the Committee on Commerce, Science, and Transportation.

By Mr. WYDEN:

S. 2607. A bill to promote pain management and palliative care without permitting assisted suicide euthanasia, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. GRASSLEY (for himself and Mr. ROTH):

S. 2608. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of certain expenses of rural letter carriers; to the Committee on Finance.

By Mr. CRAIG (for himself and Mr. CRAPO):

S. 2609. A bill to amend the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act to enhance the funds available for grants to States for fish and wildlife conservation projects, and to increase opportunities for recreational hunting, bow hunting, trapping, archery, and fishing, by eliminating chances for waste, fraud, abuse, maladministration, and unauthorized expenditures for administration and implementation of those Acts, and for other purposes; to the Committee on Environment and Public Works.

By Mr. HARKIN (for himself, Mr. THOMAS, Mr. CRAIG, and Mr. FEINGOLD):

S. 2610. A bill to amend title XVIII of the Social Security Act to improve the provision of items and services provided to medicare beneficiaries residing in rural areas; to the Committee on Finance.

By Mr. LEVIN:

S. 2611. A bill to provide trade adjustment assistance for certain workers; to the Committee on Finance.

By Mr. GRAHAM (for himself, Mr. GRASSLEY, Mr. THOMAS, Mr. BIDEN, and Mr. BAYH):

S. 2612. A bill to combat Ecstasy trafficking, distribution, and abuse in the United States, and for other purposes; to the Committee on the Judiciary.

By Mr. GRAHAM:

S. 2613. A bill to amend the Tariff Act of 1930 to permit duty drawbacks for certain

jewelry exported to the United States Virgin Islands; to the Committee on Finance.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2614. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty-free treatment on certain manufacturing equipment; to the Committee on Finance.

By Mr. KENNEDY (for himself and Mrs. HUTCHISON):

S. 2615. A bill to establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

#### SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. FEINGOLD (for himself, Mrs. BOXER, Mr. KOHL, Mr. WELLSTONE, Mrs. FEINSTEIN, and Mr. GRAMS):

S. Res. 309. A resolution expressing the sense of the Senate regarding conditions in Laos; to the Committee on Foreign Relations.

By Ms. SNOWE (for herself, Mr. WARNER, Mr. LEVIN, Mr. THURMOND, Mr. KENNEDY, Mr. MCCAIN, Mr. ROBB, Mr. SMITH of New Hampshire, Mr. REED, Mr. INHOPE, Mr. LIEBERMAN, Mr. SANTORUM, Mr. CLELAND, Mr. ROBERTS, Mr. HUTCHINSON, and Mr. SESSIONS):

S. Res. 310. A resolution honoring the 19 members of the United States Marine Corps who died on April 8, 2000, and extending the condolences of the Senate on their deaths; considered and agreed to.

By Mr. BOND (for himself, Mr. KERRY, Mr. ABRAHAM, Mr. BURNS, Ms. SNOWE, Ms. LANDRIEU, Mr. LIEBERMAN, Mr. EDWARDS, Mr. BINGAMAN, Mrs. MURRAY, and Mr. HARKIN):

S. Res. 311. A resolution to express the sense of the Senate regarding Federal procurement opportunities for women-owned small businesses; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 312. A resolution to authorize testimony, document production, and legal representation in State of Indiana v. Amy Han; considered and agreed to.

By Mr. LOTT (for himself and Mr. DASCHLE):

S. Res. 313. A resolution to authorize representation by the Senate Legal Counsel in Harold A. Johnson v. Max Cleland, et al; considered and agreed to.

By Mr. BOND (for himself, Mr. ASHCROFT, and Mr. ROBERTS):

S. Con. Res. 114. A concurrent resolution recognizing the Liberty Memorial in Kansas City, Missouri, as a national World War I symbol honoring those who defended liberty and our country through service in World War I; to the Committee on Energy and Natural Resources.

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

S. Con. Res. 115. A concurrent resolution providing for the acceptance of a statue of Chief Washakie, presented by the people of Wyoming, for placement in National Statuary Hall, and for other purposes; to the Committee on Rules and Administration.

By Mr. LOTT (for himself, Mr. DASCHLE, Mr. HELMS, Mr. BIDEN, Mr. GRAHAM, Mr. BAUCUS, Mr. HARKIN, Mr. JOHNSON, Mr. DODD, Mrs. FEIN-

STEIN, Mrs. MURRAY, and Mr. CONRAD):

S. Con. Res. 116. A concurrent resolution commending Israel's redeployment from southern Lebanon; considered and agreed to.

#### STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

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

S. 2602. A bill to provide for the Secretary of Housing and Urban Development to fund, on a 1-year emergency basis, certain requests for grant renewal under the programs for permanent supportive housing and shelter-plus-care for homeless persons; to the Committee on Banking, Housing, and Urban Affairs.

#### HOMELESS ASSISTANCE LEGISLATION

● Ms. SNOWE. Mr. President, I rise to introduce legislation designed to guarantee funding for Department of Housing and Urban Development (HUD) McKinney Act homeless assistance programs, including Shelter Plus Care and the Supportive Housing Program (SHP).

The legislation I am introducing today mirrors legislation introduced earlier this year in the House by Representative LAFALCE and included in the House version of the FY01 supplemental, which would renew existing Shelter Plus and SHP contracts and fund them under the budget for the HUD Section 8 housing assistance program.

The renewals funded under this legislation would provide grant funding for existing programs that support assistance to some of the most vulnerable Americans—the homeless. Without the resources that this bill is designed to provide, many who receive assistance today will literally be left out in the cold.

Keep in mind that these are not new programs—they are renewals. And they fund community initiatives already in place in cities and towns across the country that provide assistance to those in need. Under Shelter Plus and SHP, states are awarded grants for services such as subsidized housing for the homeless, many of whom are physically or mentally ill or disabled, or who suffer from substance abuse problems, as well as job training, shelters, health care, child care, and other services for this population. Some of the victims that are helped are children, low-income families, single mothers, and battered spouses. Many are also veterans.

I have witnessed first-hand the dislocation that can be caused by non-renewal. In January of last year, HUD issued homeless grant assistance announcements to most states but denied applications submitted by the Maine State Housing Authority and by the city of Portland, Maine leaving the state one of only four not to receive any funds. We were alarmed to learn that this would mean that many homeless agencies and programs could lose

funding altogether, and that in fact, over 70 homeless people with mental illnesses or substance abuse problems would lose housing subsidies.

The Maine congressional delegation immediately protested the decision to HUD Secretary Andrew M. Cuomo. HUD officials ultimately restored about \$1 million in funding to the city of Portland, a portion of the city's request, but refused to restore any State homeless funding.

In 1998, Maine homeless assistance providers received about \$3.5 million for HUD, and the State had simply requested \$1.2 million for renewals and \$1.27 million to meet additional needs in 1999. What did they get to meet these needs—nothing. In spite of the proven track record of homeless programs in Maine, including praise by Secretary Cuomo during an August 1998 visit to Maine, HUD completely zeroed out funding for Maine. Not a penny for these disadvantaged children, battered women, single mothers, disabled individuals, and veterans who sacrificed to preserve the freedoms we cherish.

This could happen anywhere, but it shouldn't. This is why I have also cosponsored legislation authored by my colleague from Maine, Senator COLLINS, to guarantee minimum funding for every state and assure a fairer, more equitable allocation of funding in the future. The legislation requires HUD to provide a minimum of 0.5 percent of funding to each state under title IV of the Stewart B. McKinney Homeless Assistance Act.

Without this assistance, basic subsidized housing and shelter programs suffer, and it is more difficult for states to provide job training, health care, child care, and other vital services to the victims of homelessness.

In 1988, 14,653 people were temporarily housed in Maine's emergency homeless shelters. Alarming, young people account for 30 percent of the population staying in Maine's shelters, which is approximately 135 homeless young people every night. Twenty-one percent of these young people are between 5–12 with the average age being 13.

It is vitally important that changes be made to our homeless policy to ensure that no state falls through the cracks in the future. As such, I urge my colleagues to join me in a strong show of support for the legislation I am proposing today. I hope this legislation will contribute to the dialogue under way as to how best to enhance federal homeless assistance initiatives, so that programs around the country can continue to provide vital services to the less fortunate among us.

Lastly, Mr. President, I would be remiss if I did not express my gratitude to Senator BOND, who chairs the Senate VA–HUD Subcommittee for his leadership and his support when HUD zeroed out funding for Maine's homeless programs. I am very grateful for his vision and leadership on issues of

importance to homeless advocates nationwide. To that end, I am pleased that the Senate version of the fiscal year 2001 Agriculture Department appropriations report contains language expressing concern about the HUD policies that resulted in a number of local homeless assistance initiatives going unfunded in recent years, and urging HUD to ensure that expiring rental contracts are renewed. HUD is also directed to submit a report to Congress explaining why projects with expiring grants were rejected during the 1999 round.

I look forward to working with the Senate VA–HUD Appropriations Subcommittee as well as the Banking Committee as this year's legislative and appropriations process continues, and as we endeavor to craft a long-term solution to the homeless problem that is fiscally and socially responsible and improves the effectiveness of federal homeless programs for the future.

Once again, I applaud the leadership of the Senate VA–HUD and Banking panels on this important issue, and I am confident in their commitment to further improvements in the program.●

By Ms. COLLINS:

S. 2605. A bill to amend the Internal Revenue Code of 1986 to expand income averaging to include the trade or business of fishing and to provide a business credit against income for the purchase of fishing safety equipment; to the Committee on Finance.

TAX LEGISLATION FOR COMMERCIAL FISHERMEN

Ms. COLLINS. Mr. President, I rise today to introduce legislation designed to help commercial fishermen navigate the often choppy waters of the Internal Revenue Code.

The legislation I am introducing would make two commonsense changes to our tax laws. First, my legislation would extend a \$1,500 tax credit to commercial fishermen to assist them in the purchase of important safety equipment.

Commercial fishermen engage in one of the most dangerous professions in America. They have a higher fatality rate than even firefighters, police officers, truck or taxi drivers. From 1994 to 1998, 396 commercial fishermen lost their lives while fishing. Last year, in the wake of catastrophic events that killed 11 fishermen over the course of only 1 month, the Coast Guard Fishing Vessel Casualty Task Force was convened. The task force issued a report that draws several conclusions about current fishing vessel safety. Despite the grim safety statistics surrounding the profession of fishing, the report concludes that most fishing deaths are preventable. One significant way to prevent these tragic deaths is to make safety equipment on commercial fishing vessels more widely available.

As those of us who represent States with commercial fishing industries may recall, in 1988, Congress passed the Commercial Fishing Industry Vessel Safety Act. This act required lifesaving

and firefighting equipment to be placed on board all fishing boats. Unfortunately, the cost of some of the safety equipment has proven to be a serious practical impediment for many commercial fishermen. The margin of profit for some commercial fishermen is simply too narrow and they simply lack the funds required to purchase the expensive safety equipment they require.

Moreover, as the fishing industry has come under increasingly heavy Federal regulation, fishermen have often felt compelled to greatly increase their productivity on those days when they are permitted to fish. As a result, too many take dangerous risks in order to earn a living.

Just this last January, in my home State of Maine, a terrible and tragic incident highlighted the critical importance of safety equipment. Two very experienced fishermen tragically drowned off Cape Neddick when their commercial fishing vessel capsized during a storm. The sole survivor of this tragedy was the fisherman who was able to correctly put on an immersion suit, a safety suit that the Coast Guard has required on cold water commercial fishing boats since the early 1990s.

In fact, immersion suits, liferafts, and emergency locator devices have been credited with saving more than 200 lives since 1993. By providing a \$1,500 tax credit for fishermen to purchase safety equipment, my legislation would encourage the wider availability and use of safety equipment on our Nation's commercial fishing boats. We should take this sensible step to help ensure that fishermen do not set off without essential safety gear.

The second provision of my bill would eliminate some of the perils that the Tax Code has that particularly affect commercial fishermen. I propose to allow fishermen to use income-averaging tax provisions that are now available to our Nation's farmers. For tax purposes, income averaging allows individuals to carry back income from a boom year to a prior less prosperous year. This tax treatment assists individuals who must adapt to wide fluctuations in their income from year to year by preventing them from being pushed into higher tax brackets in random good years.

Until 1986, both farmers and fishermen were covered under the Tax Code's income-averaging provisions. However, income averaging disappeared as part of the tax restructuring undertaken in 1986. In 1997, income-averaging provisions were again reintroduced into our Tax Code, but unfortunately, under the changes in the 1997 law, only farmers were permitted to benefit from this tax relief. The Tax and Trade Relief Extension Act of 1998 permanently extended this tax relief provision, but again only for our farmers.

Although I am very pleased that Congress has restored income averaging for our Nation's farmers, I do not believe our fishermen should be left out in the

cold and excluded from using income averaging. The legislation that I introduce today would restore fairness by extending income averaging to our fishermen as well as our farmers.

Parallel tax treatment for fishermen and farmers is appropriate for many reasons. Currently, unlike farmers, fishermen's sole tax protection to handle fluctuations in income are found in the Tax Code's net operating loss provisions. These provisions do not provide the tax benefits of income averaging and are so complex in their computation that it often defies the ability of any individual without a CPA after his or her name.

Most importantly, both farm and fishing income can fluctuate widely from year to year due to a wide range of uncontrollable circumstances, including market prices, the weather and, in the case of fishing, Government restrictions.

I urge my colleagues to help our fishermen cope with the fluctuations in their income by restoring this important tax provision and by extending a safety tax credit to help protect them from the hazards that their fishing profession entails.

By Mr. HOLLINGS (for himself, Mr. ROCKEFELLER, Mr. BRYAN, Mr. BREAUX, Mr. INOUE, Mr. FEINGOLD, Mr. EDWARDS, Mr. KERREY, Mr. CLELAND, Mr. DURBIN, and Mr. BYRD):

S. 2606. A bill to protect the privacy of American consumers; to the Committee on Commerce, Science, and Transportation.

#### THE CONSUMER PRIVACY PROTECTION ACT

Mr. HOLLINGS. Mr. President, I rise today to introduce legislation to address one of the most pressing problems facing American consumers today—the constant assault on citizens' privacy by the denizens of the private marketplace. This legislation, the Consumer Privacy Protection Act of 2000, represents an attempt to provide basic, widespread, and warranted privacy protections to consumers in both the online and offline marketplace. On the Internet, our bill sets forth a regulatory regime to ensure pro-consumer privacy protections, coupling a strong federal standard with preemption of inconsistent state laws on Internet privacy. We need a strong federal standard to protect consumer privacy online, and we need preemption to ensure business certainty in the marketplace, given the numerous state privacy initiatives that are currently pending. Off the Internet, this bill extends privacy protections that are already on the books to similarly regulated industries or business practices, and requires a broad examination of privacy practices in the traditional marketplace to help Congress better understand whether further regulation is appropriate.

The introduction of this legislation comes as the Federal Trade Commission releases its eagerly awaited report on Internet Privacy. Released yester-

day, that report concludes that Internet industry self-regulation efforts have failed to protect adequately consumer privacy. Accordingly, the report calls for legislation that requires commercial web sites to comply with the "four widely accepted fair information practices" of notice, consent, access, and security. The legislation that we introduce today accomplishes just that.

On the Internet, many users unfortunately are unaware of the significant amount of information they are surrendering every time they visit a web site. For many others, the fear of a loss of personal privacy on the Internet represents the last hurdle impeding their full embrace of this exciting and promising new medium. Nonetheless, millions of Americans every day utilize the Internet and put their personal information at risk. As the Washington Post reported on May 17, 2000:

The numbers tell the story. About 44.4 million households will be online by the end of this year . . . up from 12.7 million in 1995, an increase of nearly 250 percent over five years. Roughly 55 million Americans log into the Internet on a typical day. . . . Industry experts estimate that the amount of Internet traffic doubles every 100 days. . . . These changes are not without a price. Along with wired life comes growing concern about intrusions into privacy and the ability to protect identities online.

As Internet use proliferates, there needs to be some regulation and enforcement to ensure pro-consumer privacy policies, particularly where the collection, consolidation, and dissemination of private, personal information is so readily achievable in this digital age. Indeed, advances in technology have provided information gatherers the tools to seamlessly compile and enhance highly detailed personal histories of Internet users. Despite these indisputable facts, industry has to this point nearly unanimously opposed even a basic regulatory framework that would ensure the protection of consumer privacy on the Internet—a basic framework that has been successfully adopted in other areas of our economy.

Our bill gives customers, not companies, control over their personal information on the Internet. It accomplishes this goal by establishing in law the five basic tenets of the long-established fair information practices standards—notice, consent, access, security, and enforcement. The premise of these standards is simple:

(1) Consumers should be given notice of companies' information practices and what they intend to do with people's personal information.

(2) Consumers should be given the opportunity to consent, or not to consent, to those information practices.

(3) Consumers should be given the right to access whatever information has been collected about them and to correct that information where necessary.

(4) Companies should be required to establish reasonable procedures to ensure that consumers' personal information is kept secure.

(5) A viable enforcement mechanism must be established to safeguard consumers' privacy rights.

While the Internet industry argues that the need for these protections are premature, the threat to personal privacy posed by advances in technology was anticipated twenty three years ago by the Privacy Protection Study Commission, which was created pursuant to the Privacy Act of 1974. In 1977, that Commission reported to the Congress and the federal government on the issue of privacy and technology. The Commission's portrait of the world in 1977 might well still be used today. That report found that society is increasingly dependant on "computer based record keeping systems," which result in a "rapidly changing world in which insufficient attention is being paid—by policy makers, system designers, or system users—to the privacy protection implications of these trends." The report went on to state that even where some privacy protections exist under the law, "there is the danger that personal privacy will be further eroded due to applications of new technology. Policy makers must not be complacent about this potential. The economic and social costs of incorporating privacy protection safeguards into a record-keeping systems are always greater when it is done retroactively than when it is done at the system's inception."

Today, twenty three years later, as we enter what America Online chairman Steve Case calls the "Internet Century," the words of the Privacy Commission could not be more appropriate. Poll after poll indicates that Americans fear that their privacy is not being sufficiently protected on the Internet. Last September, the Wall St. Journal reported that Americans' number one concern (measured at 29 percent as we enter the 21st century was a fear of a loss of personal privacy. Just two months ago, Business Week reported that 57 percent of Americans believe that Congress should pass laws to govern how personal information is collected and used on the Internet. Moreover, a recent survey by the Federal Trade Commission found that 87 percent of respondents are concerned about threats to their privacy in relation to their online usage. And, while industry claims that self-regulation is working, only 15 percent of those polled by Business Week believed that the Government should defer to voluntary, industry-developed privacy standards.

Are these fears significant enough to require federal action? Absolutely, particularly in light of predictions by people such as John Chambers, the CEO of CISCO Systems, who forecasts that one quarter of all global commerce will be conducted online by 2010. As the Privacy Commission stated a quarter of a century ago, the "economic and social costs" of mandating pro-privacy protections will be far lower now than when the Internet is handling twenty

five percent of all global commerce. Besides if John Chambers is right, the Internet industry should embrace, rather than resist, strong privacy policies. Simply put, strong privacy policies represent good business. For example, a study conducted by Forrester Research in September 1999 revealed that e-commerce spending was deprived of \$2.8 billion in possible revenue last year because of consumer fears over privacy.

Indeed, the fears and concerns reflected in these analyses are borne out in study after study on the privacy practices—or lack thereof—of the companies operating on the Internet. Last year, an industry commissioned study found that of the top 100 web sites, while 99 collect information about Internet users, only 22 comply with all four of the core privacy principles of notice, choice, access, and security. A broader industry funded survey reports that only 10 percent of the top 350 Web sites implement all four of these privacy principles. This week, our Committee will hold a hearing to receive the report of the Federal Trade Commission on its most recent analysis of the privacy policies of the Internet industry. While the industry will claim that they have made tremendous progress in their self-regulatory efforts, the FTC apparently, is not convinced—finding in its report release yesterday that “only 20% of the busiest sites on the World Wide Web implement to some extent all four fair information practices in their privacy disclosures. Even when only Notice and Choice are considered, fewer than half of the sites surveyed (41%) meet the relevant standards.” This record indicates that we should begin to consider passing pro-consumer privacy legislation this year. The public is clamoring for it, the studies justify it, and the potential harm from inaction is simply too great.

It is worth noting that advocates of self-regulation often claim that the collection and use of consumer information actually enhances the consumer experience on the Internet. While there may be some truth to that claim, many Internet users do not want companies to target them with marketing based on their personal shopping habits. Those individuals should be given control over whether and how their personal information is used via an “opt-in” mechanism. Moreover, even those consumers who targeted marketing and want to “opt-in” to those practices, may not be willing to accept what happens to their information after it is used for this allegedly benign purpose.

For example, should it be acceptable business behavior to sell, rent, share, or loan a historical record of a customer's tobacco purchasing habits to an insurance company. Should an Internet user's surfing habits—including frequent visits to AIDS or diabetes, or other sensitive health-related websites be revealed to prospective employers

willing to pay a fee for such information? Should online surfing habits that identify consumer shopping activities be merged with offline database information already existing on a consumer to form a highly detailed, intricate portrait of that individual? The answer to these questions most assuredly is no. And yet right now, there is no law, or regulation, that would prohibit these objectionable practices.

We are already seeing evidence of these practices in the marketplace today. For example, on February 2, 2000, the New York Times reported on a study by the California HealthCare Foundation that concluded that “19 of the top 21 health sites had privacy policies but . . . most failed to live up to promises not to share information with third parties. . . . [N]one of the sites followed guidelines recommended by the Federal Trade Commission on collection and use of personal data.” Despite these reports, industry continues to insist that government wait and see, and let self-regulation and the marketplace protect against these articulable harms. We say that is like letting the fox guard the henhouse.

At the same time, we must not ignore those members of the industry who at least place some importance on protecting consumer privacy on the Internet. For example, in contrast to most Internet and online service providers, American Online does not track its millions of users when they venture on the Internet and out of AOL's proprietary network. In addition, IBM—while opposing federal legislation—refuses to advertise on Internet sites that do not possess and post a clear privacy policy. These are the types of practices that government welcomes. Unfortunately, they are far and few between.

As a result, the time has come to permit consumers to decide for themselves whether, and to what extent, they desire to permit commercial entities access to their personal information. Industry will argue that this is an aggressive approach. They will assert that at most, Congress should give customers the right to “opt-in” only with respect to those information practices deemed to be “sensitive”—such as the gathering of information regarding health, financial, ethnic, religious, or other particularly private areas. The problem with this suggestion is that it leaves it up to Congress and industry lawyers and lobbyists to define what is in fact “sensitive” for individual consumers.

A better approach is to give consumers an “opt-in” right to control access to all personally identifiable information that might be collected online. This approach allows consumers to make their own, personal, and subjective determination as to what they do or don't want known about them by the companies with which they interact. If industry is right that most people want targeted advertising, then most people will opt-in. Indeed, Alta

Vista, a commonly used search portal on the Internet, employs an “opt-in” approach.

As if this evidence were not enough, we only need to look to the February 24, 2000, article in *TheStreet.Com* entitled, “DoubleClick Exec Says Privacy Legislation Needn't Crimp Results.” In that article, a leading Internet executive from DoubleClick, the Internet's most well known banner advertiser, states that his company would not “face an insurmountable problem” in attempting to operate under strict privacy rules. Complying with such rules is “not rocket science,” the executive stated, “it's execution.” He went on to state that his company could continue to be successful under an “opt-in” regulatory regime. This is a phenomenal admission that “opt-in” policies would not impede the basic functionality and commercial activity on the Internet. The admission is particularly stunning given that it comes from a company whose business model is to track consumer activities on the Internet so as to target them with specific advertising.

Moreover, evidence in the marketplace demonstrates that “opt-out” policies will not always lead to full informed consumer choice. First of all, “opt-out” policies place the burden on the consumer to take certain steps to protect the privacy of their personal information. Under an “opt-out” approach, the incentive exists for industry to develop privacy policies that discourage people from opting out. The policies will be longer, harder to read, and the actual “opt-out” option will often be buried under hundreds, if not thousands of words of text. Consider the recent article in *USA Today* on this very issue. Entitled, “Privacy isn't Public Knowledge,” this May 1, 2000, article outlines the difficulty consumers have in opting out of the information collection practices of Internet companies. While consumers may be informed if they actually locate and read the company's privacy policy that they are likely to be “tracked by name . . . only with [their] ‘permission,’” they may not be informed up front that it is assumed that they have granted such permission unless they “opt-out.” Moreover, to get through the hundreds of words of required reading to find the “opt-out” option, it turns out, according to this article, that you need a graduate level or college education reading ability to simply comprehend the policies in the first place. According to FTC Chairman Robert Pitofsky, “Some sites bury your rights in a long page of legal jargon so it's hard to find them hard to understand them once you find them. Self-regulation that creates opt-out rights that cannot be found [or] understood is really not an acceptable form of consumer protection.” One thing is clear from this article—“self-regulation” is not working.

We know, however, that some companies do not collect personal information on the Internet. For example,

some banner advertisers target their messages and ads to computers but not to people individually. They do this by tracking the Internet activity of a particular Internet Protocol address, without ever knowing who exactly is behind that address. Thus, they can never share personal information about a consumer's preferences, shopping, or research habits online, because they don't know who that consumer is. According to the chief technology officer of Engage—a prominent banner advertiser—"We don't need to know who someone is to make the [online] experience relevant. We're trying to strike this balance between the consumer's need for privacy and the marketer's need to be effective in order to sustain a free Internet." Such a business practice is an example of marketplace forces providing better privacy protection and my legislation recognizes that. Accordingly, if companies are only collecting and using non-personal information online they could comply with this bill by providing consumers with an "opt-out," rather than an opt-in option.

Under this legislation, companies would be required to provide updates to consumers notifying them of changes to their privacy policies. Companies would also be prohibited from using information that had been collected under a prior privacy policy, if such use did not comport with that prior policy and if the consumer had not granted consent to the new practices.

In addition, the bill would provide permanence to a consumer's decision to grant or withhold consent, and allow the effect of that decision to be altered only by the consumer. Consequently, companies would not be permitted to let their customer's privacy preferences expire, thereby requiring consumers to reaffirm their prior communication as to how they want their personal information handled.

Unfortunately, many privacy violations are often unknown by the very consumers whose privacy has been violated. Therefore, the legislation would provide whistleblower protection to employees of companies who come forward with evidence of privacy violations.

In order to enforce these consumer protections, our bill would call upon the Federal Trade Commission to implement and enforce the provisions of the legislation applicable to the Internet. The FTC is the sole federal agency with substantial expertise in this area. Not only has the FTC conducted extensive studies on Internet privacy and profiling on the Internet in recent years, but it recently concluded a comprehensive rulemaking to implement the fair information practice of notice, consent, access, and security, as required by the Children's Online Privacy Protection Act (COPPA), which we enacted in 1998.

In addition, the legislation provides the attorneys general with the ability to enforce the bill on behalf of con-

stituents in their individual states. And, while the legislation would preempt inconsistent state law, citizens would be free to avail themselves of other applicable remedies such as fraud, contractual breach, unjust enrichment, or emotional distress. Finally, the bill would permit individual consumers to bring a private right of action to enjoin Internet privacy violations.

While rules are clearly needed to protect consumer privacy on the Internet, we recognize that information is collected and shared in the traditional marketplace as well. The rate of collection, however, and the intrusiveness of the monitoring is nowhere near as significant as it is online. For example, when a consumer shops in a store in a mall and browses through items without purchasing anything, no one makes a list of his or her every move. To the contrary, on the Internet, every browse, observation, and individual click of the mouse may be surreptitiously monitored. Notwithstanding this distinction, it may be appropriate at some time to develop privacy protections for the general marketplace, in addition to those set forth in this bill for the Internet. That is why our bill asks the FTC to conduct an exhaustive study of privacy issues in the general marketplace and report to the Congress as to what rules and regulations, if any, may be necessary to protect consumers.

We are also learning that employers are increasingly monitoring their employees—both in and out of the workplace—on the phone, on the computer, and in their daily activities on the job. While employees may be justified in taking steps to ensure that their workers are productive and efficient, such monitoring raises implications for those workers' privacy. Accordingly, this legislation directs the Department of Labor to conduct a study of privacy issues in the workplace, and report to Congress as to what—if any—regulations may be necessary to protect worker privacy.

Additionally, the legislation extends some existing privacy protections that we already know are working in the offline marketplace. For example, the bill would extend the privacy protections consumers enjoy while shopping in video stores to book and record stores, as well as to the digital delivery of those products. The bill would also extend the privacy protections we put forth in the Cable Act of 1984 to customers who subscribe to multichannel video programming services via satellite. And, the legislation would codify the Federal Communications Commission's CPNI rules, to provide privacy protection to telephone customers. The bill would also ask the Federal Communications Commission to harmonize existing privacy rules that apply to disparate communications technologies so that the personal privacy of subscribers to all communications services are protected equal-

ly. Finally, the legislation would clarify that personal information could not be deemed an asset if the company holding that information avails itself of the protection of our bankruptcy laws.

The development of a strong and comprehensive privacy regime must also address the security of Internet-connected computers. This month, the world was bitten by the "love bug," a computer virus that devastated computer systems in more than 20 countries and caused an estimated \$10 billion in damages. One of the features of the "love bug" was an attempt to steal passwords stored on an infected hard drive for later use. If successful, the virus-writer could have gained access to thousands of Internet access accounts. The spread of the virus highlighted the vulnerability of interconnected computer systems to malicious persons intent on disrupting or compromising legitimate use of these systems.

The development of technology, policies, and expertise to effectively protect a computer system from illegitimate users is a cornerstone of privacy protection because a privacy policy is worthless if the company cannot adequately secure that information and control its dissemination. While it would be impossible for the Federal government to protect every web site from every threat, it can help users and operators of web sites by researching and developing better computer security technologies and practices. Therefore, I have included a title on computer security in this bill.

This title of the bill is an attempt to promote and enhance the protection of computers connected to the Internet. First, the bill would establish a 25-member computer security partnership council. This council would build on the public-private partnership proposed in the wake of February's denial of service attacks which shut down leading e-commerce sites like Yahoo! and E-bay. The council would identify threats and help companies share solutions. It would be a major source of public information on computer security and could help educate the general public and businesses on good computer protection practices. In addition, our bill calls on the Council to identify areas in which we have not invested adequately in computer security research. This study could be a blueprint for future research investments.

While the private sector has put significant resources into computer security research, the President's Information Technology Advisory Council has noted that current information technology research is often focused on the short-term and neglects long-term fundamental problems. This bill would authorize appropriations for the National Institute of Standards and Technology to invest in long-term computer security research needs. This research would complement private sector, market-driven research and could be conducted at NIST or through grants to

academic or private-sector researchers. The results of these investigations could power the next generation of advanced computer security technologies.

Of course those technologies will not protect government, or companies and their customers, unless there are well-trained professionals to operate and secure computer systems. The problem is particularly acute for the Federal government. According to a May 10th Washington Post article, the Federal government will need to replace or hire more than 35,000 high-tech workers by the year 2006. The last time I checked, the same people who could fill those government positions are in high demand from Silicon Valley and the Dulles Corridor companies, among other. Until the government is able to offer stock options, we will continue to struggle to fill these positions. Our bill would establish an ROTC-like program to train computer security professionals for government service. In exchange for loans or grants to complete an undergraduate or graduate degree in computer security, a student would be required to work for the government for a certain number of years. This would allow students to get high-quality computer security training, to serve as a Federal employee for a short time, and then, if they desire, to enter the private sector job market.

This legislation would also push the government to get its house in order and become an example for good computer security practices. It proposes increased scrutiny of government security practices and would establish an Award for Quality of Government Security Practices to recognize agencies and departments which have excellent policies and processes to protect their computer systems. The criteria for this award will be published by the National Institute of Standards and Technology (NIST) and should encourage government to improve security on its systems. In addition, these criteria could become a model for computer security professionals inside and outside the government.

Finally, the bill would tie research and theory to meaningful, on-the-ground protections for Internet users. The bill calls on NIST to encourage and support the development of software standards that would allow users to set up an individual privacy regime at the outset and have those preferences follow them—without further intervention—as they surf the web.

This bill asks a lot of private companies in protecting the personally-identifiable information of American citizens. It would be wrong for the Congress not to apply the same standard to itself as well. Title IX of the bill calls for the development of Senate and House rules on protecting the privacy of information obtained through official web sites.

Mr. President, I ask unanimous consent that the text of the Consumer Privacy Protection Act be printed in the RECORD.

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

S. 2606

*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 “Consumer Privacy Protection Act”.

**SEC. 2. FINDINGS.**

The Congress makes the following findings:

(1) The right to privacy is a personal and fundamental right worthy of protection through appropriate legislation.

(2) Consumers engaging in and interacting with companies engaged in interstate commerce have an ownership interest in their personal information, as well as a right to control how that information is collected, used, or transferred.

(3) Existing State, local, and Federal laws provide virtually no privacy protection for Internet users.

(4) Moreover, existing privacy regulation of the general, or offline, marketplace provides inadequate consumer protections in light of the significant data collection and dissemination practices employed today.

(5) The Federal government thus far has eschewed general Internet privacy laws in favor of industry self-regulation, which has led to several self-policing schemes, none of which are enforceable in any meaningful way or provide sufficient consumer protection.

(6) State governments have been reluctant to enter the field of Internet privacy regulation because use of the Internet often crosses State, or even national, boundaries.

(7) States are nonetheless interested in providing greater privacy protection to their citizens as evidenced by recent lawsuits brought against offline and online companies by State attorneys general to protect consumer privacy.

(8) Personal information flowing over the Internet requires greater privacy protection than is currently available today. Vast amounts of personal information about individual Internet users are collected on the Internet and sold or otherwise transferred to third parties.

(9) Poll after poll consistently demonstrates that individual Internet users are highly troubled over their lack of control over their personal information.

(10) Research on the Internet industry demonstrates that consumer concerns about their privacy on the Internet has a correlative negative impact on the development of e-commerce.

(11) Notwithstanding these concerns, the Internet is becoming a major part of the personal and commercial lives of millions of Americans, providing increased access to information, as well as communications and commercial opportunities.

(12) It is important to establish personal privacy rights and industry obligations now so that consumers have confidence that their personal privacy is fully protected on our Nation’s telecommunications networks and on the Internet.

(13) The social and economic costs of imposing obligations on industry now will be lower than if Congress waits until the Internet becomes more prevalent in our everyday lives in coming years.

(14) Absent the recognition of these rights and the establishment of consequent industry responsibilities to safeguard those rights, consumer privacy will soon be more gravely threatened.

(15) The ease of gathering and compiling personal information on the Internet, both overtly and surreptitiously, is becoming in-

creasingly efficient and effortless due to advances in digital communications technology which have provided information gatherers the ability to seamlessly compile highly detailed personal histories of Internet users.

(16) Consumers must have—

(A) clear and conspicuous notice that information is being collected about them;

(B) clear and conspicuous notice as to the information gatherer’s intent with respect to that information;

(C) the ability to control the extent to which information is collected about them; and

(D) the right to prohibit any unauthorized use, reuse, disclosure, transfer, or sale of their information.

(17) Fair information practices include providing consumers with knowledge of any data collection clear and conspicuous notice of an entity’s information practices, the ability to control whether or not those practices will be applied to them personally, access to information collected about them, and safeguards to ensure the integrity and security of that information.

(18) Recent surveys of websites conducted by the Federal Trade Commission and Georgetown University found that a small minority of websites surveyed contained a privacy policy embodying fair information practices such as notice, choice, access, and security.

(19) Americans expect that their purchases of written materials, videos, and music will remain confidential, whether they are shopping online or in the traditional workplace.

(20) Consumer privacy with respect to written materials, music, and movies should be protected vigilantly to ensure the free exercise of First Amendment rights of expression, regardless of medium.

(21) Under current law, millions of American cable customers are protected against disclosures of their personal subscriber information without notice and choice, whereas no similar protection is available to subscribers of multichannel video programming via satellite.

(22) Almost every American is a consumer of some form of communications service, be it wireless, wireline, cable, broadcast, or satellite.

(23) In light of the convergence of and emerging competition among and between wireless, wireline, satellite, broadcast, and cable companies, privacy safeguards should be applied uniformly across different communications media so as to provide consistent consumer privacy protections as well as a level competitive playing field for industry.

(24) Notwithstanding the recent focus on Internet privacy, privacy issues abound in the traditional, or offline, marketplace that merit Federal attention.

(25) The Congress would benefit from an exhaustive analysis of general marketplace privacy issues conducted by the agency with the most expertise in this area, the Federal Trade Commission.

(26) While American workers are growing increasingly concerned that their employers may be violating their privacy, many workers are unaware that their activities in the workplace may be subject to significant and potentially invasive monitoring.

(27) While employers may have a legitimate need to maintain an efficient and productive workforce, that need should not improperly impinge on employee privacy rights in the workplace.

(28) Databases containing personal information about consumers’ commercial purchasing, browsing, and shopping habits, as well as their generalized product preferences, represent considerable commercial value.

(29) These databases should not be considered an asset with respect to creditors' interests if the asset holder has availed itself of the protection of State or Federal bankruptcy laws.

**SEC. 3. PREEMPTION OF INCONSISTENT STATE LAW OR REGULATIONS.**

(a) IN GENERAL.—Except as provided in subsection (b), this Act preempts any State law, regulation, or rule that is inconsistent with the provisions of this Act.

(b) EXCEPTIONS.—

(1) IN GENERAL.—Nothing in this Act preempts—

- (1) the law of torts in any State;
- (2) the common law in any State; or
- (3) any State law, regulation, or rule that prohibits fraud or provides a remedy for fraud.

(2) PRIVATE RIGHT-OF-ACTION.—Notwithstanding subsection (a), if a State law provides for a private right-of-action under a statute enacted to provide consumer protection, nothing in this Act precludes a person from bringing such an action under that statute, even if the statute is otherwise preempted in whole or in part under subsection (a).

**SEC. 4. TABLE OF CONTENTS.**

The table of contents of this Act is as follows:

- Sec. 1. Short title.  
 Sec. 2. Findings.  
 Sec. 3. Preemption of inconsistent State law or regulations.  
 Sec. 4. Table of contents.  
 Title I—Online Privacy  
 Sec. 101. Collection or disclosure of personally identifiable information.  
 Sec. 102. Notice, consent, access, and security requirements.  
 Sec. 103. Other kinds of information.  
 Sec. 104. Exceptions.  
 Sec. 105. Permanence of consent.  
 Sec. 106. Disclosure to law enforcement agency or under court order.  
 Sec. 107. Effective date.  
 Sec. 108. FTC rulemaking procedure required.  
 Title II—Privacy Protection for Consumers of Books, Recorded Music, and Videos  
 Sec. 201. Extension of video rental protections to books and recorded music.  
 Sec. 202. Effective Date.  
 Title III—Enforcement and Remedies  
 Sec. 301. Enforcement.  
 Sec. 302. Violation is unfair or deceptive act or practice.  
 Sec. 303. Private right of action.  
 Sec. 304. Actions by States.  
 Sec. 305. Whistleblower protection.  
 Sec. 306. No effect on other remedies.  
 Sec. 307. FTC Office of Online Privacy.  
 Title IV—Communications Technology Privacy Protections  
 Sec. 401. Privacy protection for subscribers of satellite television services for private home viewing.  
 Sec. 402. Customer proprietary network information.  
 Title V—Rulemaking and Studies  
 Sec. 501. Federal Trade Commission examination.  
 Sec. 502. Federal Communications Commission rulemaking.  
 Sec. 503. Department of Labor study of privacy issues in the workplace.  
 Title VI—Protection of Personally Identifiable Information in Bankruptcy  
 Sec. 601. Personally identifiable information not asset in bankruptcy.  
 Title VII—Internet Security Initiatives.  
 Sec. 701. Findings.

Sec. 702. Computer Security Partnership Council.

Sec. 703. Research and development.

Sec. 704. Computer security training programs.

Sec. 705. Government information security standards.

Sec. 706. Recognition of quality in computer security practices.

Sec. 707. Development of automated privacy controls.

Title VIII—Congressional Information Security Standards.

Sec. 801. Exercise of rulemaking power.

Sec. 802. Senate.

Title IX—Definitions

Sec. 901. Definitions.

**TITLE I—ONLINE PRIVACY**

**SEC. 101. COLLECTION OR DISCLOSURE OF PERSONALLY IDENTIFIABLE INFORMATION.**

An Internet service provider, online service provider, or operator of a commercial website on the Internet may not collect, use, or disclose personally identifiable information about a user of that service or website except in accordance with the provisions of this title.

**SEC. 102. NOTICE, CONSENT, ACCESS, AND SECURITY REQUIREMENTS.**

(a) NOTICE.—An Internet service provider, online service provider, or operator of a commercial website may not collect personally identifiable information from a user of that service or website unless that provider or operator gives clear and conspicuous notice in a manner reasonably calculated to provide actual notice to any user or prospective user that personally identifiable information may be collected from that user. The notice shall disclose—

- (1) the specific information that will be collected;
- (2) the methods of collecting and using the information collected; and
- (3) all disclosure practices of that provider or operator for personally identifiable information so collected, including whether it will be disclosed to third parties.

(b) CONSENT.—An Internet service provider, online service provider, or operator of a commercial website may not—

- (1) collect personally identifiable information from a user of that service or website, or
- (2) except as provided in section 107, disclose or otherwise use such information about a user of that service or website, unless the provider or operator obtains that user's affirmative consent, in advance, to the collection and disclosure or use of that information.

(c) ACCESS.—An Internet service provider, online service provider, or operator of a commercial website shall—

- (1) upon request provide reasonable access to a user to personally identifiable information that the provider or operator has collected after the effective date of this title relating to that user;
- (2) provide a reasonable opportunity for a user to correct, delete, or supplement any such information maintained by that provider or operator; and
- (3) make the correction or supplementary information a part of that user's personally identifiable information for all future disclosure and other use purposes.

(d) SECURITY.—An Internet service provider, online service provider, or operator of a commercial website shall establish and maintain reasonable procedures necessary to protect the security, confidentiality, and integrity of personally identifiable information maintained by that provider or operator.

(e) NOTICE OF POLICY CHANGE.—Whenever an Internet service provider, online service provider, or operator of a commercial website makes a material change in its policy for the collection, use, or disclosure of personally identifiable information, it—

(1) shall notify all users of that service or website of the change in policy; and

(2) may not collect, disclose, or otherwise use any personally identifiable information in accordance with the changed policy unless the user has affirmatively consented, under subsection (b), to its collection, disclosure, or use in accordance with the changed policy.

(f) NOTICE OF PRIVACY BREACH.—

(1) IN GENERAL.—If an Internet service provider, online service provider, or operator of a commercial website commits a breach of privacy with respect to the personally identifiable information of a user, then it shall, as soon as reasonably possible, notify all users whose personally identifiable information was affected by that breach. The notice shall describe the nature of the breach and the steps taken by the provider or operator to remedy it.

(2) BREACH OF PRIVACY.—For purposes of paragraph (1), an Internet service provider, online service provider, or operator of a commercial website commits a breach of privacy with respect to personally identifiable information of a user if—

(A) it collects, discloses, or otherwise uses personally identifiable information in violation of any provision of this title; or

(B) it knows that the security, confidentiality, or integrity of personally identifiable information is compromised by any act or failure to act on the part of the provider or operator or by any function of the Internet service or online service provided, or commercial website operated, by that provider or operator that resulted in a disclosure, or possible disclosure, of that information.

(g) APPLICATION TO CERTAIN THIRD-PARTY OPERATORS.—The provisions of this section applicable to Internet service providers, online service providers, and commercial website operators apply to any third party, including an advertiser, that uses that service or website to collect information about users of that service or website.

**SEC. 103. OTHER KINDS OF INFORMATION.**

(a) IN GENERAL.—Except as provided in subsection (b), the provisions of sections 101 and 102 (except for subsections (b), (c), and (e)(2)) that apply to personally identifiable information apply also to the collection and disclosure or other use of information about users of an Internet service, online service, or commercial website that is not personally identifiable information.

(b) CONSENT RULE.—An Internet service provider, online service provider, or operator of a commercial website may not—

(1) collect information described in subsection (a) from a user of that service or website, or

(2) except as provided in section 107, disclose or otherwise use such information about a user of that service or website, unless the provider or operator obtains that user's consent to the collection and disclosure or other use of that information. For purposes of this subsection, the user will be deemed to have consented unless the user objects to the collection and disclosure or other use of the information.

(c) APPLICATION TO CERTAIN THIRD-PARTY OPERATORS.—The provisions of this section applicable to Internet service providers, online service providers, and commercial website operators apply to any third party, including an advertiser, that uses that service or website to collect information about users of that service or website.

**SEC. 104. EXCEPTIONS.**

(a) IN GENERAL.—Sections 102 and 103 do not apply to the collection, disclosure, or use by an Internet service provider, online service provider, or operator of a commercial website of information about a user of that service or website—

(1) to protect the security or integrity of the service or website; or

(2) to conduct a transaction, deliver a product or service, or complete an arrangement for which the user provided the information.

(b) DISCLOSURE TO PARENT PROTECTED.—An Internet service provider, online service provider, or operator of a commercial website may not be held liable under this title, any other Federal law, or any State law for any disclosure made in good faith and following reasonable procedures in responding to a request for disclosure of personal information under section 1302(b)(1)(B)(iii) of the Children's Online Privacy Protection Act of 1998 to the parent of a child.

**SEC. 105. PERMANENCE OF CONSENT.**

The consent or denial of consent by a user of permission to an Internet service provider, online service provider, or operator of a commercial website to collect, disclose, or otherwise use any information about that user for which consent is required under this title—

(1) shall remain in effect until changed by the user;

(2) except as provided in section 102(e), shall apply to any revised, modified, new, or improved service provided by that provider or operator to that user; and

(3) except as provided in section 102(e), shall apply to the collection, disclosure, or other use of that information by any entity that is a commercial successor of that provider or operator, without regard to the legal form in which such succession was accomplished.

**SEC. 106. DISCLOSURE TO LAW ENFORCEMENT AGENCY OR UNDER COURT ORDER.**

(a) IN GENERAL.—Notwithstanding any other provision of this title, an Internet service provider, online service provider, operator of a commercial website, or third party that uses such a service or website to collect information about users of that service or website may disclose personally identifiable information about a user of that service or website—

(1) to a law enforcement agency in response to a warrant issued under the Federal Rules of Criminal Procedure, an equivalent State warrant, or a court order issued in accordance with subsection (c); and

(2) in response to a court order in a civil proceeding granted upon a showing of compelling need for the information that cannot be accommodated by any other means if—

(A) the user to whom the information relates is given reasonable notice by the person seeking the information of the court proceeding at which the order is requested; and

(B) that user is afforded a reasonable opportunity to appear and contest the issuance of requested order or to narrow its scope.

(b) SAFEGUARDS AGAINST FURTHER DISCLOSURE.—A court that issues an order described in subsection (a) shall impose appropriate safeguards on the use of the information to protect against its unauthorized disclosure.

(c) COURT ORDERS.—A court order authorizing disclosure under subsection (a)(1) may issue only with prior notice to the user and only if the law enforcement agency shows that there is probable cause to believe that the user has engaged, is engaging, or is about to engage in criminal activity and that the records or other information sought are material to the investigation of such activity. In the case of a State government authority, such a court order shall not issue if prohibited by the law of such State. A court issuing

an order pursuant to this subsection, on a motion made promptly by the Internet service provider, online service provider, or operator of the commercial website, may quash or modify such order if the information or records requested are unreasonably voluminous in nature or if compliance with such order otherwise would cause an unreasonable burden on the provider or operator.

**SEC. 107. EFFECTIVE DATE.**

(a) IN GENERAL.—This title takes effect after the Federal Trade Commission completes the rulemaking procedure under section 109.

(b) APPLICATION TO PRE-EXISTING DATA.—

(1) IN GENERAL.—After the effective date of this title, and except as provided in paragraphs (2) and (3), sections 101, 102, and 103 apply to information collected before the date of enactment of this Act.

(2) COLLECTION OF BOTH KINDS OF INFORMATION.—Section 102(b)(1) and 103(b)(1) do not apply to information collected before the effective date of this title.

(3) ACCESS TO PERSONALLY IDENTIFIABLE INFORMATION.—Section 102(c) applies to personally identifiable information collected before the effective date of this title unless it is economically unfeasible for the Internet service provider, online service provider, or commercial website operator to comply with that section for the information.

**SEC. 108. FTC RULEMAKING PROCEDURE REQUIRED.**

The Federal Trade Commission shall initiate a rulemaking procedure within 90 days after the date of enactment of this Act to implement the provisions of this title. Notwithstanding any requirement of chapter 5 of title 5, United States Code, the Commission shall complete the rulemaking procedure not later than 270 days after it is commenced.

**TITLE II—PRIVACY PROTECTION FOR CONSUMERS OF BOOKS, RECORDED MUSIC, AND VIDEOS****SEC. 201. EXTENSION OF VIDEO RENTAL PROTECTIONS TO BOOKS AND RECORDED MUSIC.**

(a) IN GENERAL.—Section 2710 of title 18, United States Code, is amended by striking the section designation and all that follows through the end of subsection (b) and inserting the following:

**“§ 2710. Wrongful disclosure of information about video, book, or recorded music rental, sale, or delivery**

“(a) DEFINITIONS.—In this section:

“(1) The term ‘book dealer’ means any person engaged in the business, in or affecting interstate or foreign commerce, of renting, selling, or delivering books, magazines, or other written or printed material (regardless of the format or medium), or any person or other entity to whom a disclosure is made under subparagraph (D) or (E) of subsection (b)(2), but only with respect to the information contained in the disclosure.

“(2) The term ‘recorded music dealer’ means any person, engaged in the business, in or affecting interstate or foreign commerce, of selling, renting, or delivering recorded music, regardless of the format in which or medium on which it is recorded, or any person or other entity to whom a disclosure is made under subparagraph (D) or (E) of subsection (b)(2), but only with respect to the information contained in the disclosure.

“(3) The term ‘consumer’ means any renter, purchaser, or user of goods or services from a video provider, book dealer, or recorded music dealer.

“(4) The term ‘ordinary course of business’ means only debt-collection activities, order fulfillment, request processing, and the transfer of ownership.

“(5) The term ‘personally identifiable information’ means information that identifies

a person as having requested or obtained specific video materials or services, specific books, magazines, or other written or printed materials, or specific recorded music.

“(6) The term ‘video provider’ means any person engaged in the business, in or affecting interstate or foreign commerce, of rental, sale, or delivery of recorded videos, regardless of the format in which, or medium on which they are recorded, or similar audiovisual materials, or any person or other entity to whom a disclosure is made under subparagraph (D) or (E) of subsection (b)(2), but only with respect to the information contained in the disclosure.

“(b) VIDEO, BOOK, OR RECORDED MUSIC RENTAL, SALE, OR DELIVERY.—

“(1) IN GENERAL.—A video provider, book dealer, or recorded music dealer who knowingly discloses, to any person, personally identifiable information concerning any consumer of such provider or seller, as the case may be, shall be liable to the aggrieved person for the relief provided in subsection (d).

“(2) DISCLOSURE.—A video provider, book dealer, or recorded music dealer may disclose personally identifiable information concerning any consumer—

“(A) to the consumer;

“(B) to any person with the informed, written consent of the consumer given at the time the disclosure is sought;

“(C) to a law enforcement agency pursuant to a warrant issued under the Federal Rules of Criminal Procedure, an equivalent State warrant, or a court order issued in accordance with paragraph (4);

“(D) to any person if the disclosure is solely of the names and addresses of consumers and if—

“(i) the video provider, book dealer, or recorded music dealer, as the case may be, has provided the consumer, in a clear and conspicuous manner, with the opportunity to prohibit such disclosure; and

“(ii) the disclosure does not identify the title, description, or subject matter of any video or other audio-visual material, books, magazines, or other printed material, or recorded music;

“(E) to any person if the disclosure is incident to the ordinary course of business of the video provider, book dealer, or recorded music dealer; or

“(F) pursuant to a court order, in a civil proceeding upon a showing of compelling need for the information that cannot be accommodated by any other means, if—

“(i) the consumer is given reasonable notice, by the person seeking the disclosure, of the court proceeding relevant to the issuance of the court order; and

“(ii) the consumer is afforded the opportunity to appear and contest the claim of the person seeking the disclosure.

“(3) SAFEGUARDS.—If an order is granted pursuant to subparagraph (C) or (F) of paragraph (2), the court shall impose appropriate safeguards against unauthorized disclosure.

“(4) COURT ORDERS.—A court order authorizing disclosure under paragraph (2)(C) shall issue only with prior notice to the consumer and only if the law enforcement agency shows that there is probable cause to believe that a person has engaged, is engaging, or is about to engage in criminal activity and that the records or other information sought are material to the investigation of such activity. In the case of a State government authority, such a court order shall not issue if prohibited by the law of such State. A court issuing an order pursuant to this subsection, on a motion made promptly by the video provider, book dealer, or recorded music dealer, may quash or modify such order if the information or records requested are unreasonably voluminous in nature or if compliance with such order otherwise would cause an



unreasonable burden on such video provider, book dealer, or recorded music dealer, as the case may be.”.

(b) CONFORMING AMENDMENTS.—

(1) Subsections (c) through (f) of section 2701 of title 18, United States Code, are amended by striking “video tape service provider” each place it appears and inserting “video provider”.

(2) The item relating to section 2701 in the analysis for chapter 121 of title 18, United States Code, is amended to read as follows:

“2710. Wrongful disclosure of information about video, book, or recorded music rental or sales.”.

**SEC. 202. EFFECTIVE DATE.**

The amendments made by section 201 take effect 12 months after the date of enactment of this Act.

**TITLE III—ENFORCEMENT AND REMEDIES**

**SEC. 301. ENFORCEMENT.**

Except as provided in section 302(b) and section 2710(d) of title 18, United States Code, this Act shall be enforced by the Federal Trade Commission. Except as otherwise provided in this Act, a violation of this Act may be punished in the same manner as a violation of a regulation of the Federal Trade Commission.

**SEC. 302. VIOLATION IS UNFAIR OR DECEPTIVE ACT OR PRACTICE.**

(a) IN GENERAL.—The violation of any provision of title I is an unfair or deceptive act or practice proscribed by section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)).

(b) ENFORCEMENT BY CERTAIN OTHER AGENCIES.—Compliance with title I of this Act shall be enforced under—

(1) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), in the case of—

(A) national banks, and Federal branches and Federal agencies of foreign banks, by the Office of the Comptroller of the Currency;

(B) member banks of the Federal Reserve System (other than national banks), branches and agencies of foreign banks (other than Federal branches, Federal agencies, and insured State branches of foreign banks), commercial lending companies owned or controlled by foreign banks, and organizations operating under section 25 or 25(a) of the Federal Reserve Act (12 U.S.C. 601 et seq. and 611 et seq.), by the Board; and

(C) banks insured by the Federal Deposit Insurance Corporation (other than members of the Federal Reserve System) and insured State branches of foreign banks, by the Board of Directors of the Federal Deposit Insurance Corporation;

(2) section 8 of the Federal Deposit Insurance Act (12 U.S.C. 1818), by the Director of the Office of Thrift Supervision, in the case of a savings association the deposits of which are insured by the Federal Deposit Insurance Corporation;

(3) the Federal Credit Union Act (12 U.S.C. 1751 et seq.) by the National Credit Union Administration Board with respect to any Federal credit union;

(4) part A of subtitle VII of title 49, United States Code, by the Secretary of Transportation with respect to any air carrier or foreign air carrier subject to that part;

(5) the Packers and Stockyards Act, 1921 (7 U.S.C. 181 et seq.) (except as provided in section 406 of that Act (7 U.S.C. 226, 227)), by the Secretary of Agriculture with respect to any activities subject to that Act; and

(6) the Farm Credit Act of 1971 (12 U.S.C. 2001 et seq.) by the Farm Credit Administration with respect to any Federal land bank, Federal land bank association, Federal intermediate credit bank, or production credit association.

(c) EXERCISE OF CERTAIN POWERS.—For the purpose of the exercise by any agency re-

ferred to in subsection (b) of its powers under any Act referred to in that subsection, a violation of title I is deemed to be a violation of a requirement imposed under that Act. In addition to its powers under any provision of law specifically referred to in subsection (b), each of the agencies referred to in that subsection may exercise, for the purpose of enforcing compliance with any requirement imposed under title I of this Act, any other authority conferred on it by law.

(d) ACTIONS BY THE COMMISSION.—The Commission shall prevent any person from violating title I in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.) were incorporated into and made a part of this Act. Any entity that violates any provision of that title is subject to the penalties and entitled to the privileges and immunities provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, power, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of that title.

(e) EFFECT ON OTHER LAWS.—

(1) PRESERVATION OF COMMISSION AUTHORITY.—Nothing contained in this title shall be construed to limit the authority of the Commission under any other provision of law.

(2) RELATION TO COMMUNICATIONS ACT.—Nothing in title I requires an operator of a website or online service to take any action that is inconsistent with the requirements of section 222 or 631 of the Communications Act of 1934 (47 U.S.C. 222 or 551, respectively).

**SEC. 303. PRIVATE RIGHT OF ACTION.**

(a) PRIVATE RIGHT OF ACTION.—A person whose personally identifiable information is collected, disclosed or used, or is likely to be disclosed or used, in violation of title I may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State—

(1) an action to enjoin or restrain such violation;

(2) an action to recover for actual monetary loss from such a violation, or to receive \$5,000 in damages for each such violation, whichever is greater; or

(3) both such actions.

(b) WILLFUL AND KNOWING VIOLATIONS.—If the court finds that the defendant willfully or knowingly violated title I, the court may, in its discretion, increase the amount of the award available under subsection (a)(2) to \$50,000.

(c) EXCEPTION.—Neither an action to enjoin or restrain a violation, nor an action to recover for loss or damage, may be brought under this section for the accidental disclosure of information if the disclosure was caused by an Act of God, network or systems failure, or other event beyond the control of the Internet service provider, online service provider, or operator of a commercial website if the provider or operator took reasonable precautions to prevent such disclosure in the event of such a failure or other event.

(d) ATTORNEYS FEES; PUNITIVE DAMAGES.—Notwithstanding subsection (a)(2), the court in an action brought under this section, may award reasonable attorneys fees and punitive damages to the prevailing party.

**SEC. 304. ACTIONS BY STATES.**

(a) IN GENERAL.—

(1) CIVIL ACTIONS.—In any case in which the attorney general of a State has reason to believe that an interest of the residents of that State has been or is threatened or adversely affected by the engagement of any person in a practice that violates title I, the State, as

parens patriae, may bring a civil action on behalf of the residents of the State in a district court of the United States of appropriate jurisdiction to—

(A) enjoin that practice;

(B) enforce compliance with the rule;

(C) obtain damage, restitution, or other compensation on behalf of residents of the State; or

(D) obtain such other relief as the court may consider to be appropriate.

(2) NOTICE.—

(A) IN GENERAL.—Before filing an action under paragraph (1), the attorney general of the State involved shall provide to the Commission—

(i) written notice of that action; and

(ii) a copy of the complaint for that action.

(B) EXEMPTION.—

(i) IN GENERAL.—Subparagraph (A) shall not apply with respect to the filing of an action by an attorney general of a State under this subsection, if the attorney general determines that it is not feasible to provide the notice described in that subparagraph before the filing of the action.

(ii) NOTIFICATION.—In an action described in clause (i), the attorney general of a State shall provide notice and a copy of the complaint to the Commission at the same time as the attorney general files the action.

(b) INTERVENTION.—

(1) IN GENERAL.—On receiving notice under subsection (a)(2), the Commission shall have the right to intervene in the action that is the subject of the notice.

(2) EFFECT OF INTERVENTION.—If the Commission intervenes in an action under subsection (a), it shall have the right—

(A) to be heard with respect to any matter that arises in that action; and

(B) to file a petition for appeal.

(c) CONSTRUCTION.—For purposes of bringing any civil action under subsection (a), nothing in this Act shall be construed to prevent an attorney general of a State from exercising the powers conferred on the attorney general by the laws of that State to—

(1) conduct investigations;

(2) administer oaths or affirmations; or

(3) compel the attendance of witnesses or the production of documentary and other evidence.

(d) ACTIONS BY THE COMMISSION.—In any case in which an action is instituted by or on behalf of the Commission for violation of title I, no State may, during the pendency of that action, institute an action under subsection (a) against any defendant named in the complaint in that action for violation of that rule.

(e) VENUE; SERVICE OF PROCESS.—

(1) VENUE.—Any action brought under subsection (a) may be brought in the district court of the United States that meets applicable requirements relating to venue under section 1391 of title 28, United States Code.

(2) SERVICE OF PROCESS.—In an action brought under subsection (a), process may be served in any district in which the defendant—

(A) is an inhabitant; or

(B) may be found.

**SEC. 305. WHISTLEBLOWER PROTECTION.**

(a) IN GENERAL.—No Internet service provider, online service provider, or commercial website operator may discharge or otherwise discriminate against any employee with respect to compensation, terms, conditions, or privileges of employment because the employee (or any person acting pursuant to the request of the employee) provided information to any Federal or State agency or to the Attorney General of the United States or of any State regarding a possible violation of any provision of title I.

(b) ENFORCEMENT.—Any employee or former employee who believes he has been

discharged or discriminated against in violation of subsection (a) may file a civil action in the appropriate United States district court before the close of the 2-year period beginning on the date of such discharge or discrimination. The complainant shall also file a copy of the complaint initiating such action with the appropriate Federal agency.

(c) **REMEDIES.**—If the district court determines that a violation of subsection (a) has occurred, it may order the Internet service provider, online service provider, or commercial website operator that committed the violation—

(1) to reinstate the employee to his former position;

(2) to pay compensatory damages; or

(3) take other appropriate actions to remedy any past discrimination.

(d) **ATTORNEYS FEES; PUNITIVE DAMAGES.**—Notwithstanding subsection (c)(2), the court in an action brought under this section, may award reasonable attorneys fees and punitive damages to the prevailing party.

(e) **LIMITATION.**—The protections of this section shall not apply to any employee who—

(1) deliberately causes or participates in the alleged violation; or

(2) knowingly or recklessly provides substantially false information to such an agency or the Attorney General.

(f) **BURDENS OF PROOF.**—The legal burdens of proof that prevail under subchapter III of chapter 12 of title 5, United States Code (5 U.S.C. 1221 et seq.) shall govern adjudication of protected activities under this section.

**SEC. 306. NO EFFECT ON OTHER REMEDIES.**

The remedies provided by this sections 303 and 304 are in addition to any other remedy available under any provision of law.

**SEC. 307. FTC OFFICE OF ONLINE PRIVACY.**

The Federal Trade Commission shall establish an Office of Online Privacy headed by a senior level position officer who reports directly to the Commission and its General Counsel. The Office shall study privacy issues associated with electronic commerce and the Internet, the operation of this Act and the effectiveness of the privacy protections provided by title I. The Office shall report its findings and recommendations from time to time to the Commission, and, notwithstanding any law, regulation, or executive order to the contrary, shall submit an annual report directly to the Senate Committee on Commerce, Science, and Transportation and the House of Representatives Committee on Commerce on the status of online and Internet privacy issues, together with any recommendations for additional legislation relating to those issues.

**TITLE IV—COMMUNICATIONS**

**TECHNOLOGY PRIVACY PROTECTIONS**

**SEC. 401. PRIVACY PROTECTION FOR SUBSCRIBERS OF SATELLITE TELEVISION SERVICES FOR PRIVATE HOME VIEWING.**

(a) **IN GENERAL.**—Section 631 of the Communications Act of 1934 (47 U.S.C. 551) is amended to read as follows:

**“SEC. 631. PRIVACY OF SUBSCRIBER INFORMATION FOR SUBSCRIBERS OF CABLE SERVICE AND SATELLITE TELEVISION SERVICE.**

“(a) **NOTICE TO SUBSCRIBERS REGARDING PERSONALLY IDENTIFIABLE INFORMATION.**—At the time of entering into an agreement to provide any cable service, satellite home viewing service, or other service to a subscriber, and not less often than annually thereafter, a cable operator, satellite carrier, or distributor shall provide notice in the form of a separate, written statement to such subscriber that clearly and conspicuously informs the subscriber of—

“(1) the nature of personally identifiable information collected or to be collected with

respect to the subscriber as a result of the provision of such service and the nature of the use of such information;

“(2) the nature, frequency, and purpose of any disclosure that may be made of such information, including an identification of the types of persons to whom the disclosure may be made;

“(3) the period during which such information will be maintained by the cable operator, satellite carrier, or distributor;

“(4) the times and place at which the subscriber may have access to such information in accordance with subsection (d); and

“(5) the limitations provided by this section with respect to the collection and disclosure of information by the cable operator, satellite carrier, or distributor and the right of the subscriber under this section to enforce such limitations.

**“(b) COLLECTION OF PERSONALLY IDENTIFIABLE INFORMATION.—**

“(1) **IN GENERAL.**—Except as provided in paragraph (2), a cable operator, satellite carrier, or distributor shall not use its cable or satellite system to collect personally identifiable information concerning any subscriber without the prior written or electronic consent of the subscriber.

“(2) **EXCEPTION.**—A cable operator, satellite carrier, or distributor may use its cable or satellite system to collect information described in paragraph (1) in order to—

“(A) obtain information necessary to render a cable or satellite service or other service provided by the cable operator, satellite carrier, or distributor to the subscriber; or

“(B) detect unauthorized reception of cable or satellite communications.

**“(c) DISCLOSURE OF PERSONALLY IDENTIFIABLE INFORMATION.—**

“(1) **IN GENERAL.**—Except as provided in paragraph (2), a cable operator, satellite carrier, or distributor may not disclose personally identifiable information concerning any subscriber without the prior written or electronic consent of the subscriber and shall take such actions as are necessary to prevent unauthorized access to such information by a person other than the subscriber or the cable operator, satellite carrier, or distributor.

“(2) **EXCEPTIONS.**—A cable operator, satellite carrier, or distributor may disclose information described in paragraph (1) if the disclosure is—

“(A) necessary to render, or conduct a legitimate business activity related to, a cable or satellite service or other service provided by the cable operator, satellite carrier, or distributor to the subscriber;

“(B) subject to paragraph (3), made pursuant to a court order authorizing such disclosure, if the subscriber is notified of such order by the person to whom the order is directed; or

“(C) a disclosure of the names and addresses of subscribers to any other provider of cable or satellite service or other service, if—

“(i) the cable operator, satellite carrier, or distributor has provided the subscriber the opportunity to prohibit or limit such disclosure; and

“(ii) the disclosure does not reveal, directly or indirectly—

“(I) the extent of any viewing or other use by the subscriber of a cable or satellite service or other service provided by the cable operator, satellite carrier, or distributor; or

“(II) the nature of any transaction made by the subscriber over the cable or satellite system of the cable operator, satellite carrier, or distributor.

“(3) **COURT ORDERS.**—A governmental entity may obtain personally identifiable information concerning a cable or satellite sub-

scriber pursuant to a court order only if, in the court proceeding relevant to such court order—

“(A) such entity offers clear and convincing evidence that the subject of the information is reasonably suspected of engaging in criminal activity and that the information sought would be material evidence in the case; and

“(B) the subject of the information is afforded the opportunity to appear and contest such entity's claim.

“(d) **SUBSCRIBER ACCESS TO INFORMATION.**—A cable or satellite subscriber shall be provided access to all personally identifiable information regarding that subscriber that is collected and maintained by a cable operator, satellite carrier, or distributor. Such information shall be made available to the subscriber at reasonable times and at a convenient place designated by such cable operator, satellite carrier, or distributor. A cable or satellite subscriber shall be provided reasonable opportunity to correct any error in such information.

“(e) **DESTRUCTION OF INFORMATION.**—A cable operator, satellite carrier, or distributor shall destroy personally identifiable information if the information is no longer necessary for the purpose for which it was collected and there are no pending requests or orders for access to such information under subsection (d) or pursuant to a court order.

**“(f) RELIEF.—**

“(1) **IN GENERAL.**—Any person aggrieved by any act of a cable operator, satellite carrier, or distributor in violation of this section may bring a civil action in a district court of the United States.

“(2) **DAMAGES AND COSTS.**—In any action brought under paragraph (1), the court may award a prevailing plaintiff—

“(A) actual damages but not less than liquidated damages computed at the rate of \$100 a day for each day of violation or \$1,000, whichever is greater;

“(B) punitive damages; and

“(C) reasonable attorneys' fees and other litigation costs reasonably incurred.

“(3) **NO EFFECT ON OTHER REMEDIES.**—The remedy provided by this subsection shall be in addition to any other remedy available under any provision of law to a cable or satellite subscriber.

**“(g) DEFINITIONS.**—In this section:

“(1) **DISTRIBUTOR.**—The term ‘distributor’ means an entity that contracts to distribute secondary transmissions from a satellite carrier and, either as a single channel or in a package with other programming, provides the secondary transmission either directly to individual subscribers for private home viewing or indirectly through other program distribution entities.

**“(2) CABLE OPERATOR.—**

“(A) **IN GENERAL.**—The term ‘cable operator’ has the meaning given that term in section 602.

“(B) **INCLUSION.**—The term includes any person who—

“(i) is owned or controlled by, or under common ownership or control with, a cable operator; and

“(ii) provides any wire or radio communications service.

“(3) **OTHER SERVICE.**—The term ‘other service’ includes any wire, electronic, or radio communications service provided using any of the facilities of a cable operator, satellite carrier, or distributor that are used in the provision of cable service or satellite home viewing service.

“(4) **PERSONALLY IDENTIFIABLE INFORMATION.**—The term ‘personally identifiable information’ does not include any record of aggregate data that does not identify particular persons.

“(5) SATELLITE CARRIER.—The term ‘satellite carrier’ means an entity that uses the facilities of a satellite or satellite service licensed by the Federal Communications Commission and operates in the Fixed-Satellite Service under part 25 of title 47 of the Code of Federal Regulations or the Direct Broadcast Satellite Service under part 100 of title 47 of the Code of Federal Regulations, to establish and operate a channel of communications for point-to-multipoint distribution of television station signals, and that owns or leases a capacity or service on a satellite in order to provide such point-to-multipoint distribution, except to the extent that such entity provides such distribution pursuant to tariff under the Communications Act of 1934, other than for private home viewing.”.

(b) NOTICE WITH RESPECT TO CERTAIN AGREEMENTS.—

(1) IN GENERAL.—Except as provided in paragraph (2), a cable operator, satellite carrier, or distributor who has entered into agreements referred to in section 631(a) of the Communications Act of 1934, as amended by subsection (a), before the date of enactment of this Act, shall provide any notice required under that section, as so amended, to subscribers under such agreements not later than 180 days after that date.

(2) EXCEPTION.—Paragraph (1) shall not apply with respect to any agreement under which a cable operator, satellite carrier, or distributor was providing notice under section 631(a) of the Communications Act of 1934, as in effect on the day before the date of enactment of this Act, as of such date.

**SEC. 402. CUSTOMER PROPRIETARY NETWORK INFORMATION.**

Section 222 (c)(1) of the Communications Act of 1934 (47 U.S.C. 222 (c)(1)) is amended by striking “approval” and inserting “express prior authorization”.

**TITLE V—RULEMAKING AND STUDIES**

**SEC. 501. FEDERAL TRADE COMMISSION EXAMINATION.**

(a) PROCEEDING REQUIRED.—The Federal Trade Commission shall—

(1) study consumer privacy issues in the traditional, offline marketplace, including whether—

(A) consumers are able, and, if not, the methods by which consumers may be enabled—

(i) to have knowledge that consumer information is being collected about them through their utilization of various offline services and systems;

(ii) to have clear and conspicuous notice that such information could be used, or is intended to be used, by the entity collecting the data for reasons unrelated to the original communications, or that such information could be sold, rented, shared, or otherwise disclosed (or is intended to be sold, rented, shared, or otherwise disclosed) to other companies or entities; and

(iii) to stop the reuse, disclosure, or sale of that information;

(B) in the case of consumers who are children, the abilities described in clauses (i), (ii), and (iii) of subparagraph (A) are or can be exercised by their parents; and

(C) changes in the Commission’s regulations could provide greater assurance of the offline privacy rights and remedies of parents and consumers generally;

(2) review responses and suggestions from affected commercial and nonprofit entities to changes proposed under paragraph (1)(C); and

(3) make recommendations to the Congress for any legislative changes necessary to ensure such rights and remedies.

(b) SCHEDULE FOR FEDERAL TRADE COMMISSION RESPONSES.—The Federal Trade Commission shall, within 6 months after the date

of enactment of this Act, submit to Congress a report containing the recommendations required by subsection (a)(3).

**SEC. 502. FEDERAL COMMUNICATIONS COMMISSION RULEMAKING.**

(a) PROCEEDING REQUIRED.—The Federal Communications Commission shall initiate a rulemaking proceeding to establish uniform consumer privacy rules for all communications providers. The rulemaking proceeding shall—

(1) examine the privacy rights and remedies of the consumers of all online and offline technologies, including telecommunications providers, cable, broadcast, satellite, wireless, and telephony services;

(2) determine whether consumers are able, and, if not, the methods by which consumers may be enabled to exercise such rights and remedies; and

(3) change the Commission’s regulations to coordinate, rationalize, and harmonize laws and regulations administered by the Commission that relate to those rights and remedies.

(b) DEADLINE FOR CHANGES.—The Federal Communications Commission shall complete the rulemaking within 6 months after the date of enactment of this Act.

**SEC. 503. DEPARTMENT OF LABOR STUDY OF EMPLOYEE-MONITORING ACTIVITIES.**

The Secretary of Labor shall study the extent and nature of employer practices that involving monitoring employee activities both at the workplace and away from the workplace, by electronic or other remote means, including surveillance of electronic mail and Internet use, to determine whether and to what extent such practices constitute an inappropriate violation of employee privacy. The Secretary shall report the results of the study, including findings and recommendations, if any, for legislation or regulation to the Congress within 6 months after the date of enactment of this Act.

**TITLE VI—PROTECTION OF PERSONALLY IDENTIFIABLE INFORMATION IN BANKRUPTCY**

**SEC. 601. PERSONALLY IDENTIFIABLE INFORMATION NOT ASSET IN BANKRUPTCY.**

Section 541(b) of title 11, United States Code, is amended—

(1) by striking “or” after the semicolon in paragraph (4)(B)(ii);

(2) by striking “prohibition.” in paragraph (5) and inserting “prohibition; or”; and

(3) by inserting after paragraph (5) the following:

“(6) any personally identifiable information (as defined in section 901(6) of the Consumer Privacy Protection Act), or any compilation, or record (in electronic or any other form) of such information.”.

**TITLE VII—INTERNET SECURITY INITIATIVES**

**SEC. 701. FINDINGS.**

The Congress finds the following:

(1) Good computer security practices are an underpinning of any privacy protection. The operator of a computer system should protect that system from unauthorized use and secure any private, personal information.

(2) The Federal Government should be a role model in securing its computer systems and should ensure the protection of private, personal information controlled by Federal agencies.

(3) The National Institute of Standards and Technology has the responsibility for developing standards and guidelines needed to ensure the cost-effective security and privacy of private, personal information in Federal computer systems.

(4) This Nation faces a shortage of trained, qualified information technology workers,

including computer security professionals. As the demand for information technology workers grows, the Federal government will have an increasingly difficult time attracting such workers into the Federal workforce.

(5) Some commercial off-the-shelf hardware and off-the-shelf software components to protect computer systems are widely available. There is still a need for long-term computer security research, particularly in the area of infrastructure protection.

(6) The Nation’s information infrastructures are owned, for the most part, by the private sector, and partnerships and cooperation will be needed for the security of these infrastructures.

(7) There is little financial incentive for private companies to enhance the security of the Internet and other infrastructures as a whole. The Federal government will need to make investments in this area to address issues and concerns not addressed by the private sector.

**SEC. 702. COMPUTER SECURITY PARTNERSHIP COUNCIL.**

(a) ESTABLISHMENT.—The Secretary of Commerce, in consultation with the President’s Information Technology Advisory Committee established by Executive Order No. 13035 of February 11, 1997 (62 F.R. 7231), shall establish a 25-member Computer Security Partnership Council.

(b) CHAIRMAN; MEMBERSHIP.—The Council shall have a chairman, appointed by the Secretary, and 24 additional members, appointed by the Secretary as follows:

(1) 5 members, who are not officers or employees of the United States, who are recognized as leaders in the networking and computer security business, at least 1 of whom represents a small or medium-sized company.

(2) 5 members, who are—

(A) not officers or employees of the United States, and

(B) not in the networking and computer security business,

at least 1 of whom represents a small or medium-sized company.

(3) 5 members, who are not officers or employees of the United States, who represent public interest groups or State or local governments, of whom at least 2 represent such groups and at least 2 represent such governments.

(4) 5 members, who are not officers or employees of the United States, affiliated with a college, university, or other academic, research-oriented, or public policy institution, with recognized expertise in the field of networking and computer security, whose primary source of employment is by that college, university, or other institution rather than a business organization involved in the networking and computer security business.

(5) 4 members, who are officers or employees of the United States, with recognized expertise in computer systems management, including computer and network security.

(c) FUNCTION.—The Council shall collect and share information about, and increase public awareness of, information security practices and programs, threats to information security, and responses to those threats.

(d) STUDY.—Within 12 months after the date of enactment of this Act, the Council shall publish a report which evaluates and describes areas of computer security research and development that are not adequately developed or funded.

(e) ADDITIONAL RECOMMENDATIONS.—The Council shall periodically make recommendations to appropriate government and private sector entities for enhancing the security of networked computers operated or maintained by those entities.

**SEC. 703. RESEARCH AND DEVELOPMENT.**

Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3) is amended—

(1) by redesignating subsections (c) and (d) as subsections (d) and (e), respectively; and

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

“(C) RESEARCH AND DEVELOPMENT OF PROTECTION TECHNOLOGIES.—

“(1) IN GENERAL.—The Institute shall establish a program at the National Institute of Standards and Technology to conduct, or to fund the conduct of, research and development of technology and techniques to provide security for advanced communications and computing systems and networks including the Next Generation Internet, the underlying structure of the Internet, and networked computers.

“(2) PURPOSE.—A purpose of the program established under paragraph (1) is to address issues or problems that are not addressed by market-driven, private-sector information security research. This may include research—

“(A) to identify Internet security problems which are not adequately addressed by current security technologies;

“(B) to develop interactive tools to analyze security risks in an easy-to-understand manner;

“(C) to enhance the security and reliability of the underlying Internet infrastructure while minimizing any adverse operational impacts such as speed; and

“(D) to allow networks to become self-healing and provide for better analysis of the state of Internet and infrastructure operations and security.

“(3) MATCHING GRANTS.—A grant awarded by the Institute under the program established under paragraph (1) to a commercial enterprise may not exceed 50 percent of the cost of the project to be funded by the grant.

“(4) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Institute to carry out this subsection—

- “(A) \$50,000,000 for fiscal year 2001;
- “(B) \$60,000,000 for fiscal year 2002;
- “(C) \$70,000,000 for fiscal year 2003;
- “(D) \$80,000,000 for fiscal year 2004;
- “(E) \$90,000,000 for fiscal year 2005; and
- “(F) \$100,000,000 for fiscal year 2006.”.

**SEC. 704. COMPUTER SECURITY TRAINING PROGRAMS.**

(a) IN GENERAL.—The Secretary of Commerce, in consultation with appropriate Federal agencies, shall establish a program to support the training of individuals in computer security, Internet security, and related fields at institutions of higher education located in the United States.

(b) SUPPORT AUTHORIZED.—Under the program established under subsection (a), the Secretary may provide scholarships, loans, and other forms of financial aid to students at institutions of higher education. The Secretary shall require a recipient of a scholarship under this program to provide a reasonable period of service as an employee of the United States government after graduation as a condition of the scholarship, and may authorize full or partial forgiveness of indebtedness for loans made under this program in exchange for periods of employment by the United States government.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary such sums as may be necessary to carry out this section—

- (A) \$15,000,000 for fiscal year 2001;
- (B) \$17,000,000 for fiscal year 2002;
- (C) \$20,000,000 for fiscal year 2003;
- (D) \$25,000,000 for fiscal year 2004;
- (E) \$30,000,000 for fiscal year 2005; and
- (F) \$35,000,000 for fiscal year 2006.

**SEC. 705. GOVERNMENT INFORMATION SECURITY STANDARDS.**

(a) IN GENERAL.—Section 20(b) of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3(b)) is amended—

(1) by striking “and” after the semicolon in paragraph (4);

(2) by redesignating paragraph (5) as paragraph (6); and

(3) by inserting after paragraph (4) the following:

“(5) to provide guidance and assistance to Federal agencies in the protection of interconnected computer systems and to coordinate Federal response efforts related to unauthorized access to Federal computer systems; and”.

(b) FEDERAL COMPUTER SYSTEM SECURITY TRAINING.—Section 5(b) of the Computer Security Act of 1987 (49 U.S.C. 759 note) is amended—

(1) by striking “and” at the end of paragraph (1);

(2) by striking the period at the end of paragraph (2) and inserting in lieu thereof “; and”; and

(3) by adding at the end the following new paragraph:

“(3) to include emphasis on protecting the availability of Federal electronic citizen services and protecting sensitive information in Federal databases and Federal computer sites that are accessible through public networks.”.

**SEC. 706. RECOGNITION OF QUALITY IN COMPUTER SECURITY PRACTICES.**

Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3), as amended by section 703, is further amended—

(1) by redesignating subsections (d) and (e) as subsections (e) and (f), respectively; and

(2) by inserting after subsection (c), the following:

“(d) AWARD PROGRAM.—The Institute may establish a program for the recognition of excellence in Federal computer system security practices, including the development of a seal, symbol, mark, or logo that could be displayed on the website maintained by the operator of such a system recognized under the program. In order to be recognized under the program, the operator—

“(1) shall have implemented exemplary processes for the protection of its systems and the information stored on that system;

“(2) shall have met any standard established under subsection (a);

“(3) shall have a process in place for updating the system security procedures; and

“(4) shall meet such other criteria as the Institute may require.”.

**SEC. 707. DEVELOPMENT OF AUTOMATED PRIVACY CONTROLS.**

Section 20 of the National Institute of Standards and Technology Act (15 U.S.C. 278g-3), as amended by section 706, is further amended—

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

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

“(f) DEVELOPMENT OF INTERNET PRIVACY PROGRAM.—The Institute shall encourage and support the development of one or more computer programs, protocols, or other software, such as the World Wide Web Consortium’s P3P program, capable of being installed on computers, or computer networks, with Internet access that would reflect the user’s preferences for protecting personally-identifiable or other sensitive, privacy-related information, and automatically execute the program, once activated, without requiring user intervention.”.

**TITLE VIII—CONGRESSIONAL INFORMATION SECURITY STANDARDS.****SEC. 801. EXERCISE OF RULEMAKING POWER.**

This title is enacted by the Congress—

(1) as an exercise of the rulemaking power of the House of Representatives and the Senate, respectively, and as such it is deemed a part of the rules of each House, respectively, but applicable only with respect to that House; and it supersedes other rules only to the extent that it are inconsistent therewith; and

(2) with full recognition of the constitutional right of either House to change the rules (so far as relating to that House) at any time, in the same manner and to the same extent as in the case of any other rule of that House.

**SEC. 802. SENATE.**

(a) IN GENERAL.—The Sergeant at Arms of the United States Senate shall develop regulations setting forth an information security and electronic privacy policy governing use of the Internet by officers and employees of the Senate in accordance with the following 4 principles of privacy:

(1) NOTICE AND AWARENESS.—Websites must provide users notice of their information practices.

(2) CHOICES AND CONSENT.—Websites must offer users choices as to how personally identifiable information is used beyond the use for which the information was provided.

(3) ACCESS AND PARTICIPATION.—Websites must offer users reasonable access to personally identifiable information and an opportunity to correct inaccuracies.

(4) SECURITY AND INTEGRITY.—Websites must take reasonable steps to protect the security and integrity of personally identifiable information.

(b) PROCEDURE.—

(1) PROPOSAL.—The Sergeant at Arms shall publish a general notice of proposed rulemaking under section 553(b) of title 5, United States Code, but, instead of publication of a general notice of proposed rulemaking in the Federal Register, the Sergeant at Arms shall transmit such notice to the President pro tempore of the Senate for publication in the Congressional Record on the first day on which the Senate is in session following such transmittal. Such notice shall set forth the recommendations of the Sergeant at Arms for regulations under subsection (a).

(2) COMMENT.—Before adopting regulations, the Sergeant at Arms shall provide a comment period of at least 30 days after publication of general notice of proposed rulemaking.

(3) ADOPTION.—After considering comments, the Sergeant at Arms shall adopt regulations and shall transmit notice of such action together with a copy of such regulations to the President pro tempore of the Senate for publication in the Congressional Record on the first day on which the Senate is in session following such transmittal.

(c) APPROVAL OF REGULATIONS.—

(1) IN GENERAL.—The regulations adopted by the Sergeant at Arms may be approved by the Senate by resolution.

(2) REFERRAL.—Upon receipt of a notice of adoption of regulations under subsection (b)(3), the presiding officers of the Senate shall refer such notice, together with a copy of such regulations, to the Committee on Rules and Administration of the Senate. The purpose of the referral shall be to consider whether such regulations should be approved.

(3) JOINT REFERRAL AND DISCHARGE.—The presiding officer of the Senate may refer the notice of issuance of regulations, or any resolution of approval of regulations, to one committee or jointly to more than one committee. If a committee of the Senate acts to

report a jointly referred measure, any other committee of the Senate must act within 30 calendar days of continuous session, or be automatically discharged.

(4) **RESOLUTION OF APPROVAL.**—In the case of a resolution of the Senate, the matter after the resolving clause shall be the following: “the following regulations issued by the Sergeant at Arms on \_\_\_\_\_, 2\_\_\_\_\_ are hereby approved:” (the blank spaces being appropriately filled in and the text of the regulations being set forth).

(d) **ISSUANCE AND EFFECTIVE DATE.**—

(1) **PUBLICATION.**—After approval of the regulations under subsection (c), the Sergeant at Arms shall submit the regulations to the President pro tempore of the Senate for publication in the Congressional Record on the first day on which the Senate is in session following such transmittal.

(2) **DATE OF ISSUANCE.**—The date of issuance of the regulations shall be the date on which they are published in the Congressional Record under paragraph (1).

(3) **EFFECTIVE DATE.**—The regulations shall become effective not less than 60 days after the regulations are issued, except that the Sergeant at Arms may provide for an earlier effective date for good cause found (within the meaning of section 553(d)(3) of title 5, United States Code) and published with the regulation.

(e) **AMENDMENT OF REGULATIONS.**—Regulations may be amended in the same manner as is described in this section for the adoption, approval, and issuance of regulations, except that the Sergeant at Arms may dispense with publication of a general notice of proposed rulemaking of minor, technical, or urgent amendments that satisfy the criteria for dispensing with publication of such notice pursuant to section 553(b)(B) of title 5, United States Code.

(f) **RIGHT TO PETITION FOR RULEMAKING.**—Any interested party may petition to the Sergeant at Arms for the issuance, amendment, or repeal of a regulation.

#### TITLE IX—DEFINITIONS

##### SEC. 901. DEFINITIONS.

In this Act:

(1) **OPERATOR OF A COMMERCIAL WEBSITE.**—The term “operator of a commercial website”—

(A) means any person who operates a website located on the Internet or an online service and who collects or maintains personal information from or about the users of or visitors to such website or online service, or on whose behalf such information is collected or maintained, where such website or online service is operated for commercial purposes, including any person offering products or services for sale through that website or online service, involving commerce—

(i) among the several States or with 1 or more foreign nations;

(ii) in any territory of the United States or in the District of Columbia, or between any such territory and—

(I) another such territory; or

(II) any State or foreign nation; or

(iii) between the District of Columbia and any State, territory, or foreign nation; but

(B) does not include any nonprofit entity that would otherwise be exempt from coverage under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(2) **DISCLOSE.**—The term “disclose” means the release of personally identifiable information about a user of an Internet service, online service, or commercial website by an Internet service provider, online service provider, or operator of a commercial website for any purpose, except where such information is provided to a person who provides support for the internal operations of the service or website and who does not disclose

or use that information for any other purpose.

(3) **RELEASE.**—The term “release of personally identifiable information” means the direct or indirect, active or passive, sharing, selling, renting, or other provision of personally identifiable information of a user of an Internet service, online service, or commercial website to any other person other than the user.

(4) **INTERNAL OPERATIONS SUPPORT.**—The term “support for the internal operations of a service or website” means any activity necessary to maintain the technical functionality of that service or website.

(5) **COLLECT.**—The term “collect” means the gathering of personally identifiable information about a user of an Internet service, online service, or commercial website by or on behalf of the provider or operator of that service or website by any means, direct or indirect, active or passive, including—

(A) an online request for such information by the provider or operator, regardless of how the information is transmitted to the provider or operator;

(B) the use of a chat room, message board, or other online service to gather the information; or

(C) tracking or use of any identifying code linked to a user of such a service or website, including the use of cookies.

(3) **COOKIE.**—The term “cookie” means any program, function, or device, commonly known as a “cookie”, that makes a record on the user’s computer (or other electronic device) of that user’s access to an Internet service, online service, or commercial website.

(4) **FEDERAL AGENCY.**—The term “Federal agency” means an agency, as that term is defined in section 551(1) of title 5, United States Code.

(5) **INTERNET.**—The term “Internet” means collectively the myriad of computer and telecommunications facilities, including equipment and operating software, which comprise the interconnected world-wide network of networks that employ the Transmission Control Protocol/Internet Protocol, or any predecessor or successor protocols to such protocol, to communicate information of all kinds by wire or radio.

(6) **PERSONALLY IDENTIFIABLE INFORMATION.**—The term “personally identifiable information” means individually identifiable information about an individual collected online, including—

(A) a first and last name, whether given at birth or adoption, assumed, or legally changed;

(B) a home or other physical address including street name and name of a city or town;

(C) an e-mail address;

(D) a telephone number;

(E) a Social Security number;

(F) a credit card number;

(G) a birth date, birth certificate number, or place of birth;

(H) any other identifier that the Commission determines permits the physical or online contacting of a specific individual; or

(I) unique identifying information that an Internet service provider, online service provider, or operator of a commercial website collects and combines with an identifier described in this paragraph.

(7) **INTERNET SERVICE PROVIDER; ONLINE SERVICE PROVIDER; WEBSITE.**—The Commission shall by rule define the terms “Internet service provider”, “online service provider”, and “website”, and shall revise or amend such rule to take into account changes in technology, practice, or procedure with respect to the collection of personal information over the Internet.

(8) **OFFLINE.**—The term “offline” refers to any activity regulated by this Act or by section 2710 of title 18, United States Code, that occurs other than by or through the active or passive use of an Internet connection, regardless of the medium by or through which that connection is established.

(9) **ONLINE.**—The term “online” refers to any activity regulated by this Act or by section 2710 of title 18, United States Code, that is effected by active or passive use of an Internet connection, regardless of the medium by or through which that connection is established.

Mr. EDWARDS. Mr. President, Big Browser is watching you. Almost every time, you or I or an American consumer surfs the Internet, someone is tracking our movements. And someone is compiling a databank of information about our preferences and could even be profiling us.

Maybe they’re doing it to make our experience better. Most of the time, they probably are. But too often we are being profiled for profit, and at the expense of privacy.

I am proud to co-sponsor Senator HOLLINGS’ legislation, the Consumer Privacy Protection Act, that would help consumers gain control of their most personal information. I believe that the measure we introduce today is a step in the right direction. It strikes the right balance. Privacy is protected, while critical elements of the information revolution are preserved. Consumer confidence in the Internet is bolstered, while businesses will not be overburdened by the requirements.

We can enjoy the convenience of online shopping and allow e-commerce to thrive without putting profits over privacy. Consumers, not dot.com companies, should control the use of confidential information about buying habits, credit card records and other personal information.

Mr. President, the time to act is now. If not, we may wake up one day to find our privacy so thoroughly eroded that recovering it will be almost impossible.

No one denies that the rapid development of modern technology has been beneficial. New and improved technologies have enabled us to obtain information more quickly and easily than ever before. Students can participate in classes that are being taught in other states, or even in other countries. Almost no product or piece of information is beyond the reach of Americans anymore. A farmer in Sampson County, North Carolina can go on the Internet and compare prices for anything he needs to run his business. Or he can look up critical weather information on the Internet. Or he can just order a hard-to-get book. Meanwhile, companies have streamlined their processes for providing goods and services.

But these remarkable developments can have a startling downside. They have made it easier to track personal information such as medical and financial records and buying habits. They have made it profitable to do so. And in turn, our ability to keep our personal information private is being eaten away.

The impact of this erosion ranges from the merely annoying—having your mailbox flooded with junkmail—to the actually frightening—having your identity stolen or being turned down for a loan because your bank got copies of your medical records. There are thousands of ways that the loss of our privacy can impact us. Many of them are intangible—just the discomfort of knowing that complete strangers can find out everything about you: where you shop, what books you buy, whether you have allergies, and what your credit rating is. These strangers may not do anything bad with the information, but they know all about you. I think privacy is a value per se. Our founding fathers recognized it, and so too do most Americans.

“Liberty in the constitutional sense,” wrote Justice William O. Douglas, “must mean more than freedom from unlawful governmental restraint; it must include privacy as well, if it is to be a repository of freedom. The right to be let alone is indeed the beginning of all freedom.”

Recent surveys indicate that the American public is increasingly uneasy about the degradation of their privacy. In a recent Business Week poll, 92 percent of Internet users expressed discomfort about Web sites sharing personal information with other sites. Meanwhile, an FTC report issued yesterday indicated that only 42 percent of the most popular Internet sites comply with the four key fair information practices—notice about what data is collected, consumer choice about whether the data will be shared with third-parties, consumer access to the data, and security regarding the transmission of data.

We must be vigilant that our privacy does not become a commodity to be bought and sold.

I would also like to point out one area of privacy protection that I have been deeply interested in. Last November, I introduced the Telephone Call Privacy Act. My bill would prevent telecommunications companies from using an individual's personal phone call records without their consent. Most Americans would be stunned to learn that the law does not protect them from having their phone records sold to third parties. Imagine getting a call one night—during dinner—and having a telemarketer try to sell you membership in a travel club because your phone calling patterns show frequent calls overseas. My legislation would prevent this from occurring without the individuals' permission.

This measure we introduce today also contains a provision relating to telephone privacy. It differs in at least one key respect from the legislation I previously introduced, but my hope is that as we discuss this issue over time, the differences will be resolved.

Mr. President, let me conclude by thanking Senators HOLLINGS and LEAHY for their leadership on this vital issue. Senator HOLLINGS has crafted

the comprehensive and thoughtful proposal that we introduce today. Senator LEAHY has led a coalition of Senators interested in this issue. I look forward to working with them and my other colleagues in passing this measure.

Mr. CLELAND. Mr. President, the information highway began just a few years ago as a footpath and is now an unlimited lane expressway with no rush hour. People can now use the Internet to shop at virtual stores located thousands of miles away, find turn-by-turn directions to far away destinations and journey to hamlets, cities and states across the country—and indeed around the world—without ever leaving home.

While the virtual world is available to us with a few key strokes and mouse clicks, there is one area of the Internet that many are finding troublesome. It is the collection and use of personnel data. All too often web surfers are providing personal information about themselves at the websites they visit, without their knowledge and consent. There is so much information being collected every day that it would take a building the size of the Library of Congress to store it all in. That is a lot of information, much of which is very personal and I believe it must be kept that way.

Concern about one's privacy on the Internet is keeping people from fully enjoying this marvelous technology. According to a recent survey by the Center for Democracy & Technology, consumers' most pressing privacy issues are the sale of personal information and tracking people's use of the Web. In another recent survey, 66.7 percent of online “window shoppers” state that assurances of privacy will be the basis for their making online purchases. These surveys make the same point that was made when credit cards were first introduced to the American public. Back then, credit cards did not initially enjoy widespread usage because of a fear that others could misuse the card. From these studies' findings it can be reasoned that the Internet is experiencing the same effects because of privacy concerns. These concerns are translating into lost opportunity, for consumers as well as electronic businesses.

Most of the Dot Com companies doing business over the Internet today are very cognizant of the fact that privacy is a major concern for their customers. Many of these firms allow visitors to their web site to “opt out,” or elect not to provide data they consider private and do not wish to give. A Federal Trade Commission May 2000 Report to Congress found that 92 percent of a random sampling of websites were collecting great amounts of personal information from consumers and only 14% disclosed anything about how the information would be used. More interesting in this report was the finding that a mere 41% of the randomly selected websites notified the visitor of their information practices and offered

the visitor choices on how their personal identifying information would be used. These report findings seem to suggest that industry efforts by themselves are not sufficient to control the gathering and dissemination of personal data.

There are some Dot Coms that are not concerned about the privacy of their customers. These firms are successfully collecting enormous amounts of data about a person and in turn sell it to others or use it to intensify the advertising aimed at that person. At one website visit, a company can collect some very interesting facts about the person who is on the other end. While surfing the web the other day, I hit on a website that was designed to provide me with information about my PC. The report the site provided opened my eyes about the types of information that could be obtained from a website visitor in less one minute. In this small amount of time it could tell what other sites I had visited, what sites I would likely visit in the future, what plug-ins are installed on my PC, how my domain is configured and a whole lot more information that I did not understand. Many consider this type of tracking capability akin to stalking. I believe that the information that can be collected by website administrators can create problems for people through a violation of trust and an invasion of privacy. Novice Internet users are generally unaware, as I was until visiting this site, of the extent of the information being collected on them. Even those who are aware of the capabilities of firms to collect private data are frightened by what can happen with the information once it is collected.

I am proud to be cosponsoring the Consumer Privacy Protection Act of 2000 that was introduced today by Senator HOLLINGS. This Act will legitimize the practices currently being used by many reputable firms who are collecting private data. Does it seem unreasonable that firms collecting private data should notify consumers of the firm's information practices, offer the consumer choices on how the personal information will be used, allow consumers to access the information that is collected on them and require the firms to take reasonable steps to protect the security of the information that is collected? I think not. Firms like Georgia-based VerticalOne are already performing under standards very similar to these. I believe that all firms should be held to the same standard and that a level playing field should be established for every firm that is collecting data. Taking these actions will translate into greater consumer confidence in the Internet.

Increasing the level of protection for private information to a level that the people of our nation can live with should be a welcome relief to those firms already providing fair privacy treatment of their site visitors. This Act certainly will be a relief to the people who are visiting their sites.

Passing this Consumer Privacy Protection Act will help prevent confusion by establishing a common set of standards for all firms to follow and all Americans to enjoy.

By Mr. WYDEN:

S. 2607. A bill to promote pain management and palliative care without permitting assisted suicide euthanasia, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

PAIN RELIEF PROMOTION ACT

• Mr. WYDEN. Mr. President, today I am introducing legislation which was actually authored by Senators NICKLES and HATCH, and which they have entitled the "Pain Relief Promotion Act." Their bill which I am now introducing is identical to H.R. 2260 as reported out of the Judiciary Committee on April 27, 2000, as amended. Today, it has been referred by the Senate Parliamentarian to the Committee on Health, Education, Labor, and Pensions (HELP).

While I remain steadfastly opposed to the "Pain Relief Promotion Act of 2000," I am introducing this bill for one reason: to call the Senate's attention to the fact that a far-reaching health policy bill—which many experts believe has the potential to sentence millions of sick and dying patients across the nation to needless pain and suffering—was mistakenly referred to a committee with insufficient health policy resources and no health policy jurisdiction. It is that bill which the Judiciary Committee reported and which, without consideration by the committee with health expertise, the Republican leadership wants to bring to the floor. The unintended consequence of this could be the tragic decline of the quality of pain care across our nation.

Some historical context might help my colleagues and their staff better understand how the Senate finds itself in this unfortunate situation, and the important issues that are at stake. On two separate occasions, the State of Oregon passed a ballot measure that would allow terminally ill persons, with less than six months left to live, to obtain a physician-assisted suicide if they met a variety of safeguard requirements. As a private citizen, I voted twice with the minority of my state in opposition to that measure.

In response to Oregon's vote, several of our congressional colleagues, including Senator NICKLES, Senator LIEBERMAN, and Congressman HENRY HYDE, promptly undertook legislative and other efforts to overturn Oregon's law. I do not, for the purposes of today, debate the merits of the Oregon law, or the merits of physician-assisted suicide, generally.

The original "Pain Relief Promotion Act," S. 1272, was introduced in the Senate by Senator NICKLES, and referred to the Committee on Health, Education, Labor and Pensions (HELP) on June 23, 1999. That committee held one inconclusive hearing on October 13,

1999, at which time it was reported that Senators on both sides of the aisle wished to investigate the matter more thoroughly before acting on the legislation.

Then, on November 19, 1999, Bob Dove, the Senate Parliamentarian, made what he termed "a mistake" when he referred H.R. 2260—the virtually identical House-passed version of the "Pain Relief Promotion Act"—to the Senate Judiciary Committee. Over the course of my service in the Senate, I have come to know Mr. Dove to be a man of integrity and fairness, and one of the most dedicated and enduring public servants in Washington, D.C. When he discovered his mistake, to his great credit, Mr. Dove did something all-too-rare in this town; he simply acknowledged his error. According to an article by the Associated Press on December 7, 1999, Mr. Dove stated plainly that he had mistakenly referred the bill to the Judiciary Committee, instead of the HELP Committee.

Lord knows I've made a few mistakes in my day, so I want to make clear that I harbor nothing but respect for Mr. Dove, and that I do not for one second question Mr. Dove's motives. But the mistake made on November 19, 1999, if left uncorrected, threatens unspeakably negative and long-lasting consequences for the future of health care in this nation.

The jurisdiction of the HELP Committee over the "Pain Relief Promotion Act" is clear. The Senate Manual describes the jurisdiction of this committee as including "measures relating to education, labor, health, and public welfare". The Senate Manual also describes the HELP Committee as having jurisdiction over aging, biomedical research and development, handicapped individuals, occupational safety and health, and public health.

According to the Senate Manual, the jurisdiction of the Judiciary Committee includes bankruptcy, mutiny, espionage, counterfeiting, civil liberties, constitutional amendments, federal courts and judges, government information, holidays and celebrations, immigration and naturalization, interstate compacts generally, judicial proceedings, local courts in territories and possessions, measures relating to claims against the United States, national penitentiaries, patent office, patents, copyrights trademarks, protection of trade and commerce against unlawful restraints and monopolies, revision and codification of the statutes of the United States, and state and territorial boundary lines.

The committee jurisdiction is not a close call, in this case. As the Senate's leading expert on jurisdiction has now demonstrated, this bill is fundamentally an issue of medical practice, which clearly is within the jurisdiction of the HELP Committee.

Congress has heard conflicting messages from respected medical experts on both sides of this debate about

whether the "Pain Relief Promotion Act" may, in fact, have a chilling effect on physicians' pain management, thus actually increasing suffering at the end of life. Under the legislation, federal, state, and local law enforcement could receive training to begin scrutinizing physicians' end-of-life care. Many believe that the legislation sends the wrong signal to physicians and others caring for those who are dying, noting the disparity between the \$5 million allotted for training in palliative care and the \$80 million potentially available for law enforcement activities.

In addition, there is considerable concern that this legislation puts into statute perceptions about pain medication that the scientific world has been trying to change. Physicians often believe that the aggressive use of certain pain medications, such as morphine, will hasten death. Recent scientific studies show this is not the case. Dr. Kathleen M. Foley, Attending Neurologist in the Pain and Palliative Care Service at Memorial Sloan-Kettering Cancer Center and Professor of Neurology, Neuroscience and Clinical Pharmacology at the Cornell University, had this to say about the Nickles-Hatch legislation, "In short, the underpinnings of this legislation are not based on scientific evidence. It would be unwise to institutionalize the myth into law that pain medications hasten death."

Renowned medical ethicist, and Director of the Center for Bioethics at the University of Pennsylvania, Arthur L. Caplan, Ph.D., also appeared before the Senate Judiciary Committee on April 25, 2000. He testified that: "Doctors and nurses may not always fully understand what the law permits or does not, but when the issue requires an assessment of intent in an area as fraught with nuances and pitfalls as end of life care then I believe that this legislation will scare many doctors and nurses and administrators into inaction in the face of pain."

Dr. Scott Fishman, the Chief of the Division of Pain Medicine and Associate Professor of Anesthesiology at the University of California Davis School of Medicine wrote of the Hatch substitute: "It is ironic that the 'Hatch substitute', which seeks to prevent physician assisted suicide, will ultimately impair one of the truly effective counters to physician assisted suicide, which is swift and effective pain medicine."

Dr. Foley, who also assisted the Institute of Medicine committee that wrote the report "Approaching Death," further testified that, "The Pain Relief Promotion Act, by expanding the authority of the Controlled Substances Act, will disturb the balance that we have worked so hard to create. Physician surveys by the New York State Department of Health have shown that a strict regulatory environment negatively impacts physician prescribing practices and leads them to intentionally undertreat patients with pain

because of concern of regulatory oversight.”

The New England Journal of Medicine editorialized against these legislative approaches to overturning Oregon's law out of concern for its impacts on pain management nationwide, saying: “Many doctors are concerned about the scrutiny they invite when they prescribe or administer controlled substances and they are hypersensitive to ‘drug-seeking behavior’ in patients. Patients, as well as doctors, often have exaggerated fears of addiction and the side effects of narcotics. Congress could make this bad situation worse.”

It is worth noting that many people and organizations with expertise in pain management and palliative care are both opposed to physician assisted suicide and opposed to the Nickles-Hatch bill. There are over thirty organizations representing doctors, pharmacists, nurses, and patients who oppose the legislation, including: American Academy of Family Physicians; American Academy of Hospice and Palliative Medicine, American Academy of Pharmaceutical Physicians; American Geriatrics Society; American Nurses Association; American Pain Foundation; American Pharmaceutical Association; American Society for Action on Pain; American Society of Health-System Pharmacists; American Society of Pain Management Nurses; College on Problems of Drug Dependence; Hospice and Palliative Nurses Association; National Foundation for the Treatment of Pain; Oncology Nursing Society; Society of General Internal Medicine; Triumph over Pain Foundation; California Medical Association; Massachusetts Medical Society; North Carolina Medical Society; Oregon Medical Association; Rhode Island Medical Association; San Francisco Medical Society; Indiana State Hospice and Palliative Care Association; Hospice Federation of Massachusetts; Kansas Association of Hospices; Maine Hospice Council; Maine Consortium of Palliative Care and Hospice; Missouri Hospice and Palliative Care Association; New Hampshire State Hospice Organization; New Jersey Hospice and Palliative Care Organization; New York State Hospice Organization; and, Oregon Hospice Association.

Physician-assisted suicide is not a cry for help from people experiencing the failure of patents, copyrights and trademarks. Physician-assisted suicide is a cry for help from people who, in many cases, are experiencing a failure in the health system. And those failures occur across our nation; not just in Oregon. In one study reported in the August 12, 1998, issue of JAMA, over 15 percent of oncologists admitted to participating in physician-assisted suicide or euthanasia. The February 1997 New England Journal of Medicine published a report finding that 53 percent of physicians in a large, San Francisco-based AIDS treatment consortium admitted assisting in a suicide at least once. Personally, I am troubled and saddened

that so many of our loved ones are so dissatisfied with their end-of-life options that they seek physician-assisted suicide, instead.

Whether or not this Congress decides to overturn Oregon's law, I believe it is critical that whatever we do must result in a reduced demand for physician-assisted suicide, not only in Oregon, but across our nation. Many reputable experts believe the “Pain Relief Promotion Act” will cause physicians—far beyond Oregon's borders—to provide less aggressive pain care to their suffering and dying patients. If this occurs, not only will millions of our elderly and dying constituents suffer needlessly, we may unwittingly increase the demand for suicide at the end of life.

I urge my colleagues, regardless of where they stand on the issue of Oregon's law, to join with me in supporting the restoration of the HELP Committee's jurisdiction. It would be unconscionable for the Senate to fail to correct an honest mistake that could contribute to a devastatingly significant change in health policy. With so much at stake, shouldn't we follow the regular order of the Senate? Shouldn't we insist that the Senate's best qualified health policy experts fully consider the complex policy implications before taking such an extraordinary risk for our constituents, our friends, and our families?

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

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

S. 2607

*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 “Pain Relief Promotion Act of 2000”.

**SEC. 2. FINDINGS.**

Congress finds that—

(1) in the first decade of the new millennium there should be a new emphasis on pain management and palliative care;

(2) the use of certain narcotics and other drugs or substances with a potential for abuse is strictly regulated under the Controlled Substances Act;

(3) the dispensing and distribution of certain controlled substances by properly registered practitioners for legitimate medical purposes are permitted under the Controlled Substances Act and implementing regulations;

(4) the dispensing or distribution of certain controlled substances for the purpose of relieving pain and discomfort even if it increases the risk of death is a legitimate medical purpose and is permissible under the Controlled Substances Act;

(5) inadequate treatment of pain, especially for chronic diseases and conditions, irreversible diseases such as cancer, and end-of-life care, is a serious public health problem affecting hundreds of thousands of patients every year; physicians should not hesitate to dispense or distribute controlled substances when medically indicated for these conditions; and

(6) for the reasons set forth in section 101 of the Controlled Substances Act (21 U.S.C.

801), the dispensing and distribution of controlled substances for any purpose affect interstate commerce.

**TITLE I—PROMOTING PAIN MANAGEMENT AND PALLIATIVE CARE**

**SEC. 101. ACTIVITIES OF AGENCY FOR HEALTHCARE RESEARCH AND QUALITY.**

Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end the following:

**“SEC. 903. PROGRAM FOR PAIN MANAGEMENT AND PALLIATIVE CARE RESEARCH AND QUALITY.**

“(a) IN GENERAL.—Subject to subsections (e) and (f) of section 902, the Director shall carry out a program to accomplish the following:

“(1) Promote and advance scientific understanding of pain management and palliative care.

“(2) Collect and disseminate protocols and evidence-based practices regarding pain management and palliative care, with priority given to pain management for terminally ill patients, and make such information available to public and private health care programs and providers, health professions schools, and hospices, and to the general public.

“(b) DEFINITION.—In this section, the term ‘pain management and palliative care’ means—

“(1) the active, total care of patients whose disease or medical condition is not responsive to curative treatment or whose prognosis is limited due to progressive, far-advanced disease; and

“(2) the evaluation, diagnosis, treatment, and management of primary and secondary pain, whether acute, chronic, persistent, intractable, or associated with the end of life; the purpose of which is to diagnose and alleviate pain and other distressing signs and symptoms and to enhance the quality of life, not to hasten or postpone death.”.

**SEC. 102. ACTIVITIES OF HEALTH RESOURCES AND SERVICES ADMINISTRATION.**

(a) IN GENERAL.—Part D of title VII of the Public Health Service Act (42 U.S.C. 294 et seq.) is amended—

(1) by redesignating sections 754 through 757 as sections 755 through 758, respectively; and

(2) by inserting after section 753 the following:

**“SEC. 754. PROGRAM FOR EDUCATION AND TRAINING IN PAIN MANAGEMENT AND PALLIATIVE CARE.**

“(a) IN GENERAL.—The Secretary, in consultation with the Director of the Agency for Healthcare Research and Quality, may award grants, cooperative agreements, and contracts to health professions schools, hospices, and other public and private entities for the development and implementation of programs to provide education and training to health care professionals in pain management and palliative care.

“(b) PRIORITY.—In making awards under subsection (a), the Secretary shall give priority to awards for the implementation of programs under such subsection.

“(c) CERTAIN TOPICS.—An award may be made under subsection (a) only if the applicant for the award agrees that the program to be carried out with the award will include information and education on—

“(1) means for diagnosing and alleviating pain and other distressing signs and symptoms of patients, especially terminally ill patients, including the medically appropriate use of controlled substances;

“(2) applicable laws on controlled substances, including laws permitting health care professionals to dispense or administer controlled substances as needed to relieve



pain even in cases where such efforts may unintentionally increase the risk of death; and

“(3) recent findings, developments, and improvements in the provision of pain management and palliative care.

“(d) PROGRAM SITES.—Education and training under subsection (a) may be provided at or through health professions schools, residency training programs and other graduate programs in the health professions, entities that provide continuing medical education, hospices, and such other programs or sites as the Secretary determines to be appropriate.

“(e) EVALUATION OF PROGRAMS.—The Secretary shall (directly or through grants or contracts) provide for the evaluation of programs implemented under subsection (a) in order to determine the effect of such programs on knowledge and practice regarding pain management and palliative care.

“(f) PEER REVIEW GROUPS.—In carrying out section 799(f) with respect to this section, the Secretary shall ensure that the membership of each peer review group involved includes individuals with expertise and experience in pain management and palliative care for the population of patients whose needs are to be served by the program.

“(g) DEFINITION.—In this section, the term ‘pain management and palliative care’ means—

“(1) the active, total care of patients whose disease or medical condition is not responsive to curative treatment or whose prognosis is limited due to progressive, far-advanced disease; and

“(2) the evaluation, diagnosis, treatment, and management of primary and secondary pain, whether acute, chronic, persistent, intractable, or associated with the end of life; the purpose of which is to diagnose and alleviate pain and other distressing signs and symptoms and to enhance the quality of life, not to hasten or postpone death.”

(b) AUTHORIZATION OF APPROPRIATIONS; ALLOCATION.—

(1) IN GENERAL.—Section 758 of the Public Health Service Act (as redesignated by subsection (a)(1) of this section) is amended, in subsection (b)(1)(C), by striking “sections 753, 754, and 755” and inserting “sections 753, 754, 755, and 756”.

(2) AMOUNT.—With respect to section 758 of the Public Health Service Act (as redesignated by subsection (a)(1) of this section), the dollar amount specified in subsection (b)(1)(C) of such section is deemed to be increased by \$5,000,000.

#### SEC. 103. DECADE OF PAIN CONTROL AND RESEARCH.

The calendar decade beginning January 1, 2001, is designated as the “Decade of Pain Control and Research”.

#### SEC. 104. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act.

### TITLE II—USE OF CONTROLLED SUBSTANCES CONSISTENT WITH THE CONTROLLED SUBSTANCES ACT

#### SEC. 201. REINFORCING EXISTING STANDARD FOR LEGITIMATE USE OF CONTROLLED SUBSTANCES.

(a) IN GENERAL.—Section 303 of the Controlled Substances Act (21 U.S.C. 823) is amended by adding at the end the following: “(i)(1) For purposes of this Act and any regulations to implement this Act, alleviating pain or discomfort in the usual course of professional practice is a legitimate medical purpose for the dispensing, distributing, or administering of a controlled substance that is consistent with public health and safety, even if the use of such a substance may increase the risk of death. Nothing in this section authorizes inten-

tionally dispensing, distributing, or administering a controlled substance for the purpose of causing death or assisting another person in causing death.

“(2)(A) Notwithstanding any other provision of this Act, in determining whether a registration is consistent with the public interest under this Act, the Attorney General shall give no force and effect to State law authorizing or permitting assisted suicide or euthanasia.

“(B) Paragraph (2) applies only to conduct occurring after the date of enactment of this subsection.

“(3) Nothing in this subsection shall be construed to alter the roles of the Federal and State governments in regulating the practice of medicine. Regardless of whether the Attorney General determines pursuant to this section that the registration of a practitioner is inconsistent with the public interest, it remains solely within the discretion of State authorities to determine whether action should be taken with respect to the State professional license of the practitioner or State prescribing privileges.

“(4) Nothing in the Pain Relief Promotion Act of 2000 (including the amendments made by such Act) shall be construed—

“(A) to modify the Federal requirements that a controlled substance be dispensed only for a legitimate medical purpose pursuant to paragraph (1); or

“(B) to provide the Attorney General with the authority to issue national standards for pain management and palliative care clinical practice, research, or quality; except that the Attorney General may take such other actions as may be necessary to enforce this Act.”

(b) PAIN RELIEF.—Section 304(c) of the Controlled Substances Act (21 U.S.C. 824(c)) is amended—

(1) by striking “(c) Before” and inserting the following:

“(c) PROCEDURES.—

“(1) ORDER TO SHOW CAUSE.—Before”; and

(2) by adding at the end the following:

“(2) BURDEN OF PROOF.—At any proceeding under paragraph (1), where the order to show cause is based on the alleged intentions of the applicant or registrant to cause or assist in causing death, and the practitioner claims a defense under paragraph (1) of section 303(i), the Attorney General shall have the burden of proving, by clear and convincing evidence, that the practitioner’s intent was to dispense, distribute, or administer a controlled substance for the purpose of causing death or assisting another person in causing death. In meeting such burden, it shall not be sufficient to prove that the applicant or registrant knew that the use of controlled substance may increase the risk of death.”

#### SEC. 202. EDUCATION AND TRAINING PROGRAMS.

Section 502(a) of the Controlled Substances Act (21 U.S.C. 872(a)) is amended—

(1) by striking “and” at the end of paragraph (5);

(2) by striking the period at the end of paragraph (6) and inserting “; and”; and

(3) by adding at the end the following:

“(7) educational and training programs for Federal, State, and local personnel, incorporating recommendations, subject to the provisions of subsections (e) and (f) of section 902 of the Public Health Service Act, by the Secretary of Health and Human Services, on the means by which investigation and enforcement actions by law enforcement personnel may better accommodate the necessary and legitimate use of controlled substances in pain management and palliative care.

Nothing in this subsection shall be construed to alter the roles of the Federal and State governments in regulating the practice of medicine.”

#### SEC. 203. FUNDING AUTHORITY.

Notwithstanding any other provision of law, the operation of the diversion control fee account program of the Drug Enforcement Administration shall be construed to include carrying out section 303(i) of the Controlled Substances Act (21 U.S.C. 823(i)), as added by this Act, and subsections (a)(4) and (c)(2) of section 304 of the Controlled Substances Act (21 U.S.C. 824), as amended by this Act.

#### SEC. 204. EFFECTIVE DATE.

The amendments made by this title shall take effect on the date of enactment of this Act.●

By Mr. GRASSLEY (for himself and Mr. ROTH):

S. 2608. A bill to amend the Internal Revenue Code of 1986 to provide for the treatment of certain expenses of rural letter carriers; to the Committee on Finance.

#### LEGISLATION REGARDING THE TAXATION OF RURAL LETTER CARRIERS

● Mr. GRASSLEY. Mr. President, the U.S. Postal Service provides a vital and important communication link for the Nation and the citizens of my state of Iowa. Rural Letter Carriers play a special role and have a proud history as an important link in assuring the delivery of our mail. Rural Carriers first delivered the mail with their own horses and buggies, later with their own motorcycles, and now in their own vehicles. They are responsible for maintenance and operation of their vehicles in all types of weather and road conditions. In the winter, snow and ice is their enemy, while in the spring, the melting snow and ice causes potholes and washboard roads. In spite of these quite adverse conditions, rural letter carriers daily drive over 3 million miles and serve 24 million American families on over 66,000 routes.

Although the mission of rural carriers has not changed since the horse and buggy days, the amount of mail they deliver has, as the Nation’s mail volume has continued to increase throughout the years, the Postal Service is now delivering more than 200 billion pieces of mail a year. The average carrier delivers about 2,300 pieces of mail a day to about 500 addresses. Most recently, e-commerce has changed the type of mail rural carriers deliver. This fact was confirmed in a recent GAO study entitled “U.S. Postal Service: Challenges to Sustaining Performance Improvements Remain Formidable on the Brink of the 21st Century,” dated October 21, 1999. As this report explains, the Postal Service expects declines in its core business, which is essentially letter mail, in the coming years. The growth of e-mail on the Internet, electronic communications, and electronic commerce has the potential to substantially affect the Postal Service’s mail volume. First-Class mail has always been the bread and butter of the Postal Service’s revenue, but the amount of revenue from First-Class letters will decline in the next few years. However, e-commerce is providing the Postal Service with another opportunity to increase another part of

its business. That's because what individuals and companies order over the Internet must be delivered, sometimes by the Postal Service and often by rural carriers. Currently, the Postal Service has about 33 percent of the parcel business. Carriers are now delivering larger volumes of business mail, parcels, and priority mail packages. But, more parcel business will mean more cargo capacity will be necessary in postal delivery vehicles, especially in those owned and operated by rural letter carriers.

When delivering greeting cards or bills, or packages ordered over the Internet, Rural Letter Carriers use vehicles they currently purchase, operate and maintain. In exchange, they receive a reimbursement from the Postal Service. This reimbursement is called an Equipment Maintenance Allowance (EMA). Congress recognizes that providing a personal vehicle to deliver the U.S. Mail is not typical vehicle use. So, when a rural carrier is ready to sell such a vehicle, it's going to have little trade-in value because of the typically high mileage, extraordinary wear and tear, and the fact that it is probably right-hand drive. Therefore, Congress intended to exempt the EMA allowance from taxation in 1988 through a specific provision for rural mail carriers in the Technical and Miscellaneous Revenue Act of 1988. That provision allowed an employee of the U.S. Postal Service who was involved in the collection and delivery of mail on a rural route, to compute their business use mileage deduction as 150 percent of the standard mileage rate for all business use mileage. As an alternative, rural carrier taxpayers could elect to utilize the actual expense method (business portion of actual operation and maintenance of the vehicle, plus depreciation). If EMA exceeded the allowable vehicle expense deductions, the excess was subject to tax. If EMA fell short of the allowable vehicle expenses, a deduction was allowed only to the extent that the sum of the shortfall and all other miscellaneous itemized deductions exceeded two percent of the taxpayer's adjusted gross income.

The Taxpayers Relief Act of 1997 further simplified the tax returns of rural letter carriers. This act permits the EMA income and expenses "to wash," so that neither income nor expenses would have to be reported on a rural letter carrier's return. That simplified taxes for approximately 120,000 taxpayers, but the provision eliminated the option of filing the actual expense method for employee business vehicle expenses.

The lack of this option, combined with the dramatic changes the Internet has and will have on the mail, specifically on rural carriers and their vehicles, is a problem I believe Congress can and must address.

The mail mix is changing and already Postal Service management has, understandably, encouraged rural carriers to purchase larger right-hand drive vehi-

cles, such as Sports Utility Vehicles (SUVs), to handle the increase in parcel loads. Large SUVs are much more expensive than traditional vehicles, so without the ability to use the actual expense method and depreciation, rural carriers must use their salaries to cover vehicle expenses. Additionally, the Postal Service has placed 11,000 postal vehicles on rural routes, which means those carriers receive no EMA.

These developments have created a situation that is contrary to the historical congressional intent of using reimbursement to fund the government service of delivering mail, and also has created an inequitable tax situation for rural carriers. If actual business expenses exceed the EMA, a deduction for those expenses should be allowed. To correct this inequity, I am introducing a bill today, along with Senator ROTH, that would reinstate the ability of a rural letter carrier to choose between using the actual expense method for computing the deduction allowable for business use of a vehicle, or using the current practice of deducting the reimbursed EMA expenses.

Rural carriers perform a necessary and valuable service and face many changes and challenges in this new Internet era. Let us make sure that these public servants receive fair and equitable tax treatment as they perform their essential role in fulfilling the Postal Service's mandate of binding the Nation together.

I urge my colleagues to join Senator ROTH and myself in supporting this legislation.●

By Mr. CRAIG (for himself and Mr. CRAPO):

S. 2609. A bill to amend the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sport Fish Restoration Act to enhance the funds available for grants to States for fish and wildlife conservation projects, and to increase opportunities for recreational hunting, bow hunting, trapping, archery, and fishing, by eliminating chances for waste, fraud, abuse, maladministration, and unauthorized expenditures for administration and implementation of those acts, and for other purposes; to the Committee on Environment and Public Works.

THE WILDLIFE AND SPORT FISH RESTORATION PROGRAMS IMPROVEMENT ACT OF 2000

● Mr. CRAIG. Mr. President, I rise today to introduce legislation along with my colleague from Idaho, Senator CRAPO, that will eliminate government waste, conserve wildlife, and provide hunter safety opportunities.

We are all familiar with the Pittman-Robertson and Dingell-Johnson funds which impose an excise tax on firearms, archery equipment, and fishing equipment to conserve wildlife and provide funds to states for hunter safety programs. These funds were created decades ago with the support of both the sportsmen who pay the tax and the states who administer the projects.

The federal government collects the tax, which amounts to around half-a-

billion dollars a year, and is authorized to withhold a percentage of the funds for administration of the program. This is how it should be. However, thanks to the thorough oversight of the program by Mr. YOUNG of Alaska, Chairman of the House Committee on Resources, it was uncovered that the U.S. Fish and Wildlife Service, the agency charged with administering the program, abused the vagueness of the law in exactly what constituted an administrative expense.

Under current law, the Service is authorized to withhold approximately \$32 million a year to administer the program and, quite frankly, the law leaves it up to the Service as to what is an appropriate administrative expense. Mr. YOUNG discovered that the Service was spending this money on expenses that were outside the spirit of the law. These tax dollars paid by hunters and fishermen were being used for everything from foreign travel to grants to anti-hunting groups to endangered species programs that work against the interests of hunters. In addition, they created unauthorized grant programs, some of which have merit and are authorized in our bill, but all of which were created outside of the law.

Mr. President, I am not going to rehash all of the hearings that were held in the House on this issue. What I will say is that it was an embarrassment to the U.S. Fish and Wildlife Service, and, not until all but two members of the House supported legislation to fix the problems did the Service begin cooperating with Congress and admitting there were actions at the Service which they are not proud of.

In response to the waste, fraud, and abuse uncovered by his Committee, Mr. YOUNG introduced legislation to fix the problems. His legislation caps the administrative expenses at around half of the currently authorized level, sets in stone what is an authorized administrative expense, provides some specific money for hunter safety, authorizes a multi-state grant program, and creates a position of Assistant Director for Wildlife and Sport Fish Restoration Programs. His bill, H.R. 3671, passed the House on April 5th with an overwhelming vote of 423-2.

Mr. President, Senator CRAPO and I have taken the lead of the House by using their bill as a model and simply strengthened it for the sportsmen who pay the excise tax. By providing more money, \$15 million per year, for hunter safety programs and providing a total of \$7 million per year, \$2 million more than the House, for the Multi-State Conservation Grant Program, this bill ensures that the money that sportsmen pay for wildlife conservation and hunter safety is actually used for those purposes.

Mr. President, this is a win-win for everyone—for wildlife and for tax payers—and I urge my colleagues to support it and work for its quick enactment.●

Mr. CRAPO. Mr. President, I rise today to introduce the Wildlife and

Sport Fish Restoration Programs Improvement Act of 2000 with my colleague, Senator LARRY CRAIG, to bring accountability back to the U.S. Fish and Wildlife Service's administration of the Pittman-Robertson Wildlife Restoration Act and the Dingell-Johnson Sportfish Restoration Act. For years, the Fish and Wildlife Service has apparently misused millions of dollars from these accounts, betraying the trust of America's sportsman.

Congressional investigations and a General Accounting Office audit of the U.S. Fish and Wildlife Service have revealed that, contrary to existing law, money has been routinely diverted to administrative slush funds, withheld from states, and generally misused for purposes unrelated to either sportfishing or wildlife conservation. In addition, the GAO called the Division of Federal Aid, "if not the worst, one of the worst-managed programs we have encountered." As an avid outdoorsman, I am particularly disturbed by this abuse.

Since 1937, sportsman have willingly paid an excise tax on hunting, and later fishing, equipment. These hunters, shooters, and anglers paid this tax with the understanding that the money would be used for state fish and wildlife conservation programs. This partnership has been instrumental in providing generations of Americans a quality recreational experience. Through the years, it has been an experience that I have enjoyed with both my parents and my children.

The Federal Aid in Wildlife Restoration Program, commonly known as the Pittman-Robertson Act, provides funding for wildlife habitat restoration and improvement, wildlife management research, hunter education, and public target ranges. Funds for the Pittman-Robertson Act are derived from an 11 percent excise tax on sporting arms, ammunition, and archery equipment, and a 10 percent tax on handguns.

The Federal Aid in Sport Fish Restoration Program, often referred to as the Dingell-Johnson and Wallop-Breaux Acts, is funded through a 10 percent excise tax on fishing equipment and a 3 percent tax on electric trolling motors, sonar fish finders, taxes on motorboat fuels, and import duties on fishing and pleasure boats. Through the cost reimbursement program, states use these funds to enhance sport fishing. These enhancements come through fish stocking, acquisition and improvement of habitat educational programs, and development of recreational facilities that directly support sport fishing, such as boat ramps and fishing piers.

Under the law, revenue from these taxes are expected to be returned to state and local fish and game organizations for programs to manage and enhance sport fish and game species. The Fish and Wildlife Service is supposed to deduct only the cost of administering the programs, up to 8 percent of Pittman-Robertson revenues and 6 percent of Dingell-Johnson funds.

Unfortunately, these funds have been misdirected and misused by the Fish and Wildlife Service. Through their investment in the Federal Aid program, America's hunters and fisherman have proved themselves to be our nation's true conservationists. Through its misuse of these funds, the Fish and Wildlife Service has proven itself to be a negligent steward of the public trust.

The Wildlife and Sport Fish Restoration Programs Improvement Act, would restore accountability to the administration of Federal Aid funds. By limiting the amount of revenue that may be used on administration, and the accounts that these funds may be used for, this bill will reign in the opportunities for misuse by the Fish and Wildlife Service. Our legislation will also make legal a multi-state conservation grant program to allow streamlined funding for projects that involve multiple states. Additionally, the bill will increase funding for firearm and bow hunter safety programs.

This bill seeks to re-establish a trust between the hunters and anglers who pay the excise taxes and the federal government. It is an opportunity to repair a system that has been lauded as one of the nation's most successful conservation efforts. I hope my colleagues will join with us in a bipartisan effort to restore accountability and responsibility to the Federal Aid programs and the Fish and Wildlife Service.

By Mr. HARKIN (for himself, Mr. THOMAS, Mr. CRAIG, and Mr. FEINGOLD):

S. 2610. A bill to amend title XVIII of the Social Security Act to improve the provision of items and services provided to Medicare beneficiaries residing in rural areas; to the Committee on Finance.

THE MEDICARE FAIRNESS IN REIMBURSEMENT ACT OF 2000

• Mr. HARKIN. Mr. President, I am pleased to be joined today by my colleagues, Senator THOMAS, Senator CRAIG and Senator FEINGOLD, to introduce the "Medicare Fairness in Reimbursement Act of 2000." This legislation addresses the terrible unfairness that exists today in Medicare payment policy.

According to the latest Medicare figures, Medicare payments per beneficiary by state of residence ranged from slightly more than \$3000 to well in excess of \$6500. For example, in Iowa, the average Medicare payment was \$3456, nearly a third less than the national average of \$5,034. In Wyoming the situation is worse, with an average payment of approximately \$3200.

This payment inequity is unfair to seniors in Iowa and Wyoming, and it is unfair to rural beneficiaries everywhere. The citizens of my home state pay the same Medicare payroll taxes required of every American taxpayer. Yet they get dramatically less in return.

Ironically, rural citizens are not penalized by the Medicare program be-

cause they practice inefficient, high cost medicine. The opposite is true. The low payment rates received in rural areas are in large part a result of their historic conservative practice of health care. In the early 1980's rural states' lower-than-average costs were used to justify lower payment rates, and Medicare's payment policies since that time have only widened the gap between low- and high-cost states.

Mr. President, late last year I wrote to the Health Care Financing Administration (HCFA) and I asked them a simple question. I asked their actuaries to estimate for me the impact on Medicare's Trust Funds, which at that time were scheduled to go bankrupt in 2015, if average Medicare payments to all states were the same as Iowa's.

I've always thought Iowa's reimbursement level was low. But HCFA's answer surprised even me. The actuaries found that if all states were reimbursed at the same rate as Iowa, Medicare would be solvent for at least 75 years, 60 years beyond their projections.

I'm not suggesting that all states should be brought down to Iowa's level. But there is no question that the long-term solvency of the Medicare program is of serious national concern. And as Congress considers ways to strengthen and modernize the Medicare program, the issue of unfair payment rates needs to be on the table.

The bill we are introducing today, the "Medicare Fairness in Reimbursement Act of 2000" sends a clear signal. These historic wrongs must be righted. Before any Medicare reform bill passes Congress, I intend to make sure that rural beneficiaries are guaranteed access to the same quality health care services of their urban counterparts.

Mr. President, our legislation does the following:

Requires HCFA to improve the fairness of payments under the original Medicare fee-for-services system by adjusting payments for items and services so that no state is greater than 105% above the national average, and no state is below 95% of the national average. An estimated 30 states would benefit under these adjustments, based on 1998 data from the Ways and Means Green Book.

Requires improvements in the collection and use of hospital wage data by occupational category. Experts agree the current system of collecting hospital data "lowballs" the payment received by rural hospitals. Large urban hospitals are overcompensated today because they have a much higher number of highly-paid specialists and subspecialists on their staff, while small rural hospitals tend to have more generalists, who aren't as highly paid.

Ensures that beneficiaries are held harmless in both payments and services.

Ensures budget neutrality.

Automatically results in adjustment of Medicare managed care payments to reflect increased equity between rural and urban areas.

This legislation simply ensures basic fairness in our Medicare payment policy. I urge my Senate colleagues, no matter what state you're from, to consider our bill and join us in supporting this common sense Medicare reform. Thank you.

Mr. President, I ask unanimous consent that the text of our bill be printed in the RECORD.

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

S. 2610

*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 "Medicare Fairness in Reimbursement Act of 2000".

**SEC. 2. IMPROVING FAIRNESS OF PAYMENTS UNDER THE MEDICARE FEE-FOR-SERVICE PROGRAM.**

(a) Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by adding at the end the following new sections:

**"IMPROVING FAIRNESS OF PAYMENTS UNDER THE ORIGINAL MEDICARE FEE-FOR-SERVICE PROGRAM**

**"SEC. 1897. (a) ESTABLISHMENT OF SYSTEM.**—Notwithstanding any other provision of law, the Secretary shall establish a system for making adjustments to the amount of payment made to entities and individuals for items and services provided under the original medicare fee-for-service program under parts A and B.

**"(b) SYSTEM REQUIREMENTS.**—

**"(1) ADJUSTMENTS.**—Under the system described in subsection (a), the Secretary (beginning in 2001) shall make the following adjustments:

**"(A) CERTAIN STATES ABOVE NATIONAL AVERAGE.**—If a State average per beneficiary amount for a year is greater than 105 percent (or 110 percent in the case of the determination made in 2000) of the national average per beneficiary amount for such year, then the Secretary shall reduce the amount of applicable payments in such a manner as will result (as estimated by the Secretary) in the State average per beneficiary amount for the subsequent year being at 105 percent (or 110 percent in the case of payments made in 2001) of the national average per beneficiary amount for such subsequent year.

**"(B) CERTAIN STATES BELOW NATIONAL AVERAGE.**—If a State average per beneficiary amount for a year is less than 95 percent (or 90 percent in the case of the determination made in 2000) of the national average per beneficiary amount for such year, then the Secretary shall increase the amount of applicable payments in such a manner as will result (as estimated by the Secretary) in the State average per beneficiary amount for the subsequent year being at 95 percent (or 90 percent in the case of payments made in 2001) of the national average per beneficiary amount for such subsequent year.

**"(2) DETERMINATION OF AVERAGES.**—

**"(A) STATE AVERAGE PER BENEFICIARY AMOUNT.**—Each year (beginning in 2000), the Secretary shall determine a State average per beneficiary amount for each State which shall be equal to the Secretary's estimate of the average amount of expenditures under the original medicare fee-for-service program under parts A and B for the year for a beneficiary enrolled under such parts that resides in the State

**"(B) NATIONAL AVERAGE PER BENEFICIARY AMOUNT.**—Each year (beginning in 2000), the Secretary shall determine the national average per beneficiary amount which shall be

equal to the average of the State average per beneficiary amounts determined under subparagraph (B) for the year.

**"(3) DEFINITIONS.**—In this section:

**"(A) APPLICABLE PAYMENTS.**—The term 'applicable payments' means payments made to entities and individuals for items and services provided under the original medicare fee-for-service program under parts A and B to beneficiaries enrolled under such parts that reside in the State.

**"(B) STATE.**—The term 'State' has the meaning given such term in section 210(h).

**"(c) BENEFICIARIES HELD HARMLESS.**—The provisions of this section shall not effect—

**"(1) the entitlement to items and services of a beneficiary under this title, including the scope of such items and services; or**

**"(2) any liability of the beneficiary with respect to such items and services.**

**"(d) REGULATIONS.**—

**"(1) IN GENERAL.**—The Secretary, in consultation with the Medicare Payment Advisory Commission, shall promulgate regulations to carry out this section.

**"(2) PROTECTING RURAL COMMUNITIES.**—In promulgating the regulations pursuant to paragraph (1), the Secretary shall give special consideration to rural areas.

**"(e) BUDGET NEUTRALITY.**—The Secretary shall ensure that the provisions contained in this section do not cause the estimated amount of expenditures under this title for a year to increase or decrease from the estimated amount of expenditures under this title that would have been made in such year if this section had not been enacted.

**"IMPROVEMENTS IN COLLECTION AND USE OF HOSPITAL WAGE DATA**

**"SEC. 1898. (a) COLLECTION OF DATA.**—

**"(1) IN GENERAL.**—The Secretary shall establish procedures for improving the methods used by the Secretary to collect data on employee compensation and paid hours of employment for hospital employees by occupational category.

**"(2) TIMEFRAME.**—The Secretary shall implement the procedures described in paragraph (1) by not later than 180 days after the date of enactment of the Rural Health Protection and Improvement Act of 2000.

**"(b) ADJUSTMENT TO HOSPITAL WAGE LEVEL.**—By not later than 1 year after the date of enactment of the Rural Health Protection and Improvement Act of 2000, the Secretary shall make necessary revisions to the methods used to adjust payments to hospitals for different area wage levels under section 1886(d)(3)(E) to ensure that such methods take into account the data described in subsection (a)(1).

**"(c) LIMITATION.**—To the extent possible, in making the revisions described in subsection (b), the Secretary shall ensure that current rules regarding which hospital employees are included in, or excluded from, the determination of the hospital wage levels are not affected by such revisions.

**"(d) BUDGET NEUTRALITY.**—The Secretary shall ensure that any revisions made under subsection (b) do not cause the estimated amount of expenditures under this title for a year to increase or decrease from the estimated amount of expenditures under this title that would have been made in such year if the Secretary had not made such revisions."•

• Mr. THOMAS. Mr. President, I rise today to join my colleagues in introducing the "Medicare Fairness in Reimbursement Act of 2000," which specifically addresses the current payment inequities of the Medicare program. I am pleased to have worked with Mr. HARKIN, Mr. CRAIG, and Mr. FEINGOLD in crafting this bill for rural Medicare beneficiaries.

This bill directs the Secretary of the Department of Health and Human Services to establish a payment system for Medicare's Part A and B fee-for-service programs that guarantees each state's average per beneficiary amount is within 95 percent and 105 percent of the national average. The reason for this seemingly drastic action is because the current payment disparities between states is unacceptable. According to 1998 data, Wyoming's per beneficiary spending is 36 percent below the national average of \$5,000 while some other states receive almost 36 percent above the national average.

Mr. President, I understand that there are some legitimate cost differences among states in providing health care services to our seniors, but I do not believe there is justification for an inequity of this size. Seniors in Wyoming and other rural states have paid the same Medicare tax over the years as beneficiaries residing in urban states. However, the current Medicare payment system does not reflect the equal contributions made by all seniors.

The other section of this legislation requires the Secretary to make adjustments to the hospital wage index under the prospective payment system after developing and implementing improved methods for collecting the necessary hospital employee data.

I believe this legislation is an important piece of the overall Medicare reform puzzle. I feel strongly that any final legislation approved by the Senate to ensure Medicare is financially stable for current and future generations must also ensure all beneficiaries are treated fairly and equitably. Mr. President, the current system is not only far from long-term solvency, it is far from fair, especially to seniors living in rural states such as Wyoming."•

By Mr. LEVIN:

S. 2611. A bill to provide trade adjustment assistance for certain workers; to the Committee on Finance.

**TRADE ADJUSTMENT ASSISTANCE LEGISLATION**

• Mr. LEVIN. Mr. President, I rise today to introduce a bill that will close a loop hole in the Trade Adjustment Assistance program for employees of the Copper Range Company, formerly the White Pine Company, a copper mine in White Pine, Michigan. My legislation will extend TAA benefits to those employees who were responsible for performing the environmental remediation that was required to close the facility.

My legislation is needed because these employees were unfairly excluded from the TAA certification that applied to other workers at the facility simply because the service they provide, environmental remediation, does not technically support the production of the article that the mine produced: copper. My legislation simply extends TAA coverage to those few workers

who remained at the facility with responsibility for the environmental remediation necessary to close the facility.

The Copper Range Company received NAFTA-TAA certification in 1995 when it began closing down. The company was still in the process of closing down in 1997 and received re-certification at that time. As of the end of 1999, there were still workers at the plant engaged in the final stages of closing down. Their work consisted of environmental remediation. When the plant applied for re-certification in September for purposes of covering these workers, the Department of Labor (DoL) denied the request because DoL said that the remaining workers were not performing a job ending because of transplant to another NAFTA country; they were performing environmental remediation, not production of copper.

Mr. President, this is an unfair catch-22 situation that must be rectified legislatively. The legislation I am introducing today would provide those few employees involved in the final stages of closing down the mine with the same TAA benefits their co-workers received. The total number of workers at issue is small and my legislative fix is straightforward. I hope this legislation can be adopted quickly so that these Michigan workers who have fallen through the cracks can access the TAA benefits they rightfully deserve.

I ask unanimous consent that the bill be printed in its entirety in the RECORD.

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

S. 2611

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

**SECTION 1. TRADE ADJUSTMENT ASSISTANCE.**

(a) CERTIFICATION OF ELIGIBILITY FOR WORKERS REQUIRED FOR CLOSURE OF FACILITY.—

(1) IN GENERAL.—Notwithstanding any other provision of law or any decision by the Secretary of Labor denying certification or eligibility for certification for adjustment assistance under title II of the Trade Act of 1974, a qualified worker described in paragraph (2) shall be certified by the Secretary as eligible to apply for adjustment assistance under such title II.

(2) QUALIFIED WORKER.—For purposes of this subsection, a “qualified worker” means a worker who—

(A) was determined to be covered under Trade Adjustment Assistance Certification TA-W-31,402; and

(B) was necessary for the environmental remediation or closure of a copper mining facility.

(b) EFFECTIVE DATE.—The amendment made by this section shall take effect on the date of enactment of this Act.●

By Mr. GRAHAM (for himself,  
Mr. GRASSLEY, Mr. THOMAS, Mr.  
BIDEN, and Mr. BAYH):

S. 2612. A bill to combat Ecstasy trafficking, distribution, and abuse in the United States, and for other purposes; to the Committee on the Judiciary.

THE ECSTASY ANTI-PROLIFERATION ACT OF 2000

● Mr. GRAHAM. Mr. President, I rise today, along with my colleagues, to introduce the Ecstasy Anti-Proliferation Act of 2000—legislation to combat the recent rise in trafficking, distribution and abuse of MDMA, a drug commonly known as Ecstasy.

The Office of National Drug Control Policy's Year 2000 Annual Report on the National Drug Control Strategy clearly states that the use of Ecstasy is on the rise in the United States, particularly among teenagers and young professionals. My state of Florida has been particularly hard hit by this plague. Ecstasy is customarily sold and consumed at “raves,” which are semi-clandestine, all-night parties and concerts. Young Americans are lulled into a belief that Ecstasy, and other designer drugs are “safe” ways to get high, escape reality, and enhance intimacy in personal relationships. The drug traffickers make their living off of perpetuating and exploiting this myth.

Mr. President, I want to be perfectly clear in stating that Ecstasy is an extremely dangerous drug. In my state alone, 189 deaths have been attributed to the use of club drugs in the last three years. In 33 of those deaths, Ecstasy was the most prevalent drug, of several, in the individual's system. Seven deaths were caused by Ecstasy alone. In the first four months of this year there have already been six deaths directly attributed to Ecstasy. This drug is a definite killer.

Numerous data also reflect the increasing availability of Ecstasy in metropolitan centers and suburban communities. In a speech to the Federal Law Enforcement Foundation earlier this year, Customs Commissioner Raymond Kelly stated that in the first few months of fiscal year 2000, the Customs Service had already seized over four million Ecstasy tablets. He estimates that the number will grow to at least eight million tablets by the end of the year which represents a substantial increase from the 500,000 tablets seized in fiscal year 1997.

The lucrative nature of Ecstasy encourages its importation. Production costs are as low as two to twenty-five cents per dose while retail prices in the U.S. range from twenty dollars to forty-five dollars per dose. Manufactured mostly in Europe—in nations such as The Netherlands, Belgium, and Spain where pill presses are not controlled as they are in the U.S.—Ecstasy has erased all of the old routes law enforcement has mapped out for the smuggling of traditional drugs.

Under current federal sentencing guidelines, one gram of Ecstasy is equivalent to only 35 grams of marijuana. In contrast, one gram of methamphetamine is equivalent to two kilograms of marijuana. This results in relatively short periods of incarceration for individuals sentenced for Ecstasy-related crimes. When the potential profitability of this drug is compared

to the potential punishment, it is easy to see what makes Ecstasy extremely attractive to professional smugglers.

Mr. President, the Ecstasy Anti-Proliferation Act of 2000 addresses this growing and disturbing problem. First, the bill increases the base level offense for Ecstasy-related crimes, making them equal to those of methamphetamine. This provision also accomplishes the goal of effectively lowering the amount of Ecstasy required for prosecution under the laws governing possession with the intent to distribute by sending a message to Federal prosecutors that this drug is a serious threat.

Second, by addressing law enforcement and community education programs, this bill will provide for an Ecstasy information campaign. Through this campaign, our hope is that Ecstasy will soon go the way of crack, which saw a dramatic reduction in the quantities present on our streets after information of its unpredictable impurities and side effects were made known to a wide audience. By using this educational effort we hope to avoid future deaths like the one columnist Jack Newfield wrote about in saddening detail.

It involved an 18-year-old who died after taking Ecstasy in a club where the drug sold for \$25 a tablet and water for \$5 a bottle. Newfield speaks of how the boy tried to suck water from the club's bathroom tap that had been turned off so that those with drug induced thirst would be forced to buy the bottled water.

Mr. President, the Ecstasy Anti-Proliferation Act of 2000 can only help in our fight against drug abuse in the United States. We urge our colleagues in the Senate to join us in this important effort by cosponsoring this bill.●

● Mr. GRASSLEY. Mr. President, I am pleased to be joining my colleague, Senator GRAHAM, to cosponsor the Ecstasy Anti-Proliferation Act of 2000. This legislation is vital for the safety of our children and our nation. Around the country, Ecstasy use is exploding at an alarming rate from our big cities to our rural neighborhoods. According to Customs officials, Ecstasy is spreading faster than any drug since crack cocaine. This explosion of Ecstasy smuggling has prompted Customs to create a special task force, that focuses exclusively on the designer drug.

Along with my colleague Senator GRAHAM, I believe it is important that we act to stop the spread of this drug. I join with Senator GRAHAM in urging our colleagues to support the Ecstasy Anti-Proliferation Act of 2000, and pass this measure quickly. By enacting this important bill, we will get drug dealers out of the lives of our young people and alert the public to the dangers of Ecstasy.●

Mr. BIDEN. Mr. President, there is a new drug on the scene—Ecstasy, a synthetic stimulant and hallucinogen. It belongs to a group of drugs referred to

as “club drugs” because they are associated with all-night dance parties known as “raves.”

There is a widespread misconception that Ecstasy is not a dangerous drug—that it is “no big deal.” I am here to tell you that Ecstasy is a very big deal. The drug depletes the brain of serotonin, the chemical responsible for mood, thought, and memory. Studies show that Ecstasy use can reduce serotonin levels by up to 90 percent for at least two weeks after use and can cause brain damage.

If that isn't a big deal, I don't know what is.

A few months ago we got a significant warning sign that Ecstasy use is becoming a real problem. The University of Michigan's Monitoring the Future survey, a national survey measuring drug use among students, reported that while overall levels of drug use had not increased, past month use of Ecstasy among high school seniors increased more than 66 percent.

The survey showed that nearly six percent of high school seniors have used Ecstasy in the past year. This may sound like a small number, so let me put it in perspective—it is just slightly less than the percentage of seniors who used cocaine and it is five times the number of seniors who used heroin.

And with the supply of Ecstasy increasing as rapidly as it is, the number of kids using this drug is only likely to increase. By April of this year, the Customs Service had already seized 4 million Ecstasy pills—greater than the total amount seized in all of 1999 and more than five times the amount seized in all of 1998.

Though New York is the East Coast hub for this drug, it is spreading quickly throughout the country. Last July, in my home state of Delaware, law enforcement officials seized 900 Ecstasy pills in Rehoboth Beach. There are also reports of an Ecstasy problem in Newark among students at the University of Delaware.

We need to address this problem now, before it gets any worse. That is why I am pleased to join Senators GRAHAM, GRASSLEY and THOMAS to introduce the “Ecstasy Anti-Proliferation Act of 2000” today. The legislation takes the steps—both in terms of law enforcement and prevention—to address this problem in a serious way before it gets any worse.

The legislation directs the federal Sentencing Commission to increase the recommended penalties for manufacturing, importing, exporting or trafficking Ecstasy. Though Ecstasy is a Schedule I drug—and therefore subject to the most stringent federal penalties—not all Schedule I drugs are treated the same in our sentencing guidelines. For example, selling a kilogram of marijuana is not as serious an offense as selling a kilogram of heroin. The sentencing guidelines differentiate between the severity of drugs—as they should.

But the current sentencing guidelines do not recognize how dangerous Ecstasy really is.

Under current federal sentencing guidelines, one gram of Ecstasy is treated like 35 grams of marijuana. Under the “Ecstasy Anti-Proliferation Act”, one gram of Ecstasy would be treated like 2 kilograms of marijuana. This would make the penalties for Ecstasy similar to those for methamphetamine.

The legislation also authorizes a major prevention campaign in schools, communities and over the airwaves to make sure that everyone—kids, adults, parents, teachers, cops, clergy, etc.—know just how dangerous this drug really is. We need to dispel the myth that Ecstasy is not a dangerous drug because, as I stated earlier, this is a substance that can cause brain damage and can even result in death. We need to spread the message so that kids know the risk involved with taking Ecstasy, what it can do to their bodies, their brains, their futures. Adults also need to be taught about this drug—what it looks like, what someone high on Ecstasy looks like, and what to do if they discover that someone they know is using it.

Mr. President, I have come to the floor of the United States Senate on numerous occasions to state what I view as the most effective way to prevent a drug epidemic. My philosophy is simple: the best time to crack down on a drug with uncompromising enforcement pressure is before the abuse of the drug has become rampant. The advantages of doing so are clear—there are fewer pushers trafficking in the drug and, most important, fewer lives and fewer families will have suffered from the abuse of the drug.

It is clear that Ecstasy use is on the rise. Now is the time to act before Ecstasy use becomes our next drug epidemic. I urge my colleagues to join me in supporting this legislation and passing it quickly so that we can address the escalating problem of Ecstasy use before it gets any worse.

By Mr. THURMOND (for himself and Mr. HOLLINGS):

S. 2614. A bill to amend the Harmonized Tariff Schedule of the United States to provide for duty-free treatment on certain manufacturing equipment; to the Committee on Finance.

TO SUSPEND THE DUTY ON CERTAIN EQUIPMENT USED IN THE MANUFACTURING INDUSTRY

Mr. THURMOND. Mr. President, I rise today to introduce a bill which will suspend the duties imposed on certain manufacturing equipment that is necessary for tire production. Currently, this equipment is imported for use in the United States because there are no known American producers. Therefore, suspending the duties on this equipment would not adversely affect domestic industries.

This bill would temporarily suspend the duty on tire manufacturing equipment required to make certain large

off-road tires that fall between the sizes currently fabricated in the United States. These tires would be used primarily in agriculture.

Mr. President, suspending the duty on this manufacturing equipment will benefit the consumer by stabilizing the costs of manufacturing these products. In addition to permitting new production in this country, these duty suspensions will allow U.S. manufacturers to maintain or improve their ability to compete internationally. I hope the Senate will consider this measure expeditiously.

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

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

S. 2614

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

**SECTION 1. SUSPENSION OF DUTY ON CERTAIN MANUFACTURING EQUIPMENT.**

(a) IN GENERAL.—Subheadings 9902.84.79, 9902.84.83, 9902.84.85, 9902.84.87, 9902.84.89, and 9902.84.91 of the Harmonized Tariff Schedule of the United States are each amended—

(1) by striking “4011.91.50” each place it appears and inserting “4011.91”;

(2) by striking “4011.99.40” each place it appears and inserting “4011.99”;

(3) by striking “86 cm” each place it appears and inserting “63.5 cm”.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to goods entered, or withdrawn from warehouse for consumption, on or after the date that is 15 days after the date of enactment of this Act.

By Mr. KENNEDY (for himself and Mrs. HUTCHISON):

S. 2615. A bill to establish a program to promote child literacy by making books available through early learning and other child care programs, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

THE BOOK STAMP ACT

• Mr. KENNEDY. Mr. President, literacy is the foundation of learning, but too many Americans today are not able to read a single sentence. Nearly 40 percent of the nation's children are unable to read at grade-level by the end of the third grade. In communities with high concentrations of at-risk children, the failure rate is an astonishing 60 percent. As a result, their entire education is likely to be derailed.

In the battle against literacy, it is not enough to reach out more effectively to school-aged children. We must start earlier—and reach children before they reach school. Pediatricians like Dr. Barry Zuckerman at the Boston Medical Center have been telling us for years that reading to children from birth through school age is a medical issue that should be raised at every well child visit, since a child's brain needs this kind of stimulation to grow to its full potential. Reading to young children in the years before age 5 has a profound effect on their ability

to learn to read. But too often the problem is that young children do not have access to books appropriate to their age. A recent study found that 60 percent of the kindergarten children who performed poorly in school did not own a single book.

The Book Stamp Act that Senator HUTCHISON and I are introducing today is a step to cure that problem. Our goal is to see that all children in this country have books of their own before they enter school.

Regardless of culture or wealth, one of the most important factors in the development of literacy is home access to books. Students from homes with an abundance of reading materials are substantially better readers than those with few or no reading materials available.

But it is not enough to just dump a book into a family's home. Since young children cannot read to themselves, we must make sure that an adult is available who interacts with the child and will read to the child.

In this day of two-parent working families, young children spend substantial time in child care and family care facilities, which provide realistic opportunities for promoting literacy. Progress is already being made on this approach. Child Care READS!, for example, is a national communications campaign aimed at raising the awareness of the importance of reading in child care settings.

The Book Stamp Act will make books available to children and parents through these child care and early childhood education programs.

The act authorizes an appropriation of \$50 million a year for this purpose. It also creates a special postage stamp, similar to the Breast Cancer Stamp, which will feature an early learning character, and will sell at a slightly higher rate than the normal 33 cents, with the additional revenues designated for the Book Stamp Program.

The resources will be distributed through the Child Care and Development Block Grant to the state child care agency in each state. The state agency then will allocate its funds to local child care research and referral agencies throughout the state on the basis of local need.

There are 610 such agencies in the country, with at least one in every state. These non-profit agencies, offer referral services for parents seeking child care, and also provide training for child care workers. The agencies will work with established book distribution programs such as First Book, Reading is Fundamental, and Reach Out and Read to coordinate the buying of discounted books and the distribution of the books to children.

Also, to help parents and child care providers become well informed about the best ways to read to children and the most effective use of books with children at various stages of development, the agencies will provide training and technical assistance on these issues.

Our goal is to work closely with parents, children, child care providers and publishers to put at least one book in the hands of every needy child in America. Together, we can make significant progress in early childhood literacy, and I believe we can make it quickly.

We know what works to combat illiteracy. We owe it to the nation's children and the nation's future to do all we can to win this battle.

Mr. President, I ask unanimous consent that the full text of the bill and the accompanying letters of support be printed in the RECORD.

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

S. 2615

*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 "Book Stamp Act".

**SEC. 2. FINDINGS.**

Congress finds the following:

(1) Literacy is fundamental to all learning.

(2) Between 40 and 60 percent of the Nation's children do not read at grade level, particularly children in families or school districts that are challenged by significant financial or social instability.

(3) Increased investments in child literacy are needed to improve opportunities for children and the efficacy of the Nation's education investments.

(4) Increasing access to books in the home is an important means of improving child literacy, which can be accomplished nationally at modest cost.

(5) Effective channels for book distribution already exist through child care providers.

**SEC. 3. DEFINITION.**

In this Act:

(1) **EARLY LEARNING PROGRAM.**—The term "early learning", used with respect to a program, means a program of activities designed to facilitate development of cognitive, language, motor, and social-emotional skills in children under age 6 as a means of enabling the children to enter school ready to learn, such as a Head Start or Early Head Start program carried out under the Head Start Act (42 U.S.C. 9831 et seq.), or a State pre-kindergarten program.

(2) **SECRETARY.**—The term "Secretary" means the Secretary of Health and Human Services.

(3) **STATE.**—The term "State" means the 50 States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(4) **STATE AGENCY.**—The term "State agency" means an agency designated under section 658D of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858b).

**SEC. 4. GRANTS TO STATE AGENCIES.**

(a) **ESTABLISHMENT OF PROGRAM.**—The Secretary shall establish and carry out a program to promote child literacy and improve children's access to books at home and in early learning and other child care programs, by making books available through early learning and other child care programs.

(b) **GRANTS.**—

(1) **IN GENERAL.**—In carrying out the program, the Secretary shall make grants to State agencies from allotments determined under paragraph (2).

(2) **ALLOTMENTS.**—For each fiscal year, the Secretary shall allot to each State an amount that bears the same ratio to the total of the available funds for the fiscal year as the amount the State receives under section 658O(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858m(b)) for the fiscal year bears to the total amount received by all States under that section for the fiscal year.

(c) **APPLICATIONS.**—To be eligible to receive an allotment under this section, a State shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

(d) **ACCOUNTABILITY.**—The provisions of sections 658I(b) and 658K(b) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858g(b), 9858i(b)) shall apply to States receiving grants under this Act, except that references in those sections—

(1) to a subchapter shall be considered to be references to this Act; and

(2) to a plan or application shall be considered to be references to an application submitted under subsection (c).

(e) **DEFINITION.**—In this section, the term "available funds", used with respect to a fiscal year, means the total of—

(1) the funds made available under section 416(c)(1) of title 39, United States Code for the fiscal year; and

(2) the amounts appropriated under section 9 for the fiscal year.

**SEC. 5. CONTRACTS TO CHILD CARE RESOURCE AND REFERRAL AGENCIES.**

A State agency that receives a grant under section 4 shall use funds made available through the grant to enter into contracts with local child care resource and referral agencies to carry out the activities described in section 6. The State agency may reserve not more than 3 percent of the funds made available through the grant to support a public awareness campaign relating to the activities.

**SEC. 6. USE OF FUNDS.**

(a) **ACTIVITIES.**—

(1) **BOOK PAYMENTS FOR ELIGIBLE PROVIDERS.**—A child care resource and referral agency that receives a contract under section 5 shall use the funds made available through the grant to provide payments for eligible early learning program and other child care providers, on the basis of local needs, to enable the providers to make books available, to promote child literacy and improve children's access to books at home and in early learning and other child care programs.

(2) **ELIGIBLE PROVIDERS.**—To be eligible to receive a payment under paragraph (1), a provider shall—

(A)(i) be a center-based child care provider, a group home child care provider, or a family child care provider, described in section 658P(5)(A) of the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858n(5)(A)); or

(ii) be a Head Start agency designated under section 641 of the Head Start Act (42 U.S.C. 9836), an entity that receives assistance under section 645A of such Act to carry out an Early Head Start program or another provider of an early learning program; and

(B) provide services in an area where children face high risks of literacy difficulties, as defined by the Secretary.

(b) **RESPONSIBILITIES.**—A child care resource and referral agency that receives a contract under section 5 to provide payments to eligible providers shall—

(1) consult with local individuals and organizations concerned with early literacy (including parents and organizations carrying out the Reach Out and Read, First Book, and

Reading Is Fundamental programs) regarding local book distribution needs;

(2) make reasonable efforts to learn public demographic and other information about local families and child literacy programs carried out by the eligible providers, as needed to inform the agency's decisions as the agency carries out the contract;

(3) coordinate local orders of the books made available under this Act;

(4) distribute, to each eligible provider that receives a payment under this Act, not fewer than 1 book every 6 months for each child served by the provider for more than 3 of the preceding 6 months;

(5) use not more than 5 percent of the funds made available through the contract to provide training and technical assistance to the eligible providers on the effective use of books with young children at different stages of development; and

(6) be a training resource for eligible providers that want to offer parent workshops on developing reading readiness.

(c) DISCOUNTS.—

(1) IN GENERAL.—Federal funds made available under this Act for the purchase of books may only be used to purchase books on the same terms as are customarily available in the book industry to entities carrying out nonprofit bulk book purchase and distribution programs.

(2) TERMS.—An entity offering books for purchase under this Act shall be present to have met the requirements of paragraph (1), absent contrary evidence, if the terms include a discount of 43 percent off the catalogue price of the books, with no additional charge for shipping and handling of the books.

(d) ADMINISTRATION.—The child care resource and referral agency may not use more than 6 percent of the funds made available through the contract for administrative costs.

**SEC. 7. REPORT TO CONGRESS.**

Not later than 2 years of the date of enactment of this Act, the Secretary shall prepare and submit to Congress a report on the implementation of the activities carried out under this Act.

**SEC. 8. SPECIAL POSTAGE STAMPS FOR CHILD LITERACY.**

Chapter 4 of title 39, United States Code is amended by adding at the end the following: "**§ 416. Special postage stamps for child literacy**

"(a) In order to afford the public a convenient way to contribute to funding for child literacy, the Postal Service shall establish a special rate of postage for first-class mail under this section. The stamps that bear the special rate of postage shall promote childhood literacy and shall, to the extent practicable, contain an image relating to a character in a children's book or cartoon.

"(b)(1) The rate of postage established under this section—

"(A) shall be equal to the regular first-class rate of postage, plus a differential of not to exceed 25 percent;

"(B) shall be set by the Governors in accordance with such procedures as the Governors shall by regulation prescribe (in lieu of the procedures described in chapter 36); and

"(C) shall be offered as an alternative to the regular first-class rate of postage.

"(2) The use of the special rate of postage established under this section shall be voluntary on the part of postal patrons.

"(c)(1) Of the amounts becoming available for child literacy pursuant to this section, the Postal Service shall pay 100 percent to the Department of Health and Human Services.

"(2) Payments made under this subsection to the Department shall be made under such

arrangements as the Postal Service shall by mutual agreement with such Department establish in order to carry out the objectives of this section, except that, under those arrangements, payments to such agency shall be made at least twice a year.

"(3) In this section, the term 'amounts becoming available for child literacy pursuant to this section' means—

"(A) the total amounts received by the Postal Service that the Postal Service would not have received but for the enactment of this section; reduced by

"(B) an amount sufficient to cover reasonable costs incurred by the Postal Service in carrying out this section, including costs attributable to the printing, sale, and distribution of stamps under this section,

as determined by the Postal Service under regulations that the Postal Service shall prescribe.

"(d) It is the sense of Congress that nothing in this section should—

"(1) directly or indirectly cause a net decrease in total funds received by the Department of Health and Human Services, or any other agency of the Government (or any component or program of the Government), below the level that would otherwise have been received but for the enactment of this section; or

"(2) affect regular first-class rates of postage or any other regular rates of postage.

"(e) Special postage stamps made available under this section shall be made available to the public beginning on such date as the Postal Service shall by regulation prescribe, but in no event later than 12 months after the date of enactment of this section.

"(f) The Postmaster General shall include in each report provided under section 2402, with respect to any period during any portion of which this section is in effect, information concerning the operation of this section, except that, at a minimum, each report shall include information on—

"(1) the total amounts described in subsection (c)(3)(A) that were received by the Postal Service during the period covered by such report; and

"(2) of the amounts described in paragraph (1), how much (in the aggregate and by category) was required for the purposes described in subsection (c)(3)(B).

"(g) This section shall cease to be effective at the end of the 2-year period beginning on the date on which special postage stamps made available under this section are first made available to the public."

**SEC. 9. AUTHORIZATION OF APPROPRIATIONS.**

There are authorized to be appropriated to carry out this Act \$50,000,000 for each of fiscal years 2001 through 2005.

CHILDREN'S DEFENSE FUND,  
E. STREET, NW,

Washington, DC, May 23, 2000.

Hon. EDWARD M. KENNEDY,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR KENNEDY: The Children's Defense Fund welcomes the introduction of the Book Stamp Act. This legislation make books available in early learning/child care programs for young children and their parents. Reading to young children on a regular basis is a first step to ensure that they become strong readers. This bill gives parents access to books to make it more likely for them to read to their children. Thank you for recognizing how important reading is for our youngest children.

Sincerely yours,  
MARIAN WRIGHT EDELMAN.

4 To 14.COM,

BROADWAY,

New York, NY, May 23, 2000.

Senator EDWARD M. KENNEDY,  
U.S. Senate,  
Washington, DC.

DEAR SENATOR: I sincerely commend you on your sponsoring the "Book Stamp" legislation.

As the CEO of a dot-com designed to help children learn, I am very aware of the "digital divide" that separates children from wealthier families from those growing up in poorer households. That disparity—that difference in opportunity—doesn't begin when children start using the computer and exploring the Internet. Rather, it starts much earlier, when very young children should have their first exposure and access exposed to books.

Unfortunately, far too many children—particularly children from lower income families—simply do not have books to call their own. They need books, lots of them, for brain development, to develop the basis and "habit" of reading, and to share in one of the true joys of childhood.

Ensuring that all children—particularly those under five years of age—have access to good books that they can call their own, is an essential ingredient of a healthy childhood. This legislation will help make that a reality.

As Susan Roman of the ALA once pointed out, "Books are the on-ramp to the information super-highway."

I commend you and Senator Hutchison for being real leaders in this crusade to make all children ready to meet the challenges of the 21st century.

Please let me know how I can help.

Sincerely,

STEVE COHEN,  
President.

ASSOCIATION OF AMERICAN  
PUBLISHERS, INC.,  
Washington, DC, May 23, 2000.

Hon. EDWARD M. KENNEDY,  
U.S. Senate,  
Washington, DC.

DEAR TED: The American publishing industry enthusiastically supports the "Book Stamp Act" introduced by you and Senator Hutchison today. This important and timely legislation acknowledges the fact that young minds need as much nourishing as young bodies.

Every September, some 40 percent of American children who start school are not literacy-ready and, for most, that educational gap never closes. From a growing body of research, we have begun to understand how important it is for very young children to have books in their lives. At BookExpo America on June 3, for the first time, a distinguished group of early literacy experts, pediatricians, child-development professionals and children's publishers will come together to explore ways of improving access to quality books for the 13 million pre-school-age children in daycare and early education programs. The "Book Stamp Act" couldn't come at a better time.

We congratulate you on the introduction of the "Book Stamp Act," and look forward to working with you to ensure its passage.

With warmest regards,

Sincerely,

PATRICIA S. SCHROEDER.

NATIONAL ASSOCIATION FOR THE  
EDUCATION OF YOUNG CHILDREN,  
Washington, DC, May 23, 2000.

Hon. EDWARD M. KENNEDY,  
Hon. KAY BAILEY HUTCHISON,  
U.S. Senate, Washington, DC.

DEAR SENATORS KENNEDY AND HUTCHISON: The National Association for the Education



of Young Children (NAEYC), representing over 100,000 individuals dedicated to excellence in early childhood education, commends you for your leadership in promoting early childhood literacy through the Book Stamps legislation you will introduce today.

Learning to read and write is critical to a child's success in school and later in life. One of the best predictors of whether a child will function competently in school and go on to contribute actively in our increasingly literate society is the level to which the child progresses in reading and writing. Although reading and writing abilities continue to develop throughout the life span, the early childhood years—from birth through age eight—are the most important period for literacy development. It is for this reason that the International Reading Association (IRA) and NAEYC joined together to formulate a position statement regarding early literacy development.

We are pleased that this bipartisan legislation will expand young children's access to books and support parent involvement in early literacy. By making books more affordable and accessible to young children in Head Start, in child care settings, and in their homes, we can help them not only learn to read and write, but also foster and sustain their interest in reading for their own enjoyment, information, and communication.

Sincerely,

ADELE ROBINSON,  
*Director of Policy Development.*

READING IS FUNDAMENTAL, INC.,  
*Washington, DC, May 23, 2000.*

DEAR SENATOR: Reading Is Fundamental's Board of Directors and staff urge you to support the passage of the Kennedy-Hutchison Book Stamp Act to help bridge the literacy gap for the nation's youngest and most at-risk children.

Educators, researchers and practitioners in the literacy arena have increasingly focused on the 0-5 age range as the key to helping the nation's neediest children enter school ready to read and learn. We know that focus and attention will give them a far better chance at succeeding in life than many of their parents and older siblings had.

At RIF, we have increased our focus on providing books and literacy enhancing programs and services in recent years and we are actively pursuing working relationships and partnerships with the childcare community. We have launched a pilot program to create effective training system, called Care to Read for childcare providers and other early childhood caregivers. That program is now ready to help these caregivers provide appropriate environmental and literacy enhancing experiences for children. We are anxious to engage with NACCRA in working out ways to link this training with the Book Stamp Act initiative and share RIF's resources to help make this program effective.

RIF now provides books and essential literacy services to nearly 1,000,000 children and we know the need is critical for significant infusions of books and services to help reduce illiteracy among this at-risk population. We urge your strong support.

Yours truly,

RICHARD E. SELLS,  
*Senior VP and Chief Operating Officer.*

#### ADDITIONAL COSPONSORS

S. 345

At the request of Mr. ALLARD, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 345, a bill to amend the

Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 429

At the request of Mr. DURBIN, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 429, a bill to designate the legal public holiday of "Washington's Birthday" as "Presidents' Day" in honor of George Washington, Abraham Lincoln, and Franklin Roosevelt and in recognition of the importance of the institution of the Presidency and the contributions that Presidents have made to the development of our Nation and the principles of freedom and democracy.

S. 779

At the request of Mr. ABRAHAM, the names of the Senator from Connecticut (Mr. DODD) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 779, a bill to provide that no Federal income tax shall be imposed on amounts received by Holocaust victims or their heirs.

S. 1118

At the request of Mr. SCHUMER, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1118, a bill to amend the Agricultural Market Transition Act to convert the price support program for sugarcane and sugar beets into a system of solely recourse loans to provide for the gradual elimination of the program.

S. 1155

At the request of Mr. ROBERTS, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1155, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide for uniform food safety warning notification requirements, and for other purposes.

S. 1159

At the request of Mr. STEVENS, the names of the Senator from Vermont (Mr. JEFFORDS), the Senator from Louisiana (Ms. LANDRIEU) and the Senator from Iowa (Mr. HARKIN) were added as cosponsors of S. 1159, a bill to provide grants and contracts to local educational agencies to initiate, expand, and improve physical education programs for all kindergarten through 12th grade students.

S. 1351

At the request of Mr. GRASSLEY, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1351, a bill to amend the Internal Revenue Code of 1986 to extend and modify the credit for electricity produced from renewable resources.

S. 1475

At the request of Mr. REED, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 1475, a bill to amend the Child Care and Development Block Grant Act of 1990 to provide incentive grants to improve the quality of child care.

S. 1487

At the request of Mr. AKAKA, the name of the Senator from Indiana (Mr.

LUGAR) was added as a cosponsor of S. 1487, a bill to provide for excellence in economic education, and for other purposes.

S. 1488

At the request of Mr. GORTON, the name of the Senator from Montana (Mr. BAUCUS) was added as a cosponsor of S. 1488, a bill to amend the Public Health Service Act to provide for recommendations of the Secretary of Health and Human Services regarding the placement of automatic external defibrillators in Federal buildings in order to improve survival rates of individuals who experience cardiac arrest in such buildings, and to establish protections from civil liability arising from the emergency use of the devices.

S. 1762

At the request of Mr. COVERDELL, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 1762, a bill to amend the Watershed Protection and Flood Prevention Act to authorize the Secretary of Agriculture to provide cost share assistance for the rehabilitation of structural measures constructed as part of water resources projects previously funded by the Secretary under such Act or related laws.

S. 1795

At the request of Mr. SMITH of New Hampshire, his name was added as a cosponsor of S. 1795, a bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes.

S. 1800

At the request of Mr. GRAHAM, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 1800, a bill to amend the Food Stamp Act of 1977 to improve onsite inspections of State food stamp programs, to provide grants to develop community partnerships and innovative outreach strategies for food stamp and related programs, and for other purposes.

S. 1810

At the request of Mrs. MURRAY, the name of the Senator from Florida (Mr. GRAHAM) was added as a cosponsor of S. 1810, a bill to amend title 38, United States Code, to clarify and improve veterans' claims and appellate procedures.

S. 1874

At the request of Mr. GRAHAM, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1874, a bill to improve academic and social outcomes for youth and reduce both juvenile crime and the risk that youth will become victims of crime by providing productive activities conducted by law enforcement personnel during non-school hours.

S. 1880

At the request of Mr. KENNEDY, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1880, a bill to amend the