Mr. PACKWOOD. Mr. President, I have been asked about further votes, at least for the next hour or so.

Senator DURENBERGER has an amendment which has been cleared on both sides, and we are prepared to accept it.

Senator CHILES has a sense-of-the-Senate resolution which I think he will offer but not ask for a vote on it. I do not know whether he will pursue it.

Those are two amendments we can get out of the way. Two more amendments have been withdrawn. So I think we have a good chance of finishing the amendments, with luck, perhaps by 3 o'clock, with no more than three or four votes.

Mr. DOLE. Mr. President, we have a matter we need to pass very quickly to get to the House. It will take about 1 minute. I ask unanimous consent that we may proceed out of order.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and it is so ordered.

AUTHORIZING CHANGES IN ENROLLMENT OF S. 2414

Mr. DOLE. Mr. President, I send to the desk a concurrent resolution on behalf of the distinguished Senator from South Carolina [Mr. THURMOND], and I ask for its consideration.

The PRESIDING OFFICER. The concurrent resolution will be stated by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 152) authorizing changes in the enrollment of S. 2414.

The PRESIDING OFFICER. Is there objection to the present consideration of the concurrent resolution?

Mr. BYRD. Mr. President, there is no objection to the immediate consideration of the resolution on this side.

There being no objection, the Senate proceeded to consider the concurrent resolution.

Mr. THURMOND. Mr. President, this is a concurrent resolution to authorize a change in the enrollment of S. 2414, amendments to S. 49, the Firearms Owners' Protection Act. As Senators will recall, both S. 49 and S. 2414 passed the Senate by unanimous voice vote on May 6, 1986.

This resolution will do nothing more than add language to S. 2414 that signifies the clear understanding reached by all relevant parties prior to its passage. I offer this concurrent resolution to express our agreement that the provisions of S. 2414 were offered to amend three sections of S. 49, the Firearm Owners' Protection Act.

By offering this concurrent resolution, any perceived confusion as to the effect of S. 2414 should be resolved.

Mr. McCLURE. Mr. President, I have a concern regarding the use of the word "carry" in the amendments to section 926A in S. 2414. The phrase reads "any person who is not otherwise prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport a firearm for any lawful purpose from any place where he may lawfully possess and carry such firearm." As the sponsor of S. 2414, what is the intent of the Senator from South Carolina in using the word "carry" in the provision?

Mr. THURMOND. I say to the Senator that I am pleased to clarify the proper interpretation of the word "carry." The first part of the provision, "any person who is not otherwise prohibited by this chapter from transporting, shipping, or receiving a firearm shall be entitled to transport a firearm for any lawful purpose" means that only persons able to lawfully possess firearms under Federal law can rely upon the safe harbor provisions in 926A to transport firearms in interstate commerce for lawful purposes. The phrase that follows, "possess and carry," also requires that persons must be allowed to transport such firearms under relevant State law. It is clear that the term "carry" in this instance is intended to mean the ability to put the firearm in a vehicle and transport it to the place of destination.

The use of the word "carry" is not intended to mean and does not mean that a State license to carry a concealed weapon is a predicate to valid use of the safe harbor provision in section 926A. Of course, wherever a permit to carry a concealed firearm is a prerequisite of State or local law, to legal transportation of an unloaded, inaccessible firearm, the safe harbor provisions does not modify such laws. However, once again, the use of the term "carry" in my bill does not in any way incorporate such a prerequisite into section 926A. I hope this addresses the concern of the Senator.

Mr. McCLURE. I thank the Senator. His intent and interpretation are consistent with my understanding that the word "carry," as it is used, means "transport."

The PRESIDING OFFICER. The question is on agreeing to the concurrent resolution.

The concurrent resolution (S. Con. Res. 152) was agreed to, as follows:

Resolved by the Senate (the House of Representatives concurring), That the Secretary of the Senate, in the enrollment of the bill (S. 2414), to amend title 18 of the United States Code, shall make the following chance:

At the end of the bill add the following:

This Act and the amendments made by this Act, intended to amend the Firearms Owners' Protection Act, shall become effective on the date on which the section they are intended to amend in such Firearms Owners' Protection Act becomes effective and shall apply to the amendments to title 18, United States Code, made by such Act.

Mr. DOLE. Mr. President, I move to reconsider the vote by which the concurrent resolution was agreed to.

Mr. BYRD. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. DOLE. I thank my colleagues.

This has been referred to as a sort of "son-of-a-gun" amendment. That explains it for many people who have an interest in it. That is how it came out of the committee.

TAX REFORM ACT OF 1986

The Senate continued with the consideration of H.R. 3838.

AMENDMENT NO. 2162

(Purpose: To treat certain entities as trusts for tax purposes)

Mr. DURENBERGER. Mr. President, I send an amendment to the desk and ask for its immediate consideration.

The PRESIDING OFFICER. The amendment will be stated.

The bill clerk read as follow:

The Senator from Minnesota [Mr. DURENBERGER] proposes an amendment numbered 2162.

Mr. DURENBERGER. Mr. President, I ask unanimous consent that reading of the amendment be dispensed with.

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

The amendment is as follows:

At the end of subtitle P, of title XVI, insert the following new section:

SEC. . TREATMENT OF CERTAIN ENTITIES AS TRUSTS FOR TAX PURPOSES.

(a) GENERAL RULE.—For purposes of the Internal Revenue Code of 1954, if the entity described in subsection (b) makes an election under subsection (c), such entity shall be treated as a trust to which subpart E of part 1 of subchapter J of chapter 1 of such Code applies.

(b) ENTITY.—An entity is described in this subsection if—

(1) such entity was created in 1906 as a common law trust and is governed by the trust laws of the State of Minnesota,

(2) such entity receives royalties from iron ore leases, and

(3) income interests in such entity are publicly traded on a national stock exchange.

(c) ELECTION.—

(1) IN GENERAL.—An election under this subsection to have the provisions of this section apply—

(A) shall be made by the board of trustees of the entity, and

(B) shall not be valid unless accompanied by an agreement described in paragraph (2).

(2) AGREEMENT.—The agreement described in this paragraph is a written agreement signed by the board of trustees of the entity which provides that the entity will not—

(A) sell any trust property,

(B) purchase any additional trust properties, or

(C) receive any income other than—

(i) income from long-term mineral leases, or

(ii) interest or other income attributable to ordinary and necessary reserves of the entity.

By Mr. GORE (for himself and Mr. GORTON):

S. 2594. A bill to require the Office of Science and Technology Policy to report to the Congress on fiber optic networks and other options to improve communications among supercomputer centers and users in the United States; to the Committee on Commerce, Science, and Transportation.

By Mrs. HAWKINS (for herself, Mr. THURMOND, Mr. KENNEDY, Mr. HATCH, and Mr. DODD):

S. 2595. A bill to amend the Public Health Service Act to revise the authorities of, and redesignate, the Alcohol, Drug Abuse, and Mental Health Administration; to the Committee on Labor and Human Resources.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. DOLE (for Mr. THURMOND):

S. Con. Res. 152. A concurrent resolution authorizing changes in the enrollment of S. 2414; considered and agreed to.

STATEMENTS OF INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. GLENN (for himself, Mr. KENNEDY, and Mr. SASSER):

S. 2590. A bill to amend the Appendix to the Tariff Schedule of the United States to extend the suspension of duty on bicycle parts; to the Committee on Finance.

SUSPENSION OF DUTY ON BICYCLE PARTS

● Mr. GLENN. Mr. President, today I am offering legislation which will provide relief for the U.S. bicycle industry. The regular customs duties on certain bicycle parts not manufactured in the United States have been suspended since 1971. This suspension of duties is critical to the competitive health of U.S. bicycle manufacturers who are being subjected to increasingly intense competition from imported bicycles.

The current 3-year period of duty suspension expires on June 30, 1986. The House has passed legislation to renew this duty suspension with some slight modifications until December 31, 1990. The bill I am introducing today is identical to the provision passed by the House last month.

Congress has renewed duty suspension legislation four times: in 1974, 1977, 1980, and 1983. During the five sessions that it considered such legislation, Congress recognized that absent passage of a duty suspension bill, the tariff schedules of the United States contained an unfair bias against domestic manufacturers of bicycles. Most imported bicycles were, and continue to be, dutiable at a lower rate than most bicycle parts. Imported bicycles face a duty rate of 5.5 percent or 11 percent, depending on the type of model; imported bicycle parts face a duty rate of 7.1 percent to 10.8 percent. This anomaly, if uncorrected by duty suspension legislation, enables foreign bicycle manufacturers to assembly bicycles abroad with foreign bicycle parts and import the complete product, including the component parts, into the United States, subject to the lower rate imposed on bicycles. In contrast, the domestic manufacturers of bicycles must first import certain components necessary to complete the manufacture of a bicycle at the higher duty rate imposed on bicycle parts. Without duty suspension, the tariff schedules in effect impose a penalty on the manufacture of bicycles in the United States, where the cost of doing business is already significantly higher. Even the high productivity and the efficiency of the U.S. bicycle industry cannot offset the extremely low wage rates available to bicycle manufacturers in the principal exporting nation, Taiwan. Huffy Corp. which is located in Ohio and employs 2,000 people, manufactures bicycles in a modern and efficient plant. Nonetheless, the expiration of duty suspension will penalize the workers at Huffy Corp. and other bicycle plants in the United States without cause.

When Congress first enacted duty suspension legislation in 1970, the Senate Committee on Finance highlighted the need to suspend duties on bicycle parts, and I quote:

> This bill is intended to improve the competitive ability of domestic producers of bicycles by temporarily suspending the duties on imports of certain bicycle parts and accessories, thereby reducing their costs . . . . The temporary suspension of duty on the bicycle parts and accessories provided for in the bill would be beneficial to domestic manufacturers of bicycles, particularly in competing with imported bicycles.

The reasons presented in past sessions of the Congress for suspending the duty on bicycle parts are valid today. Indeed, the need for continued suspension of the duties on parts in order to maintain the competitive position of the domestic bicycle manufacturers has never been more urgent. The domestic bicycle industry remains under severe pressure from the flood of imported bicycles. It is clear that foreign producers have targeted the United States as their principal export market. In fact, imports have claimed an increasing share of the U.S. market in recent years, ranging from 16.9 percent in 1979 to almost 50 percent in 1985. First quarter figures for 1986 indicate that the trend continues.

Duty suspension on bicycle parts reflects the continuation of congressional concern that U.S. manufacturers—when necessary—be able to obtain, free of duty, foreign-made components that are domestically unavailable. I urge my colleagues to continue their support for the U.S. bicycle industry, and vote for this legislation, which will enable the U.S. bicycle industry to continue to compete in the world market.●

By Mr. GLENN:

S. 2591. A bill to amend the Tariff Schedules of the United States to correct the classification of certain pigments; to the Committee on Finance.

TARIFF CLASSIFICATION OF CERTAIN PIGMENTS

● Mr. GLENN. Mr. President, today I am introducing legislation to change the duty classification of two commercial pigments, pigments red 214 and pigment yellow 155.

Under current duty classification, these pigments are classified in a category for imported products that complete with domestic products. However, pigment red 214 and pigment yellow 155 are not, and have never been, made in the United States and should not be in this category.

American manufacturers with good business sense determined that a need existed for these pigments in our marketplace, but this need did not justify the investment of funds to manufacture these pigments in the United States. American manufacturers worked with foreign manufacturers to distribute these pigments in the United States. The pigments, currently classified at a higher duty rate with competitive pigments, must complete with other imported pigments classified at a lower noncompetitive rate. The erroneous duty classification puts these American companies at a competitive disadvantage and this disadvantage increases in future years.

This legislation will simply correct this error and change the duty classification for pigments red 214 and yellow 155 to the noncompetitive category. This change reduces the duty from 15 percent to 9.8 percent. I urge my colleagues to support this legislation.●

By Mr. GARN:

S. 2592. A bill to strengthen Federal deposit insurance programs, to enhance competition in the financial services sector, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

DEPOSIT INSURANCE REFORM AND COMPETITION ENHANCEMENT ACT

● Mr. GARN. Mr. President, today I am introducing legislation to strengthen the Federal deposit insurance funds and reinforce public confidence in our Nation's depository institutions. These objectives would be accomplished through a number of steps, including a plan to recapitalize the Federal Savings and Loan Insurance Corporation [FSLIC]. Steps also would be taken to increase the marketability of troubled depository institutions, but it is important to note that the legislation would not liberalize current law regarding the types of entities that can purchase troubled banks and thrifts.

The legislation I am introducing also would enhance competition in the provision of financial services by updating the regulatory framework for financial