United States of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE 106th CONGRESS, FIRST SESSION

Vol. 145 WASHINGTON, WEDNESDAY, JUNE 16, 1999 No. 85

Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore [Mr. THURMOND].

PRAYER

The Chaplain, Dr. Lloyd John Ogilvie, offered the following prayer:

Sovereign God, help us to see our work here in Government as our divine calling and mission. Whatever we are called to do today, we want to do our very best for Your glory. Our desire is not just to do different things but to do some of the same old things differently: with freedom, joy, and excellence. Give us new delight for matters of drudgery, new patience for people who are difficult, new zest for unfinished details. Be our lifeline in the pressures of deadlines, our rejuvenation in routines, and our endurance whenever we feel enervated. May we spend more time talking to You about issues than we do talking to others about issues. So may our communion with You give us such deep convictions that we will have the high courage to defend them. Spirit of the living God, fall afresh on us so that we may serve You with renewed dedication today. Through our Lord and Savior. Amen.

RECOGNITION OF THE MAJORITY LEADER

The PRESIDENT pro tempore. The able majority leader, Senator LOTT of Mississippi, is recognized.

Mr. LOTT. I thank the Chair.

SCHEDULE

Mr. LOTT. Mr. President, the Senate will begin now 10 minutes of debate on S. 1205, the military appropriations construction bill, followed by 20 minutes of debate on S. 331, the work incentives legislation. Votes on passage of those two bills will begin at approximately 10:45. Following those votes, the Senate will begin debate on the motion to invoke cloture on the House-passed Social Security lockbox legislation for 1 hour, with that vote to begin after all time has expired or been yielded back.

It is expected that the Senate will complete the energy and water appropriations bill during today's session of the Senate as well as resume consideration of H.R. 1664 regarding the steel, oil, and gas revolving loan.

I presume the vote on the Social Security lockbox legislation will occur around 12:30 or so. So we have two votes then, at approximately 10:45 and another one at 12:30, and then we probably will have at least one more, maybe two, with regard to the energy and water appropriations bill, and then we will go back to the oil and gas revolving fund.

I yield the floor.

RESERVATION OF LEADER TIME

The PRESIDING OFFICER (Mr. ROBERTS). Under the previous order, leadership time is reserved.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 1205 which the clerk will report.

The legislative assistant clerk read as follows:

A bill (S. 1205) making appropriations for military construction, family housing, and base realignment and closure for the Department of Defense for the fiscal year ending September 30, 2000, and for other purposes.

The PRESIDING OFFICER. Under the previous order, there will now be 10 minutes of debate equally divided in the usual form with an additional 5 minutes for the Senator from Arizona, Mr. MCCAIN.

The distinguished Senator from Montana is recognized.

Mr. BURNS. Mr. President, I will have to ask some of the staff but I think Mr. MCCAIN will not be present to make his statement this morning. I will make mine, and then we will work that out later.

I am pleased to bring before the Senate the military construction appropriations bill and report for fiscal year 2000. The bill reflects a bipartisan approach that the ranking member, Senator MURRAY of the State of Washington, and I have tried to maintain regarding military construction and this subcommittee.

This isn't the first year we have put this bill together. We are getting to be old hands at it. But I want to say personally it is a pleasure to work with the Senator and her staff. It seems as if we have a lot of luck in working out some of the problems some people would run into before we ever get the bill to the floor. So those problems are taken care of. I appreciate the attitude and manner in which we have worked together on this bill.

This bill was reported out of the full Appropriations Committee on June 10 by a unanimous vote of 28 to nothing. The bill recommended by the full Committee on Appropriations is $8,273,820,000.

The administration submitted the fiscal year 2000 military construction budget with all of the military construction and family housing projects incrementally funded over a 2-year period. We are finding that some of that is working and some of it is not, and we will probably be looking at this in a different light in another year.

To have proceeded in this manner would have demonstrated a poor financial stewardship on the part of the Senate and placed the Department's 2000 military construction program in great jeopardy. That is the reason we are taking a look at it. The subcommittee rejected that recommendation and provided full funding for all of the construction projects.

Accordingly, the bill is $2.8 billion over the budget request, but the bill is

● This "bullet" symbol identifies statements or insertions which are not spoken by a Member of the Senate on the floor.

still $176 million less than what was appropriated just a year ago. However, more important, the legislation reflects a reduction of $1.7 billion from just 3 years ago.

We have sought to recommend a balanced bill to the Senate. We believe it addresses key military construction requirements for readiness, family housing, barracks, quality of life, and of course we do not want to forget our Guard and our Reserve components.

This bill honors the commitment we have to our Armed Forces. It helps ensure that the housing and infrastructure needs of the military are given proper recognition.

Also, I am pleased to report to the Senate that the bill is within the committee's 302(b) budget allocations for both budget authority and outlays.

This bill has some points I want to mention. We have added $485 million above the budget request to provide better and more modern family housing for our service personnel and their families.

Just less than a month ago, we opened a new housing unit at Malmstrom Air Force Base in Montana. I said at that time, and I still mean it, there is no better way to send a strong message to our fighting men and women than to provide them with good housing in a good atmosphere and the greatest way we can say we care.

On another quality of life measure, we added substantially to the budget request for barracks construction projects, some $587 million for 47 projects throughout the United States and overseas.

I say right now to the American people, we have American troops deployed in over 70 countries around the world.

This funding will provide single service members a more favorable living environment wherever they are stationed.

The committee also fully funds the budget request of $245 million for funding 25 environmental compliance projects.

We also addressed the shortfalls that continue to plague our reserve components.

I continue to be greatly alarmed that the Department of Defense takes no responsibility for ensuring that our reserve components have adequate facilities.

Their lack of disregard for the total force concept very much concerns me and a number of our colleagues.

This comes at a time when our country is so heavily dependent on the Guard and Reserve to maintain our presence around the world.

For example, the President's budget requested funding of only $77 million for all of the Reserve components and the National Guard.

Recognizing this chronic shortfall, we have again lent support by adding $560 million to these accounts.

In each case, the funds will help satisfy essential mission, quality of life or readiness requirements.

We fully funded the budget request for the base realignment and closure account by providing $706 million to continue the ongoing brac process.

All of the projects that we have recommended were thoroughly screened to ensure that they meet a series of defensible criteria and that they were authorized in the defense authorization bill.

We will work very closely with the Senate Armed Services Committee, as we put together a conference package for military construction.

There are many other issues that I could speak about at this time. I urge the Members of the Senate to support this bill and move it forward expeditiously.

I yield the floor for the ranking member.

The PRESIDING OFFICER. The distinguished Senator from Washington is recognized.

Mrs. MURRAY. I thank the Chair.

Mr. President, I am very pleased to join my colleague, Chairman BURNS, in recommending the fiscal year 2000 military construction bill to the Senate for approval.

I begin by thanking him and his staff for being so great to work with. He is right, we are old hands but not that old; and it is great to work with him.

This bill, which was reported with the unanimous approval of the Senate Appropriations Committee last week, bears little resemblance to the spending structure proposed by the administration last winter. The administration, in what I consider to be a misguided effort to free up more money for defense spending, proposed a buy-now, pay-later military construction bill. The subcommittee carefully analyzed the administration's plan. We had numerous briefings as well as two subcommittee hearings. Our conclusion was that split funding not only would set a dangerous precedent but also would jeopardize the integrity of the entire military construction program.

At the recommendation of the Military Construction Subcommittee, the Appropriations Committee wisely rejected the administration's proposal for incremental funding. With the help of our chairman and ranking member, Senator STEVENS and Senator BYRD, we were able to fully fund our Military Construction Program. Moreover, we were able to surmount the woefully inadequate amounts of funding that the administration sought to spread over the full 2-year construction program. In the end, we increased construction funding for active duty components by $278 million over the administration's total request, and for reserve components by nearly $388 million over the request.

We achieved these increases by judicious reductions in other accounts, such as the base realignment and closure account, without jeopardizing the pace of ongoing work. Senator BURNS and his staff deserve a great deal of credit for the thoughtful and careful approach that they took in the drafting of this bill. As always, they have worked hard to produce a balanced, bipartisan product that takes into account both the concerns of the Senate and the needs of the military.

In particular, they have done a superb job of continuing to shine the spotlight on the quality of life projects that are so important to our men and women in uniform, and to their families. At a time when military enlistment and retention are in free fall, and the services cannot hope to match the financial incentives of the private sector, quality of life issues are magnified in importance. They do not diminish the importance of readiness projects, but they are a factor in recruiting and retaining our military personnel.

Within the budget constraints that we are all forced to operate this year, this bill attempts to meet the most urgent and most timely of the military construction projects available. All of the major construction projects that we have funded have been authorized. In addition, we have ensured adequate funding for family housing and barracks construction, and we have suggested that the Department of Defense revisit the issue of housing privatization to determine if it is a workable solution to our military housing needs.

Even so, this bill is $176 million below the military construction bill enacted last year. This continues the recent, and troubling, downward spiral in military construction investment. During a year in which the Congress has made great strides toward addressing the need to enhance defense readiness and military personnel spending, it is disappointing—and in my opinion, shortsighted—to see defense infrastructure needs struggling to keep pace.

This is an extremely important bill for our Nation and our military forces. I again commend Senator BURNS and his staff for their excellent work in producing the bill, and I urge the Senate to approve it.

Mr. MCCAIN. Mr. President, as United States military forces deploy into war-torn Kosovo for another protracted, costly stay of indeterminate duration and of considerable potential risk, I am left wondering why, with all of the readiness and modernization problems that are well-established matters of record, we felt compelled to add over $6 million in this bill for a new Visiting Officers Quarters at Niagara Falls. Is this really the message we want to send to our military personnel and to the American taxpayer. I think not.

The propensity of members of Congress to devote enormous time and energy to adding items to spending bills for primarily parochial considerations remains one of our most serious weaknesses. The implications for national defense, however, are no laughing matter. Those of us who serve on the Armed Services Committee have heard a great deal of testimony from the Joint Chiefs of Staff, as well as from

regional and functional commanders in chief, of the impact extraordinarily high operational tempos are having on both near- and long-term military readiness. And we hear it directly from troops in the field. They are tired; repeated deployments and declining quality of life has taken a toll. A vicious cycle has emerged wherein the impact of high deployment rates and shrinking force structure are exacerbated by the flight of skilled personnel out of the service as a result of those trends.

So I have to wonder why, given the scale of the problems documented, we are adding $12 million to the budget for new visitors quarters at Dover Air Force Base, $12 million for a Regional Training Institute in Hawaii, $3 million for a Marine Corps Reserve Center in Louisiana, $8.9 million for a C–130J simulator facility in Mississippi, $8 million for the Red Butte Dam in Utah, and $15 million for an Armed Forces Reserve Center in Oregon. None of these projects—none of them—were requested by the Department of Defense, and none of them are on the services' Unfunded Priority Lists. Unrequested projects totaling $985 million—almost $1 billion—was added to this bill, on top of the $5 billion in member-adds included in the defense appropriations bill passed last week.

I have asked rhetorically on the floor of the Senate many times when we are going to stop this destructive and irresponsible practice of adding projects to the defense budget primarily for parochial reasons. I have yet to receive an answer. Certainly, the practice has neither stopped nor slowed. The last minute insertion in the defense appropriations bill of $220 million for four F–15 fighters not requested by the Air Force solely for the purpose of appeasing hometown constituencies was one of the more disgraceful acts I've witnessed since, well, since we went through the same exercise last year. The total in unrequested items between the defense and military construction appropriations bills is almost $6 billion. That is serious money.

As American pilots continue to patrol the skies over Iraq, maintain a tenuous peace in Bosnia, and proceed into uncharted terrain in Kosovo, we would do well to consider the ramifications of our actions. I'm under no illusions, however, that such contemplation will occur. It is apparently, and sadly, not in our nature.

Mr. President, I ask unanimous consent that the accompanying list be printed in the RECORD.

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

MILCON appropriations adds for FY 00

[In millions of dollars]

ALABAMA	
Maxwell AFB: Off. Transient Student Dormitory	10.6
Anniston AD: Ammo Demilitarization Facility	7.0

MILCON appropriations adds for FY 00—Continued

[In millions of dollars]

Redstone Arsenal: Unit Training Equip. Site	8.9
Dannelly Field: Med. Training & Dining Facility	6.0
ALASKA	
Fort Wainwright: Ammo Surveillance Facility	2.3
Fort Wainwright: MOUT Collective Trng. Facility	17.0
Elmendorf AFB: Alter Roadway, Davis Highway	9.5
ARKANSAS	
Pine Bluff Arsenal: Chemical Defense Qual. Facility	18.0
Pine Bluff Arsenal: Ammo. Demilitarization Facility	61.8
CALIFORNIA	
Fresno ANG: Ops Training and Dining Facility	9.1
COLORADO	
Pueblo AD: Ammo. Demilitarization Facility	11.8
CONNECTICUT	
West Hartford: ADAL Reserve Center	17.525
Orange ANG: Air Control Squadron Complex	11.0
DELAWARE	
Dover AFB: Visitor's Quarters	12.0
Smyrna: Readiness Center	4.381
FLORIDA	
Pensacola: Readiness Center	4.628
GEORGIA	
Fort Stewart: Contingency Logistics Facility	19.0
NAS Atlanta: BEQ–A	5.43
HAWAII	
Bellows AFS: Regional Training Institute	12.105
IDAHO	
Gowen Field: Fuel Cell & Corrosion Control Hgr	2.3
INDIANA	
Newport AD: Ammo. Demilitarization Facility	61.2
Fort Wayne: Med. Training & Dining Facility	7.2
IOWA	
Sioux City IAP: Vehicle Maintenance Facility	3.6
KANSAS	
Fort Riley: Whole Barracks Renovation	27.0
KENTUCKY	
Fort Campbell: Vehicle Maintenance Facility	17.0
Blue Grass AD: Ammo. Demilitarization Facility	11.8
Blue Grass AD: Ammo. Demilitarization Support	11.0
LOUISIANA	
Fort Polk: Organization Maintenance Shop	4.309
Lafayette: Marine Corps Reserve Center	3.33
NAS Belle Chase: Ammunition Storage Igloo	1.35
MARYLAND	
Andrews AFB: Squadron Operations Facility	9.9
Aberdeen P.G.: Ammo. Demilitarization Facility	66.6

MILCON appropriations adds for FY 00—Continued

[In millions of dollars]

MASSACHUSETTS	
Hansen AFB: Acquisition Man. Fac. Renovation	16.0
MICHIGAN	
Camp Grayling: Air Ground Range Support Facility	5.8
MINNESOTA	
Camp Ripley: Combined Support Maintenance Shop	10.368
MISSISSIPPI	
Columbus AFB: Add to T–1A Hangar	2.6
Keesler AFB: C–130J Simulator Facility	8.9
Miss. Army Ammo Pl.: Land/Water Ranges	3.3
Camp Shelby: Multi-purpose Range	14.9
Vicksburg: Readiness Center	5.914
Jackson Airport: C–17 Simulator Building	3.6
MISSOURI	
Rosencrans Mem APT: Upgrade Aircraft Parking Apron	9.0
MONTANA	
Malmstrom AFB: Dormitory	11.6
Great Falls IAP: Base Supply Complex	1.4
NEVADA	
Hawthorne Army Dep.: Container Repair Facility	1.7
Nellis AFB: Land Acquisition	11.6
NEW HAMPSHIRE	
Portsmouth: Waterfront Crane	3.850
Pearl Trade Part ANG: Upgrade KC–135 Parking Apron	9.6
NEW JERSEY	
Fort Monmouth: Barracks Improvement	11.8
NEW MEXICO	
Kirtland AFB: Composite Support Complex	9.7
Cannon AFB: Control Tower	4.0
Cannon AFB: Repair Runway #2204	8.1
NEW YORK	
Niagara Falls: Visiting Officer's Quarters	6.3
NORTH CAROLINA	
Fort Bragg: Upgrade Barracks D-Area	14.4
NORTH DAKOTA	
Grand Forks AFB: Parking Apron Extension	9.5
OHIO	
Wright Patterson: Convert to Physical Fitness Ctr.	4.6
Columbus AFB: Reserve Center Addition	3.541
Springfield: Complex	1.77
OKLAHOMA	
Tinker AFB: Repair and Upgrade Runway	11.0
Vance AFB: Upgrade Center Runway	12.6
Tulsa IAP: Composite Support Complex	10.8
OREGON	
Umatilla DA: Ammo. Demilitarization Facility	35.9
Salem: Armed Forces Reserve Center	15.255
PENNSYLVANIA	
NFPC Philadelphia: Casting Pits Modification	13.320

MILCON appropriations adds for FY 00—Continued

[In millions of dollars]

NAS Willow Grove: Ground Equipment Shop	0.6
Johnstown ANG: Air Traffic Control Facility	6.2
RHODE ISLAND	
Quonset: Maintenance Hangar and Shops	16.5
SOUTH CAROLINA	
McEntire ANG: Replace Control Tower	8.0
SOUTH DAKOTA	
Ellsworth AFB: Education/library Center	10.2
TENNESSEE	
Henderson: Organization Maintenance Shop	1.976
TEXAS	
Dyess AFB: Child Development Center	5.4
Lackland AFB: F–16 Squadron Ops Flight Complex	9.7
UTAH	
Salt Lake: Red Butte Dam	8.0
Salt Lake City IAP: Upgrade Aircraft Main. Complex	9.7
VERMONT	
Northfield: Multi-purpose Training Facility	8.652
VIRGINIA	
Fort Pickett: Multi-purpose Training Range	13.5
WASHINGTON	
Fairchild AFB: Flight Line Support Facility	9.1
Fairchild AFB: Composite Support Complex	9.8
WEST VIRGINIA	
Eleanor: Maintenance Complex	18.521
Eleanor: Readiness Center	9.583
Total	985

Mr. DOMENICI. Mr. President, the pending Military Construction Appropriations bill provides $8.3 billion in new budget authority and $2.5 billion in new outlays for Military Construction and Family Housing programs and other purposes for the Department of Defense for fiscal year 2000.

When outlays from prior-year budget authority and other completed actions are taken into account, the outlays for the 2000 program total $8.8 billion.

Compared to 1999 appropriations, this bill is $385 million lower in budget authority, and it is $622 million lower in outlays.

This legislation provides for construction by the Department of Defense for U.S. military facilities throughout the world, and it provides for family housing for the active forces of each of the U.S. military services. Accordingly, it provides for important readiness and quality of life programs for our service men and women.

The bill is within the revised section 302(b) allocation for the Military Construction Subcommittee. I commend the distinguished subcommittee Chairman, the Senator from Montana, for bringing this bill to the floor within the subcommittee's allocation.

The bill provides an important and necessary increase in budget authority above the President's request for 2000. Most of the $2.8 billion increase fully funds projects that the President's request only partially funded. Because the bill supports appropriate full funding budgeting practices and because it funds highly important quality of life programs for our armed services, I urge the adoption of the bill.

Mr. President, I ask unanimous consent that a table showing the relationship of the bill to the subcommittee's section 302(b) allocation be printed in the RECORD.

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

S. 1205, MILITARY CONSTRUCTION APPROPRIATIONS, 2000, SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

Category	General purpose	Crime	Mandatory	Total
Senate-reported bill:				
Budget authority	8,274	.....	.....	8,274
Outlays	8,789	.....	.....	8,789
Senate 302(b) allocation:				
Budget authority	8,274	.....	.....	8,274
Outlays	8,789	.....	.....	8,789
1999 level:				
Budget authority	8,659	.....	.....	8,659
Outlays	9,411	.....	.....	9,411
President's request:				
Budget authority	5,438	.....	.....	5,438
Outlays	8,921	.....	.....	8,921
House-passed bill:				
Budget authority	.....	.....	.....	.....
Outlays	.....	.....	.....	.....
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	.....	.....	.....	.....
Outlays	.....	.....	.....	.....
1999 level:				
Budget authority	(385)	.....	.....	(385)
Outlays	(622)	.....	.....	(622)
President's request:				
Budget authority	2,836	.....	.....	2,836
Outlays	(132)	.....	.....	(132)
House-passed bill:				
Budget authority	8,274	.....	.....	8,274
Outlays	8,789	.....	.....	8,789

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions. Prepared by SBC Majority Staff, 06/14/99.

Mr. HUTCHINSON. Mr. President, I rise today to express my strong support for the speedy passage of S. 1205, the fiscal year 2000 military construction appropriations bill. I compliment both Chairman BURNS and the ranking member, Senator Murray, for their excellent work in producing a bill that won the unanimous endorsement of the subcommittee. I am sure the bill will receive a similar degree of support from the entire Senate. I must also commend Senators BURNS and MURRAY for rejecting the President's premature and irresponsible attempt to incrementally fund these essential projects. The Congress must continue to send this President the clear and consistent message that his fiscal negligence toward our Armed Forces will not be tolerated.

I would like to take a moment to highlight two of the four important military construction projects for Arkansas included in this bill. The first is an $8.7 million project for Little Rock Air Force Base. This project is comprised of three new facilities, and the renovation of a fourth, that will greatly enhance the mission capabilities of the 189th Airlift Wing, Arkansas National Guard. The new Communications, Vehicle Maintenance and Civil Engineering/Medical Services facilities along with the renovated Aircraft Support building will stand as visible reminders of the Federal Government's commitment of Little Rock Air Force Base's bright future as an essential component of our nation's security.

The other military construction project I would like to highlight is one that the Subcommittee wisely added to the President's insufficient proposal. I am speaking about the inclusion of an $18 million Chemical Defense Quality Evaluation Facility to be constructed at the Pine Bluff Arsenal.

Pine Bluff Arsenal presently serves as the Department of Defense's primary maintenance and certification facility for chemical and biological defense equipment such as gas masks for our soldiers and air filters for M–1 tanks. The Department of Defense describes the present facility as:

operating at maximum capacity, beyond levels consistent with good laboratory practice, with no space for [expansion].

According to the Department of Defense:

if this project is not provided, inadequate . . . stockpile surveillance testing will continue, with an undefined chance that defective, deteriorated or damaged protective equipment or components could be accepted or retained in stock for issue. This risk directly endangers the worker in a toxic chemical environment or the soldier facing toxic chemicals in a combat situation. [DOD] cannot ensure reliability of [chemical and biological] equipment without . . . a suitable test facility.

The construction of this new Chemical Defense Quality Evaluation Facility will reaffirm that defense against Weapons of Mass Destruction remains a national priority, and that the Pine Bluff Arsenal remains at the forefront of America's efforts in that endeavor.

I will finish by again complimenting the subcommittee for its efforts in producing this legislation, and urge my colleagues to vote for its quick adoption.

Mr. BINGAMAN. Mr. President, I rise to state my concern about a provision in the Military Construction Appropriations Bill for Fiscal Year 2000 that the Senate is considering today. I am very concerned about the potential effects of Section 129 of the bill relating to the chemical weapons demilitarization program planned for the Bluegrass Army Depot.

My concern, simply stated, is that Section 129 could delay the chemical demilitarization process beyond the deadline for destroying all our chemical weapons under the Chemical Weapons Convention (CWC). This provision, which would levy additional requirements before demilitarization work can begin at the depot, could prevent the United States from complying with its obligations under the CWC.

The Administration shares my concern and strongly opposes this provision of S. 1205. In fact, their opposition is stated in the first item listed in the

Statement of Administration Policy regarding this bill. Here's what the Administration has to say about this matter:

The Administration strongly opposes Section 129, which would require the demonstration of six alternative technologies to chemical weapons incineration before construction of the Chemical Demilitarization facility at Bluegrass, Kentucky could begin. Prompt construction of the Bluegrass site is critical to ensuring U.S. compliance with the deadline for chemical weapons destruction agreed to under the Chemical Weapons Convention. The Department of Defense has demonstrated three alternative technologies, one more than required by P.L. 104–208, the Omnibus Consolidated Appropriations Act of 1997. This provision would delay construction of the Bluegrass site by at least one year, resulting in a breach of the Chemical Weapons Convention deadline.

The President of the United States signed the Chemical Weapons Convention and the Senate provided its advice and consent to ratification of that treaty. The treaty is now in force and the United States is a party to it, so we are bound by its terms and requirements. I am very disturbed and dismayed that the United States is not in compliance with this treaty, a situation that could worsen if legislation such as contained in Section 129 is enacted into law.

I remind my fellow Senators that the United States has still not gathered and declared information regarding U.S. industrial chemical facilities that is required by the treaty. In addition, the U.S. has not complied with treaty provisions governing inspections of military facilities authorizing the use of treaty-approved inspection equipment. Finally, the implementing legislation for the CWC contains provisions that are antithetical to treaty provisions. Should the President exercise the option approved in the implementing legislation to refuse a challenge inspection, such action would directly contravene both the intent and the letter of the treaty that entered into force. I urge my fellow Senators to be aware of these problems and to support efforts to resolve them so that the United States can become compliant with its international treaty obligations and assume the leadership needed in order to make this treaty effective.

One of the central requirements of the Chemical Weapons Convention is that parties must destroy their chemical weapons stockpile within 10 years of the date of entry into force of the treaty. That means that the United States must destroy all its chemical weapons by April 29, 2007. I am concerned that Section 129 of this bill would prevent the United States from meeting its legal obligation to destroy all its chemical weapons before this deadline. I believe it would be both unwise and unnecessary to enact legislation that would have the effect of preventing the United States from meeting one of its treaty obligations.

To be specific, Section 129 would prevent the obligation or expenditure of any funds made available by the Military Construction Appropriations Act or any other Act for the purpose relating to construction of a facility at Bluegrass Army Depot in Kentucky for demilitarization of chemical weapons until the Secretary of Defense reports to the Congress on the results of evaluating six alternative technologies to the current baseline incineration process for destroying chemical weapons.

While this may sound quite reasonable, it poses a problem that I want to highlight. It would effectively delay the chemical demilitarization process at Bluegrass to the point that we would likely not be able to meet the Chemical Weapons Convention. This is because it would add a new requirement to demonstrate and evaluate three additional alternative destruction technologies, and for the Secretary of Defense to report to the Congress on those additional technologies before any demilitarization construction funding could be used at the Bluegrass Depot.

There are currently three alternative technologies being considered by the Defense Department under the Assembled Chemical Weapons Assessment (ACWA) program. This program was established in law several years ago, but the law required the Department to evaluate at least two alternative technologies—-not six. Section 129 would add the requirement to evaluate four additional technologies which will take additional time and money. That will result in a one-year delay in starting the chemical demilitarization process at Bluegrass which would prevent the U.S. from destroying all the chemical weapons there before the CWC deadline.

I note that the Armed Services Committee, of which I am a member, has no provision in the Defense Authorization Bill for Fiscal Year 2000 that places any restriction on the chemical demilitarization program. In fact, the Subcommittee on Emerging Threats and Capabilities, on which I serve as the Ranking Member, included report language that emphasizes the importance of meeting our CWC Treaty obligation to destroy all of our chemical weapons by the treaty deadline. Moreover, the Defense Authorization bill which passed the Senate on May 27, 1999, fully funds the Defense Department's request for funds for the chemical demilitarization program.

I do not believe that it is the intent of this provision or of its sponsors to prevent the United States from meeting its treaty obligations under the Chemical Weapons Convention, or to force the U.S. to violate the treaty. Therefore, I urge my fellow Senators during the forthcoming conference on the Military Construction Appropriations bill to support modifications to Section 129 so that the bill will not have this unintended effect. I'm certain that my colleagues agree that it is essential for the Senate to take all actions necessary to ensure that we uphold our treaty obligations just as we would demand of other states. Modification of Section 129 would constitute such an action.

Mr. MCCONNELL. Mr. President, I rise today in support of S. 1205, the Military Construction Appropriations bill. I congratulate Chairman BURNS and the ranking member, Senator MURRAY, for crafting a spending bill which addresses the critical priorities of America's soldiers in a prudent and effective manner.

This year's Administration submission made the task of the Committee more difficult than at any time since I have been a member of the Senate Appropriations Committee. By suggesting that Congress incrementally fund all military construction programs, the Administration charted a course for failure and left Senators BURNS and MURRAY to clean up the mess. They have done so admirably and I am proud to support their efforts.

While I strongly support the entire bill before the Senate today, I would like to take just a moment of the Senate's time to explain a particular section of the bill. Section 129 of this measure was included at my request and deals with the construction of chemical demilitarization facilities at the Bluegrass Army Depot in Kentucky. Specifically, this provision would prohibit such construction until the Secretary of Defense reports on the completed demonstration of 6 alternatives to baseline incineration as a means of destroying America's chemical weapons stockpile.

I think it is important to state first what this amendment does not do. This language will have no impact on any proposed funding in the FY00 military construction bill. The reason is that the prohibition on spending for construction at Bluegrass Army Depot applies only to facilities which are technology specific. This means that construction for buildings which will be necessary regardless of the method of destruction employed at Bluegrass is permitted. This allows for progress on necessary components for eventual demilitarization activities such as administrative facilities, but prohibits construction of the actual treatment facility to be deployed in Kentucky until the Secretary certifies that demonstration of the six alternatives is complete.

It is also not my intent to delay or avoid destruction of the stockpile in Kentucky. My sole purpose is to ensure that when the weapons stored in Kentucky are destroyed only the safest most effective method is utilized. Once the Secretary certifies that all six alternative technologies have been demonstrated—and this can occur in the very near future—technology specific efforts at Bluegrass may begin. I supported ratification of the Chemical Weapons Convention and believe that the United States should do everything it can to meet the April 2007 deadline. The language contained in Section 129 should have no adverse impact on the

U.S. being able to satisfy its Chemical Weapons Convention obligations.

Now that I have offered an explanation as to what this language will not do, let me describe what I hope it will accomplish. Quite simply, this is a continuation of my efforts to push the military to recognize that public safety should be the top priority as America eliminates its chemical weapons in compliance with the CWC. The Army's selection of incineration as their preferred technology dates all the way back to 1982—almost 20 years ago. It is unreasonable, and in fact irresponsible, to assume that there have been no technological advancements since that time which could lead to improved methods of disposal. Only ten years ago few would have predicted the dynamic nature of the Internet would provide Americans instant access to information around the globe. Given that example, why has the department chosen to ignore potential strides in chemical weapons destruction? Why then has the safety of those Americans who live near chemical weapons destruction sites taken a back seat to fiscal and calendar concerns?

In an effort to force the Department to consider the possibility of alternatives to incineration, I offered and the Senate accepted an amendment to the FY97 Defense Appropriations bill which established the Assembled Chemical Weapons Assessment program. As I previously stated, this program identified a total of six technologies as suitable for demonstration. Unfortunately the Department has chosen to fund only three. As a result of the Department's decision to not fully test each technology, much of the good will established by the program has eroded. Continued DOD intransigence will lead to well deserved skepticism regarding the eventual report issued by ACWA. The citizens who are counting on the federal government's honest assessment of how to proceed deserve the security of knowing that all viable options were appropriately considered.

I have outlined the hypocrisy of the Department's argument in a floor statement I made on June 8, 1999, and so I will not repeat myself at this point. Regardless of the Department's contention that funding for further testing is limited, I believe the interests of public safety far outweigh any limited fiscal concerns. This is not a case of one Senator screaming that the ''sky is falling.'' Rather, this is an effort to hold the Department of Defense accountable for what should have always been its first priority—the safety of potentially impacted citizens. I will continue to press for full testing and accountability.

I thank my colleagues and urge their support for the Military Construction bill.

WORK INCENTIVES IMPROVEMENT ACT OF 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to the consideration of S. 331, which the clerk will report.

The legislative assistant read as follows:

A bill (S. 331) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

The Senate proceeded to consider the bill which had been reported from the Committee on Finance, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Work Incentives Improvement Act of 1999''.

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

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than ½ of 1 percent of social security disability insurance and supplemental security income beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional ½ of 1 percent of the current social security disability insurance (DI) and supplemental security income (SSI) recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds in cash assistance would total $3,500,000,000 over the worklife of the individuals.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

(3) To provide individuals with disabilities the option of maintaining medicare coverage while working.

(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

TITLE I—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

SEC. 101. EXPANDING STATE OPTIONS UNDER THE MEDICAID PROGRAM FOR WORKERS WITH DISABILITIES.

(a) IN GENERAL.—

(1) STATE OPTION TO ELIMINATE INCOME, ASSETS, AND RESOURCE LIMITATIONS FOR WORKERS

WITH DISABILITIES BUYING INTO MEDICAID.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XIII), by striking ''or'' at the end;

(B) in subclause (XIV), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(XV) who, but for earnings in excess of the limit established under section 1905(q)(2)(B), would be considered to be receiving supplemental security income and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish;''.

(2) STATE OPTION TO PROVIDE OPPORTUNITY FOR EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY TO BUY INTO MEDICAID.—

(A) ELIGIBILITY.—Section 1902(a)(10) (A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as amended by paragraph (1), is amended—

(i) in subclause (XIV), by striking ''or'' at the end;

(ii) in subclause (XV), by adding ''or'' at the end; and

(iii) by adding at the end the following:

''(XVI) who are employed individuals with a medically improved disability described in section 1905(v)(1) and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV);''.

(B) DEFINITION OF EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following:

''(v)(1) The term 'employed individual with a medically improved disability' means an individual who—

''(A) is at least 16, but less than 65, years of age;

''(B) is employed (as defined in paragraph (2));

''(C) ceases to be eligible for medical assistance under section 1902(a)(10)(A)(ii)(XV) because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits under section 223(d) or 1614(a)(3); and

''(D) continues to have a severe medically determinable impairment, as determined under regulations of the Secretary.

''(2) For purposes of paragraph (1), an individual is considered to be 'employed' if the individual—

''(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

''(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.''.

(C) CONFORMING AMENDMENT.—Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(i) in clause (x), by striking ''or'' at the end;

(ii) in clause (xi), by adding ''or'' at the end; and

(iii) by inserting after clause (xi), the following:

''(xii) employed individuals with a medically improved disability (as defined in subsection (v)),''.

(3) STATE AUTHORITY TO IMPOSE INCOME-RELATED PREMIUMS AND COST-SHARING.—Section 1916 of such Act (42 U.S.C. 1396o) is amended—

(A) in subsection (a), by striking ''The State plan'' and inserting ''Subject to subsection (g), the State plan''; and

(B) by adding at the end the following:

''(g) With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii), a State may (in a uniform manner for individuals described in either such subclause)—

''(1) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

''(2) require payment of 100 percent of such premiums in the case of such an individual who has income that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable to a family of the size involved.''.

(4) PROHIBITION AGAINST SUPPLANTATION OF STATE FUNDS AND STATE FAILURE TO MAINTAIN EFFORT.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (18) and inserting ''; or''; and

(B) by inserting after such paragraph the following:

''(19) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii) for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before the date of enactment of this paragraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XV), 1902(a)(10)(A)(ii)(XVI)'' after ''1902(a)(10)(A)(ii)(X),''.

(2) Section 1903(f)(4) of such Act, as amended by paragraph (1), is amended by inserting ''1902(a)(10)(A)(ii)(XIII),'' before ''1902(a)(10)(A)(ii)(XV)''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 1999.

(2) RETROACTIVITY OF CONFORMING AMENDMENT.—The amendment made by subsection (b)(2) takes effect as if included in the enactment of the Balanced Budget Act of 1997.

SEC. 102. CONTINUATION OF MEDICARE COVERAGE FOR WORKING INDIVIDUALS WITH DISABILITIES.

(a) CONTINUATION OF COVERAGE.—

(1) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(A) in the third sentence of subsection (b), by inserting '', except as provided in subsection (j)'' after ''but not in excess of 24 such months''; and

(B) by adding at the end the following:

''(j) The 24-month limitation on deemed entitlement under the third sentence of subsection (b) shall not apply—

''(1) for months occurring during the 10-year period beginning with the first month that begins after the date of enactment of this subsection; and

''(2) for subsequent months, in the case of an individual who was entitled to benefits under subsection (b) as of the last month of such 10-year period and would continue (but for such 24-month limitation) to be so entitled.''.

(2) CONFORMING AMENDMENT.—Section 1818A(a)(2)(C) of the Social Security Act (42 U.S.C. 1395i–2a(a)(2)(C)) is amended—

(A) by striking ''solely''; and

(B) by inserting ''or the expiration of the last month of the 10-year period described in section 226(j)'' before the semicolon.

(b) GAO REPORT.—Not later than 8 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that—

(1) examines the effectiveness and cost of subsection (j) of section 226 of the Social Security Act (42 U.S.C. 426); and

(2) recommends whether that subsection should continue to be applied beyond the 10-year period described in the subsection.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply to months beginning with the first month that begins after the date of the enactment of this Act.

(d) TREATMENT OF CERTAIN INDIVIDUALS.—An individual enrolled under section 1818A of the Social Security Act (42 U.S.C. 1395i–2a) shall be treated with respect to premium payment obligations under such section as though the individual had continued to be entitled to benefits under section 226(b) of such Act for—

(1) months described in section 226(j)(1) of such Act (42 U.S.C. 426(j)(1)) (as added by subsection (a)); and

(2) subsequent months, in the case of an individual who was so enrolled as of the last month described in section 226(j)(2) of such Act (42 U.S.C. 426(j)(2)) (as so added).

SEC. 103. GRANTS TO DEVELOP AND ESTABLISH STATE INFRASTRUCTURES TO SUPPORT WORKING INDIVIDUALS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) APPLICATION.—In order to be eligible for an award of a grant 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 shall require.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR INFRASTRUCTURE AND OUTREACH.—

(1) IN GENERAL.—Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) ELIGIBILITY FOR GRANTS.—

(A) IN GENERAL.—No State may receive a grant under this subsection unless the State—

(i) has an approved amendment to the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) that provides medical assistance under such plan to individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)); and

(ii) demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to the extent necessary to enable individuals described in clause (i) to remain employed (as determined under section 1905(v)(2) of the Social Security Act (42 U.S.C. 1396d(v)(2))).

(B) DEFINITION OF PERSONAL ASSISTANCE SERVICES.—In this paragraph, the term ''personal assistance services'' means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

(3) DETERMINATION OF AWARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine a formula for

awarding grants to States under this section that provides special consideration to States that provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XVI) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XVI)).

(B) AWARD LIMITS.—

(i) MINIMUM AWARDS.—

(I) IN GENERAL.—Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) PRO RATA REDUCTIONS.—If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) MAXIMUM AWARDS.—No State with an application that has been approved under this section shall receive a grant for a fiscal year that exceeds 15 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance for individuals eligible under subclause (XV) and (XVI) of section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as estimated by the State and approved by the Secretary.

(c) AVAILABILITY OF FUNDS.—

(1) FUNDS AWARDED TO STATES.—Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT AWARDED TO STATES.—Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) ANNUAL REPORT.—A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of title II disability beneficiaries, as defined in section 1148(k)(3) of the Social Security Act (as amended by section 201) in the State, and title XVI disability beneficiaries, as defined in section 1148(k)(4) of the Social Security Act (as so amended) in the State who return to work.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2000, $20,000,000;

(B) for fiscal year 2001, $25,000,000;

(C) for fiscal year 2002, $30,000,000;

(D) for fiscal year 2003, $35,000,000;

(E) for fiscal year 2004, $40,000,000; and

(F) for each of fiscal years 2005 through 2010, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) BUDGET AUTHORITY.—This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) RECOMMENDATION.—Not later than October 1, 2009, the Secretary, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the grant program established under this section should be continued after fiscal year 2010.

SEC. 104. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF WORKERS WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of individuals who are workers with a potentially severe disability (as defined in subsection (b)(1)) are provided medical assistance equal to that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(ii)(XV) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(b) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''worker with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) is at least 16, but less than 65, years of age;

(B) has a specific physical or mental impairment that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(C) is employed (as defined in paragraph (2)).

(2) DEFINITION OF EMPLOYED.—An individual is considered to be ''employed'' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) ELECTION OF OPTIONAL CATEGORY.—The State has elected to provide coverage under its plan under title XIX of the Social Security Act of individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(B) MAINTENANCE OF STATE EFFORT.—Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(C) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) for fiscal year 2000, $70,000,000;

(II) for fiscal year 2001, $73,000,000;

(III) for fiscal year 2002, $77,000,000; and

(IV) for fiscal year 2003, $80,000,000.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) the aggregate amount of payments made by the Secretary to States under this section exceed $300,000,000; or

(ii) payments be provided by the Secretary for a fiscal year after fiscal year 2005.

(C) FUNDS ALLOCATED TO STATES.—The Secretary shall allocate funds to States based on their applications and the availability of funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(d) RECOMMENDATION.—Not later than October 1, 2002, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2003.

(e) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

TITLE II—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS

Subtitle A—Ticket to Work and Self-Sufficiency

SEC. 201. ESTABLISHMENT OF THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding after section 1147 (as added by section 8 of the Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998 (Public Law 105–306; 112 Stat. 2928)) the following:

''TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

''SEC. 1148. (a) IN GENERAL.—The Commissioner shall establish a Ticket to Work and Self-Sufficiency Program, under which a disabled beneficiary may use a ticket to work and self-sufficiency issued by the Commissioner in accordance with this section to obtain employment services, vocational rehabilitation services, or other support services from an employment network which is of the beneficiary's choice and which is willing to provide such services to the beneficiary.

''(b) TICKET SYSTEM.—

''(1) DISTRIBUTION OF TICKETS.—The Commissioner may issue a ticket to work and self-sufficiency to disabled beneficiaries for participation in the Program.

''(2) ASSIGNMENT OF TICKETS.—A disabled beneficiary holding a ticket to work and self-sufficiency may assign the ticket to any employment network of the beneficiary's choice which is serving under the Program and is willing to accept the assignment.

''(3) TICKET TERMS.—A ticket issued under paragraph (1) shall consist of a document which evidences the Commissioner's agreement to pay (as provided in paragraph (4)) an employment network, which is serving under the Program and to which such ticket is assigned by the beneficiary, for such employment services, vocational rehabilitation services, and other support

services as the employment network may provide to the beneficiary.

''(4) PAYMENTS TO EMPLOYMENT NETWORKS.—The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

''(c) STATE PARTICIPATION.—

''(1) IN GENERAL.—Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency also shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 222(d) and subsections (d) and (e) of section 1615. The Commissioner shall provide for periodic opportunities for exercising such elections (and revocations).

''(2) EFFECT OF PARTICIPATION BY STATE AGENCY.—

''(A) STATE AGENCIES PARTICIPATING.—In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973.

''(B) STATE AGENCIES ADMINISTERING MATERNAL AND CHILD HEALTH SERVICES PROGRAMS.—Subparagraph (A) shall not apply with respect to any State agency administering a program under title V of this Act.

''(3) SPECIAL REQUIREMENTS APPLICABLE TO CROSS-REFERRAL TO CERTAIN STATE AGENCIES.—

''(A) IN GENERAL.—In any case in which an employment network has been assigned a ticket to work and self-sufficiency by a disabled beneficiary, no State agency shall be deemed required, under this section, title I of the Workforce Investment Act of 1998, title I of the Rehabilitation Act of 1973, or a State plan approved under such title, to accept any referral of such disabled beneficiary from such employment network unless such employment network and such State agency have entered into a written agreement that meets the requirements of subparagraph (B). Any beneficiary who has assigned a ticket to work and self-sufficiency to an employment network that has not entered into such a written agreement with such a State agency may not access vocational rehabilitation services under title I of the Rehabilitation Act of 1973 until such time as the beneficiary is reassigned to a State vocational rehabilitation agency by the Program Manager.

''(B) TERMS OF AGREEMENT.—An agreement required by subparagraph (A) shall specify, in accordance with regulations prescribed pursuant to subparagraph (C)—

''(i) the extent (if any) to which the employment network holding the ticket will provide to the State agency—

''(I) reimbursement for costs incurred in providing services described in subparagraph (A) to the disabled beneficiary; and

''(II) other amounts from payments made by the Commissioner to the employment network pursuant to subsection (h); and

''(ii) any other conditions that may be required by such regulations.

''(C) REGULATIONS.—The Commissioner and the Secretary of Education shall jointly prescribe regulations specifying the terms of agreements required by subparagraph (A) and otherwise necessary to carry out the provisions of this paragraph.

''(D) PENALTY.—No payment may be made to an employment network pursuant to subsection (h) in connection with services provided to any disabled beneficiary if such employment network makes referrals described in subparagraph (A) in violation of the terms of the agreement required under subparagraph (A) or without having entered into such an agreement.

''(d) RESPONSIBILITIES OF THE COMMISSIONER.—

''(1) SELECTION AND QUALIFICATIONS OF PROGRAM MANAGERS.—The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation and employment services.

''(2) TENURE, RENEWAL, AND EARLY TERMINATION.—Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

''(A) measures for ease of access by beneficiaries to services; and

''(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

''(3) PRECLUSION FROM DIRECT PARTICIPATION IN DELIVERY OF SERVICES IN OWN SERVICE AREA.—Agreements under paragraph (1) shall preclude—

''(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager's agreement; and

''(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager's agreement.

''(4) SELECTION OF EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

''(B) ALTERNATE PARTICIPANTS.—In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 222(d)(2) in the State as of the date of enactment of this section and chooses to serve as an employment network under the Program.

''(5) TERMINATION OF AGREEMENTS WITH EMPLOYMENT NETWORKS.—The Commissioner shall terminate agreements with employment networks for inadequate performance, as determined by the Commissioner.

''(6) QUALITY ASSURANCE.—The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

''(7) DISPUTE RESOLUTION.—The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

''(e) PROGRAM MANAGERS.—

''(1) IN GENERAL.—A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner's duties in administering the Program.

''(2) RECRUITMENT OF EMPLOYMENT NETWORKS.—A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager's agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

''(3) FACILITATION OF ACCESS BY BENEFICIARIES TO EMPLOYMENT NETWORKS.—A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks for good cause, as determined by the Commissioner, without being deemed to have rejected services under the Program. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

''(4) ENSURING AVAILABILITY OF ADEQUATE SERVICES.—The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager's agreement, including rural areas.

''(5) REASONABLE ACCESS TO SERVICES.—The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, followup services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

''(f) EMPLOYMENT NETWORKS.—

''(1) QUALIFICATIONS FOR EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—Each employment network serving under the Program shall consist of an

agency or instrumentality of a State (or a political subdivision thereof) or a private entity that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

''(B) ONE-STOP DELIVERY SYSTEMS.—An employment network serving under the Program may consist of a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998.

''(C) COMPLIANCE WITH SELECTION CRITERIA.—No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications (where applicable)) and specific selection criteria (such as substantial expertise and experience in providing relevant employment services and supports).

''(D) SINGLE OR ASSOCIATED PROVIDERS ALLOWED.—An employment network shall consist of either a single provider of such services or of an association of such providers organized so as to combine their resources into a single entity. An employment network may meet the requirements of subsection (e)(4) by providing services directly, or by entering into agreements with other individuals or entities providing appropriate employment services, vocational rehabilitation services, or other support services.

''(2) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—Each employment network serving under the Program shall be required under the terms of its agreement with the Commissioner to—

''(A) serve prescribed service areas; and

''(B) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans meeting the requirements of subsection (g).

''(3) ANNUAL FINANCIAL REPORTING.—Each employment network shall meet financial reporting requirements as prescribed by the Commissioner.

''(4) PERIODIC OUTCOMES REPORTING.—Each employment network shall prepare periodic reports, on at least an annual basis, itemizing for the covered period specific outcomes achieved with respect to specific services provided by the employment network. Such reports shall conform to a national model prescribed under this section. Each employment network shall provide a copy of the latest report issued by the employment network pursuant to this paragraph to each beneficiary upon enrollment under the Program for services to be received through such employment network. Upon issuance of each report to each beneficiary, a copy of the report shall be maintained in the files of the employment network. The program manager shall ensure that copies of all such reports issued under this paragraph are made available to the public under reasonable terms.

''(g) INDIVIDUAL WORK PLANS.—

''(1) REQUIREMENTS.—Each employment network shall—

''(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subparagraph (C);

''(B) develop and implement each such individual work plan in partnership with each beneficiary receiving such services in a manner that affords the beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

''(C) ensure that each individual work plan includes at least—

''(i) a statement of the vocational goal developed with the beneficiary;

''(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

''(iii) a statement of any terms and conditions related to the provision of such services and supports; and

''(iv) a statement of understanding regarding the beneficiary's rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1150;

''(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

''(E) make each beneficiary's individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

''(2) EFFECTIVE UPON WRITTEN APPROVAL.—A beneficiary's individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary's ticket to work and self-sufficiency.

''(h) EMPLOYMENT NETWORK PAYMENT SYSTEMS.—

''(1) ELECTION OF PAYMENT SYSTEM BY EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).

''(B) NO CHANGE IN METHOD OF PAYMENT FOR BENEFICIARIES WITH TICKETS ALREADY ASSIGNED TO THE EMPLOYMENT NETWORKS.—Any election of a payment system by an employment network that would result in a change in the method of payment to the employment network for services provided to a beneficiary who is receiving services from the employment network at the time of the election shall not be effective with respect to payment for services provided to that beneficiary and the method of payment previously selected shall continue to apply with respect to such services.

''(2) OUTCOME PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) PAYMENTS MADE DURING OUTCOME PAYMENT PERIOD.—The outcome payment system shall provide for a schedule of payments to an employment network in connection with each individual who is a beneficiary for each month during the individual's outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

''(C) COMPUTATION OF PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome payment system shall be designed so that—

''(i) the payment for each of the 60 months during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

''(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

''(3) OUTCOME-MILESTONE PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) EARLY PAYMENTS UPON ATTAINMENT OF MILESTONES IN ADVANCE OF OUTCOME PAYMENT PERIODS.—The outcome-milestone payment system shall provide for 1 or more milestones with respect to beneficiaries receiving services from an employment network under the Program that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

''(C) LIMITATION ON TOTAL PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome-milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

''(4) DEFINITIONS.—In this subsection:

''(A) PAYMENT CALCULATION BASE.—The term 'payment calculation base' means, for any calendar year—

''(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 223 for all beneficiaries for months during the preceding calendar year; and

''(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under title XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained age 18 but have not attained age 65.

''(B) OUTCOME PAYMENT PERIOD.—The term 'outcome payment period' means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

''(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

''(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

''(5) PERIODIC REVIEW AND ALTERATIONS OF PRESCRIBED SCHEDULES.—

''(A) PERCENTAGES AND PERIODS.—The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner's review under this paragraph, that such an alteration

would better provide the incentive and economies described in the preceding sentence.

''(B) NUMBER AND AMOUNTS OF MILESTONE PAYMENTS.—The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to assist beneficiaries to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, or other reliable sources.

''(i) SUSPENSION OF DISABILITY REVIEWS.—During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 221 of whether the individual is or is not under a disability or a review under title XVI similar to any such review under section 221.

''(j) ALLOCATION OF COSTS.—

''(1) PAYMENTS TO EMPLOYMENT NETWORKS.—Payments to employment networks (including State agencies that elect to participate in the Program as an employment network) shall be made from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as appropriate, in the case of ticketed title II disability beneficiaries who return to work, or from the appropriation made available for making supplemental security income payments under title XVI, in the case of title XVI disability beneficiaries who return to work. With respect to ticketed beneficiaries who concurrently are entitled to benefits under title II and eligible for payments under title XVI who return to work, the Commissioner shall allocate the cost of payments to employment networks to which the tickets of such beneficiaries have been assigned among such Trust Funds and appropriation, as appropriate.

''(2) ADMINISTRATIVE EXPENSES.—The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(k) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means a title II disability beneficiary or a title XVI disability beneficiary.

''(3) TITLE II DISABILITY BENEFICIARY.—The term 'title II disability beneficiary' means an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

''(4) TITLE XVI DISABILITY BENEFICIARY.—The term 'title XVI disability beneficiary' means an individual eligible for supplemental security income benefits under title XVI on the basis of blindness (within the meaning of section 1614(a)(2)) or disability (within the meaning of section 1614(a)(3)). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

''(5) SUPPLEMENTAL SECURITY INCOME BENEFIT UNDER TITLE XVI.—The term 'supplemental security income benefit under title XVI' means a cash benefit under section 1611 or 1619(a), and does not include a State supplementary payment, administered federally or otherwise.

''(l) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.

''(m) REAUTHORIZATION OF PROGRAM.—

''(1) IN GENERAL.—The Program established under this section shall terminate on the date that is 5 years after the date that the Commissioner commences implementation of the Program.

''(2) ASSURANCE OF OUTCOME PAYMENT PERIOD.—Notwithstanding paragraph (1)—

''(A) any individual who has initiated a work plan in accordance with subsection (g) may use services provided under the Program in accordance with this section; and

''(B) any employment network that provides services to such an individual shall receive payments for such services,

during the individual's outcome payment period (as defined in paragraph (4)(B) of subsection (h), including any alteration of such period in accordance with paragraph (5) of that subsection).''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE II.—

(A) Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) is amended by adding at the end the following:

''(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(B) Section 222(a) of the Social Security Act (42 U.S.C. 422(a)) is repealed.

(C) Section 222(b) of the Social Security Act (42 U.S.C. 422(b)) is repealed.

(D) Section 225(b)(1) of the Social Security Act (42 U.S.C. 425(b)(1)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(2) AMENDMENTS TO TITLE XVI.—

(A) Section 1615(a) of the Social Security Act (42 U.S.C. 1382d(a)) is amended to read as follows:

''SEC. 1615. (a) In the case of any blind or disabled individual who—

''(1) has not attained age 16, and

''(2) with respect to whom benefits are paid under this title,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under title V.''.

(B) Section 1615(c) of the Social Security Act (42 U.S.C. 1382d(c)) is repealed.

(C) Section 1631(a)(6)(A) of the Social Security Act (42 U.S.C. 1383(a)(6)(A)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(D) Section 1633(c) of the Social Security Act (42 U.S.C. 1383b(c)) is amended—

(i) by inserting ''(1)'' after ''(c)''; and

(ii) by adding at the end the following:

''(2) For suspension of continuing disability reviews and other reviews under this title similar to reviews under section 221 in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(c) EFFECTIVE DATE.—Subject to subsection (d), the amendments made by subsections (a) and (b) shall take effect with the first month following 1 year after the date of enactment of this Act.

(d) GRADUATED IMPLEMENTATION OF PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Commissioner of Social Security shall commence implementation of the amendments made by this section (other than paragraphs (1)(C) and (2)(B) of subsection (b)) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.

(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that the ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall design and conduct a series of evaluations to assess the cost-effectiveness of activities carried out under this section and the amendments made thereby, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—The Commissioner shall design and carry out the series of evaluations after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and consulting with the Work Incentives Advisory Panel established under section 201(f), the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(i) IMPLEMENTATION.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(ii) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of providers whose services are provided within an employment network under the Program;

(VII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(VIII) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(IX) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(X) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner's evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall set forth the Commissioner's evaluation of the extent to which the Program has been successful and the Commissioner's conclusions on whether or how the Program should be modified. Each such report shall include such data, findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE'S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(i) the requirement under section 222(a) of the Social Security Act for prompt referrals to a State agency, and

(ii) the authority of the Commissioner under section 222(d)(2) of the Social Security Act to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals,

shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act before the date of enactment of this Act with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).

(e) SPECIFIC REGULATIONS REQUIRED.—

(1) IN GENERAL.—The Commissioner of Social Security shall prescribe such regulations as are necessary to implement the amendments made by this section.

(2) SPECIFIC MATTERS TO BE INCLUDED IN REGULATIONS.—The matters which shall be addressed in such regulations shall include—

(A) the form and manner in which tickets to work and self-sufficiency may be distributed to beneficiaries pursuant to section 1148(b)(1) of the Social Security Act;

(B) the format and wording of such tickets, which shall incorporate by reference any contractual terms governing service by employment networks under the Program;

(C) the form and manner in which State agencies may elect participation in the Ticket to Work and Self-Sufficiency Program (and revoke such an election) pursuant to section 1148(c)(1) of the Social Security Act and provision for periodic opportunities for exercising such elections (and revocations);

(D) the status of State agencies under section 1148(c)(1) at the time that State agencies exercise elections (and revocations) under that section;

(E) the terms of agreements to be entered into with program managers pursuant to section 1148(d) of the Social Security Act, including—

(i) the terms by which program managers are precluded from direct participation in the delivery of services pursuant to section 1148(d)(3) of the Social Security Act;

(ii) standards which must be met by quality assurance measures referred to in paragraph (6) of section 1148(d) and methods of recruitment of employment networks utilized pursuant to paragraph (2) of section 1148(e); and

(iii) the format under which dispute resolution will operate under section 1148(d)(7);

(F) the terms of agreements to be entered into with employment networks pursuant to section 1148(d)(4) of the Social Security Act, including—

(i) the manner in which service areas are specified pursuant to section 1148(f)(2)(A) of the Social Security Act;

(ii) the general selection criteria and the specific selection criteria which are applicable to employment networks under section 1148(f)(1)(C) of the Social Security Act in selecting service providers;

(iii) specific requirements relating to annual financial reporting by employment networks pursuant to section 1148(f)(3) of the Social Security Act; and

(iv) the national model to which periodic outcomes reporting by employment networks must conform under section 1148(f)(4) of the Social Security Act;

(G) standards which must be met by individual work plans pursuant to section 1148(g) of the Social Security Act;

(H) standards which must be met by payment systems required under section 1148(h) of the Social Security Act, including—

(i) the form and manner in which elections by employment networks of payment systems are to be exercised pursuant to section 1148(h)(1)(A);

(ii) the terms which must be met by an outcome payment system under section 1148(h)(2);

(iii) the terms which must be met by an outcome-milestone payment system under section 1148(h)(3);

(iv) any revision of the percentage specified in paragraph (2)(C) of section 1148(h) of the Social Security Act or the period of time specified in paragraph (4)(B) of such section 1148(h); and

(v) annual oversight procedures for such systems; and

(I) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.

(f) WORK INCENTIVES ADVISORY PANEL.—

(1) ESTABLISHMENT.—There is established within the Social Security Administration a panel to be known as the ''Work Incentives Advisory Panel'' (in this subsection referred to as the ''Panel'').

(2) DUTIES OF PANEL.—It shall be the duty of the Panel to—

(A) advise the Secretary of Health and Human Services, the Secretary of Labor, the Secretary of Education, and the Commissioner of Social Security on issues related to work incentives programs, planning, and assistance for individuals with disabilities, including work incentive provisions under titles II, XI, XVI, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1301 et seq., 1381 et seq., 1395 et seq., 1396 et seq.); and

(B) with respect to the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act—

(i) advise the Commissioner of Social Security with respect to establishing phase-in sites for such Program and fully implementing the Program thereafter, the refinement of access of disabled beneficiaries to employment networks, payment systems, and management information systems, and advise the Commissioner whether such measures are being taken to the extent necessary to ensure the success of the Program;

(ii) advise the Commissioner regarding the most effective designs for research and demonstration projects associated with the Program or conducted pursuant to section 302;

(iii) advise the Commissioner on the development of performance measurements relating to quality assurance under section 1148(d)(6) of the Social Security Act; and

(iv) furnish progress reports on the Program to the Commissioner and each House of Congress.

(3) MEMBERSHIP.—

(A) NUMBER AND APPOINTMENT.—The Panel shall be composed of 12 members appointed by the Commissioner of Social Security in consultation with the Speaker of the House of Representatives, the Minority Leader of the House of Representatives, the Majority Leader of the Senate, and the Minority Leader of the Senate.

(B) REPRESENTATION.—All members appointed to the Panel shall have experience or expert knowledge in the fields of, or related to, work incentive programs, employment services, vocational rehabilitation services, health care services, and other support services for individuals with disabilities. At least 7 members of the Panel shall be individuals with disabilities or representatives of individuals with disabilities, except that, of those 7 members, at least 5 members shall be current or former title II disability beneficiaries or title XVI disability beneficiaries (as such terms are defined in section 1148(k) of the Social Security Act (as added by subsection (a)).

(C) TERMS.—

(i) IN GENERAL.—Each member shall be appointed for a term of 4 years (or, if less, for the remaining life of the Panel), except as provided in clauses (ii) and (iii). The initial members shall be appointed not later than 90 days after the date of enactment of this Act.

(ii) TERMS OF INITIAL APPOINTEES.—As designated by the Commissioner at the time of appointment, of the members first appointed—

(I) 6 of the members appointed under subparagraph (A) shall be appointed for a term of 2 years; and

(II) 6 of the members appointed under subparagraph (A) shall be appointed for a term of 4 years.

(iii) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(D) BASIC PAY.—Members shall each be paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(E) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) QUORUM.—Eight members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(G) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the Commissioner. The term of office of the Chairperson shall be 4 years.

(H) MEETINGS.—The Panel shall meet at least quarterly and at other times at the call of the Chairperson or a majority of its members.

(4) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(A) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Commissioner and paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) STAFF.—Subject to rules prescribed by the Commissioner, the Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(C) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commissioner, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(D) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this subsection.

(5) POWERS OF PANEL.—

(A) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out its duties under this subsection, hold such hearings, sit and act at such times and places, and take such testimony and evidence as the Panel considers appropriate.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this subsection.

(C) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) REPORTS.—

(A) INTERIM REPORTS.—The Panel shall submit to the President and Congress interim reports at least annually.

(B) FINAL REPORT.—The Panel shall transmit a final report to the President and Congress not later than 8 years after the date of enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for legislation and administrative actions which the Panel considers appropriate.

(7) TERMINATION.—The Panel shall terminate 30 days after the date of the submission of its final report under paragraph (6)(B).

(8) ALLOCATION OF COSTS.—The costs of carrying out this subsection shall be paid from amounts made available for the administration of title II of the Social Security Act (42 U.S.C. 401 et seq.) and amounts made available for the administration of title XVI of that Act (42 U.S.C. 1381 et seq.), and shall be allocated among those amounts as appropriate.

Subtitle B—Elimination of Work Disincentives

SEC. 211. WORK ACTIVITY STANDARD AS A BASIS FOR REVIEW OF AN INDIVIDUAL'S DISABLED STATUS.

Section 221 of the Social Security Act (42 U.S.C. 421) is amended by adding at the end the following:

''(m)(1) In any case where an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)) has received such benefits for at least 24 months—

''(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

''(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

''(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

''(2) An individual to which paragraph (1) applies shall continue to be subject to—

''(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

''(B) termination of benefits under this title in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.''.

SEC. 212. EXPEDITED REINSTATEMENT OF DISABILITY BENEFITS.

(a) OASDI BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended—

(1) by redesignating subsection (i) as subsection (j); and

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

''Reinstatement of Entitlement

''(i)(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was entitled to benefits under this section or section 202 on the basis of disability pursuant to an application filed therefore; and

''(II) such entitlement terminated due to the performance of substantial gainful activity;

''(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

''(iii) the individual's disability renders the individual unable to perform substantial gainful activity.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

''(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

''(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

''(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this title.

''(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual's disability shall be the date of onset used in determining the individual's most recent period of disability arising in connection with such benefits payable on the basis of an application.

''(iii) Benefits under this section or section 202 payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) No benefit shall be payable pursuant to an entitlement reinstated under this subsection to an individual for any month in which the individual engages in substantial gainful activity.

''(D) The entitlement of any individual that is reinstated under this subsection shall end with the benefits payable for the month preceding whichever of the following months is the earliest:

''(i) The month in which the individual dies.

''(ii) The month in which the individual attains retirement age.

''(iii) The third month following the month in which the individual's disability ceases.

''(5) Whenever an individual's entitlement to benefits under this section is reinstated under this subsection, entitlement to benefits payable on the basis of such individual's wages and self-employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

''(6) An individual to whom benefits are payable under this section or section 202 pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and the determination, if appropriate, of the termination month in accordance with subsection (a)(1) of this section, or subsection (d)(1), (e)(1), or (f)(1) of section 202, to be entitled to such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be entitled to provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under subsection (b) or (g) of section 205.

''(B) The amount of a provisional benefit for a month shall equal the amount of the last monthly benefit payable to the individual under this title on the basis of an application increased by an amount equal to the amount, if any, by which such last monthly benefit would have been increased as a result of the operation of section 215(i).

''(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's entitlement to reinstated benefits;

''(II) the fifth month following the month described in clause (i);

''(III) the month in which the individual performs substantial gainful activity; or

''(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).''.

(b) SSI BENEFITS.—

(1) IN GENERAL.—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by adding at the end the following:

''Reinstatement of Eligibility on the Basis of Blindness or Disability

''(p)(1)(A) Eligibility for benefits under this title shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was eligible for benefits under this title on the basis of blindness or disability pursuant to an application filed therefore; and

''(II) the individual thereafter was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

''(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

''(iii) the individual's blindness or disability renders the individual unable to perform substantial gainful activity; and

''(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this title.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this title (including section 1619) prior to the period of ineligibility described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1614(a)(4) shall apply.

''(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

''(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this title.

''(ii) The benefit under this title payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) Except as otherwise provided in this subsection, eligibility for benefits under this title reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefore.

''(5) Whenever an individual's eligibility for benefits under this title is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual's spouse if such spouse was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

''(6) An individual to whom benefits are payable under this title pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

''(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this title with the same kind and amount of income.

''(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements of section 1614(b) except requirements related to the filing of an application, the amount of a provisional benefit for a month shall equal the amount of the month benefit that would be payable to an eligible individual and eligible spouse under this title with the same kind and amount of income.

''(C)(i) Provisional benefits shall begin with the month following the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's eligibility for reinstated benefits;

''(II) the fifth month following the month for which provisional benefits are first payable under clause (i); or

''(III) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).

''(8) For purposes of this subsection other than paragraph (7), the term 'benefits under this title' includes State supplementary payments made pursuant to an agreement under section 1616(a) or section 212(b) of Public Law 93–66.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1631(j)(1) of such Act (42 U.S.C. 1383(j)(1)) is amended by striking the period and inserting '', or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.''.

(B) Section 1631(j)(2)(A)(i)(I) of such Act (42 U.S.C. 1383(j)(2)(A)(i)(I)) is amended by inserting ''(other than pursuant to a request for reinstatement under subsection (p))'' after ''eligible''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of enactment of this Act.

(2) LIMITATION.—No benefit shall be payable under title II or XVI of the Social Security Act on the basis of a request for reinstatement filed under section 223(i) or 1631(p) of such Act before the effective date described in paragraph (1).

Subtitle C—Work Incentives Planning, Assistance, and Outreach

SEC. 221. WORK INCENTIVES OUTREACH PROGRAM.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 201, is amended by adding after section 1148 the following:

''WORK INCENTIVES OUTREACH PROGRAM

''SEC. 1149. (a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to disabled beneficiaries on work incentives programs and issues related to such programs.

''(2) GRANTS, COOPERATIVE AGREEMENTS, CONTRACTS, AND OUTREACH.—Under the program established under this section, the Commissioner shall—

''(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1148, the program established under section 1619, and other programs that are designed to encourage disabled beneficiaries to work;

''(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

''(i) preparing and disseminating information explaining such programs; and

''(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

''(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under titles II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

''(i) disabled beneficiaries;

''(ii) benefit applicants under titles II and XVI; and

''(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

''(D) provide—

''(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

''(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

''(3) COORDINATION WITH OTHER PROGRAMS.—The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1619, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998, and other services.

''(b) CONDITIONS.—

''(1) SELECTION OF ENTITIES.—

''(A) APPLICATION.—An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

''(B) STATEWIDENESS.—The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

''(C) ELIGIBILITY OF STATES AND PRIVATE ORGANIZATIONS.—

''(i) IN GENERAL.—The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under title XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

''(ii) AGENCIES AND ENTITIES DESCRIBED.—The agencies and entities described in this clause are the following:

''(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973, protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973, and State Developmental Disabilities Councils established in accordance with section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)) that the Commissioner determines satisfies the requirements of this section.

''(II) The State agency administering the State program funded under part A of title IV.

''(D) EXCLUSION FOR CONFLICT OF INTEREST.—The Commissioner may not award a grant, cooperative agreement, or contract under this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

''(2) SERVICES PROVIDED.—A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

''(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

''(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health benefits coverage may be available to the individual; and

''(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

''(3) AMOUNT OF GRANTS, COOPERATIVE AGREEMENTS, OR CONTRACTS.—

''(A) BASED ON POPULATION OF DISABLED BENEFICIARIES.—Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

''(B) LIMITATIONS.—

''(i) PER GRANT.—No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

''(ii) TOTAL AMOUNT FOR ALL GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

''(4) ALLOCATION OF COSTS.—The costs of carrying out this section shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(c) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).''.

SEC. 222. STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 221, is amended by adding after section 1149 the following:

''STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES

''SEC. 1150. (a) IN GENERAL.—Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

''(b) SERVICES PROVIDED.—Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

''(1) information and advice about obtaining vocational rehabilitation and employment services; and

''(2) advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.

''(c) APPLICATION.—In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

''(d) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

''(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

''(i) $100,000; or

''(ii) 1/3 of 1 percent of the amount available for payments under this section; and

''(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

''(2) INFLATION ADJUSTMENT.—For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount appropriated to carry out this section between the preceding fiscal year and the fiscal year involved.

''(e) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

''(f) FUNDING.—

''(1) ALLOCATION OF PAYMENTS.—

''(A) IN GENERAL.—Subject to subparagraph (B), payments under this section shall be made from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(B) LIMITATION.—Payments under this section shall not exceed $7,000,000 for fiscal year 2000, and such sums as may be necessary for any fiscal year thereafter.

''(2) CARRYOVER.—Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

''(g) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(3) PROTECTION AND ADVOCACY SYSTEM.—The term 'protection and advocacy system' means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).''.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

SEC. 301. PERMANENT EXTENSION OF DISABILITY INSURANCE PROGRAM DEMONSTRATION PROJECT AUTHORITY.

(a) PERMANENT EXTENSION OF AUTHORITY.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by adding at the end the following:

''DEMONSTRATION PROJECT AUTHORITY

''SEC. 234. (a) AUTHORITY.—

''(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the 'Commissioner') shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of—

''(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined

in section 223(d)), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

''(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 222(c)), altering the 24-month waiting period for hospital insurance benefits under section 226, altering the manner in which the program under this title is administered, earlier referral of such individuals for rehabilitation, and greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

''(C) implementing sliding scale benefit offsets using variations in—

''(i) the amount of the offset as a proportion of earned income;

''(ii) the duration of the offset period; and

''(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this title.

''(2) AUTHORITY FOR EXPANSION OF SCOPE.—The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this title with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to any such group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

''(b) REQUIREMENTS.—The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this title without committing such program to the adoption of any particular system either locally or nationally.

''(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.—In the case of any experiment or demonstration project conducted under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of title XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

''(d) REPORTS.—

''(1) INTERIM REPORTS.—On or before June 9 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

''(2) FINAL REPORTS.—Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment and demonstration project.''.

(b) CONFORMING AMENDMENTS; TRANSFER OF PRIOR AUTHORITY.—

(1) CONFORMING AMENDMENTS.—

(A) REPEAL OF PRIOR AUTHORITY.—Paragraphs (1) through (4) of subsection (a) and subsection (c) of section 505 of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) are repealed.

(B) CONFORMING AMENDMENT REGARDING FUNDING.—Section 201(k) of the Social Security Act (42 U.S.C. 401(k)) is amended by striking ''section 505(a) of the Social Security Disability Amendments of 1980'' and inserting ''section 234''.

(2) TRANSFER OF PRIOR AUTHORITY.—With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) as of the date of enactment of this Act, the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 234 of the Social Security Act, as added by subsection (a).

SEC. 302. DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act) under which each $1 of benefits payable under section 223, or under section 202 based on the beneficiary's disability, is reduced for each $2 of such beneficiary's earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

(b) SCOPE AND SCALE AND MATTERS TO BE DETERMINED.—

(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine—

(A) the effects, if any, of induced entry into the project and reduced exit from the project;

(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act; and

(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Work Incentives Advisory Panel pursuant to section 201(f)(2)(B)(ii).

(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act, and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of that Act, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) INTERIM REPORTS.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Commissioner of Social Security shall submit to Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

(e) FINAL REPORT.—The Commissioner of Social Security shall submit to Congress a final report with respect to all demonstration projects carried out under this section not later than 1 year after their completion.

(f) EXPENDITURES.—Expenditures made for demonstration projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, to the extent provided in advance in appropriation Acts.

SEC. 303. STUDIES AND REPORTS.

(a) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING DISABILITY-RELATED EMPLOYMENT INCENTIVES.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 and other Federal laws. In such study, the Comptroller General shall specifically address the extent to which such credits and other incentives would encourage employers to hire and retain individuals with disabilities.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(b) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination under current law of the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of that Act, as such programs relate to individuals entering or leaving concurrent entitlement under such programs. In such study, the Comptroller General shall specifically address the effectiveness of work incentives under such programs with respect to such individuals and the effectiveness of coverage of such individuals under titles XVIII and XIX of the Social Security Act.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(c) STUDY BY GENERAL ACCOUNTING OFFICE OF THE IMPACT OF THE SUBSTANTIAL GAINFUL ACTIVITY LIMIT ON RETURN TO WORK.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study of the substantial gainful activity level applicable as of that date to recipients of benefits under section 223 of the Social Security Act (42 U.S.C. 423) and under section 202 of that Act (42 U.S.C. 402) on the basis of a recipient having a disability, and the effect of such level as a disincentive for those recipients to return to work. In the study, the Comptroller General also shall address the merits of increasing the substantial gainful activity level applicable to such recipients of benefits and the rationale for not yearly indexing that level to inflation.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(d) REPORT ON DISREGARDS UNDER THE DI AND SSI PROGRAMS.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) identifies all income, assets, and resource disregards (imposed under statutory or regulatory authority) that are applicable to individuals receiving benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

(2) with respect to each such disregard—

(A) specifies the most recent statutory or regulatory modification of the disregard; and

(B) recommends whether further statutory or regulatory modification of the disregard would be appropriate; and

(3) with respect to the disregard described in section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) (relating to grants, scholarships, or fellowships received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution)—

(A) identifies the number of individuals receiving benefits under title XVI of such Act (42 U.S.C. 1381 et seq.) who have attained age 22 and have not had any portion of any grant, scholarship, or fellowship received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution excluded from their income in accordance with that section;

(B) recommends whether the age at which such grants, scholarships, or fellowships are excluded from income for purposes of determining eligibility under title XVI of the Social Security Act should be increased to age 25; and

(C) recommends whether such disregard should be expanded to include any such grant, scholarship, or fellowship received for use in paying the cost of room and board at any such institution.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS RELATING TO DRUG ADDICTS AND ALCOHOLICS.

(a) CLARIFICATION RELATING TO THE EFFECTIVE DATE OF THE DENIAL OF SOCIAL SECURITY DISABILITY BENEFITS TO DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5) of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 853) is amended—

(1) in subparagraph (A), by striking ''by the Commissioner of Social Security'' and ''by the Commissioner''; and

(2) by adding at the end the following:

''(D) For purposes of this paragraph, an individual's claim, with respect to benefits under title II of the Social Security Act based on disability, which has been denied in whole before the date of enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

''(i) there is pending a request for either administrative or judicial review with respect to such claim, or

''(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

''(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement redetermination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement redetermination in lieu of a continuing disability review whenever the Commissioner determines that the individual's entitlement is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 223(f) of the Social Security Act shall not apply to such redetermination.''.

(b) CORRECTION TO EFFECTIVE DATE OF PROVISIONS CONCERNING REPRESENTATIVE PAYEES AND TREATMENT REFERRALS OF SOCIAL SECURITY BENEFICIARIES WHO ARE DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5)(B) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended to read as follows:

''(B) The amendments made by paragraphs (2) and (3) shall take effect on July 1, 1996, with respect to any individual—

''(i) whose claim for benefits is finally adjudicated on or after the date of enactment of this Act; or

''(ii) whose entitlement to benefits is based on an entitlement redetermination made pursuant to subparagraph (C).''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

SEC. 402. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF TITLE II BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3)) is amended—

(A) by inserting ''(A)'' after ''(3)''; and

(B) by adding at the end the following:

''(B)(i) The Commissioner shall enter into an agreement under this subparagraph with any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, Social Security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the individuals confined in the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to the institution, with respect to information described in subclause (I) concerning each individual who is confined therein as described in paragraph (1)(A), who receives a benefit under this title for the month preceding the first month of such confinement, and whose benefit under this title is determined by the Commissioner to be not payable by reason of confinement based on the information provided by the institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information to the Commissioner within 30 days after the date such individual's confinement in such institution begins, or $200 (subject to reduction under clause (ii)) if the institution furnishes the information after 30 days after such date but within 90 days after such date.

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 1611(e)(1)(I).

''(iii) There is authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to enable the Commissioner to make payments to institutions required by clause (i)(II).

''(iv) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any agency administering a Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.''.

(2) CONFORMING AMENDMENT TO THE PRIVACY ACT.—Section 552a(a)(8)(B) of title 5, United States Code, is amended—

(A) in clause (vi), by striking ''or'' at the end;

(B) in clause (vii), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(viii) matches performed pursuant to section 202(x)(3)(B) or 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 402(x)(3)(B), 1382(e)(1)(I));''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(b) ELIMINATION OF TITLE II REQUIREMENT THAT CONFINEMENT STEM FROM CRIME PUNISHABLE BY IMPRISONMENT FOR MORE THAN 1 YEAR.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in the matter preceding clause (i), by striking ''during'' and inserting ''throughout'';

(B) in clause (i), by striking ''an offense punishable by imprisonment for more than 1 year (regardless of the actual sentence imposed)'' and inserting ''a criminal offense''; and

(C) in clause (ii)(I), by striking ''an offense punishable by imprisonment for more than 1 year'' and inserting ''a criminal offense''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals

whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(c) CONFORMING TITLE XVI AMENDMENTS.—

(1) FIFTY PERCENT REDUCTION IN TITLE XVI PAYMENT IN CASE INVOLVING COMPARABLE TITLE II PAYMENT.—Section 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)) is amended—

(A) in clause (i)(II), by inserting ''(subject to reduction under clause (ii))'' after ''$400'' and after ''$200'';

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(C) by inserting after clause (i) the following:

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 202(x)(3)(B).''.

(2) EXPANSION OF CATEGORIES OF INSTITUTIONS ELIGIBLE TO ENTER INTO AGREEMENTS WITH THE COMMISSIONER.—Section 1611(e)(1)(I)(i) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)) is amended in the matter preceding subclause (I) by striking ''institution'' and all that follows through ''section 202(x)(1)(A),'' and inserting ''institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 202(x)(1)(A)(ii),''.

(3) ELIMINATION OF OVERLY BROAD EXEMPTION.—Section 1611(e)(1)(I)(iii) of such Act (42 U.S.C. 1382(e)(1)(I)(iii)) (as redesignated by paragraph (1)(B), is amended by striking ''(I) The provisions'' and all that follows through ''(II)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 203(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2186). The reference to section 202(x)(1)(A)(ii) of the Social Security Act in section 1611(e)(1)(I)(i) of the Social Security Act as amended by paragraph (2) shall be deemed a reference to such section 202(x)(1)(A)(ii) as amended by subsection (b)(1)(C).

(d) CONTINUED DENIAL OF BENEFITS TO SEX OFFENDERS REMAINING CONFINED TO PUBLIC INSTITUTIONS UPON COMPLETION OF PRISON TERM.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in clause (i), by striking ''or'' at the end;

(B) in clause (ii)(IV), by striking the period and inserting '', or''; and

(C) by adding at the end the following:

''(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexually dangerous person or a sexual predator or a similar finding.''.

(2) CONFORMING AMENDMENT.—Section 202(x)(1)(B)(ii) of the Social Security Act (42 U.S.C. 402(x)(1)(B)(ii)) is amended by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to benefits for months ending after the date of enactment of this Act.

SEC. 403. REVOCATION BY MEMBERS OF THE CLERGY OF EXEMPTION FROM SOCIAL SECURITY COVERAGE.

(a) IN GENERAL.—Notwithstanding section 1402(e)(4) of the Internal Revenue Code of 1986, any exemption which has been received under section 1402(e)(1) of such Code by a duly ordained, commissioned, or licensed minister of a church, a member of a religious order, or a Christian Science practitioner, and which is effective for the taxable year in which this Act is enacted, may be revoked by filing an application therefore (in such form and manner, and with such official, as may be prescribed by the Commissioner of the Internal Revenue Service), if such application is filed no later than the due date of the Federal income tax return (including any extension thereof) for the applicant's second taxable year beginning after December 31, 1999. Any such revocation shall be effective (for purposes of chapter 2 of the Internal Revenue Code of 1986 and title II of the Social Security Act), as specified in the application, either with respect to the applicant's first taxable year beginning after December 31, 1999, or with respect to the applicant's second taxable year beginning after such date, and for all succeeding taxable years; and the applicant for any such revocation may not thereafter again file application for an exemption under such section 1402(e)(1). If the application is filed after the due date of the applicant's Federal income tax return for a taxable year and is effective with respect to that taxable year, it shall include or be accompanied by payment in full of an amount equal to the total of the taxes that would have been imposed by section 1401 of the Internal Revenue Code of 1986 with respect to all of the applicant's income derived in that taxable year which would have constituted net earnings from self-employment for purposes of chapter 2 of such Code (notwithstanding paragraph (4) or (5) of section 1402(c) of such Code) except for the exemption under section 1402(e)(1) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall apply with respect to service performed (to the extent specified in such subsection) in taxable years beginning after December 31, 1999, and with respect to monthly insurance benefits payable under title II of the Social Security Act on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is effective (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year).

SEC. 404. ADDITIONAL TECHNICAL AMENDMENT RELATING TO COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS UNDER TITLES II AND XVI.

(a) IN GENERAL.—Section 1110(a)(3) of the Social Security Act (42 U.S.C. 1310(a)(3)) is amended by striking ''title XVI'' and inserting ''title II or XVI''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

SEC. 405. AUTHORIZATION FOR STATE TO PERMIT ANNUAL WAGE REPORTS.

(a) IN GENERAL.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended by inserting before the semicolon the following: '', and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of the Internal Revenue Code of 1986 to make such reports on an annual basis''.

(b) TECHNICAL AMENDMENTS.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by striking ''(as defined in section 453A(a)(2)(B)(iii))''; and

(2) by inserting ''(as defined in section 453A(a)(2)(B))'' after ''employers'' .

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wage reports required to be submitted on and after the date of enactment of this Act.

TITLE V—REVENUE

SEC. 501. MODIFICATION TO FOREIGN TAX CREDIT CARRYBACK AND CARRYOVER PERIODS.

(a) IN GENERAL.—Section 904(c) of the Internal Revenue Code of 1986 (relating to limitation on credit) is amended—

(1) by striking ''in the second preceding taxable year,'', and

(2) by striking ''or fifth'' and inserting ''fifth, sixth, or seventh''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to credits arising in taxable years beginning after December 31, 2001.

SEC. 502. LIMITATION ON USE OF NON-ACCRUAL EXPERIENCE METHOD OF ACCOUNTING.

(a) IN GENERAL.—Section 448(d)(5) of the Internal Revenue Code of 1986 (relating to special rule for services) is amended—

(1) by inserting ''in fields described in paragraph (2)(A)'' after ''services by such person'', and

(2) by inserting ''CERTAIN PERSONAL'' before ''SERVICES''.

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer required by the amendments made by this section to change its method of accounting for its first taxable year ending after the date of the enactment of this Act—

(A) such change shall be treated as initiated by the taxpayer,

(B) such change shall be treated as made with the consent of the Secretary of the Treasury, and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such first taxable year.

SEC. 503. EXTENSION OF INTERNAL REVENUE SERVICE USER FEES.

(a) IN GENERAL.—Chapter 77 of the Internal Revenue Code of 1986 (relating to miscellaneous provisions) is amended by adding at the end the following new section:

''SEC. 7527. INTERNAL REVENUE SERVICE USER FEES.

''(a) GENERAL RULE.—The Secretary shall establish a program requiring the payment of user fees for—

''(1) requests to the Internal Revenue Service for ruling letters, opinion letters, and determination letters, and

''(2) other similar requests.

''(b) PROGRAM CRITERIA.—

''(1) IN GENERAL.—The fees charged under the program required by subsection (a)—

''(A) shall vary according to categories (or subcategories) established by the Secretary,

''(B) shall be determined after taking into account the average time for (and difficulty of) complying with requests in each category (and subcategory), and

''(C) shall be payable in advance.

''(2) EXEMPTIONS, ETC.—The Secretary shall provide for such exemptions (and reduced fees) under such program as the Secretary determines to be appropriate.

''(3) AVERAGE FEE REQUIREMENT.—The average fee charged under the program required by subsection (a) shall not be less than the amount determined under the following table:

''Category	*Average Fee*
Employee plan ruling and opinion	*$250*
Exempt organization ruling	*$350*
Employee plan determination	*$300*
Exempt organization determination	*$275*
Chief counsel ruling	*$200.*

''(c) TERMINATION.—No fee shall be imposed under this section with respect to requests made after September 30, 2006.''

(b) CONFORMING AMENDMENTS.—

(1) The table of sections for chapter 77 of the Internal Revenue Code of 1986 is amended by adding at the end the following new item:

''Sec. 7527. Internal Revenue Service user fees.''

(2) Section 10511 of the Revenue Act of 1987 is repealed.

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

AMENDMENT NO. 671

(Purpose: To provide a complete substitute)

The PRESIDING OFFICER. The clerk will report the Roth amendment.

The legislative clerk read as follows:

The Senator from Delaware [Mr. ROTH] proposes an amendment numbered 671.

(The text of the amendment is printed in today's RECORD under ''Amendments Submitted.''):

The PRESIDING OFFICER. The amendment is agreed to.

The amendment (No. 671) was agreed to.

The PRESIDING OFFICER. Under the previous order, there will now be 20 minutes equally divided in the usual form.

Who yields time?

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I said yesterday, ''The time has come.'' And, now finally it has. I said yesterday, ''Our friends with disabilities have waited patiently.'' I say today, They are more than patient. They are saints with tolerance for congressional schedules. Everyone here—everyone in the White House, everyone in the other body, and because of e-mail, everyone in the country—knows I am referring to our pending consideration of landmark legislation, S. 331, the Work Incentives Improvement Act of 1999.

When I came to Congress in January 1975, one of my legislative priorities was providing access to the American dream for people with disabilities.

Well, today, after 3 long years, endless hours of discussion and drafting, and redrafting, we are about to remove the biggest remaining barrier to the American dream for individuals with disabilities—access to health care if they work. What we are about to do was long in coming. It is so important.

During the process that got us to this point, I have learned a great deal. I suspect the same holds true for the 77 other cosponsors of this bill. People with disabilities want to work, and will work, if given access to health care. This bill does just that—it gives workers with disabilities access to appropriate health care—health care that is not readily available or affordable from the private sector.

People with disabilities want to work, and will work, if given access to job training and job placement assistance. This bill does just that—it gives individuals with disabilities training and help securing a job.

The work Incentives Improvement Act empowers people with disabilities to control the quality of their lives, to pay State and Federal taxes, to return the investment that society has made in them, and most of all, the bill empowers them so they can go to work.

I thank my bipartisan original cosponsors Senators KENNEDY, ROTH, and MOYNIHAN who, with me, created a sound piece of legislation to address this real problem for millions of Americans with disabilities. Their commitment represents the best of what the Senate can accomplish when sound policy is placed above partisanship and beyond who gets credit.

I also thank the additional, original 35 cosponsors of this bill and the subsequent 42 cosponsors who represent a total of over three quarters of this body, perhaps a Senate record on health care legislation.

Over the last two weeks the majority leader has been the driving force that urged us to work out policy differences that were delaying floor consideration. We did so through good faith efforts that broadened support for the bill and reduced its overall modest cost.

In particular, I want to recognize Senators NICKLES, BUNNING and GRAMM for their willingness to reach consensus with us on policy without compromising the integrity of the legislation, thus, allowing S. 331 to move forward.

I especially give a heartfelt thanks to people with disabilities who worked with us, trusted us to do the right thing. With their support, encouragement, and energy we have done the right thing.

Yesterday the President asked us to give him a bill by July 4th, or at least July 26th, the 9th anniversary of the Americans With Disabilities Act. We can. We should, with 100 votes.

I reserve the remainder of my time.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The distinguished Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, how much time does each side have?

The PRESIDING OFFICER. The Senator from Vermont has 6 minutes 6 seconds remaining. The Senator from Massachusetts has 10 minutes.

Mr. KENNEDY. Mr. President, I yield such time as I might use.

Mr. President, today, we will pass landmark legislation to open the workplace doors for disabled people in communities across this country. At long last, once this measure is enacted into law, large numbers of people with disabilities will have the opportunity to fulfill their hopes and dreams of living independent and productive lives.

A decade ago, when we enacted the Americans With Disabilities Act, we promised our disabled fellow citizens a new and better life in which disability would no longer end the American dream. Too often, for too many Americans, that promise has been unfulfilled. The Work Incentives Improvement Act will dramatically strengthen the fulfillment of that promise.

We know that millions of disabled men and women in this country want to work and are able to work. But they are denied the opportunity to do so, and the nation is denied their talents and their contributions to our communities.

Current laws are an anachronism. Modern medicine and modern technology are making it easier than ever before for disabled persons to have productive lives and careers. Yet current laws are often a greater obstacle to that goal than the disability itself. It's ridiculous that we punish disabled persons who dare to take a job by penalizing them financially, by taking away their health insurance lifeline, and by placing these unfair obstacles in their path.

The Work Incentives Improvement Act removes these unfair barriers to work that face so many Americans with disabilities:

It makes health insurance available and affordable when a disabled person goes to work, or develops a significant disability while working.

It gives people with disabilities greater access to the services they need to become successfully employed.

It phases out the loss of cash benefits as income rises, instead of the unfair sudden cut-off that workers with disabilities face today.

It places work incentive planners in communities, rather than in bureaucracies, to help workers with disabilities learn how to obtain the employment services and support they need.

Eliminating these barriers to work will help large numbers of disabled Americans to achieve self-sufficiency. We are a better and stronger and fairer country when we open the golden door of opportunity to all Americans, and enable them to be equal partners in the American dream. For millions of Americans with disabilities, this bill is a declaration of independence that can make the American dream come true.

We must banish the patronizing mind-set that disabled people are unable. In fact, they have enormous talent, and America cannot afford to waste an ounce of it.

Today's action is dedicated to the 54 million disabled American men and women who want to work and are able to work, but who face unfair penalties under current law if they take jobs and go to work. It is dedicated to the 12 million children and their families who will now have the chance to dream of a future of work and prosperity, and not government handouts.

Our goal is to remove the unconscionable barriers they face, and free up the enterprise, creativity, and contribution of these Americans. Now, when we say ''equal opportunity for all,'' it will be clear that we mean all.

No one in America should lose their medical coverage, which can mean the difference between life and death—if they go to work. No one in this country should have to choose between buying a decent meal and buying the medication they need.

The Work Incentives Improvement Act will remove these unfair barriers

and continue to make health insurance available and affordable to people with disabilities.

Many leaders in communities throughout the country have worked long and hard and well to help us reach this milestone. They are consumers, family members, citizens, and advocates. They see every day that our current job programs are failing people with disabilities; and forcing them and their families into poverty.

We have worked together for many months to develop effective ways to right these wrongs. To all of those who have done so much, I say thank you for helping us to reach this long-awaited day. This bill truly represents legislation of the people, by the people and for the people.

Nearly a year ago, President Clinton signed an executive order to increase employment and health care coverage for people with disabilities. Today, with strong bipartisan support, the Senate is demonstrating its commitment to our fellow disabled citizens.

I especially commend Senator JEFFORDS, Senator ROTH, and Senator MOYNIHAN for their indispensable leadership on this landmark legislation. I also commend the many Senate staff members whose skilled assistance contributed so much to this achievement—Jennifer Baxendale and Alec Vachon of Senator ROTH'S staff, Kristin Testa and John Resnick of Senator MOYNIHAN'S staff, Chris Crowley, Jim Downing, and Pat Morrissey of Senator JEFFORDS' staff, and Michael Myers and Connie Garner of my own staff.

For far too long, disabled Americans have been left out and left behind. Today, we are taking long overdue action to correct the injustice they have unfairly suffered.

Mr. JEFFORDS. Mr. President, I see Senator ROTH is on the floor. I control the time. I yield to him 5 minutes.

The PRESIDING OFFICER. The distinguished Senator from Delaware is recognized for 5 minutes.

Mr. ROTH. Mr. President, this is an important day for millions of Americans with disabilities—a day that presents the Senate with an opportunity to build on the legacy of the Americans With Disabilities Act. Today, we have a chance to help disabled Americans move toward independence.

Despite the success of the Americans With Disabilities Act, there are still serious obstacles facing too many people with disabilities—obstacles that stand in the way of employment.

Senators JEFFORDS, MOYNIHAN, KENNEDY, and I want to change that. Accordingly, in January we introduced S. 331, the Work Incentives Improvement Act of 1999.

This legislation has a simple objective—to help people with disabilities go to work if they want to go to work, without fear of losing their health insurance lifeline.

S. 331 has been one of my top priorities this year, and support for the bill has been widespread. Mr. President, a total of 78 Senators now sponsor S. 331. Let me say that again—78 Senators have signed on to S. 331. That would be a remarkable total for any bill, let alone a health care proposal.

S. 331 is necessary because the unemployment rate among working-age adults with severe disabilities is nearly 75 percent. Many of these individuals want to work. S. 331 will allow disabled individuals to work without losing access to health insurance coverage.

Mr. President, we can no longer afford to deny millions of talented Americans the opportunity to contribute in the work force.

More than 300 national groups agree that it is time to act, including organizations representing veterans, people with disabilities, health care providers, and insurers.

This bill is about helping disabled Americans work—if that is what they want to do. It's about helping people reach their potential. It is not about big government—it's about getting government out of the way of individual commitment and creativity.

And this bill isn't about a distinct and separate group of disabled individuals. It is about all of us. Realistically, we are all just one tragedy away from confronting disability in our own families.

Unfortunately, we cannot prevent all disabilities. But we can prevent making disabled individuals choose between health care and employment. Today, we can take a step toward making that goal a reality.

Before we vote, I would be remiss if I did not thank Senator JEFFORDS and Senator KENNEDY for their longstanding commitment to this important legislation. In addition, my particular thanks go to Senator MOYNIHAN for all of his assistance in moving the bill through the Finance Committee.

As I close, I would like to ask all my colleagues to join with me in voting for S. 331. By passing the Work Incentives Improvement Act today, we can help unleash the creativity and enthusiasm of millions of Americans with disabilities ready and eager to work.

Mr. President, I ask for the yeas and nays on S. 331.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

Mr. THURMOND. Mr. President, will the Senator add me as a cosponsor?

Mr. ROTH. Yes.

Mr. MOYNIHAN. Mr. President, our revered chairman of the Finance Committee has been characteristically generous in thanking the associates who have joined him in this matter.

I will take just a moment—I know he would wish me to do so—to call attention to the fact that it is our former colleague, our beloved former colleague, Bob Dole, who first proposed this matter. It was 1986. He introduced the Employment Opportunities for Disabled Americans Act to allow supplementary security income beneficiaries to continue to receive Medicaid when they return to work.

As the chairman of our committee said, this has enabled people to go to work who are disabled but not unwilling.

In a hearing before our committee on this bill, Senator Dole said:

> This is about people going to work. It is about dignity and opportunity and all the things we talk about when we talk about being an American.

I think this accounts, sir, for the overwhelming support in this body.

With that thought, and again my thanks to the chairman, I yield the floor.

I have a snippet of time that Senator KENNEDY may wish to use.

The PRESIDING OFFICER. The Senator has 1 minute 43 seconds.

Mr. KENNEDY. Mr. President, I thank all of our colleagues for the program and for their support.

Yesterday when the President was here, he indicated he would like to have this legislation on his desk by the Fourth of July. This really is a declaration of independence for the disabled. He mentioned if we were not able to meet that time limit, we ought to do it the 26th of July which will be the ninth anniversary for the Americans With Disabilities Act.

I think either date will be entirely appropriate for the celebration in this country of the Fourth of July. I can't think of a better Fourth of July for millions of our fellow Americans than the successful signing into law of this legislation.

I yield back the remainder of my time.

The PRESIDING OFFICER. The distinguished Senator from Vermont is recognized.

Mr. JEFFORDS. Mr. President, I thank the Senator from New York for bringing up the role that former Senator Bob Dole played in this whole process. It was his leadership and his constant reminder to me of the need to continue to go forward that I took on that role and now feel so good that tomorrow we are at the point of succeeding.

I thank the disability community. I have never seen such an effort as that provided by those in the disability community of this country to make sure we did not forget our role and our goal.

I also thank Pat Morrisey of my staff who has been an incredible workhorse on this matter. She has done a tremendous job in keeping me on the right track.

This is the final great step in assuring that the disabled community of our country has reached the goal from which they have been precluded by the mobility to get health care—to be fully reentered into life.

I yield back the remainder of my time.

The PRESIDING OFFICER. The committee substitute, as amended, is agreed to.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. ROTH. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. GRAMM. Mr. President, I ask unanimous consent for 5 minutes to speak on the bill that is pending, given the role that I played in reaching this point.

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

Mr. GRAMM. Mr. President, I think some explanation is due of how we came to be where we are and the circumstances under which this bill is being considered.

When the bill was reported from the Finance Committee, it was funded by changing the Tax Code in a way that would have produced additional revenues—by conventional definition, that would be a tax increase.

I felt at a time where we find it virtually impossible to control discretionary spending, at a time where in the same day—as was the case yesterday—we vote to secure in a lockbox the surplus that is coming from Social Security and then an hour later we vote to break the lockbox open and spend $270 million of Social Security money to subsidize loans to the steel industry, it was a very bad precedent to set at this point in this legislative session where we are coming closer and closer to blowing the top out of discretionary spending in the Federal Government to create a brand new entitlement, no matter how meritorious, and do it by raising taxes.

As a result, we had a series of objections to efforts to bring this bill to a vote. Many of those efforts were in the waning hours of various periods of the session before we adjourned for recesses. I have insisted on one fundamental thing which is now embodied in the unanimous-consent request that we have used to bring this bill to the floor; that is, that it be paid for, and that it be paid for by cutting another entitlement program; that it not be paid for by raising taxes.

Now, I have no objection to the bill itself. In fact, I congratulate Senator JEFFORDS. I congratulate the distinguished chairman of the Finance Committee, Senator ROTH. I congratulate the ranking member, Senator MOYNIHAN, not only for putting together a good bill but being willing to go back and refine that bill to deal with legitimate concerns that were raised, and produce a situation where I assume this bill will pass unanimously.

My objection has never been to the bill itself because the policy embodied in the legislation itself is meritorious. The problem is, there are many meritorious proposals that can be made. At a time when we cannot seem to control discretionary spending, if we start in our first new entitlement program of this session to fund it by raising taxes, I think we create a precedent that could be very harmful to the economy and could ultimately drive up interest rates and threaten the recovery.

So, what we have done is ensure that there is no tax increase or any revenue measure in this bill. We have a unanimous-consent agreement that this bill cannot come back to the Senate in this or any other bill unless it is paid for by cutting another entitlement program. So the one thing we can be guaranteed is, in meeting the goals of this meritorious bill, what we are going to be required to do is do what families would have to do if they came up with a good thing to spend money on, and that is we have to go back and find another entitlement that is less meritorious, and we are going to have to find money from one of those other entitlements to fund this bill. I think that is the right way to do it.

I thank my colleagues for their patience. I know the bill is supported by a lot of people, and they should, because these are people with disabilities who are trying to work.

It has not been easy to stand in the way of this bill. I thought the cause was an important one. I am very happy with the final product. I urge my colleagues to vote for the bill. I assume it will get 100 votes, and I think we are doing it the right way.

I yield the floor.

Mr. HATCH. Mr. President, I commend Senators JEFFORDS, ROTH, KENNEDY, and MOYNIHAN for going the extra mile to work out the provisions of this legislation. I am sure it was not easy; dealing with Medicaid and SSDI never is.

As a veteran of many negotiations and collaborations with on disability issues, I see this legislation as a fine example of progressive policy that does not also beget more bureaucracy and irresponsible spending. I do not believe that improving life for those with disabilities and maintaining fiscal responsibility have to be mutually exclusive goals if we take the time to do it right.

That is why I appreciated the modifications made in this bill prior to its reintroduction early this spring. I know my colleagues on the Finance Committee and my former colleagues on the Health and Education Committee worked very hard to accomplish this goal, and I think that, by and large, they have succeeded. They can be proud to have produced a bill with such solid bipartisan support. I might mention that Pat Morrissey of Senator JEFFORDS' staff was particularly responsive to my earlier questions and concerns.

I would also like to acknowledge the helpful input I received from my own Utah Advisory Committee on Disability Policy. While this measure was particularly important to a number of the committee's individual members, I want to note for the record that the entire committee endorsed it and urged my support for the bill. I am pleased to be able to demonstrate that support today with an ''aye'' vote.

Mr. GRASSLEY. Mr. President, I rise today in support of legislation sponsored by Senators JEFFORDS, KENNEDY, ROTH and MOYNIHAN. I commend my colleagues for their dedication to improving the way federal programs serve persons with disabilities. Continuing my support for this effort from last Congress, I became an original co-sponsor this year of S. 331, the Work Incentives Improvement Act of 1999.

This bill addresses one of the great tragedies of our disability system. The tragedy is forcing many people with disabilities to choose between working and maintaining access to health care. The intent of our system was never to demoralize Americans who are ready, willing and able to work. It is critical that we overturn today's policies of disincentives toward work and replace them with thoughtful, targeted incentives that will enable many individuals with disabilities to return to work.

By removing barriers to necessary health care, the Work Incentives Improvement Act gives the disabled population the green light to join the work force. It is smart public policy that will help alleviate the tight labor market, increase the tax base for the Social Security trust fund and address employer concerns. Many employers are wary of adding a high-cost employee to their company's insurance pool.

Most of all, this bill is the right thing to do. By providing disabled workers a better opportunity to earn a living, this bill reinforces our nation's strong work ethic. Earning one's own way in the world helps foster personal responsibility and self-esteem.

Over the years I have heard from Iowans who have been forced to leave the work force because of a disability. More than 40,000 Iowans receive federal disability benefits, but fewer than 20 percent of these Iowans hold a job. Most are discouraged form seeking employment because of the fear of losing critical health benefits covered by Medicare and Medicaid.

For example, Tim Clancy of Iowa City has his Bachelor of Arts from the University of Iowa. He is an active individual and participates in a number of city and county government activities. Tim lives with cerebral palsy and relies on personal assistants for morning and evening help. Recently, he became employed by Target in Coralville, Iowa, but does not have health insurance through his employer. After he completes his trial work period and extended period of eligibility, he will lose his health insurance. The Work Incentives Act would allow Tim—and many others—to continue receiving the same health coverage as he has now.

I look forward to the passage of this legislation. It will unlock the doors to

employment for thousands of invaluable citizens.

Mr. BIDEN. Mr. President, I am delighted that the Senate has agreed to pass S. 331, the Work Incentives Improvement Act of 1999, and I am proud to be a cosponsor of this important legislation.

This bill helps maintain the autonomy and self-worth of some of our most vulnerable citizens, the disabled, by removing barriers that prevent them from returning to work. Disabled citizens in Delaware and elsewhere almost uniformly state that their most important goal is to return to work, not only for the income but for the need to be productive. However, because our laws currently put many obstacles in the way of disabled individuals who want to return to work, they often discover that they are better off financially and medically if they remain unemployed.

The Work Incentives Improvement Act helps tear down some of these perverse provisions of law that block the disabled from achieving their goal of becoming productive, taxpaying citizens. First, and probably most important to the disabled, this bill helps them maintain appropriate health insurance through extensions and expansions of the Medicare and Medicaid programs. Most employer-sponsored insurance does not provide the specific types of coverage that the disabled need to enable them to return to work.

Second, the Work Incentives Improvement Act helps the disabled obtain appropriate employment and vocational rehabilitation services through the Ticket To Work and Self-Sufficiency program, which extends access to such services provided by the private sector.

Finally, this bill continues the demonstration project that allows the disabled who return to work to keep a portion of their cash payments as their work income increases; currently, the abrupt loss of these payments when income reaches a specific threshhold has been a severe disincentive for the disabled to return to work.

Mr. President, I am honored to be a cosponsor of this important legislation that helps restore the disabled citizens of Delaware and throughout the United States to their rightful places as equal participants in our society, and I applaud its passage by the Senate.

Mr. MACK. Mr. President, I rise today to speak on behalf of the Work Incentives Improvement Act of 1999. This bill was introduced by Senator JEFFORDS and co-sponsored by 77 members. The primary purpose of this legislation is to expand the availability of health care coverage under the Social Security Act for working individuals with disabilities. This bill establishes a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to make available meaningful work opportunities for the disabled.

Some months ago, in Florida, I met a woman who does not have the use of her arms. This woman is an accomplished artist who uses her feet to create beautiful works of art. She spoke with me about the difficulty she has had over the years obtaining health insurance for routine medical care and asked me to support this bill. It is with her in mind and the many other talented, hard-working disabled Americans that I support this act which will make it possible for them to obtain health coverage and lead productive working lives.

This bill allows states to offer Medicaid coverage to workers with disabilities beyond what is currently available to them under the Balanced Budget Act of 1997. It creates two new optional eligibility categories and allows states to offer buy-ins for the working disabled so that they can maintain health care coverage, work, and have as much independence as their disability allows. One option permits states to offer a Medicaid buy-in to people with disabilities who work and have an earned income above 250% of poverty with specified levels for assets, resources and unearned income set by the state in which they reside. This is important to many of the disabled who have income or assets that exceed the current level and have an earned income that has exceeded $500 per month during the past year. The state can and should impose a sliding scale of cost-sharing of the premium, up to 100% of the premium, based on the income of the individual. This will allow many of the disabled who simply cannot get health insurance because they have income or assets above a certain level, to obtain health coverage. With the passage of this legislation, a person with disabilities who may be an artist, computer programmer or run a telephone answering service can now be successful at work and have no fear of being unable to obtain health coverage.

The second option allows states that elect to participate in the first option to also cover people who have a severe impairment but can lose eligibility for Supplemental Security Income or Social Security Disability Insurance because of medical improvement. In certain cases, the only reason a person improves is because they receive medical treatment. This bill prevents a person from losing their health care coverage when their health improves due to medical treatment. The state can allow this type of person to buy into the state Medicaid program at a premium set by the state. This is a blessing to persons with disabling conditions which are amenable to treatment such as rheumatoid arthritis, Crohn's disease, depression, or sickle cell anemia. It allows people who can work to work and receive treatment for what may be a chronic disease and have no fear of losing their health coverage.

An additional benefit of this bill provides for the continuation of Medicare coverage for working individuals with disabilities. An extended period of eligibility will allow people who receive Social Security Disability Insurance (SSDI) to continue to receive Part A Medicare coverage without payment for up to six years after returning to work. At present, disabled people may receive Medicare coverage for nine months followed by 36 months of extended eligibility but after that, they have to pay the Part A premium in full. Often, people returning to work following a period of coverage by SSDI, work part time so they are ineligible for health insurance or they cannot obtain insurance through their employer or from the private market. This bill would permit them to receive Part A coverage and have coverage they could not otherwise obtain.

I join with my colleagues in support of this legislation to help the disabled help themselves.

Mr. DODD. Mr President, I rise today to lend my strong support to important legislation that will enable millions of individuals with disabilities to achieve greater independence and financial security. The Work Incentives Improvement Act of 1999 offers Americans with disabilities the opportunity to achieve greater independence and financial security without the threat of losing the important protections provided by health insurance coverage.

Mr. President, currently more than 75 percent of all individuals with disabilities are unemployed. Further, less than one-half of one percent of the 7.5 million persons receiving federal disability payments go to work each year. Yet a 1999 Harris Survey determined that 74 percent of Americans with disabilities want to work. However, many individuals with disabilities who work face the significant loss of their health insurance coverage as they surpass certain earning limits. This loss of health coverage often presents an understandable deterrent to employment for many individuals with disabilities. While the great majority of Americans with disabilities would like to work, few can afford to lose the protection provided by their health insurance coverage. Forcing individuals with disabilities to choose between work and health insurance coverage presents a difficult choice no one should be forced to make.

S. 331 would provide incentives for persons with disabilities to return to work without losing their access to health insurance. This legislation removes barriers for disabled individuals seeking to find meaningful employment by allowing this vulnerable segment of our population to retain health insurance coverage. By removing the disincentive to work that the loss of health insurance presents to individuals with disabilities, S. 331 opens the door to greater freedom and increased earning for millions of Americans.

Mr. President, I am extremely heartened by the strong support the Work Incentives Improvement Act of 1999 has received. In support of this important legislation are the Consortium for Citizens with Disabilities, the ARC, Easter Seals, the National Alliance for the

Mentally Ill, the Paralyzed Veterans of America, the United Cerebral Palsy Association, and the National Education Association. Additionally, more than three-fourths of the Members of the United States Senate presently cosponsor S. 331.

Finally, Mr. President, I would like to commend Senators JEFFORDS, KENNEDY, ROTH, and MOYNIHAN for the important role they each played in developing the Work Incentives Improvement Act of 1999. Through their tireless efforts, S. 331 will greatly expand the opportunities afforded individuals with disabilities as they enter the workforce and I look forward to its enactment.

Mr. BAYH. Mr. President today I rise as a co-sponsor of the Work Incentives Improvement Act, a bipartisan bill that removes the disincentives currently hindering those people with disabilities who wish to enter the workforce. We all owe our thanks to Senators MOYNIHAN, ROTH, and KENNEDY for their leadership on this bill.

When people want to work the federal government should not stand in their way. When people want to be productive members of our society, taxpaying citizens, the federal government should not stand in their way. Currently, 72% of Americans with disabilities want to work. However, nearly 75% of persons with disabilities are unemployed. We are sending the wrong message right now. The current set of rules make it more economically beneficial for someone with a disability to stay at home than to enter the workforce. There needs to be a transition period put in place to assist those with disabilities before we expect them to become financially independant. We do this with other programs and it is about time we apply such logic to this sector of our community. By passing this bill, if only 1% of the currently disabled Americans become fully employed, the federal savings in disability benefits would total $3.5 billion over the lifetime of the beneficiaries. Once again, investing in people creates a great rate of return.

In Indiana there are 348,000 people between the ages of 16 and 64 who have a disability. I have heard numerous stories from Hoosiers with disabilities who want to work and are able to work. They have told me how work will mean more than a paycheck for them. It is an opportunity for them to be a productive and contributing member of the community, work towards self-sufficiency, and most importantly, to have a sense of pride in being needed.

Let me tell you about Bob Neal, an employee of the Indianapolis Police Department. He is 42 years old and doesn't want to give up his job even though it would be much easier for him financially if he did. Bob has muscular dystrophy. When asked why he is still working he said ''I just figure if I stay home I'll get fatter than I am and get lazy and die earlier. I look forward to working. You gotta have a little pride somewhere. That is why I stay here, because of these people, I could go back to Illinois and never work again, but these people, they know me here.'' Bob's story displays the problem with the current predicament in which most people with disabilities find themselves. This bill will address situations similar to that of Bob Neal. It will provide access to health coverage and provide employment assistance while creating incentives to work. It is important to allow Medicare coverage for people with disabilities while they are working so their health can continue to improve. It is no surprise this bill has such overwhelming support from both sides of the aisle.

Today, I will vote in support of this bill with pride for those who take advantage of this newly created opportunity. I urge my colleagues to vote in support of this bill and send the message that people with disabilities will no longer need to chose between working and remaining healthy.

MILITARY CONSTRUCTION APPROPRIATIONS ACT, 2000

The Senate resumed consideration of the bill.

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on S. 1205, which the clerk will read a third time.

The bill was read the third time.

Mr. ROTH. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? The yeas and nays have been ordered.

The clerk will call the roll.

The legislative assistant called the roll.

Mr. REID. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HARKIN) would vote ''aye.''

The PRESIDING OFFICER (Mr. HUTCHINSON). Are there any other Senators in the Chamber who desire to vote?

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 168 Leg.]

YEAS—97

Abraham	Byrd	Edwards
Akaka	Campbell	Enzi
Allard	Chafee	Feinstein
Ashcroft	Cleland	Fitzgerald
Baucus	Cochran	Frist
Bayh	Collins	Gorton
Bennett	Conrad	Graham
Biden	Coverdell	Gramm
Bingaman	Craig	Grams
Bond	Crapo	Grassley
Boxer	Daschle	Gregg
Breaux	DeWine	Hagel
Brownback	Dodd	Hatch
Bryan	Domenici	Helms
Bunning	Dorgan	Hollings
Burns	Durbin	Hutchinson
Hutchison	Lugar	Sessions
Inhofe	Mack	Shelby
Inouye	McConnell	Smith (NH)
Jeffords	Mikulski	Smith (OR)
Johnson	Moynihan	Snowe
Kennedy	Murkowski	Specter
Kerrey	Murray	Stevens
Kerry	Nickles	Thomas
Kohl	Reed	Thompson
Kyl	Reid	Thurmond
Landrieu	Robb	Torricelli
Lautenberg	Roberts	Voinovich
Leahy	Rockefeller	Warner
Levin	Roth	Wellstone
Lieberman	Santorum	Wyden
Lincoln	Sarbanes	
Lott	Schumer	

NAYS—2

Feingold	McCain

NOT VOTING—1

Harkin

The bill (S. 1205) was passed, as follows:

S. 1205

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, for military construction, family housing, and base realignment and closure functions administered by the Department of Defense, for the fiscal year ending September 30, 2000, and for other purposes, namely:

MILITARY CONSTRUCTION, ARMY

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Army as currently authorized by law, including personnel in the Army Corps of Engineers and other personal services necessary for the purposes of this appropriation, and for construction and operation of facilities in support of the functions of the Commander in Chief, $1,067,422,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $86,414 shall be available for study, planning, design, architect and engineer services, and host nation support, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, NAVY

For acquisition, construction, installation, and equipment of temporary or permanent public works, naval installations, facilities, and real property for the Navy as currently authorized by law, including personnel in the Naval Facilities Engineering Command and other personal services necessary for the purposes of this appropriation, $884,883,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $66,581,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, AIR FORCE

For acquisition, construction, installation, and equipment of temporary or permanent public works, military installations, facilities, and real property for the Air Force as currently authorized by law, $783,710,000, to remain available until September 30, 2004: *Provided*, That of this amount, not to exceed $32,764,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of

Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, DEFENSE-WIDE

(INCLUDING TRANSFER OF FUNDS)

For acquisition, construction, installation, and equipment of temporary or permanent public works, installations, facilities, and real property for activities and agencies of the Department of Defense (other than the military departments), as currently authorized by law, $770,690,000, to remain available until September 30, 2004: *Provided*, That such amounts of this appropriation as may be determined by the Secretary of Defense may be transferred to such appropriations of the Department of Defense available for military construction or family housing as he may designate, to be merged with and to be available for the same purposes, and for the same time period, as the appropriation or fund to which transferred: *Provided further*, That of the amount appropriated, not to exceed $38,664,000 shall be available for study, planning, design, architect and engineer services, as authorized by law, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

MILITARY CONSTRUCTION, ARMY NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $226,734,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, AIR NATIONAL GUARD

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air National Guard, and contributions therefor, as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $238,545,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, ARMY RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Army Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $105,817,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, NAVAL RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the reserve components of the Navy and Marine Corps as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $31,475,000, to remain available until September 30, 2004.

MILITARY CONSTRUCTION, AIR FORCE RESERVE

For construction, acquisition, expansion, rehabilitation, and conversion of facilities for the training and administration of the Air Force Reserve as authorized by chapter 1803 of title 10, United States Code, and Military Construction Authorization Acts, $35,864,000, to remain available until September 30, 2004.

NORTH ATLANTIC TREATY ORGANIZATION SECURITY INVESTMENT PROGRAM

For the United States share of the cost of the North Atlantic Treaty Organization Security Investment Program for the acquisition and construction of military facilities and installations (including international military headquarters) and for related expenses for the collective defense of the North Atlantic Treaty Area as authorized in Military Construction Authorization Acts and section 2806 of title 10, United States Code, $100,000,000, to remain available until expended.

FAMILY HOUSING, ARMY

For expenses of family housing for the Army for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $60,900,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $1,098,080,000; in all $1,158,980,000.

FAMILY HOUSING, NAVY AND MARINE CORPS

For expenses of family housing for the Navy and Marine Corps for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $298,354,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $895,070,000; in all $1,193,424,000.

FAMILY HOUSING, AIR FORCE

For expenses of family housing for the Air Force for construction, including acquisition, replacement, addition, expansion, extension and alteration and for operation and maintenance, including debt payment, leasing, minor construction, principal and interest charges, and insurance premiums, as authorized by law, as follows: for Construction, $335,034,000, to remain available until September 30, 2004; for Operation and Maintenance, and for debt payment, $821,892,000; in all $1,156,926,000.

FAMILY HOUSING, DEFENSE-WIDE

For expenses of family housing for the activities and agencies of the Department of Defense (other than the military departments) for construction, including acquisition, replacement, addition, expansion, extension and alteration, and for operation and maintenance, leasing, and minor construction, as authorized by law, as follows: for Construction, $50,000, to remain available until September 30, 2004; for Operation and Maintenance, $41,440,000; in all $41,490,000.

FAMILY HOUSING REVITALIZATION TRANSFER FUND

(INCLUDING TRANSFER OF FUND)

Notwithstanding any other provision of law, for expenses related to improvements to existing family housing; $25,000,000, to remain available until expended: *Provided*, That the Secretary of Defense may transfer these funds only to family housing accounts, within this title: *Provided further*, That the funds transferred shall be merged with and shall be available for the same purposes and for the same period, as the appropriation to which transferred: *Provided further*, That the funds shall not be transferred to the Department of Defense Family Housing Improvement Fund.

DEPARTMENT OF DEFENSE FAMILY HOUSING IMPROVEMENT FUND

For the Department of Defense Family Housing Improvement Fund, $25,000,000, to remain available until expended, as the sole source of funds for planning, administrative, and oversight costs incurred by the Housing Revitalization Support Office relating to military family housing initiatives undertaken pursuant to 10 U.S.C. 2883, pertaining to alternative means of acquiring and improving military family housing and supporting facilities.

BASE REALIGNMENT AND CLOSURE ACCOUNT, PART IV

For deposit into the Department of Defense Base Closure Account 1990 established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991 (Public Law 101–510), $705,911,000, to remain available until expended: *Provided*, That not more than $426,036,000 of the funds appropriated herein shall be available solely for environmental restoration, unless the Secretary of Defense determines that additional obligations are necessary for such purposes and notifies the Committees on Appropriations of both Houses of Congress of his determination and the reasons therefor.

GENERAL PROVISIONS

SEC. 101. None of the funds appropriated in Military Construction Appropriations Acts shall be expended for payments under a cost-plus-a-fixed-fee contract for construction, where cost estimates exceed $25,000, to be performed within the United States, except Alaska, without the specific approval in writing of the Secretary of Defense setting forth the reasons therefor.

SEC. 102. Funds appropriated to the Department of Defense for construction shall be available for hire of passenger motor vehicles.

SEC. 103. Funds appropriated to the Department of Defense for construction may be used for advances to the Federal Highway Administration, Department of Transportation, for the construction of access roads as authorized by section 210 of title 23, United States Code, when projects authorized therein are certified as important to the national defense by the Secretary of Defense.

SEC. 104. None of the funds appropriated in this Act may be used to begin construction of new bases inside the continental United States for which specific appropriations have not been made.

SEC. 105. No part of the funds provided in Military Construction Appropriations Acts shall be used for purchase of land or land easements in excess of 100 percent of the value as determined by the Army Corps of Engineers or the Naval Facilities Engineering Command, except: (1) where there is a determination of value by a Federal court; (2) purchases negotiated by the Attorney General or his designee; (3) where the estimated value is less than $25,000; or (4) as otherwise determined by the Secretary of Defense to be in the public interest.

SEC. 106. None of the funds appropriated in Military Construction Appropriations Acts shall be used to: (1) acquire land; (2) provide for site preparation; or (3) install utilities for any family housing, except housing for which funds have been made available in annual Military Construction Appropriations Acts.

SEC. 107. None of the funds appropriated in Military Construction Appropriations Acts for minor construction may be used to transfer or relocate any activity from one base or installation to another, without prior notification to the Committees on Appropriations.

SEC. 108. No part of the funds appropriated in Military Construction Appropriations Acts may be used for the procurement of steel for any construction project or activity for which American steel producers, fabricators, and manufacturers have been denied the opportunity to compete for such steel procurement.

SEC. 109. None of the funds available to the Department of Defense for military construction or family housing during the current fiscal year may be used to pay real property taxes in any foreign nation.

SEC. 110. None of the funds appropriated in Military Construction Appropriations Acts may be used to initiate a new installation overseas without prior notification to the Committees on Appropriations.

SEC. 111. None of the funds appropriated in Military Construction Appropriations Acts may be obligated for architect and engineer contracts estimated by the Government to exceed $500,000 for projects to be accomplished in Japan, in any NATO member country, or in countries bordering the Arabian Gulf, unless such contracts are awarded to United States firms or United States firms in joint venture with host nation firms.

SEC. 112. None of the funds appropriated in Military Construction Appropriations Acts for military construction in the United States territories and possessions in the Pacific and on Kwajalein Atoll, or in countries bordering the Arabian Gulf, may be used to award any contract estimated by the Government to exceed $1,000,000 to a foreign contractor: *Provided*, That this section shall not be applicable to contract awards for which the lowest responsive and responsible bid of a United States contractor exceeds the lowest responsive and responsible bid of a foreign contractor by greater than 20 percent: *Provided further*, That this section shall not apply to contract awards for military construction on Kwajalein Atoll for which the lowest responsive and responsible bid is submitted by a Marshallese contractor.

SEC. 113. The Secretary of Defense is to inform the appropriate committees of Congress, including the Committees on Appropriations, of the plans and scope of any proposed military exercise involving United States personnel 30 days prior to its occurring, if amounts expended for construction, either temporary or permanent, are anticipated to exceed $100,000.

SEC. 114. Not more than 20 percent of the appropriations in Military Construction Appropriations Acts which are limited for obligation during the current fiscal year shall be obligated during the last 2 months of the fiscal year.

(TRANSFER OF FUNDS)

SEC. 115. Funds appropriated to the Department of Defense for construction in prior years shall be available for construction authorized for each such military department by the authorizations enacted into law during the current session of Congress.

SEC. 116. For military construction or family housing projects that are being completed with funds otherwise expired or lapsed for obligation, expired or lapsed funds may be used to pay the cost of associated supervision, inspection, overhead, engineering and design on those projects and on subsequent claims, if any.

SEC. 117. Notwithstanding any other provision of law, any funds appropriated to a military department or defense agency for the construction of military projects may be obligated for a military construction project or contract, or for any portion of such a project or contract, at any time before the end of the fourth fiscal year after the fiscal year for which funds for such project were appropriated if the funds obligated for such project: (1) are obligated from funds available for military construction projects; and (2) do not exceed the amount appropriated for such project, plus any amount by which the cost of such project is increased pursuant to law.

(TRANSFER OF FUNDS)

SEC. 118. During the 5-year period after appropriations available to the Department of Defense for military construction and family housing operation and maintenance and construction have expired for obligation, upon a determination that such appropriations will not be necessary for the liquidation of obligations or for making authorized adjustments to such appropriations for obligations incurred during the period of availability of such appropriations, unobligated balances of such appropriations may be transferred into the appropriation ''Foreign Currency Fluctuations, Construction, Defense'' to be merged with and to be available for the same time period and for the same purposes as the appropriation to which transferred.

SEC. 119. The Secretary of Defense is to provide the Committees on Appropriations of the Senate and the House of Representatives with an annual report by February 15, containing details of the specific actions proposed to be taken by the Department of Defense during the current fiscal year to encourage other member nations of the North Atlantic Treaty Organization, Japan, Korea, and United States allies bordering the Arabian Gulf to assume a greater share of the common defense burden of such nations and the United States.

(TRANSFER OF FUNDS)

SEC. 120. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, proceeds deposited to the Department of Defense Base Closure Account established by section 207(a)(1) of the Defense Authorization Amendments and Base Closure and Realignment Act (Public Law 100–526) pursuant to section 207(a)(2)(C) of such Act, may be transferred to the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to be merged with, and to be available for the same purposes and the same time period as that account.

SEC. 121. None of the funds appropriated or made available by this Act may be obligated for Partnership for Peace Programs or to provide support for non-NATO countries.

SEC. 122. (a) Not later than 60 days before issuing any solicitation for a contract with the private sector for military family housing the Secretary of the military department concerned shall submit to the congressional defense committees the notice described in subsection (b).

(b)(1) A notice referred to in subsection (a) is a notice of any guarantee (including the making of mortgage or rental payments) proposed to be made by the Secretary to the private party under the contract involved in the event of—

(A) the closure or realignment of the installation for which housing is provided under the contract;

(B) a reduction in force of units stationed at such installation; or

(C) the extended deployment overseas of units stationed at such installation.

(2) Each notice under this subsection shall specify the nature of the guarantee involved and assess the extent and likelihood, if any, of the liability of the Federal Government with respect to the guarantee.

(c) In this section, the term ''congressional defense committees'' means the following:

(1) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the Senate.

(2) The Committee on Armed Services and the Military Construction Subcommittee, Committee on Appropriations of the House of Representatives.

(TRANSFER OF FUNDS)

SEC. 123. During the current fiscal year, in addition to any other transfer authority available to the Department of Defense, amounts may be transferred from the account established by section 2906(a)(1) of the Department of Defense Authorization Act, 1991, to the fund established by section 1013(d) of the Demonstration Cities and Metropolitan Development Act of 1966 (42 U.S.C. 3374) to pay for expenses associated with the Homeowners Assistance Program. Any amounts transferred shall be merged with and be available for the same purposes and for the same time period as the fund to which transferred.

SEC. 124. None of the funds appropriated in this Act or any other Acts may be used for repair and maintenance of any flag and general officer quarters in excess of $25,000 without prior notification 30 calendar days in advance to the congressional defense committees.

SEC. 125. With the exception of budget authority for ''North Atlantic Treaty Organization Security Investment Program'', ''Family Housing, Army'' for operation and maintenance, ''Family Housing, Navy and Marine Corps'' for operation and maintenance, ''Family Housing, Air Force'' for operation and maintenance and ''Family Housing, Defense-Wide'' for operation and maintenance, each amount of budget authority for the fiscal year ending September 30, 2000, provided in this Act, is hereby reduced by five per centum: *Provided*, That such reduction shall be applied ratably to each account, program, activity, and project provided for in this Act.

SEC. 126. Not later than April 30, 2000, the Secretary of Defense shall submit to the congressional defense committees a report examining the adequacy of special education facilities and services available to the dependent children of uniformed personnel stationed in the United States. The report shall identify the following:

(1) The schools on military installations in the United States that are operated by the Department of Defense, other entities of the Federal government, or local school districts.

(2) School districts in the United States that have experienced an increase in enrollment of 20 percent or more in the past five years resulting from base realignments or consolidations.

(3) The impact of increased special education requirements on student populations, student-teacher ratios, and financial requirements in school districts supporting installations designated by the military departments as compassionate assignment posts.

(4) The adequacy of special education services and facilities for dependent children of uniformed personnel within the United States, particularly at compassionate assignment posts.

(5) Corrective measures that are needed to adequately support the special education needs of military families, including such improvements as the renovation of existing schools or the construction of new schools.

(6) An estimate of the cost of needed improvements, and a recommended source of funding within the Department of Defense.

SEC. 127. The first proviso under the heading ''MILITARY CONSTRUCTION TRANSFER FUND'' in chapter 6 of title II of the 1999 Emergency Supplemental Appropriations Act (Public Law 106–31) is amended by inserting ''and to the North Atlantic Treaty Organization Security Investment Program as provided in section 2806 of title 10, United States Code'' after ''to military construction accounts''.

SEC. 128. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available by this Act may be used to carry out conveyance of land at the former Fort Sheridan, Illinois, unless such conveyance is consistent with a regional agreement among the communities and jurisdictions in the vicinity of Fort Sheridan

and in accordance with section 2862 of the 1996 Defense Authorization Act (division B of Public Law 104–106; 110 Stat. 573).

(b) The land referred to in paragraph (a) is a parcel of real property, including any improvements thereon, located at the former Fort Sheridan, Illinois, consisting of approximately 14 acres, and known as the northern Army Reserve enclave area, that is covered by the authority in section 2862 of the 1996 Defense Authorization Act and has not been conveyed pursuant to that authority as to the date of enactment of this Act.

SEC. 129. (a) Notwithstanding any other provision of law, no funds appropriated or otherwise made available by this Act or any other Act may be obligated or expended for any purpose relating to the construction at Bluegrass Army Depot, Kentucky, of any facility employing a specific technology for the demilitarization of assembled chemical munitions until the date on which the Secretary of Defense submits to the Committees on Appropriations of the Senate and House of Representatives a report on the results of the completed demonstration of the six alternatives to baseline incineration for the destruction of chemical agents and munitions as identified by the Program Evaluation Team of the Assembled Chemical Weapons Assessment program.

(b) In order to provide funding for the completion of the demonstration of alternatives referred to in subsection (a), the Secretary shall utilize the authority in section 8127 of the Department of Defense Appropriations Act, 1999 (Public Law 105–262; 112 Stat. 2333) in accordance with the provisions of that section.

This Act may be cited as the ''Military Construction Appropriations Act, 2000''.

Mrs. MURRAY. I move to reconsider the vote.

Mrs. BOXER. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

WORK INCENTIVES IMPROVEMENT ACT OF 1999

The PRESIDING OFFICER. Under the previous order, the Senate will now proceed to vote on S. 331, which the clerk will report.

The legislative assistant read as follows:

A bill (S. 331) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall it pass? The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HARKIN) would vote ''aye.''

The result was announced—yeas 99, nays 0, as follows:

[Rollcall Vote No. 169 Leg.]

YEAS—99

Abraham	Enzi	Lugar
Akaka	Feingold	Mack
Allard	Feinstein	McCain
Ashcroft	Fitzgerald	McConnell
Baucus	Frist	Mikulski
Bayh	Gorton	Moynihan
Bennett	Graham	Murkowski
Biden	Gramm	Murray
Bingaman	Grams	Nickles
Bond	Grassley	Reed
Boxer	Gregg	Reid
Breaux	Hagel	Robb
Brownback	Hatch	Roberts
Bryan	Helms	Rockefeller
Bunning	Hollings	Roth
Burns	Hutchinson	Santorum
Byrd	Hutchison	Sarbanes
Campbell	Inhofe	Schumer
Chafee	Inouye	Sessions
Cleland	Jeffords	Shelby
Cochran	Johnson	Smith (NH)
Collins	Kennedy	Smith (OR)
Conrad	Kerrey	Snowe
Coverdell	Kerry	Specter
Craig	Kohl	Stevens
Crapo	Kyl	Thomas
Daschle	Landrieu	Thompson
DeWine	Lautenberg	Thurmond
Dodd	Leahy	Torricelli
Domenici	Levin	Voinovich
Dorgan	Lieberman	Warner
Durbin	Lincoln	Wellstone
Edwards	Lott	Wyden

NOT VOTING—1

Harkin

The bill (S. 331), as amended, was passed, as follows:

S. 331

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

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Work Incentives Improvement Act of 1999''.

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

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than ½ of 1 percent of social security disability insurance and supplemental security income beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional ½ of 1 percent of the current social security disability insurance (DI) and supplemental security income (SSI) recipients were to cease receiving benefits as

a result of employment, the savings to the Social Security Trust Funds in cash assistance would total $3,500,000,000 over the worklife of the individuals.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

(3) To provide individuals with disabilities the option of maintaining medicare coverage while working.

(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

TITLE I—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

SEC. 101. EXPANDING STATE OPTIONS UNDER THE MEDICAID PROGRAM FOR WORKERS WITH DISABILITIES.

(a) IN GENERAL.—

(1) STATE OPTION TO ELIMINATE INCOME, ASSETS, AND RESOURCE LIMITATIONS FOR WORKERS WITH DISABILITIES BUYING INTO MEDICAID.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XIII), by striking ''or'' at the end;

(B) in subclause (XIV), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(XV) who, but for earnings in excess of the limit established under section 1905(q)(2)(B), would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish;''.

(2) STATE OPTION TO PROVIDE OPPORTUNITY FOR EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY TO BUY INTO MEDICAID.—

(A) ELIGIBILITY.—Section 1902(a)(10) (A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as amended by paragraph (1), is amended—

(i) in subclause (XIV), by striking ''or'' at the end;

(ii) in subclause (XV), by adding ''or'' at the end; and

(iii) by adding at the end the following:

''(XVI) who are employed individuals with a medically improved disability described in section 1905(v)(1) and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV);''.

(B) DEFINITION OF EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following:

''(v)(1) The term 'employed individual with a medically improved disability' means an individual who—

''(A) is at least 16, but less than 65, years of age;

''(B) is employed (as defined in paragraph (2));

''(C) ceases to be eligible for medical assistance under section 1902(a)(10)(A)(ii)(XV) because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits under section 223(d) or 1614(a)(3); and

''(D) continues to have a severe medically determinable impairment, as determined under regulations of the Secretary.

''(2) For purposes of paragraph (1), an individual is considered to be 'employed' if the individual—

''(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

''(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.''.

(C) CONFORMING AMENDMENT.—Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(i) in clause (x), by striking ''or'' at the end;

(ii) in clause (xi), by adding ''or'' at the end; and

(iii) by inserting after clause (xi), the following:

''(xii) employed individuals with a medically improved disability (as defined in subsection (v)),''.

(3) STATE AUTHORITY TO IMPOSE INCOME-RELATED PREMIUMS AND COST-SHARING.—Section 1916 of such Act (42 U.S.C. 1396o) is amended—

(A) in subsection (a), by striking ''The State plan'' and inserting ''Subject to subsection (g), the State plan''; and

(B) by adding at the end the following:

''(g) With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii)—

''(1) a State may (in a uniform manner for individuals described in either such subclause)—

''(A) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

''(B) require payment of 100 percent of such premiums for such year in the case of such an individual who has income for a year that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable to a family of the size involved, except that in the case of such an individual who has income for a year that does not exceed 450 percent of such poverty line, such requirement may only apply to the extent such premiums do not exceed 7.5 percent of such income; and

''(2) such State shall require payment of 100 percent of such premiums for a year by such an individual whose adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) for such year exceeds $75,000, except that a State may choose to subsidize such premiums by using State funds which may not be federally matched under this title.

In the case of any calendar year beginning after 2000, the dollar amount specified in paragraph (2) shall be increased in accordance with the provisions of section 215(i)(2)(A)(ii).''.

(4) PROHIBITION AGAINST SUPPLANTATION OF STATE FUNDS AND STATE FAILURE TO MAINTAIN EFFORT.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (18) and inserting ''; or''; and

(B) by inserting after such paragraph the following:

''(19) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii) for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before the date of enactment of this paragraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XV), 1902(a)(10)(A)(ii)(XVI)'' after ''1902(a)(10)(A)(ii)(X),''.

(2) Section 1903(f)(4) of such Act, as amended by paragraph (1), is amended by inserting ''1902(a)(10)(A)(ii)(XIII),'' before ''1902(a)(10)(A)(ii)(XV)''.

(c) GAO REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the amendments made by this section that examines—

(1) the extent to which higher health care costs for individuals with disabilities at higher income levels deter employment or progress in employment;

(2) whether such individuals have health insurance coverage or could benefit from the State option established under such amendments to provide a medicaid buy-in; and

(3) how the States are exercising such option, including—

(A) how such States are exercising the flexibility afforded them with regard to income disregards;

(B) what income and premium levels have been set;

(C) the degree to which States are subsidizing premiums above the dollar amount specified in section 1916(g)(2) of the Social Security Act (42 U.S.C. 1396o(g)(2)); and

(D) the extent to which there exists any crowd-out effect.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 1999.

(2) RETROACTIVITY OF CONFORMING AMENDMENT.—The amendment made by subsection (b)(2) takes effect as if included in the enactment of the Balanced Budget Act of 1997.

SEC. 102. CONTINUATION OF MEDICARE COVERAGE FOR WORKING INDIVIDUALS WITH DISABILITIES.

(a) CONTINUATION OF COVERAGE.—

(1) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(A) in the third sentence of subsection (b), by inserting '', except as provided in subsection (j)'' after ''but not in excess of 24 such months''; and

(B) by adding at the end the following:

''(j) The 24-month limitation on deemed entitlement under the third sentence of subsection (b) shall not apply—

''(1) for months occurring during the 6-year period beginning with the first month that begins after the date of enactment of this subsection; and

''(2) for subsequent months, in the case of an individual who was entitled to benefits under subsection (b) as of the last month of such 6-year period and would continue (but for such 24-month limitation) to be so entitled.''.

(2) CONFORMING AMENDMENT.—Section 1818A(a)(2)(C) of the Social Security Act (42 U.S.C. 1395i–2a(a)(2)(C)) is amended—

(A) by striking ''solely''; and

(B) by inserting ''or the expiration of the last month of the 6-year period described in section 226(j)'' before the semicolon.

(b) GAO REPORT.—Not later than 4 years after the date of the enactment of this Act,

the Comptroller General of the United States shall submit a report to Congress that—

(1) examines the effectiveness and cost of subsection (j) of section 226 of the Social Security Act (42 U.S.C. 426);

(2) examines the necessity and effectiveness of providing the continuation of medicare coverage under that subsection to individuals whose annual income exceeds the contribution and benefit base (as determined under section 230 of the Social Security Act);

(3) examines the viability of providing the continuation of medicare coverage under that subsection based on a sliding scale premium for individuals whose annual income exceeds such contribution and benefit base;

(4) examines the interrelation between the use of the continuation of medicare coverage under that subsection and the use of private health insurance coverage by individuals during the 6-year period; and

(5) recommends whether that subsection should continue to be applied beyond the 6-year period described in the subsection.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply to months beginning with the first month that begins after the date of the enactment of this Act.

(d) TREATMENT OF CERTAIN INDIVIDUALS.—An individual enrolled under section 1818A of the Social Security Act (42 U.S.C. 1395i–2a) shall be treated with respect to premium payment obligations under such section as though the individual had continued to be entitled to benefits under section 226(b) of such Act for—

(1) months described in section 226(j)(1) of such Act (42 U.S.C. 426(j)(1)) (as added by subsection (a)); and

(2) subsequent months, in the case of an individual who was so enrolled as of the last month described in section 226(j)(2) of such Act (42 U.S.C. 426(j)(2)) (as so added).

SEC. 103. GRANTS TO DEVELOP AND ESTABLISH STATE INFRASTRUCTURES TO SUPPORT WORKING INDIVIDUALS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) APPLICATION.—In order to be eligible for an award of a grant 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 shall require.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR INFRASTRUCTURE AND OUTREACH.—

(1) IN GENERAL.—Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) ELIGIBILITY FOR GRANTS.—

(A) IN GENERAL.—No State may receive a grant under this subsection unless the State—

(i) has an approved amendment to the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) that provides medical assistance under such plan to individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)); and

(ii) demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to the extent necessary to enable individuals described in clause (i) to remain employed (as determined under section 1905(v)(2) of the Social Security Act (42 U.S.C. 1396d(v)(2))).

(B) DEFINITION OF PERSONAL ASSISTANCE SERVICES.—In this paragraph, the term ''personal assistance services'' means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

(3) DETERMINATION OF AWARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine a formula for awarding grants to States under this section that provides special consideration to States that provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XVI) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XVI)).

(B) AWARD LIMITS.—

(i) MINIMUM AWARDS.—

(I) IN GENERAL.—Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) PRO RATA REDUCTIONS.—If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) MAXIMUM AWARDS.—No State with an application that has been approved under this section shall receive a grant for a fiscal year that exceeds 15 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance for individuals eligible under subclause (XV) and (XVI) of section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as estimated by the State and approved by the Secretary.

(c) AVAILABILITY OF FUNDS.—

(1) FUNDS AWARDED TO STATES.—Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT AWARDED TO STATES.—Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) ANNUAL REPORT.—A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of title II disability beneficiaries, as defined in section 1148(k)(3) of the Social Security Act (as amended by section 201) in the State, and title XVI disability beneficiaries, as defined in section 1148(k)(4) of the Social Security Act (as so amended) in the State who return to work.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2000, $20,000,000;

(B) for fiscal year 2001, $25,000,000;

(C) for fiscal year 2002, $30,000,000;

(D) for fiscal year 2003, $35,000,000;

(E) for fiscal year 2004, $40,000,000; and

(F) for each of fiscal years 2005 through 2010, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) BUDGET AUTHORITY.—This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) RECOMMENDATION.—Not later than October 1, 2009, the Secretary, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the grant program established under this section should be continued after fiscal year 2010.

SEC. 104. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF WORKERS WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of individuals who are workers with a potentially severe disability (as defined in subsection (b)(1)) are provided medical assistance equal to that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(ii)(XV) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(b) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''worker with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) is at least 16, but less than 65, years of age;

(B) has a specific physical or mental impairment that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(C) is employed (as defined in paragraph (2)).

(2) DEFINITION OF EMPLOYED.—An individual is considered to be ''employed'' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this

section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) ELECTION OF OPTIONAL CATEGORY.—The State has elected to provide coverage under its plan under title XIX of the Social Security Act of individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(B) MAINTENANCE OF STATE EFFORT.—Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(C) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) for fiscal year 2000, $72,000,000;

(II) for fiscal year 2001, $74,000,000;

(III) for fiscal year 2002, $78,000,000; and

(IV) for fiscal year 2003, $81,000,000.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) except as provided in clause (ii), the aggregate amount of payments made by the Secretary to States under this section exceed $300,000,000;

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to annual reports required under subsection (d) exceed $5,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2005.

(C) FUNDS ALLOCATED TO STATES.—The Secretary shall allocate funds to States based on their applications and the availability of funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(d) ANNUAL REPORT.—A State with a demonstration project approved under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include enrollment and financial statistics on—

(1) the total population of workers with potentially severe disabilities served by the demonstration project; and

(2) each population of such workers with a specific physical or mental impairment described in subsection (b)(1)(B) served by such project.

(e) RECOMMENDATION.—Not later than October 1, 2002, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2003.

(f) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SEC. 105. ELECTION BY DISABLED BENEFICIARIES TO SUSPEND MEDIGAP INSURANCE WHEN COVERED UNDER A GROUP HEALTH PLAN.

(a) IN GENERAL.—Section 1882(q) of the Social Security Act (42 U.S.C. 1395ss(q)) is amended—

(1) in paragraph (5)(C), by inserting ''or paragraph (6)'' after ''this paragraph''; and

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

''(6) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder if the policyholder is entitled to benefits under section 226(b) and is covered under a group health plan (as defined in section 1862(b)(1)(A)(v)). If such suspension occurs and if the policyholder or certificate holder loses coverage under the group health plan, such policy shall be automatically reinstituted (effective as of the date of such loss of coverage) under terms described in subsection (n)(6)(A)(ii) as of the loss of such coverage if the policyholder provides notice of loss of such coverage within 90 days after the date of such loss.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to requests made after the date of the enactment of this Act.

TITLE II—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS

Subtitle A—Ticket to Work and Self-Sufficiency

SEC. 201. ESTABLISHMENT OF THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding after section 1147 (as added by section 8 of the Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998 (Public Law 105–306; 112 Stat. 2928)) the following:

''TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

''SEC. 1148. (a) IN GENERAL.—The Commissioner shall establish a Ticket to Work and Self-Sufficiency Program, under which a disabled beneficiary may use a ticket to work and self-sufficiency issued by the Commissioner in accordance with this section to obtain employment services, vocational rehabilitation services, or other support services from an employment network which is of the beneficiary's choice and which is willing to provide such services to the beneficiary.

''(b) TICKET SYSTEM.—

''(1) DISTRIBUTION OF TICKETS.—The Commissioner may issue a ticket to work and self-sufficiency to disabled beneficiaries for participation in the Program.

''(2) ASSIGNMENT OF TICKETS.—A disabled beneficiary holding a ticket to work and self-sufficiency may assign the ticket to any employment network of the beneficiary's choice which is serving under the Program and is willing to accept the assignment.

''(3) TICKET TERMS.—A ticket issued under paragraph (1) shall consist of a document which evidences the Commissioner's agreement to pay (as provided in paragraph (4)) an employment network, which is serving under the Program and to which such ticket is assigned by the beneficiary, for such employment services, vocational rehabilitation services, and other support services as the employment network may provide to the beneficiary.

''(4) PAYMENTS TO EMPLOYMENT NETWORKS.—The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

''(c) STATE PARTICIPATION.—

''(1) IN GENERAL.—Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency also shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 222(d) and subsections (d) and (e) of section 1615. The Commissioner shall provide for periodic opportunities for exercising such elections (and revocations).

''(2) EFFECT OF PARTICIPATION BY STATE AGENCY.—

''(A) STATE AGENCIES PARTICIPATING.—In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973.

''(B) STATE AGENCIES ADMINISTERING MATERNAL AND CHILD HEALTH SERVICES PROGRAMS.—Subparagraph (A) shall not apply with respect to any State agency administering a program under title V of this Act.

''(3) SPECIAL REQUIREMENTS APPLICABLE TO CROSS-REFERRAL TO CERTAIN STATE AGENCIES.—

''(A) IN GENERAL.—In any case in which an employment network has been assigned a ticket to work and self-sufficiency by a disabled beneficiary, no State agency shall be deemed required, under this section, title I of the Workforce Investment Act of 1998, title I of the Rehabilitation Act of 1973, or a State plan approved under such title, to accept any referral of such disabled beneficiary from such employment network unless such employment network and such State agency have entered into a written agreement that meets the requirements of subparagraph (B). Any beneficiary who has assigned a ticket to work and self-sufficiency to an employment network that has not entered into such a written agreement with such a State agency may not access vocational rehabilitation services under title I of the Rehabilitation Act of 1973 until such time as the beneficiary is reassigned to a State vocational rehabilitation agency by the Program Manager.

''(B) TERMS OF AGREEMENT.—An agreement required by subparagraph (A) shall specify, in accordance with regulations prescribed pursuant to subparagraph (C)—

''(i) the extent (if any) to which the employment network holding the ticket will provide to the State agency—

''(I) reimbursement for costs incurred in providing services described in subparagraph (A) to the disabled beneficiary; and

''(II) other amounts from payments made by the Commissioner to the employment network pursuant to subsection (h); and

''(ii) any other conditions that may be required by such regulations.

''(C) REGULATIONS.—The Commissioner and the Secretary of Education shall jointly prescribe regulations specifying the terms of agreements required by subparagraph (A) and otherwise necessary to carry out the provisions of this paragraph.

''(D) PENALTY.—No payment may be made to an employment network pursuant to subsection (h) in connection with services provided to any disabled beneficiary if such employment network makes referrals described in subparagraph (A) in violation of the terms of the agreement required under subparagraph (A) or without having entered into such an agreement.

''(d) RESPONSIBILITIES OF THE COMMISSIONER.—

''(1) SELECTION AND QUALIFICATIONS OF PROGRAM MANAGERS.—The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation and employment services.

''(2) TENURE, RENEWAL, AND EARLY TERMINATION.—Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

''(A) measures for ease of access by beneficiaries to services; and

''(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

''(3) PRECLUSION FROM DIRECT PARTICIPATION IN DELIVERY OF SERVICES IN OWN SERVICE AREA.—Agreements under paragraph (1) shall preclude—

''(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager's agreement; and

''(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager's agreement.

''(4) SELECTION OF EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

''(B) ALTERNATE PARTICIPANTS.—In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 222(d)(2) in the State as of the date of enactment of this section and chooses to serve as an employment network under the Program.

''(5) TERMINATION OF AGREEMENTS WITH EMPLOYMENT NETWORKS.—The Commissioner shall terminate agreements with employment networks for inadequate performance, as determined by the Commissioner.

''(6) QUALITY ASSURANCE.—The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

''(7) DISPUTE RESOLUTION.—The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

''(e) PROGRAM MANAGERS.—

''(1) IN GENERAL.—A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner's duties in administering the Program.

''(2) RECRUITMENT OF EMPLOYMENT NETWORKS.—A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager's agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

''(3) FACILITATION OF ACCESS BY BENEFICIARIES TO EMPLOYMENT NETWORKS.—A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks for good cause, as determined by the Commissioner, without being deemed to have rejected services under the Program. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

''(4) ENSURING AVAILABILITY OF ADEQUATE SERVICES.—The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager's agreement, including rural areas.

''(5) REASONABLE ACCESS TO SERVICES.—The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, followup services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

''(f) EMPLOYMENT NETWORKS.—

''(1) QUALIFICATIONS FOR EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—Each employment network serving under the Program shall consist of an agency or instrumentality of a State (or a political subdivision thereof) or a private entity that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

''(B) ONE-STOP DELIVERY SYSTEMS.—An employment network serving under the Program may consist of a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998.

''(C) COMPLIANCE WITH SELECTION CRITERIA.—No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications (where applicable)) and specific selection criteria (such as substantial expertise and experience in providing relevant employment services and supports).

''(D) SINGLE OR ASSOCIATED PROVIDERS ALLOWED.—An employment network shall consist of either a single provider of such services or of an association of such providers organized so as to combine their resources into a single entity. An employment network may meet the requirements of subsection (e)(4) by providing services directly, or by entering into agreements with other individuals or entities providing appropriate employment services, vocational rehabilitation services, or other support services.

''(2) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—Each employment network serving under the Program shall be required under the terms of its agreement with the Commissioner to—

''(A) serve prescribed service areas; and

''(B) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans meeting the requirements of subsection (g).

''(3) ANNUAL FINANCIAL REPORTING.—Each employment network shall meet financial reporting requirements as prescribed by the Commissioner.

''(4) PERIODIC OUTCOMES REPORTING.—Each employment network shall prepare periodic reports, on at least an annual basis, itemizing for the covered period specific outcomes achieved with respect to specific services provided by the employment network. Such reports shall conform to a national model prescribed under this section. Each employment network shall provide a copy of the latest report issued by the employment network pursuant to this paragraph to each

beneficiary upon enrollment under the Program for services to be received through such employment network. Upon issuance of each report to each beneficiary, a copy of the report shall be maintained in the files of the employment network. The program manager shall ensure that copies of all such reports issued under this paragraph are made available to the public under reasonable terms.

''(g) INDIVIDUAL WORK PLANS.—

''(1) REQUIREMENTS.—Each employment network shall—

''(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subparagraph (C);

''(B) develop and implement each such individual work plan in partnership with each beneficiary receiving such services in a manner that affords the beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

''(C) ensure that each individual work plan includes at least—

''(i) a statement of the vocational goal developed with the beneficiary;

''(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

''(iii) a statement of any terms and conditions related to the provision of such services and supports; and

''(iv) a statement of understanding regarding the beneficiary's rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1150;

''(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

''(E) make each beneficiary's individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

''(2) EFFECTIVE UPON WRITTEN APPROVAL.—A beneficiary's individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary's ticket to work and self-sufficiency.

''(h) EMPLOYMENT NETWORK PAYMENT SYSTEMS.—

''(1) ELECTION OF PAYMENT SYSTEM BY EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).

''(B) NO CHANGE IN METHOD OF PAYMENT FOR BENEFICIARIES WITH TICKETS ALREADY ASSIGNED TO THE EMPLOYMENT NETWORKS.—Any election of a payment system by an employment network that would result in a change in the method of payment to the employment network for services provided to a beneficiary who is receiving services from the employment network at the time of the election shall not be effective with respect to payment for services provided to that beneficiary and the method of payment previously selected shall continue to apply with respect to such services.

''(2) OUTCOME PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) PAYMENTS MADE DURING OUTCOME PAYMENT PERIOD.—The outcome payment system shall provide for a schedule of payments to an employment network in connection with each individual who is a beneficiary for each month during the individual's outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

''(C) COMPUTATION OF PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome payment system shall be designed so that—

''(i) the payment for each of the 60 months during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

''(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

''(3) OUTCOME-MILESTONE PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) EARLY PAYMENTS UPON ATTAINMENT OF MILESTONES IN ADVANCE OF OUTCOME PAYMENT PERIODS.—The outcome-milestone payment system shall provide for 1 or more milestones with respect to beneficiaries receiving services from an employment network under the Program that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

''(C) LIMITATION ON TOTAL PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome-milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

''(4) DEFINITIONS.—In this subsection:

''(A) PAYMENT CALCULATION BASE.—The term 'payment calculation base' means, for any calendar year—

''(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 223 for all beneficiaries for months during the preceding calendar year; and

''(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under title XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained age 18 but have not attained age 65.

''(B) OUTCOME PAYMENT PERIOD.—The term 'outcome payment period' means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

''(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

''(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

''(5) PERIODIC REVIEW AND ALTERATIONS OF PRESCRIBED SCHEDULES.—

''(A) PERCENTAGES AND PERIODS.—The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner's review under this paragraph, that such an alteration would better provide the incentive and economies described in the preceding sentence.

''(B) NUMBER AND AMOUNTS OF MILESTONE PAYMENTS.—The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to assist beneficiaries to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, or other reliable sources.

''(i) SUSPENSION OF DISABILITY REVIEWS.—During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 221 of whether the individual is or is not under a disability or a review under title XVI similar to any such review under section 221.

''(j) ALLOCATION OF COSTS.—

''(1) PAYMENTS TO EMPLOYMENT NETWORKS.—Payments to employment networks (including State agencies that elect to participate in the Program as an employment network) shall be made from the Federal

Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as appropriate, in the case of ticketed title II disability beneficiaries who return to work, or from the appropriation made available for making supplemental security income payments under title XVI, in the case of title XVI disability beneficiaries who return to work. With respect to ticketed beneficiaries who concurrently are entitled to benefits under title II and eligible for payments under title XVI who return to work, the Commissioner shall allocate the cost of payments to employment networks to which the tickets of such beneficiaries have been assigned among such Trust Funds and appropriation, as appropriate.

''(2) ADMINISTRATIVE EXPENSES.—The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(k) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means a title II disability beneficiary or a title XVI disability beneficiary.

''(3) TITLE II DISABILITY BENEFICIARY.—The term 'title II disability beneficiary' means an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

''(4) TITLE XVI DISABILITY BENEFICIARY.—The term 'title XVI disability beneficiary' means an individual eligible for supplemental security income benefits under title XVI on the basis of blindness (within the meaning of section 1614(a)(2)) or disability (within the meaning of section 1614(a)(3)). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

''(5) SUPPLEMENTAL SECURITY INCOME BENEFIT UNDER TITLE XVI.—The term 'supplemental security income benefit under title XVI' means a cash benefit under section 1611 or 1619(a), and does not include a State supplementary payment, administered federally or otherwise.

''(l) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE II.—

(A) Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) is amended by adding at the end the following:

''(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(B) Section 222(a) of the Social Security Act (42 U.S.C. 422(a)) is repealed.

(C) Section 222(b) of the Social Security Act (42 U.S.C. 422(b)) is repealed.

(D) Section 225(b)(1) of the Social Security Act (42 U.S.C. 425(b)(1)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(2) AMENDMENTS TO TITLE XVI.—

(A) Section 1615(a) of the Social Security Act (42 U.S.C. 1382d(a)) is amended to read as follows:

''SEC. 1615. (a) In the case of any blind or disabled individual who—

''(1) has not attained age 16, and

''(2) with respect to whom benefits are paid under this title,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under title V.''.

(B) Section 1615(c) of the Social Security Act (42 U.S.C. 1382d(c)) is repealed.

(C) Section 1631(a)(6)(A) of the Social Security Act (42 U.S.C. 1383(a)(6)(A)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(D) Section 1633(c) of the Social Security Act (42 U.S.C. 1383b(c)) is amended—

(i) by inserting ''(1)'' after ''(c)''; and

(ii) by adding at the end the following:

''(2) For suspension of continuing disability reviews and other reviews under this title similar to reviews under section 221 in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(c) EFFECTIVE DATE.—Subject to subsection (d), the amendments made by subsections (a) and (b) shall take effect with the first month following 1 year after the date of enactment of this Act.

(d) GRADUATED IMPLEMENTATION OF PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Commissioner of Social Security shall commence implementation of the amendments made by this section (other than paragraphs (1)(C) and (2)(B) of subsection (b)) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.

(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that the ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall design and conduct a series of evaluations to assess the cost-effectiveness of activities carried out under this section and the amendments made thereby, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—The Commissioner shall design and carry out the series of evaluations after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and consulting with the Work Incentives Advisory Panel established under section 201(f), the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(i) IMPLEMENTATION.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(ii) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of providers whose services are provided within an employment network under the Program;

(VII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(VIII) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(IX) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(X) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner's evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall set forth the Commissioner's evaluation of the extent to which the Program has been successful and the Commissioner's conclusions on whether or how the Program should be modified. Each such report shall include such data,

findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE'S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(i) the requirement under section 222(a) of the Social Security Act for prompt referrals to a State agency, and

(ii) the authority of the Commissioner under section 222(d)(2) of the Social Security Act to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals,

shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act before the date of enactment of this Act with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).

(e) SPECIFIC REGULATIONS REQUIRED.—

(1) IN GENERAL.—The Commissioner of Social Security shall prescribe such regulations as are necessary to implement the amendments made by this section.

(2) SPECIFIC MATTERS TO BE INCLUDED IN REGULATIONS.—The matters which shall be addressed in such regulations shall include—

(A) the form and manner in which tickets to work and self-sufficiency may be distributed to beneficiaries pursuant to section 1148(b)(1) of the Social Security Act;

(B) the format and wording of such tickets, which shall incorporate by reference any contractual terms governing service by employment networks under the Program;

(C) the form and manner in which State agencies may elect participation in the Ticket to Work and Self-Sufficiency Program (and revoke such an election) pursuant to section 1148(c)(1) of the Social Security Act and provision for periodic opportunities for exercising such elections (and revocations);

(D) the status of State agencies under section 1148(c)(1) at the time that State agencies exercise elections (and revocations) under that section;

(E) the terms of agreements to be entered into with program managers pursuant to section 1148(d) of the Social Security Act, including—

(i) the terms by which program managers are precluded from direct participation in the delivery of services pursuant to section 1148(d)(3) of the Social Security Act;

(ii) standards which must be met by quality assurance measures referred to in paragraph (6) of section 1148(d) and methods of recruitment of employment networks utilized pursuant to paragraph (2) of section 1148(e); and

(iii) the format under which dispute resolution will operate under section 1148(d)(7);

(F) the terms of agreements to be entered into with employment networks pursuant to section 1148(d)(4) of the Social Security Act, including—

(i) the manner in which service areas are specified pursuant to section 1148(f)(2)(A) of the Social Security Act;

(ii) the general selection criteria and the specific selection criteria which are applicable to employment networks under section 1148(f)(1)(C) of the Social Security Act in selecting service providers;

(iii) specific requirements relating to annual financial reporting by employment networks pursuant to section 1148(f)(3) of the Social Security Act; and

(iv) the national model to which periodic outcomes reporting by employment networks must conform under section 1148(f)(4) of the Social Security Act;

(G) standards which must be met by individual work plans pursuant to section 1148(g) of the Social Security Act;

(H) standards which must be met by payment systems required under section 1148(h) of the Social Security Act, including—

(i) the form and manner in which elections by employment networks of payment systems are to be exercised pursuant to section 1148(h)(1)(A);

(ii) the terms which must be met by an outcome payment system under section 1148(h)(2);

(iii) the terms which must be met by an outcome-milestone payment system under section 1148(h)(3);

(iv) any revision of the percentage specified in paragraph (2)(C) of section 1148(h) of the Social Security Act or the period of time specified in paragraph (4)(B) of such section 1148(h); and

(v) annual oversight procedures for such systems; and

(I) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.

(f) WORK INCENTIVES ADVISORY PANEL.—

(1) ESTABLISHMENT.—There is established within the Social Security Administration a panel to be known as the ''Work Incentives Advisory Panel'' (in this subsection referred to as the ''Panel'').

(2) DUTIES OF PANEL.—It shall be the duty of the Panel to—

(A) advise the President, Congress, and the Commissioner of Social Security on issues related to work incentives programs, planning, and assistance for individuals with disabilities, including work incentive provisions under titles II, XI, XVI, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1301 et seq., 1381 et seq., 1395 et seq., 1396 et seq.); and

(B) with respect to the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act—

(i) advise the Commissioner of Social Security with respect to establishing phase-in sites for such Program and fully implementing the Program thereafter, the refinement of access of disabled beneficiaries to employment networks, payment systems, and management information systems, and advise the Commissioner whether such measures are being taken to the extent necessary to ensure the success of the Program;

(ii) advise the Commissioner regarding the most effective designs for research and demonstration projects associated with the Program or conducted pursuant to section 302;

(iii) advise the Commissioner on the development of performance measurements relating to quality assurance under section 1148(d)(6) of the Social Security Act; and

(iv) furnish progress reports on the Program to the Commissioner and each House of Congress.

(3) MEMBERSHIP.—

(A) NUMBER AND APPOINTMENT.—The Panel shall be composed of 12 members appointed as follows:

(i) 4 members appointed by the President.

(ii) 2 members appointed by the Speaker of the House of Representatives, in consultation with the chairman of the Committee on Ways and Means of the House of Representatives.

(iii) 2 members appointed by the Minority Leader of the House of Representatives, in consultation with the ranking member of the Committee on Ways and Means of the House of Representatives.

(iv) 2 members appointed by the Majority Leader of the Senate, in consultation with the chairman of the Committee on Finance of the Senate.

(v) 2 members appointed by the Minority Leader of the Senate, in consultation with the ranking member of the Committee on Finance of the Senate.

(B) REPRESENTATION.—All members appointed to the Panel shall have experience or expert knowledge in the fields of, or related to, work incentive programs, employment services, vocational rehabilitation services, health care services, and other support services for individuals with disabilities. At least one-half of the members described in each clause of subparagraph (A) shall be individuals with disabilities, or representatives of individuals with disabilities, with consideration to current or former title II disability beneficiaries or title XVI disability beneficiaries (as such terms are defined in section 1148(k) of the Social Security Act (as added by subsection (a)).

(C) TERMS.—

(i) IN GENERAL.—Each member shall be appointed for a term of 4 years (or, if less, for the remaining life of the Panel), except as provided in clauses (ii) and (iii). The initial members shall be appointed not later than 90 days after the date of enactment of this Act.

(ii) TERMS OF INITIAL APPOINTEES.—As designated by the Commissioner at the time of appointment, of the members first appointed—

(I) one-half of the members appointed under each clause of subparagraph (A) shall be appointed for a term of 2 years; and

(II) the remaining members appointed under each such clause shall be appointed for a term of 4 years.

(iii) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(D) BASIC PAY.—Members shall each be paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(E) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) QUORUM.—Eight members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(G) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the President. The term of office of the Chairperson shall be 4 years.

(H) MEETINGS.—The Panel shall meet at least quarterly and at other times at the call of the Chairperson or a majority of its members.

(4) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(A) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Commissioner and paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) STAFF.—Subject to rules prescribed by the Commissioner, the Director may appoint

and fix the pay of additional personnel as the Director considers appropriate.

(C) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commissioner, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(D) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this subsection.

(5) POWERS OF PANEL.—

(A) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out its duties under this subsection, hold such hearings, sit and act at such times and places, and take such testimony and evidence as the Panel considers appropriate.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this subsection.

(C) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) REPORTS.—

(A) INTERIM REPORTS.—The Panel shall submit directly to the President and Congress interim reports at least annually.

(B) FINAL REPORT.—The Panel shall transmit a final report directly to the President and Congress not later than 8 years after the date of enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for legislation and administrative actions which the Panel considers appropriate.

(7) TERMINATION.—The Panel shall terminate 30 days after the date of the submission of its final report under paragraph (6)(B).

(8) ALLOCATION OF COSTS.—The costs of carrying out this subsection shall be paid from amounts made available for the administration of title II of the Social Security Act (42 U.S.C. 401 et seq.) and amounts made available for the administration of title XVI of that Act (42 U.S.C. 1381 et seq.), and shall be allocated among those amounts as appropriate.

Subtitle B—Elimination of Work Disincentives

SEC. 211. WORK ACTIVITY STANDARD AS A BASIS FOR REVIEW OF AN INDIVIDUAL'S DISABLED STATUS.

Section 221 of the Social Security Act (42 U.S.C. 421) is amended by adding at the end the following:

''(m)(1) In any case where an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)) has received such benefits for at least 24 months—

''(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

''(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

''(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

''(2) An individual to which paragraph (1) applies shall continue to be subject to—

''(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

''(B) termination of benefits under this title in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.''.

SEC. 212. EXPEDITED REINSTATEMENT OF DISABILITY BENEFITS.

(a) OASDI BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended—

(1) by redesignating subsection (i) as subsection (j); and

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

''Reinstatement of Entitlement

''(i)(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was entitled to benefits under this section or section 202 on the basis of disability pursuant to an application filed therefore; and

''(II) such entitlement terminated due to the performance of substantial gainful activity;

''(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

''(iii) the individual's disability renders the individual unable to perform substantial gainful activity.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

''(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

''(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

''(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this title.

''(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual's disability shall be the date of onset used in determining the individual's most recent period of disability arising in connection with such benefits payable on the basis of an application.

''(iii) Benefits under this section or section 202 payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) No benefit shall be payable pursuant to an entitlement reinstated under this subsection to an individual for any month in which the individual engages in substantial gainful activity.

''(D) The entitlement of any individual that is reinstated under this subsection shall end with the benefits payable for the month preceding whichever of the following months is the earliest:

''(i) The month in which the individual dies.

''(ii) The month in which the individual attains retirement age.

''(iii) The third month following the month in which the individual's disability ceases.

''(5) Whenever an individual's entitlement to benefits under this section is reinstated under this subsection, entitlement to benefits payable on the basis of such individual's wages and self-employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

''(6) An individual to whom benefits are payable under this section or section 202 pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and the determination, if appropriate, of the termination month in accordance with subsection (a)(1) of this section, or subsection (d)(1), (e)(1), or (f)(1) of section 202, to be entitled to such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be entitled to provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under subsection (b) or (g) of section 205.

''(B) The amount of a provisional benefit for a month shall equal the amount of the

last monthly benefit payable to the individual under this title on the basis of an application increased by an amount equal to the amount, if any, by which such last monthly benefit would have been increased as a result of the operation of section 215(i).

''(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's entitlement to reinstated benefits;

''(II) the fifth month following the month described in clause (i);

''(III) the month in which the individual performs substantial gainful activity; or

''(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).''.

(b) SSI BENEFITS.—

(1) IN GENERAL.—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by adding at the end the following:

''Reinstatement of Eligibility on the Basis of Blindness or Disability

''(p)(1)(A) Eligibility for benefits under this title shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was eligible for benefits under this title on the basis of blindness or disability pursuant to an application filed therefore; and

''(II) the individual thereafter was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

''(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

''(iii) the individual's blindness or disability renders the individual unable to perform substantial gainful activity; and

''(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this title.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this title (including section 1619) prior to the period of ineligibility described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1614(a)(4) shall apply.

''(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

''(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this title.

''(ii) The benefit under this title payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) Except as otherwise provided in this subsection, eligibility for benefits under this title reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefore.

''(5) Whenever an individual's eligibility for benefits under this title is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual's spouse if such spouse was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

''(6) An individual to whom benefits are payable under this title pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

''(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this title with the same kind and amount of income.

''(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements of section 1614(b) except requirements related to the filing of an application, the amount of a provisional benefit for a month shall equal the amount of the month benefit that would be payable to an eligible individual and eligible spouse under this title with the same kind and amount of income.

''(C)(i) Provisional benefits shall begin with the month following the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's eligibility for reinstated benefits;

''(II) the fifth month following the month for which provisional benefits are first payable under clause (i); or

''(III) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).

''(8) For purposes of this subsection other than paragraph (7), the term 'benefits under this title' includes State supplementary payments made pursuant to an agreement under section 1616(a) or section 212(b) of Public Law 93–66.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1631(j)(1) of such Act (42 U.S.C. 1383(j)(1)) is amended by striking the period and inserting '', or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.''.

(B) Section 1631(j)(2)(A)(i)(I) of such Act (42 U.S.C. 1383(j)(2)(A)(i)(I)) is amended by inserting ''(other than pursuant to a request for reinstatement under subsection (p))'' after ''eligible''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of enactment of this Act.

(2) LIMITATION.—No benefit shall be payable under title II or XVI of the Social Security Act on the basis of a request for reinstatement filed under section 223(i) or 1631(p) of such Act before the effective date described in paragraph (1).

Subtitle C—Work Incentives Planning, Assistance, and Outreach

SEC. 221. WORK INCENTIVES OUTREACH PROGRAM.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 201, is amended by adding after section 1148 the following:

''WORK INCENTIVES OUTREACH PROGRAM

''SEC. 1149. (a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to disabled beneficiaries on work

incentives programs and issues related to such programs.

''(2) GRANTS, COOPERATIVE AGREEMENTS, CONTRACTS, AND OUTREACH.—Under the program established under this section, the Commissioner shall—

''(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1148, the program established under section 1619, and other programs that are designed to encourage disabled beneficiaries to work;

''(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

''(i) preparing and disseminating information explaining such programs; and

''(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

''(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under titles II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

''(i) disabled beneficiaries;

''(ii) benefit applicants under titles II and XVI; and

''(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

''(D) provide—

''(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

''(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

''(3) COORDINATION WITH OTHER PROGRAMS.—The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1619, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998, and other services.

''(b) CONDITIONS.—

''(1) SELECTION OF ENTITIES.—

''(A) APPLICATION.—An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

''(B) STATEWIDENESS.—The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

''(C) ELIGIBILITY OF STATES AND PRIVATE ORGANIZATIONS.—

''(i) IN GENERAL.—The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under title XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

''(ii) AGENCIES AND ENTITIES DESCRIBED.—The agencies and entities described in this clause are the following:

''(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973, protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973, and State Developmental Disabilities Councils established in accordance with section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)) that the Commissioner determines satisfies the requirements of this section.

''(II) The State agency administering the State program funded under part A of title IV.

''(D) EXCLUSION FOR CONFLICT OF INTEREST.—The Commissioner may not award a grant, cooperative agreement, or contract under this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

''(2) SERVICES PROVIDED.—A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

''(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

''(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health benefits coverage may be available to the individual; and

''(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

''(3) AMOUNT OF GRANTS, COOPERATIVE AGREEMENTS, OR CONTRACTS.—

''(A) BASED ON POPULATION OF DISABLED BENEFICIARIES.—Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

''(B) LIMITATION PER GRANT.—No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

''(ii) TOTAL AMOUNT FOR ALL GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

''(4) ALLOCATION OF COSTS.—The costs of carrying out this section shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(c) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $23,000,000 for each of fiscal years 2000 through 2004.''.

SEC. 222. STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 221, is amended by adding after section 1149 the following:

''STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES

''SEC. 1150. (a) IN GENERAL.—Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

''(b) SERVICES PROVIDED.—Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

''(1) information and advice about obtaining vocational rehabilitation and employment services; and

''(2) advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.

''(c) APPLICATION.—In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

''(d) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

''(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

''(i) $100,000; or

''(ii) ⅓ of 1 percent of the amount available for payments under this section; and

''(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

''(2) INFLATION ADJUSTMENT.—For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount appropriated to carry out this section between the preceding fiscal year and the fiscal year involved.

''(e) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

''(f) FUNDING.—

''(1) ALLOCATION OF PAYMENTS.—Payments under this section shall be made from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(2) CARRYOVER.—Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

''(g) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(3) PROTECTION AND ADVOCACY SYSTEM.—The term 'protection and advocacy system' means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2000 through 2004.''.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

SEC. 301. PERMANENT EXTENSION OF DISABILITY INSURANCE PROGRAM DEMONSTRATION PROJECT AUTHORITY.

(a) PERMANENT EXTENSION OF AUTHORITY.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by adding at the end the following:

''DEMONSTRATION PROJECT AUTHORITY

''SEC. 234. (a) AUTHORITY.—

''(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the 'Commissioner') shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of—

''(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

''(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 222(c)), altering the 24-month waiting period for hospital insurance benefits under section 226, altering the manner in which the program under this title is administered, earlier referral of such individuals for rehabilitation, and greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

''(C) implementing sliding scale benefit offsets using variations in—

''(i) the amount of the offset as a proportion of earned income;

''(ii) the duration of the offset period; and

''(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this title.

''(2) AUTHORITY FOR EXPANSION OF SCOPE.—The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this title with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to any such group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

''(b) REQUIREMENTS.—The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this title without committing such program to the adoption of any particular system either locally or nationally.

''(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.—In the case of any experiment or demonstration project conducted under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of title XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

''(d) REPORTS.—

''(1) INTERIM REPORTS.—On or before June 9 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

''(2) FINAL REPORTS.—Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment and demonstration project.''.

(b) CONFORMING AMENDMENTS; TRANSFER OF PRIOR AUTHORITY.—

(1) CONFORMING AMENDMENTS.—

(A) REPEAL OF PRIOR AUTHORITY.—Paragraphs (1) through (4) of subsection (a) and subsection (c) of section 505 of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) are repealed.

(B) CONFORMING AMENDMENT REGARDING FUNDING.—Section 201(k) of the Social Security Act (42 U.S.C. 401(k)) is amended by striking ''section 505(a) of the Social Security Disability Amendments of 1980'' and inserting ''section 234''.

(2) TRANSFER OF PRIOR AUTHORITY.—With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) as of the date of enactment of this Act, the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 234 of the Social Security Act, as added by subsection (a).

SEC. 302. DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act) under which each $1 of benefits payable under section 223, or under section 202 based on the beneficiary's disability, is reduced for each $2 of such beneficiary's earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

(b) SCOPE AND SCALE AND MATTERS TO BE DETERMINED.—

(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine—

(A) the effects, if any, of induced entry into the project and reduced exit from the project;

(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act; and

(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Work Incentives Advisory Panel pursuant to section 201(f)(2)(B)(ii).

(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act, and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of that Act, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of

notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) INTERIM REPORTS.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Commissioner of Social Security shall submit to Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

(e) FINAL REPORT.—The Commissioner of Social Security shall submit to Congress a final report with respect to all demonstration projects carried out under this section not later than 1 year after their completion.

(f) EXPENDITURES.—Expenditures made for demonstration projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, to the extent provided in advance in appropriation Acts.

SEC. 303. STUDIES AND REPORTS.

(a) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING DISABILITY-RELATED EMPLOYMENT INCENTIVES.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 and other Federal laws. In such study, the Comptroller General shall specifically address the extent to which such credits and other incentives would encourage employers to hire and retain individuals with disabilities.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(b) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination under current law of the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of that Act, as such programs relate to individuals entering or leaving concurrent entitlement under such programs. In such study, the Comptroller General shall specifically address the effectiveness of work incentives under such programs with respect to such individuals and the effectiveness of coverage of such individuals under titles XVIII and XIX of the Social Security Act.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(c) STUDY BY GENERAL ACCOUNTING OFFICE OF THE IMPACT OF THE SUBSTANTIAL GAINFUL ACTIVITY LIMIT ON RETURN TO WORK.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study of the substantial gainful activity level applicable as of that date to recipients of benefits under section 223 of the Social Security Act (42 U.S.C. 423) and under section 202 of that Act (42 U.S.C. 402) on the basis of a recipient having a disability, and the effect of such level as a disincentive for those recipients to return to work. In the study, the Comptroller General also shall address the merits of increasing the substantial gainful activity level applicable to such recipients of benefits and the rationale for not yearly indexing that level to inflation.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(d) REPORT ON DISREGARDS UNDER THE DI AND SSI PROGRAMS.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) identifies all income, assets, and resource disregards (imposed under statutory or regulatory authority) that are applicable to individuals receiving benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

(2) with respect to each such disregard—

(A) specifies the most recent statutory or regulatory modification of the disregard; and

(B) recommends whether further statutory or regulatory modification of the disregard would be appropriate; and

(3) with respect to the disregard described in section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) (relating to grants, scholarships, or fellowships received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution)—

(A) identifies the number of individuals receiving benefits under title XVI of such Act (42 U.S.C. 1381 et seq.) who have attained age 22 and have not had any portion of any grant, scholarship, or fellowship received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution excluded from their income in accordance with that section;

(B) recommends whether the age at which such grants, scholarships, or fellowships are excluded from income for purposes of determining eligibility under title XVI of the Social Security Act should be increased to age 25; and

(C) recommends whether such disregard should be expanded to include any such grant, scholarship, or fellowship received for use in paying the cost of room and board at any such institution.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS RELATING TO DRUG ADDICTS AND ALCOHOLICS.

(a) CLARIFICATION RELATING TO THE EFFECTIVE DATE OF THE DENIAL OF SOCIAL SECURITY DISABILITY BENEFITS TO DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5) of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 853) is amended—

(1) in subparagraph (A), by striking ''by the Commissioner of Social Security'' and ''by the Commissioner''; and

(2) by adding at the end the following:

''(D) For purposes of this paragraph, an individual's claim, with respect to benefits under title II of the Social Security Act based on disability, which has been denied in whole before the date of enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

''(i) there is pending a request for either administrative or judicial review with respect to such claim, or

''(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

''(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement redetermination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement redetermination in lieu of a continuing disability review whenever the Commissioner determines that the individual's entitlement is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 223(f) of the Social Security Act shall not apply to such redetermination.''.

(b) CORRECTION TO EFFECTIVE DATE OF PROVISIONS CONCERNING REPRESENTATIVE PAYEES AND TREATMENT REFERRALS OF SOCIAL SECURITY BENEFICIARIES WHO ARE DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5)(B) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended to read as follows:

''(B) The amendments made by paragraphs (2) and (3) shall take effect on July 1, 1996, with respect to any individual—

''(i) whose claim for benefits is finally adjudicated on or after the date of enactment of this Act; or

''(ii) whose entitlement to benefits is based on an entitlement redetermination made pursuant to subparagraph (C).''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

SEC. 402. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF TITLE II BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3)) is amended—

(A) by inserting ''(A)'' after ''(3)''; and

(B) by adding at the end the following:

''(B)(i) The Commissioner shall enter into an agreement under this subparagraph with

any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, Social Security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the individuals confined in the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to the institution, with respect to information described in subclause (I) concerning each individual who is confined therein as described in paragraph (1)(A), who receives a benefit under this title for the month preceding the first month of such confinement, and whose benefit under this title is determined by the Commissioner to be not payable by reason of confinement based on the information provided by the institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information to the Commissioner within 30 days after the date such individual's confinement in such institution begins, or $200 (subject to reduction under clause (ii)) if the institution furnishes the information after 30 days after such date but within 90 days after such date.

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 1611(e)(1)(I).

''(iii) There is authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to enable the Commissioner to make payments to institutions required by clause (i)(II).

''(iv) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any agency administering a Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.''.

(2) CONFORMING AMENDMENT TO THE PRIVACY ACT.—Section 552a(a)(8)(B) of title 5, United States Code, is amended—

(A) in clause (vi), by striking ''or'' at the end;

(B) in clause (vii), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(viii) matches performed pursuant to section 202(x)(3)(B) or 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 402(x)(3)(B), 1382(e)(1)(I));''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(b) ELIMINATION OF TITLE II REQUIREMENT THAT CONFINEMENT STEM FROM CRIME PUNISHABLE BY IMPRISONMENT FOR MORE THAN 1 YEAR.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in the matter preceding clause (i), by striking ''during'' and inserting ''throughout'';

(B) in clause (i), by striking ''an offense punishable by imprisonment for more than 1 year (regardless of the actual sentence imposed)'' and inserting ''a criminal offense''; and

(C) in clause (ii)(I), by striking ''an offense punishable by imprisonment for more than 1 year'' and inserting ''a criminal offense''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(c) CONFORMING TITLE XVI AMENDMENTS.—

(1) FIFTY PERCENT REDUCTION IN TITLE XVI PAYMENT IN CASE INVOLVING COMPARABLE TITLE II PAYMENT.—Section 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)) is amended—

(A) in clause (i)(II), by inserting ''(subject to reduction under clause (ii))'' after ''$400'' and after ''$200'';

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(C) by inserting after clause (i) the following:

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 202(x)(3)(B).''.

(2) EXPANSION OF CATEGORIES OF INSTITUTIONS ELIGIBLE TO ENTER INTO AGREEMENTS WITH THE COMMISSIONER.—Section 1611(e)(1)(I)(i) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)) is amended in the matter preceding subclause (I) by striking ''institution'' and all that follows through ''section 202(x)(1)(A),'' and inserting ''institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 202(x)(1)(A)(ii),''.

(3) ELIMINATION OF OVERLY BROAD EXEMPTION.—Section 1611(e)(1)(I)(iii) of such Act (42 U.S.C. 1382(e)(1)(I)(iii)) (as redesignated by paragraph (1)(B), is amended by striking ''(I) The provisions'' and all that follows through ''(II)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 203(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2186). The reference to section 202(x)(1)(A)(ii) of the Social Security Act in section 1611(e)(1)(I)(i) of the Social Security Act as amended by paragraph (2) shall be deemed a reference to such section 202(x)(1)(A)(ii) as amended by subsection (b)(1)(C).

(d) CONTINUED DENIAL OF BENEFITS TO SEX OFFENDERS REMAINING CONFINED TO PUBLIC INSTITUTIONS UPON COMPLETION OF PRISON TERM.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in clause (i), by striking ''or'' at the end;

(B) in clause (ii)(IV), by striking the period and inserting '', or''; and

(C) by adding at the end the following:

''(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexually dangerous person or a sexual predator or a similar finding.''.

(2) CONFORMING AMENDMENT.—Section 202(x)(1)(B)(ii) of the Social Security Act (42 U.S.C. 402(x)(1)(B)(ii)) is amended by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to benefits for months ending after the date of enactment of this Act.

SEC. 403. REVOCATION BY MEMBERS OF THE CLERGY OF EXEMPTION FROM SOCIAL SECURITY COVERAGE.

(a) IN GENERAL.—Notwithstanding section 1402(e)(4) of the Internal Revenue Code of 1986, any exemption which has been received under section 1402(e)(1) of such Code by a duly ordained, commissioned, or licensed minister of a church, a member of a religious order, or a Christian Science practitioner, and which is effective for the taxable year in which this Act is enacted, may be revoked by filing an application therefore (in such form and manner, and with such official, as may be prescribed by the Commissioner of the Internal Revenue Service), if such application is filed no later than the due date of the Federal income tax return (including any extension thereof) for the applicant's second taxable year beginning after December 31, 1999. Any such revocation shall be effective (for purposes of chapter 2 of the Internal Revenue Code of 1986 and title II of the Social Security Act), as specified in the application, either with respect to the applicant's first taxable year beginning after December 31, 1999, or with respect to the applicant's second taxable year beginning after such date, and for all succeeding taxable years; and the applicant for any such revocation may not thereafter again file application for an exemption under such section 1402(e)(1). If the application is filed after the due date of the applicant's Federal income tax return for a taxable year and is effective with respect to that taxable year, it shall include or be accompanied by payment in full of an amount equal to the total of the taxes that would have been imposed by section 1401 of the Internal Revenue Code of 1986 with respect to all of the applicant's income derived in that taxable year which would have constituted net earnings from self-employment for purposes of chapter 2 of such Code (notwithstanding paragraph (4) or (5) of section 1402(c) of such Code) except for the exemption under section 1402(e)(1) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall apply with respect to service performed (to the extent specified in such subsection) in taxable years beginning after December 31, 1999, and with respect to monthly insurance benefits payable under title II of the Social Security Act on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is effective (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year).

SEC. 404. ADDITIONAL TECHNICAL AMENDMENT RELATING TO COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS UNDER TITLES II AND XVI.

(a) IN GENERAL.—Section 1110(a)(3) of the Social Security Act (42 U.S.C. 1310(a)(3)) is amended by striking ''title XVI'' and inserting ''title II or XVI''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

SEC. 405. AUTHORIZATION FOR STATE TO PERMIT ANNUAL WAGE REPORTS.

(a) IN GENERAL.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended by inserting before the semicolon the following: '', and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of

the Internal Revenue Code of 1986 to make such reports on an annual basis''.

(b) TECHNICAL AMENDMENTS.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by striking ''(as defined in section 453A(a)(2)(B)(iii))''; and

(2) by inserting ''(as defined in section 453A(a)(2)(B))'' after ''employers'' .

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wage reports required to be submitted on and after the date of enactment of this Act.

SOCIAL SECURITY AND MEDICARE SAFE DEPOSIT BOX ACT OF 1999

The PRESIDING OFFICER. Under the previous order, there will now be 1 hour of debate equally divided prior to the vote on the cloture motion on H.R. 1259.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan is recognized.

Mr. ABRAHAM. Mr. President, let me begin debate on this cloture motion today and take up to 10 minutes. I hope I won't need to use all of that, as there are other speakers on our side.

We are here now after having, on three occasions, failed to obtain cloture on a Senate bill to try to lock away the Social Security trust fund moneys and prevent them from being spent on other Federal Government expenditures. The Democrats have filibustered the lockbox for 58 days. This is significant, because an additional $304 million of new Social Security surplus funds are added to the trust fund virtually every day.

In my judgment, we should be husbanding these surpluses carefully to provide for future Social Security benefits and to make necessary reforms as easily and seamlessly as possible. But because of this filibuster, $17.6 billion of these future Social Security benefits have been placed at risk of being spent on other non-Social Security programs. This is the equivalent of taking away the annual Social Security benefits for 1.6 million American seniors.

Mr. President, today we are attempting a new approach having thrice failed to be able to obtain cloture on a Senate amendment to a budget reform act bill. We are today voting on a different version of the lockbox, one that passed the House of Representatives overwhelmingly, and, in my judgment, would therefore seem to be a piece of legislation that we could have overwhelming bipartisan consensus on in the Senate. The question is, Will we do so?

All I can say to my colleagues is that in Michigan, seniors surely hope that we will do so—that we will vote cloture, that we will pass the lockbox, and that we will protect their Social Security benefits.

Let me introduce you to Gus and Doris Bionchini of Warren, MI. They have been kind enough to come out to Washington this week to help ensure that Social Security lockbox is passed. They have been receiving Social Security for over 10 years and tell me that Social Security is very important to them, as it is to so many Americans, and that they pay most of their bills, especially food and utilities, with their benefits.

Gus and Doris tell me that they can't understand why anyone would want to spend their future Social Security benefits on new Government spending, and that they think it is time and imperative Congress pass a law which stipulates that we should not spend a dime of their Social Security dollars on anything other than Social Security. They believe seniors should have a voice.

Let me introduce you to someone else, Mr. Joe Wagner, a 70-year-old from Kentwood, MI, a new Social Security recipient, but someone who already finds himself nearly entirely dependent upon his benefits to pay his bills to meet his everyday needs. He said that he strongly supports the original lockbox bill that I introduced with Senators ASHCROFT and DOMENICI and others. He also knows that the President has proposed spending over $30 billion of the Social Security surplus every year. He thinks that is wrong, and I agree with him.

Then we have another person for you to meet, Eleanor Happle. Eleanor is a 74-year-old widow who is very active for her age and who enjoys spending time with friends and volunteering at the hospital. She supplements her Social Security benefits by working in an assisted-living facility. I know that she agrees with us that the Social Security surplus should be protected.

Finally, here is Vic and Joanne Machuta in front of their home in East Grand Rapids, MI, where they have lived for 20 years. They have been married for 54 years. They have three children. Vic is 73 years old and worked as a police officer for over 35 years. Joanne is also 73 and worked for a bank as well as for Central Michigan University. They have been receiving Social Security for 10 years and believe that the surplus should be used for Social Security as opposed to other Government spending. They also believe that legislation which would make it more difficult for Government to spend their Social Security is a good idea.

Now we find ourselves with a new version of the lockbox. It is a looser version, I admit. But we still find the same old foot dragging which we have been suffering through for 58 days.

H.R. 1259, the House lockbox legislation, passed the House on May 26 by a vote of 416 to 12—416 for this lockbox proposal in the House, and only 12 against it. But still we are here, of course, to vote on cloture to end broad, uncontrolled debate on this subject. I don't understand that.

It seems to me that when the House votes this overwhelmingly clearly this is a version which is a bipartisan consensus, and we should get down to the business of protecting Social Security dollars.

That is what at least this Senator thinks. That is what my constituents such as Gus, Doris, Joe, and Eleanor think.

I hope today that we will finally have 60 votes for us to consider in a carefully crafted fashion a lockbox proposal that would enjoy bipartisan support. This one certainly does. It did in the House. I believe it will in the Senate. I hope that today we can finally obtain cloture, move forward, and pass this legislation quickly.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. Thank you, Mr. President.

Mr. President, I listened carefully to my friend and colleague from Michigan. I am inclined to agree with him on a couple of things; that is, that people really want their Social Security protected. That is what they are thinking about. That is what they are looking at.

I rise now to oppose the motion to invoke cloture on the House-passed Social Security bill lockbox legislation, because it doesn't protect Social Security as it is commonly believed.

I want the public to know that this isn't an internal debate about some arcane process. We are talking about whether or not Social Security is going to be stronger as a result of this tactical approach to preparing perhaps for a nice tax cut in the future.

When we talk about the filibuster, sometimes the public doesn't quite understand. A filibuster can be an appropriate delay. If I think something is wrong, if someone on the other side of the aisle thinks something is wrong, they have a right to defend their point of view standing on this floor for as long as they have the energy and the time is available. So cloture isn't a simple thing. It is designed to cut off other people's opinion. It is designed to give the majority a chance to roll over the minority and perhaps what the public really wants.

I want to say right from the beginning that I strongly support enactment of a Social Security lockbox. In fact, we want to pass a lockbox that not only protects Social Security, but for many people, while they worry about Social Security, Medicare, which is high on their list of concerns because Social Security will be there but Medicare, conceivably if it is not protected and made more solvent, may not be there.

Ask anybody what their primary concerns are once they get past their Medicare family needs, and they will tell you that it is health care. There is a crying need for reliability in health care systems across this country. People are worried that they will lose out in one place and not be able to get it in another place. They are worried about having a condition where that is ruled out for them—a long-term disease.

Medicare has to be protected as well. We want a lockbox that has an impenetrable lock, not one that includes all kinds of loopholes that will leave these

programs largely unprotected. That is the thing we have to keep in mind; that is, what is the ultimate outcome?

The bill before us now is an improvement over the version that we considered yesterday. But unlike that legislation, the one that was considered yesterday, the House-passed bill, does not pose a risk of Government default. So there is a slight measure of more security there. Therefore, it doesn't pose the same kind of threat to Social Security benefits. However, the House-passed bill still desperately needs improvement. Most importantly, the bill's lack of protection for Medicare is a primary part.

In addition, the bill lacks an adequate enforcement mechanism. It relies solely on 60-vote points of order.

Again, I don't like to get into process discussions when the public has a chance to evaluate. Why should there be 60 votes necessary to change it? In almost every other situation we rely on the majority to take care of it with 51 votes. It doesn't back up these 60-vote points of order, across-the-board spending cuts should Congress raid these surpluses in the future.

In addition, the legislation before us includes a troubling loophole that would allow Congress to raid surpluses by simply designating legislation as ''Social Security reform'' or ''Medicare reform.'' But it is not what you really get when you look at the title of these programs, because under Social Security reform it is conceivable that some could favor a major tax cut for wealthy people, and say: Listen. They are going to be paying more into the fund as a result of earning more as a result of a more buoyant economy. They could say that is Social Security reform. But, aha, really what we want to do is give a good fat tax cut to people who do not need it.

There is no definition of what constitutes Social Security or Medicare reform. We want to do that. But this obscure definition permits hanky-panky all over the place.

This could allow Congress to raid surpluses for new privatization schemes, no matter how risky, or even tax cuts—big tax cuts.

Democrats want to strengthen this bill to make it better. But we are being denied an opportunity in the process by the majority. They are saying that 45 Democrats representing any number of States, any number of people—if we just take the States of California and New York, we have a significant part of the population in this country.

However, the majority is saying: We will not let you offer any amendments; we have decided we have the majority, and we are locking you out. That is the real lockbox.

It is not right. That is not the proper way to operate. It is not the way the Senate is supposed to function—not permit the offering of amendments? What are they afraid of? Let the public hear the debate. Let the public look at the amendments. Maybe we will help them pass a bill we also can agree to. Right now, they are afraid to let the public in. The public doesn't have a right to know, as far as they are concerned.

For too long now, the majority has engaged in a concerted effort to deny rights to Democratic Senators. They have repeatedly tried to eliminate our rights. The once rare tactic of filling up the amendment tree—again, another arcane term that blocks out any other amendments—has now become standard operating procedure.

The majority thinks they have a right to dictate how many and which amendments. They are asking to see our amendments before we can offer them. That is unheard of in the process as structured in the Senate.

Compounding matters, cloture is no longer being used as a tool to end debate. It is being used as a tool to prevent debate. The majority leader, in his technical right, has filed a cloture motion on this bill before either side even has an opportunity to make an opening statement. That, too, is unheard of. We used to have debate, and one side or the other would finally say: Listen, they are delaying; they are filibustering, and we want to shut off debate.

Now what happens, as soon as the bill is filed, a cloture motion is filed that says the minority or those who are in opposition will not even have a right to speak.

The majority is even going further in limiting the period known as morning business, when we can talk about things that are on our agenda. Eliminate that right?

I hope the American public will understand what this mission is; that is, not to give the public what they want but to give them what the Republicans want.

This effort to restrict minority rights is not appropriate. It is not the way the Senate is supposed to operate. We Democrats are not going to put up with it much longer. There is no reason this Senate cannot approve a Social Security and Medicare lockbox and do it very soon. We are willing to work toward a unanimous consent agreement to limit amendments. Debate on these amendments should not take very long.

However, we cannot accept being entirely locked out of the legislative process. We will not tolerate being denied an opportunity to make this Social Security lockbox truly a lockbox, a safe deposit box, one that can't be opened casually, that protects both Social Security and Medicare in a meaningful way.

The majority understands, if they continue to function this way, we will not get a Social Security and Medicare lockbox enacted into law. It is as simple as that. Perhaps they don't want to live under this lockbox but would like to talk about it, hoping they do not have to pass the test of reality. Maybe they just want an issue to talk about. That is why they are following procedures guaranteed to produce gridlock and not results. I hope that is not true.

I look at actions. I see them speaking louder than words. There is every indication the Republican leadership is not trying seriously to produce a bill that can win bipartisan support.

I call on my colleagues to oppose cloture, to oppose cutting off debate. I urge my colleagues in the majority to change their mind, rethink it, talk to this side about it, allow this bill to be considered privately or openly, with a full opportunity for debate and for amendments.

How much time do I have remaining?

The PRESIDING OFFICER. The Senator has 19 minutes remaining.

Mr. LAUTENBERG. I yield to the Senator from North Dakota up to 7 minutes.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. CONRAD. Mr. President, for the fourth time the Senate is being asked to vote on a so-called lockbox without being given the opportunity to consider amendments.

What is the majority afraid of? Why aren't they willing to vote on amendments? That is the way we do business in the Senate. Somebody makes a legislative offering, and then Members have a chance to amend and a chance to vote to decide what is the best policy for this country.

I have believed for a very long time and I have fought repeatedly in the Budget Committee, in the Finance Committee, and on the floor of the Senate to stop the raid on Social Security surpluses. I see our friends on the other side all of a sudden become defenders of Social Security.

Some Members have not forgotten. Sometimes our friends on the other side of the aisle think we have amnesia, but we remember the repeated attempts on the other side to amend the Constitution of the United States with a so-called balanced budget amendment that would have looted and raided Social Security to achieve balance. We remember very well.

It was done in 1994; it was done in 1995; it was done in 1996; it was done in 1997; and here is the language. This language makes clear that the definition of a balanced budget was all the receipts of the Federal Government and all the expenditures of the Federal Government, including Social Security. Then they were going to call that a balanced budget. That is what they were doing in 1994, 1995, 1996, and 1997—an absolute raid on the Social Security trust funds and trying to put that in the Constitution of the United States.

All of a sudden, they are defenders of Social Security. I welcome the transformation. I welcome them coming over to our side and agreeing now that we ought to protect Social Security. But why won't they allow amendments? What are they afraid of? Are they afraid to vote? I think they are. I think they are afraid to vote. I think they are afraid to vote because we have

an amendment that provides a lockbox for Social Security, one that is defended against what can happen out here on the floor—unlike the amendment being offered now. It is defended by sequestration. Their amendment has no such defense.

I think they are afraid to vote on an alternative because we not only protect Social Security but Medicare.

Looking at the Republican ''broken safe,'' we try to look inside and find out what is there. What we find is that there is not one single additional penny for Medicare in the Republican lockbox. No, Medicare is left out of the equation.

Senator LAUTENBERG and I believe Medicare ought to be protected with Social Security. We ought to have a lockbox to protect both. We ought to have procedures that defend them, not create enormous loopholes that can be used to again loot Social Security and not protect Medicare.

The fact is, the amendment we want to offer that they will not let this side consider is an amendment that provides $698 billion for Medicare over the next 15 years; the Republican plan provides nothing, zero, not one penny. That is why they don't want to vote. They don't want to vote because they don't want to protect Social Security and Medicare.

It is fascinating what a difference a year makes. Just 1 year ago we had a debate in the Budget Committee of the Senate. Here is what the Republicans were saying then. This is Senator PETE DOMENICI, the chairman of the Senate Budget Committee:

> Mr. President, this is a very simple proposition . . . We suggested, as Republicans, that Social Security and Medicare are the two most important American programs to save, reform, and make available into the next century . . . I believe the issue is very simple—very simple: Do you want a budget that begins to help with Medicare, or do you want a budget that says not one nickel for Medicare; let's take care of that later with money from somewhere else.

Senator DOMENICI was right then. They don't want to consider the amendment that would do exactly what he is talking about—protect Social Security and Medicare. They want to forget the position they were taking just a year ago.

Here is another member, a senior Republican member of the Budget Committee. He said 1 year ago:

> But the fundamental strength of it is, whether they are democrats or republicans who have got together in these dark corners of very bright rooms and said, what would we do if we had a half a trillion dollars to spend? . . . the obvious answer that cries out is Medicare . . . I think it is logical. People understood the President on save Social Security first and I think they will understand save Medicare first . . .
>
> Medicare is in crisis. We want to save Medicare first.

It is 1 year later now. All of a sudden those brave words are forgotten and our friends on the other side want to prevent us from even considering an amendment that would do what they were advocating a year ago, save Social Security first and save Medicare first. Now they want to forget Medicare. Now they do not want to provide an additional dime for Medicare, even though it is endangered in a more immediate way than is Social Security.

One more quote from the chairman of the Budget Committee:

> Let me tell you for every argument made around this table today about saving Social Security, you can now put it in the bank that the problems associated with fixing Medicare are bigger than the problems fixing Social Security, bigger in dollars, more difficult in terms of the kind of reform necessary, and frankly, I am for saving Social Security. But it is most interesting that there are some who want to abandon Medicare . . . when it is the most precarious program we have got.

The reason I believe our colleagues on the other side do not want any amendments is because they do not want to vote on an amendment that Senator LAUTENBERG and I are prepared to offer that would save Social Security first, every penny, and save Medicare as well. They do not want to vote.

That is not the way the Senate ought to operate. That is not what we should do here.

Let me conclude by saying the amendment we have would save $3.3 billion in debt reduction; the Republican plan, $2.6 billion. Our plan is superior. We ought to have a chance to vote.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. ABRAHAM. Mr. President, I will just make one brief statement and then I will yield to the Senator from Wyoming. I do want to remind my colleagues that in the last efforts to secure cloture before the Senate, it was cloture on my amendment to another bill. We just wanted a vote on our Social Security lockbox. If we had gotten that vote, and it had passed, the amendments that are being discussed today would have been in order to be brought.

So the notion we had previously denied anybody the opportunity to have any amendments is not accurate. That opportunity would have been presented. All we wanted was a chance to have a vote on this lockbox. That was in the previous effort, on the Senate version.

Now we are dealing with a House bill, and it is different in this context, but the impression created that somehow before there would have been no opportunity to present alternatives would not have been the case had we had a chance to vote on our amendment.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. ABRAHAM. I am going to yield on my time to the Senator from Wyoming, who has been waiting. I will be happy to if we have an opportunity, but I do want to yield 5 minutes to the Senator from Wyoming.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank the Senator from Michigan for bringing this subject, his amendment, to the floor. We are talking about lockbox legislation. We are talking about Social Security, which is the bottom line. Lockbox is simply the first step to accomplish that. We have had in our agenda this year: Social Security, tax reform, education, and security for this country. These are the things we have been talking about and will, indeed, continue to talk about.

The two Senators from the other side of the aisle have spoken about excuses for not going forward with this bill. I can hardly understand it. They talk about amendments. They have 22 or 25 amendments designed to keep us from voting on the bill. That is why we are not doing amendments. We decided to move forward with something designed to ensure that Social Security surplus funds will be reserved for Social Security alone. There are lots of things involved, of course, in addition to Social Security. That is, if you like smaller government, if you like tax relief, if you would like to limit the amount of spending, then this is the way to do that and hold the spending to those funds that do not come from Social Security. So this helps us retain our commitment to smaller and more efficient government.

One only has to look at last year's omnibus appropriations to see this legislation is necessary, where $20 billion in nonemergency spending was taken from Social Security last year. The same thing will happen again unless we make a move to do something about it. Unfortunately, the Democrats have decided to filibuster this bill and not let it happen. Apparently they support these ideas of raiding Social Security for their big government agenda. I understand that. The President's budget raids the Social Security funds to the tune of $158 billion. That is where we are, absent this kind of movement.

We are, of course, dealing with everything from lockbox to fundamental Social Security reforms. Everybody knows the system is not sound; by 2014, Social Security begins to run a deficit. Obviously, there are a number of demographics that bring that about—the declining number of workers, their increased longevity, and the impending retirement of the baby boomers. There are three solutions to the problem: One is to raise taxes on Social Security, one is to reduce benefits of Social Security—neither of which is acceptable to most of us—and the third is to provide an increased rate of return on the investments we have.

I am not for raising taxes. There are better ways to do that. I certainly want, however, to do something with Social Security which will allow a certain part of those funds to be put in private accounts to be invested in the private sector to increase the returns so we strengthen Social Security. We cannot do that unless we set aside these funds.

I am amazed at the opposition to this. The President has been talking for 2 years and all he said was: Save Social Security; no plan, no effort, no movement.

Now we have a chance to take the first steps to do something. We have a plan that works to move us to save Social Security, and what do we have? Opposition by filibuster. It is amazing to me. I guess it is simply a defense of spending more for large government. I do not want to do that. Americans work hard for their money. They ought to have a say in how it is spent. Therefore, I urge we move forward with the first step in doing something about Social Security.

I yield the floor.

Mr. LAUTENBERG. Will the Senator yield for a question?

Mr. THOMAS. No. We have used our time. I return it back to the Senator from Michigan.

Mr. LAUTENBERG. No questions, no speeches.

Mr. THOMAS. We can on the Senator's time.

Mr. LAUTENBERG. I will take 1 minute, Mr. President.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. LAUTENBERG. I say, I wonder whether our friends on the other side know they filled up the amendment tree as soon as they laid down yesterday's bill. What are they talking about when they say you can offer amendments, when they closed it? They know very well. This chicanery should not get past the public, I will tell you that.

Why should we not spend a little time? Filibuster? We have a half-hour available. I want the American public to know they think that is enough time to discuss Social Security and Medicare. That is what the public has to know. Not cut off the filibuster—what kind of filibuster is this? That is not even an pinkie-size filibuster.

That, I think, is important for the RECORD to reflect.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I yield 5 minutes to the Senator from Pennsylvania.

The PRESIDING OFFICER (Mr. BURNS). The Senator from Pennsylvania.

Mr. SANTORUM. Mr. President, I will respond to the Senator from New Jersey. The Senator from New Jersey knows if we get cloture on this bill, germane amendments would be allowed. So if what he is concerned about is Social Security and debating Social Security, germane Social Security amendments will be available. What will not be available are spurious amendments to make political points that have nothing to do with Social Security, such as what is being discussed by the Senator from North Dakota who wants to take non-Social Security money, non-Medicare money, and create a lockbox of general fund revenues for Medicare.

As the Senator from New Jersey knows, that has nothing to do with Social Security. It has nothing to do with lockboxing Social Security. It has nothing to do with lockboxing the Medicare trust fund. It is a tangential amendment aimed at making political points, having nothing to do with Social Security, as are the bulk, from my understanding, of the other amendments.

So in sincerity, I say to the Senator from New Jersey, if he really is concerned about Social Security and having an honest debate about Social Security and the amendments thereto, vote for cloture because he will have ample opportunity to have a plethora of amendments that deal with the issue of Social Security and the lockbox thereon.

So the demagoguery we have heard that somehow we are precluding debate on the most vital issue of the day is false. We are, in fact, providing a forum for a limited and narrow and focused discussion, absent political demagoguery, to talk just about Social Security.

So, if the Senator is truly concerned with the issue of Social Security and the preeminence of it as a policy issue, then he has the opportunity before him right now to vote for cloture so we can focus the agenda and the discussion on that very issue.

Second, I want to respond to the Senator from North Dakota who I think has offered a very reasonable concept, although I am not sure his charts follow through with that concept. The Senator from North Dakota suggested that we need to lockbox Medicare and suggested there were $650-some-odd billion to be lockboxed for Medicare. I do not know where he comes up with $650-odd billion that is in the Medicare fund surplus in the future. In fact, between the years 2000 and 2009, the net surplus in the Medicare trust fund is $14 billion. In the next 5 years the surplus will be $53 billion, but then it goes negative, from 2006 to 2009 $39 billion.

I am willing right now to coauthor a bill with the Senator from North Dakota to put a lockbox on the Medicare trust fund similar to the Social Security trust fund. But that is not what the Senator from North Dakota is saying. He would lead you to believe that is what he is saying, that we need a similar lockbox for Medicare as we have for Social Security.

Remember, the Social Security lockbox said Social Security money must be used for Social Security. A similar Medicare lockbox would be very simple: Medicare taxes must be used for Medicare.

Is that what the Senator from North Dakota has asked for? No, he has not. What the Senator from North Dakota said is all of the surplus in the future—the non-Medicare surplus, the non-Social Security surplus, the general fund surplus—has to be used for Medicare. That is what the Senator from North Dakota did. That is not what he told us, but that is what he did.

Why does he want to do that? Because he wants to take the general fund surplus—which many believe, if we have more money in the general fund than we need, we should provide tax relief to those who overpaid—and use it for Medicare.

I believe in the integrity of the Medicare program and the integrity of the Social Security program. They are funded specifically by taxes and spent within that trust fund. That is how we should fix Medicare, and that is how we should fix Social Security. We should not be borrowing from other areas any more than on the general Government side we should not be borrowing from Social Security and Medicare. It is honesty in budgeting. What happened a few minutes ago on the floor was not exactly the most forthright explanation of budgeting in this area.

What we are proposing is very simple. We have a surplus in Social Security, and if we do not lock it up and create hurdles for spending that money, there will be those, incredibly enough, who will use that money for other things such as, oh, wonderful things, including tax cuts. There may be some who want—I do not want to do tax cuts with Social Security money; I will not do tax cuts with Social Security money. You will not find any tax cut I will not vote for. I will vote for all of them, but I will not use Social Security money.

It puts constraints on us on this side of the aisle who would love to see tax cuts but will not use Social Security, contrary to what the Senator from New Jersey just said. You cannot use it for tax cuts and spending increases. That is all we say.

Let's make a downpayment on Social Security reform by not spending the money. It is as simple as that.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. How much time do we have on our side, Mr. President?

The PRESIDING OFFICER. The Senator has 10 minutes 21 seconds.

Mr. LAUTENBERG. I yield 4 minutes to the Senator from South Carolina.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of S. 605, as amended.

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

S. 605

At the end of the bill, insert the following:

TITLE II—SOCIAL SECURITY FISCAL PROTECTION ACT OF 1999

SECTION 201. SHORT TITLE.

This title may be cited as the ''Social Security Fiscal Protection Act of 1999''.

SEC. 202. OFF BUDGET STATUS OF SOCIAL SECURITY TRUST FUNDS.

Notwithstanding any other provision of law, the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund shall not be counted as new budget authority, outlays, receipts, or deficit or surplus for purposes of—

(1) the budget of the United States Government as submitted by the President,

(2) the congressional budget, or

(3) the Balanced Budget and Emergency Deficit Control Act of 1985.

SEC. 203. EXCLUSION OF RECEIPTS AND DISBURSEMENTS FROM SURPLUS AND DEFICIT TOTALS.

The receipts and disbursements of the old-age, survivors, and disability insurance program established under title II of the Social Security Act and the revenues under sections 86, 1401, 3101, and 3111 of the Internal Revenue Code of 1986 related to such program shall not be included in any surplus or deficit totals required under the Congressional Budget Act of 1974 or chapter 11 of title 31, United States Code.

SEC. 204. CONFORMITY OF OFFICIAL STATEMENTS TO BUDGETARY REQUIREMENTS.

Any official statement issued by the Office of Management and Budget or by the Congressional Budget Office of surplus or deficit totals of the budget of the United States Government as submitted by the President or of the surplus or deficit totals of the congressional budget, and any description of, or reference to, such totals in any official publication or material issued by either of such Offices, shall exclude all receipts and disbursements under the old-age, survivors, and disability insurance program under title II of the Social Security Act and the related provisions of the Internal Revenue Code of 1986 (including the receipts and disbursements of the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund).

SEC. 205. REPOSITORY REQUIREMENT.

Notwithstanding any other provision of law, the Secretary of the Treasury shall maintain, in a secure repository or repositories, cash in an amount equal to the redemption value of all obligations issued each month that begins after October 1, 1999 to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund pursuant to section 201(d) of the Social Security Act that are outstanding on the first day of such month. This section shall not be construed to require the Secretary of the Treasury to maintain an amount equal to the total social security trust fund balance as of October 1, 1999.

Mr. HOLLINGS. Mr. President, I ask unanimous consent to have printed in the RECORD a copy of the Republican Policy Committee talking points on S. 605 dated June 15.

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

RPC TALKING POINTS ON S. 605—HOLLINGS AMENDMENT TO SOCIAL SECURITY LOCKBOX

S. 605, a bill by Senator Hollings, which may be offered as an amendment to the Social Security lockbox bill, states in part: ''. . . The Secretary of the Treasury shall maintain, in a secure repository or repositories, cash in a total amount equal to the total redemption value of all obligations issued to the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund pursuant to section 201(d) of the Social Security Act that are outstanding on the first day of such month.''

The Mechanics: In short, the Hollings Amendment would require the federal government to come up with cash equal to the amount of the Social Security trust fund balance—an amount which at the end of this fiscal year (FY 1999) is estimated by the Congressional Budget Office to be $857 billion.

The amendment would require an $857 billion payment on October 1, 1999. This money presumably would have to be borrowed—thus driving up interest rates to incredible levels—since that amount could not be raised through taxation in the next three months.

In addition, over the next 10 years (2000–2009), CBO estimates Social Security will run a surplus of $1.78 trillion. And so, the costs of this proposal are enormous.

The Costs: The desire to stockpile hard currency is more than just problematic—it is costly in both direct and indirect economic costs.

If this money were not used to pay down the public debt, the federal government would incur a cost of $467.8 billion over 10 years in lost debt service savings.

This stockpiling concept would also have implications for monetary policy. Without the Federal Reserve re-liquidating (i.e., issuing an equivalent quantity of money), the American economy (and thereby the world's) would come under severe deflationary financial pressure—slower economic growth. Of course, when the Social Security funds reentered circulation, the effect would be just the opposite—inflationary pressure from an over-supply of money.

In short, the Hollings amendment would not only have enormous costs for the federal budget, but for the American and world economy as well.

Mr. HOLLINGS. Mr. President, this blasphemy—and it is blasphemy—has to stop. The Republican Party fought Social Security. They cut all the benefits back in 1986, but still they do not learn. That is how they lost the Senate at that time. Now they have been trying to privatize and get rid of Social Security.

This is just another charade. The Senator from New Jersey is correct, we cannot offer an amendment, for the simple reason that when they laid their bill down, they filled up the tree, and, under that premise, you cannot offer an amendment.

My amendment, S. 605, would be relevant to this piece of legislation. It has been referred to the Budget Committee. You cannot make it more relevant than having it referred to that committee. S. 605 creates a true lockbox. We worked it out with Ken Apfel and the Social Security Administration where we pay an equal amount of those securities back into the Social Security trust fund.

What does the Republican policy committee say? They take the entire debt. Mr. President, I had no idea that the Republicans would admit to the fact that there is nothing in the lockbox. Actually, at the end of this fiscal year, by the end of September—this is June—we will owe Social Security $857 billion. Read the policy committee statement. They say:

. . . the end of this fiscal year . . . is estimated by the Congressional Budget Office to be $857 billion.

They finally admit there is nothing in the lockbox. The intent of HOLLINGS in S. 605, and others who have cosponsored it, is to put some money in the lockbox; namely, the annual surpluses. I have juxtaposed the language in my legislation but I can tell you, you can see their intent by this Republican policy committee statement.

The 1994 Pension Reform Act says you cannot pay off your debt with pension funds. But they have been doing that, and their particular bill continues to pay down the debt with the pension funds. They have tried to do that under the ruse that it would be terrible by calling it, what? They call it stockpiling hard currency, and it is going to wreck the world economy.

I wish everybody would read the talking points of the Republican Policy Committee and this nonsense they have afoot. There is not any question that they intend to spend the money. They have one sentence in here:

In addition, over the next 10 years . . . CBO estimates Social Security will run a surplus of $1.78 trillion. And so, the costs of this proposal are enormous.

Substitute the word ''savings'' for the word ''costs.'' The savings to Social Security will be enormous if we pass S. 605. But their intent is that there be nothing in the lockbox.

The Senator from Michigan sits down there with his senior citizen picture. I am a senior citizen. I am not worried. STROM is not worried. We are going to get our money. It is the young baby boomer generation that the Greenspan Commission said set aside for—actually section 21 of the Greenspan Commission report—that should be worried. The law, section 13301 of the Budget Act, says to do exactly that. But they continue to put this shabby act on the other side of the aisle like they have a lockbox and they are trying to save Social Security Trust Fund monies, when they know full well there is nothing in the lockbox. The Republican Policy Committee said they are guaranteeing that nothing is ever going to be in that lockbox.

The PRESIDING OFFICER. Who yields time?

Mr. ABRAHAM. I yield 5 minutes to the Senator from Missouri.

The PRESIDING OFFICER. The Senator from Missouri is recognized for 5 minutes.

Mr. ASHCROFT. I thank the Chair.

Mr. President, I rise in support of the motion to invoke cloture on the Herger Social Security safe deposit box. This legislation will create a much-needed mechanism to protect Social Security surpluses from being spent on non-Social Security items.

We need this legislation because, despite his promises to save Social Security and to protect Social Security, the President keeps forwarding budgets which would take a massive bite out of Social Security.

We need this legislation. For example, under President Clinton's proposed budget, $158 billion from the fiscal year 2000 to 2004 budget will be diverted from debt reduction—which is getting the obligations of the country down so we can honor the responsibilities we have to Social Security—it will be diverted by the President, $158 billion, toward more spending. According to the Senate Budget Committee, that would represent 21 percent of the Social Security surplus over that period.

In fiscal year 2000 itself, that represents $40 billion, or 30 percent of the surplus.

While President Clinton has been proposing that we spend the Social Security surplus, this Congress has been working to protect Social Security.

In March, I introduced S. 502, the Protect Social Security Benefits Act. This legislation, which the Herger legislation before us follows—very similar—called for the establishment of a point of order that would prevent the House and Senate from passing or even debating bills that would spend money from the Social Security trust fund for anything other than Social Security benefits or reducing our debt so that we have a better capacity to pay for Social Security.

In April, we passed a budget resolution that does not spend a dime out of the Social Security surplus. In addition to protecting the Social Security surplus, the budget resolution sticks to the spending caps from the 1997 balanced budget agreement. It cuts taxes and it increases spending on education and defense within those limits. That is the way we ought to operate in terms of protecting Social Security and setting priorities.

Folks may not understand the entirety of what it means to have a point of order. It simply means when a person proposes spending that would require us to invade the surplus of Social Security in order to cover the spending, a point of order can be raised and that proposal will be ruled out of order. In other words, when someone proposes invading Social Security, the Chair can say that is out of order, and we cannot debate it, let alone discuss it. We cannot vote on it unless we change the rules of the engagement, unless we set aside the rules. I do not think Members of this body are going to say we want something so bad that we are going to invade the retirement of Americans in order to get it. Not only is the point of order established, but it is a 60-vote point of order, meaning you have to have an overwhelming majority of the Congress in order to make sure that is done.

I believe this is the kind of durable, workable protection for the Social Security surplus that will make sure we do not continue what we have done for the last 20 years; and that is, to pretend that that money is available for spending on social programs, the normal operation of Government. We, as a result of that, boosted Government spending monumentally by acting as if the Social Security surplus was merely available for ordinary spending. It should not be. It should be protected. The Social Security surplus, therefore, should be the subject of the point of order called for in this measure upon which we will vote shortly.

This vote is all about protecting Social Security surpluses. It is a vote about making sure that the surpluses are not used to pay for new budget deficits or operations in the rest of Government.

The vote supporting the Herger plan should be bipartisan and unanimous. Think about what the vote was in the House of Representatives. In the House of Representatives, this vote was 416 to 12—416 to 12. That is an overwhelming endorsement. During the debate on the budget resolution, the Senate voted 99 to 0 in support of legislation to protect Social Security.

We are calling on every Senator to vote with us to pass the legislation implementing this unanimous resolution.

As I said, in addition, the House recently passed the Herger bill, 416–12. There is no reason that the Senators on the other side of the aisle should not join with us on this vote to protect Social Security.

I want to commend Congressman HERGER for his hard work in bringing the bill to the floor and obtaining such an overwhelming vote in favor of protecting Social Security. I hope that we can do the same on the Senate side and put this bill on the President's desk immediately.

We need to pass this bill because we need to implement procedures to protect Social Security now.

Social Security is scheduled to go bankrupt in 2034. Starting in 2014, Social Security will begin spending more than it collects in taxes.

Despite this impending crisis, over the next 5 years, President Clinton's budget proposes spending $158 billion of the Social Security surpluses on non-Social Security programs. We need to stop this kind of raid on Social Security.

We need to protect Social Security now for the 1 million Missourians who receive Social Security benefits, for their children, and for their grandchildren.

This provision will help do that, by making sure that Social Security funds do not go for anything other than Social Security.

Under this provision, Congress will no longer routinely pass budgets that use Social Security funds to balance the budget. A congressional budget that uses Social Security funds to balance the budget will be subject to a point of order, and cannot be passed, or even considered, unless 60 Senators vote to override the point of order.

One of the most important lessons a parent teaches a child is to be responsible—responsible for his or her conduct and responsible for his or her money. America needs to be responsible with the people's money.

The Herger bill, like the original Ashcroft point of order, will show the American people that we are being responsible, by protecting the Social Security system from irresponsible Government spending.

Americans, including the 1 million Missourians who receive Social Security benefits, want Social Security protected. This bill does what America wants, and what every Senator has said they want to do.

I urge my colleagues to join in support of this bill.

The PRESIDING OFFICER. Who yields time?

Mr. LAUTENBERG. Does the Senator from Massachusetts want 3 minutes?

Mr. KENNEDY. Three minutes.

The PRESIDING OFFICER. The Senator from Massachusetts is recognized for 3 minutes.

Mr. KENNEDY. Mr. President, this is another case where the seniors and the young people of this country ought to look beyond the words to the real meaning of the program. We will have an opportunity to debate a Patients' Bill of Rights in the next few days, I hope. But we will have what is effectively a ''Patients' Bill of Wrongs.'' It will be introduced by our good friends on the other side of the aisle as a ''Patients' Bill of Rights'', but it does not provide the protection.

And here we have another example of this, where we have an illusion that we are protecting Social Security. They say it, but they do not mean it, because the legislation effectively denies it. In reality, this Republican ''lockbox'' does nothing to extend the life of the Social Security Trust Fund for future beneficiaries. In fact, it would do just the reverse. The sponsors of the legislation deliberately designed their ''lockbox'' with a ''trapdoor.'' Their plan would allow Social Security payroll taxes to be used instead to finance unspecified ''reform'' plans. This loophole opens the door to risky tax cut schemes that would finance private retirement accounts at the expense of Social Security's guaranteed benefits. Such a privatization plan could actually make Social Security's financial picture far worse than it is today, necessitating deep benefit cuts in the future.

As has been pointed out by my good friends from New Jersey, South Carolina, and others here, this loophole undermines the protection of these resources that should be allocated to protect our senior citizens.

No matter how many times those on the other side say that this really does give them the insurance and that it really does provide the protection, as has been pointed out by speaker after speaker after speaker, it fails to meet the fundamental and basic test. Because of the ''trapdoor,'' the Republican ''lockbox'' fails to provide protections for our senior citizens. It does not deserve the support of the Members of this body.

This Republican ''lockbox'' is an illusion. It gives only the appearance of protecting Social Security. In reality, it does nothing to extend the life of the Social Security Trust Fund for future beneficiaries. It would, in fact, do just the reverse. The sponsors of the legislation deliberately designed their ''lockbox'' with a ''trapdoor''. It would allow payroll tax dollars that belong to Social Security to be spent instead of risky privatization schemes.

It is time to look behind the rhetoric of the proponents of the ''lockbox.'' Their statements convey the impression that they have taken a major step

toward protecting Social Security. In truth, they have done nothing to strengthen Social Security. Their proposal would not provide even one additional dollar to pay benefits to future retirees. Nor would it extend the solvency of the Trust Fund by even one more day. It merely recommits to Social Security those dollars which already belong to the Trust Fund under current law. At best, that is all their so-called ''lockbox'' would do.

By contrast, the administration's proposed budget would contribute 2.8 trillion new dollars of the surplus to Social Security over the next fifteen years. By doing so, the President's budget would extend the life of the Trust Fund by more than a generation, to beyond 2050.

There is a fundamental difference between the parties over what to do with the savings which will result from using the surplus for debt reduction. The Federal Government will realize enormous savings from paying down the debt. As a result, billions of dollars that would have been required to pay interest on the national debt will become available each year for other purposes. President Clinton believes those debt service savings should be used to strengthen Social Security. I wholeheartedly agree. But the Republicans refuse to commit these savings to the Social Security Trust Fund. They are short-changing Social Security, while pretending to save it.

Currently, the Federal Government spends more than 11 cents of every budget dollar to pay the cost of interest on the national debt. By using the Social Security surplus to pay down the debt over the next fifteen years, we can reduce the debt service cost to just 2 cents of every budget dollar by 2014; and to zero by 2018. Sensible fiscal management now will produce enormous savings to the government in future years. Since it was payroll tax revenues which make the debt reduction possible, those savings should in turn be used to strengthen Social Security.

That is what President Clinton rightly proposed in his budget. His plan would provide an additional $2.8 trillion to Social Security, most of it debt service savings, between 2030 and 2055. As a result, the current level of Social Security benefits would be fully financed for all future recipients for more than half a century. It is an eminently reasonable plan. But Republican Member of Congress oppose it.

Not only does the Republican plan fail to provide any new resources to fund Social Security benefits for future retirees, it does not even effectively guarantee that existing payroll tax revenues will be used to pay Social Security benefits. They have deliberately built a trapdoor in their ''lockdoor.'' Their plan would allow Social Security payroll taxes to be used instead to finance unspecified ''reform'' plans. This loophole opens the door to risky tax cut schemes that would finance private retirement accounts at the expense of Social Security's guaranteed benefits. If these dollars are expended on private accounts, there will be nothing left for debt reduction, and no new resources to fund future Social Security benefits. Such a privatization plan could actually make Social Security's financial picture far worse then it is today, necessitating deep benefit cuts in the future.

A genuine lockbox would prevent any such diversion of funds. A genuine lockbox would guarantee that those payroll tax dollars would be in the Trust Fund when needed to pay benefits to future recipients. The Republican ''lockbox'' does just the opposite. It actually invites a raid on the Social Security Trust Fund.

Republican retirement security ''reform'' could be nothing more than tax cuts to subsidize private accounts disproportionately benefitting their wealthy friends. Pacing Social Security on a firm financial footing should be our highest budget priority, not further enriching the already wealthy. Two-thirds of our senior citizens depend upon Social Security retirement benefits for more than fifty percent of their annual income. without it, half the nation's elderly would fall below the poverty line.

To our Republican colleagues, I say: ''If you are unwilling to strengthen Social Security, at last do not weaken it. Do not divert dollars which belong to the Social Security Trust Fund for other purposes. Every dollar in that Trust Fund is needed to pay future Social Security benefits.''

While this ''lockbox'' provides no genuine protection for Social Security, it provides no protection at all for Medicare.

The Republicans are so indifferent to senior citizens' health care that they have refused to reserve any of the surplus exclusively for Medicare. They call this legislation the ''Social Security and Medicare Safe Deposit Box Act,'' but in fact they do nothing to financially strengthen Medicare. Rather than providing a dedicated stream of available on-budget revenue to Medicare, their proposal pits Medicare against Social Security in a competition for funds that belong to the Social Security Trust Fund. We all know that the dollars in the Social Security Trust Fund are not even sufficient to meet Social Security's obligations after 2034. There clearly are no extra funds available in Social Security to help Medicare. Their plan will do nothing to ease the financial crisis confronting Medicare. The Republican proposal for Medicare is a sham—and they know it.

By contrast, Democrats have proposed to devote 40 percent of the on-budget surplus to Medicare. Those new dollars would come entirely from the on-budget portion of the surplus. The Republicans have adamantly refused to provide any additional funds for Medicare. Instead, they propose to spend the entire on-budget surplus on tax cuts disproportionately benefitting the wealthiest Americans.

According to the most recent projections of the Medicare Trustees, if we do not provide additional resources, keeping Medicare solvent for the next 25 years will require benefit cuts of almost 11 percent—massive cuts of hundreds of billions of dollars. Keeping it solvent for 50 years will require cuts of 25 percent.

The conference agreement passed by House and Senate Republicans earmarks the money that should be used for Medicare for tax cuts. Eight-hundred billion dollars are earmarked for tax cuts—and not a penny for Medicare. The top priority for the American people is to protect both Social Security and Medicare. But this misguided budget puts Medicare and Social Security last, not first.

Democrats oppose this ''lockbox'' because we want real protection for Social Security and Medicare. Our proposal says: save Social Security and Medicare first, before the surpluses earned by American workers are squandered on new tax breaks or new spending. It says: extend the solvency of the Medicare Trust Fund, by assuring that some of the bounty of our booming economy is used to preserve, protect, and improve Medicare.

Our proposal does not say no to tax cuts. Substantial amounts would still be available for targeted tax relief. It does not say no to new spending on important national priorities. But it does say that protecting Medicare should be as high a national priority for the Congress as it is for the American people.

Every senior citizen knows—and their children and grandchildren know, too—that the elderly cannot afford cuts in Medicare. They are already stretched to the limit—and often beyond the limit—to purchase the health care they need. Because of gaps in Medicare and rising health costs, Medicare now covers only about 50 percent of the health bills of senior citizens. On average, senior citizens spend 19 percent of their limited incomes to purchase the health care they need—almost as large a proportion as they had to pay before Medicare was enacted a generation ago. By 2025, if we do nothing, that proportion will have risen to 29 percent. Too often, even with today's Medicare benefits, senior citizens have to choose between putting food on the table, paying the rent, or purchasing the health care they need. This problem demands our attention.

Those on the other side of the aisle have tried to conceal their own indifference to Medicare behind a cloud of obfuscation. They say their plan does not cut Medicare. That may be true in a narrow, legalistic sense—but it is fundamentally false and misleading. Between now and 2025, Medicare has a shortfall of almost $1 trillion. If we do nothing to address that shortfall, we are imposing almost $1 trillion in Medicare cuts, just as surely as if we directly legislated those cuts. No

amount of rhetoric can conceal this fundamental fact. The authors of the Republican budget resolution had a choice to make between tax breaks for the wealthy and saving Medicare—and they chose to slash Medicare.

I urge my colleagues, on both sides of the aisle, to establish genuine lockboxes for both Social Security and Medicare. H.R. 1259 creates only the illusion of protecting these two landmark programs. It provides inadequate protection for Social Security and no protection at all for Medicare. We can do better than this.

I thank the Senator from New Jersey and yield back my remaining time to him.

Mr. ABRAHAM addressed the Chair.

The PRESIDING OFFICER. The Senator from Michigan.

Mr. ABRAHAM. I yield 3 minutes to the Senator from Illinois.

The PRESIDING OFFICER. The Senator from Illinois is recognized for 3 minutes.

Mr. FITZGERALD. Thank you, Mr. President.

I will speak for a moment on this issue which has been of great concern to me. As many of you know, I come from a banking background. Bankers manage trust funds. I come from a business background where businesses, as you know, manage their employees' pension funds.

Congress has passed laws that make it illegal for any business man or woman in the private sector to reach into an employee's pension fund, take the money out, and spend it on some other program.

A few years back Congress passed laws making it illegal for State and local governments to plunder the pension funds of their employees. But during all this time, where Congress has put these laws on the books and made it illegal in the private sector and at the State and local government level to plunder pension funds, we have gone on and on in Washington taking all the money that goes into the Social Security trust fund, taking every dime of it out, and spending it on some other program.

As a result, as I speak now on the Senate floor, there is no money in the Social Security trust fund. All of it has been taken out and spent on other programs. They have put meaningless, nonmarketable, nonnegotiable securities in the Social Security trust fund, securities that have no economic value because they cannot be sold to raise cash.

Right now our Government is building up, theoretically, surpluses in the Social Security trust fund, but they are taking all that money out and spending it. So when we actually need it to pay benefits, beginning in the year 2014, there will be no money there. No matter what the balance of those bogus IOUs is in the Social Security trust fund, in the year 2014—whether that balance is $1 trillion or $5 trillion—they are of no assistance in paying benefits to those who depend on Social Security. The country will either have to raise taxes or cut benefits to make up for the shortfall that is anticipated after the year 2014.

This legislation is basic, decent common sense. We should not allow Congress to continue frittering away the Social Security trust fund. I urge all my colleagues to support it and end this outrageous practice of plundering the Social Security trust fund, to the detriment of our Nation's seniors and those who will be desiring to live on Social Security benefits in the next century.

Mr. LAUTENBERG. Mr. President, I yield 2 minutes to the Senator from California.

The PRESIDING OFFICER. The Senator from California is recognized for 2 minutes.

Mrs. BOXER. I thank the Chair.

Mr. President, I thank Senator LAUTENBERG for his leadership. What he did in the gun debate is expose that the other side had a sham bill which they said would promote sensible gun laws. He exposed that. He put forward the Lautenberg amendment, which eventually passed, that did something about the safety of our children.

He is doing it again today. He is ready to offer a real amendment to help our seniors, and he is not able to do it.

Let's face it—the Republicans admit it—Medicare is not included in their lockbox. The Senator from Pennsylvania, Mr. SANTORUM, accuses us of political demagoguery for pointing this out. To me, that is extraordinary. Because we want to offer an amendment to include Medicare in the lockbox, we are practicing political demagoguery.

Let's ask the average senior citizen if they need their Medicare. There is a beautiful picture of a beautiful couple next to our friend from Michigan. If they were sitting on this floor, I think he would lean over to her and say: Honey, I didn't know they were leaving out Medicare.

Let me tell you why. Because if you leave out Medicare, even if you do save Social Security—and that is not a fact in evidence in this lockbox; there are so many loopholes in it—and all of a sudden seniors have to pay $300 a month more for their Medicare, maybe even more, that will eat up their Social Security.

Medicare and Social Security are the twin pillars of the safety net for our retired people. Before Medicare, 50 percent of our seniors had no health insurance.

Put Medicare into the lockbox. Give us a chance. Vote down cloture. Let's have a debate that is worthy of this body.

Mr. ABRAHAM. Will the Chair tell us how much time remains?

The PRESIDING OFFICER. The Senator from Michigan has 6 minutes 5 seconds, and the Senator from New Jersey has 2 minutes 14 seconds.

Mr. ABRAHAM. Mr. President, I will speak briefly.

I have to admit to a certain amount of confusion over the arguments about this debate from the other side. When we had what we termed to be a tough lockbox—and we believe it was, the Senate bill—we were told it was too tough. The Secretary of the Treasury sent a letter saying it should be vetoed; it is too tough, puts too many constraints on the Government.

Now we are using the House bill, which virtually every Member of both parties in the House voted for, and it is accused of being too easy, too loose, too many loopholes. I have a hard time figuring out what it will take to be a satisfactory lockbox.

If you look at the money that comes to the Federal Government and divide it into two categories, you have one category which is the money that goes into Social Security, on which we run a surplus, and all the rest of the money that comes to Washington. It seems to me there is a consensus on all sides that the money that goes into Social Security ought to not be spent on anything except Social Security. It seems to me we could pass that bill, and we could provide the seniors, who I have introduced to us today, with the security that all their Social Security money will be used for Social Security.

There is no consensus as to what to do with all the rest of the money that comes to Washington. That is why we have appropriations committees. That is why we have reconciliation bills. That is why we have annual budget debates.

It does seem to me a little bit odd, if everybody is in agreement that we ought to keep the Social Security revenues for Social Security, that we can't pass that bill but instead we have to have countless other debates going on about a variety of other spending priorities. Can't we at least agree that the Social Security money that comes for Social Security ought to be spent on Social Security?

To me, Mr. President, that is self-evident. All this other discussion increasingly must be an effort to thwart a debate on what to do with the Social Security surplus. To me, that debate ought to be simple. It ought to be used for Social Security.

Mr. President, I yield the floor. If you have any other speakers, we wanted to have the——

Mr. LAUTENBERG. The last word?

Mr. ABRAHAM. If you have somebody else who wants to speak, then we will go.

Mr. LAUTENBERG. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator from New Jersey has 2 minutes 14 seconds. The Senator from Michigan has 3 minutes 40 seconds.

Mr. LAUTENBERG. Mr. President, we are in the final minutes of this debate. I wonder whether could we get unanimous consent to extend this debate by 10 minutes equally divided.

Mr. DOMENICI. It has been suggested that we not extend it.

Mr. GRAHAM. Mr. President, I strongly support measures that will create a financially solvent Social Security system for current and future beneficiaries.

I am pleased that the Senate is debating this issue, since the Trustees predict that in 2034 the current Social Security system will no longer be solvent.

However, the proposed lockbox in this legislation is not the way to make Social Security financially solvent for our children and our grandchildren.

The proposed lockbox reminds one of the 1980s—real efforts at fiscal discipline were ignored in favor for catchy slogans and irrelevant procedural changes.

As Congress fiddled, our budget burned. During the 1980s and early 1990s, the national debt quadrupled and the annual deficit reached almost $300 billion in 1992.

If we are going to create a lockbox, the Senate needs to develop one without any holes.

Unfortunately, the lockbox in the current proposal has several large holes.

It allows Social Security Surplus to be used for Social Security and Medicare Reform.

For instance, Social Security reform can mean different things.

Some of them do not mean achieving solvency of the Social Security system.

Social Security reform could mean creating individual retirement accounts.

Let's not allow the surplus out of the lockbox until we have ''reform'' that ensures solvency.

If I had been allowed, I would have offered an amendment that would use the Social Security surpluses to pay off the debt held by the public.

Only this action will truly ensure that the Social Security surplus is used to create a stronger economy.

Paying down the debt would lower long term interest rates.

Lower interest rates make it less expensive for the American public to borrow money.

The low cost of borrowing would encourage the American public to get loans that they could invest in new business ventures and in education.

The new economic activity and increased labor productivity derived from these activities will lead to increased economic growth.

More economic growth leads to increased FICA tax revenue which gives the Social Security Trust Fund more income and extends solvency.

This lockbox proposal that we are considering has numerous other holes.

The proposal focuses on securing the bank that will hold the Social Security surplus.

However, it does not secure the train that takes the money to the bank.

Jesse James, the famous American outlaw, used to rob banks and trains.

Like any good outlaw, he would steal money where it was easiest to do so.

If the bank was too secure to rob, he would rob the train that brought the money to the bank.

Congress' abuses of its emergency spending powers are similar to robbing the train that brings the Social Security surplus to bank.

The 1990 budget agreement specifically outlined a binding, multi-year deficit-reduction plan, along with a web of procedural controls to restrain federal spending.

That included rules on instances when Congress could escape those spending restraints to pay for emergency needs.

Unfortunately, this emergency safety valve is increasingly used to evade fiscal discipline.

What Washington believes to be a true ''emergency'' is decidedly different than what the average person probably thinks.

In the waning hours of last fall's budget negotiations, we passed a $532 billion omnibus appropriations bill.

Included in that bill was $21.4 billion in so-called ''emergency'' spending.

Without the emergency designation, Congress would have been required to offset each expenditure under the ''pay-as-you-go'' rule that is critical to maintaining fiscal discipline and balance.

Let's consider the numbers.

In 1998, the Social Security surplus was $99 billion.

$27 billion of that surplus was used to cover a deficit in the Federal operating budget.

An additional $3 billion was used to pay for emergency outlays.

All of a sudden, the $99 billion Social Security surplus was reduced to $69 billion.

In 1999, we are projecting a $127 billion Social Security surplus.

But we have spent another $12.6 billion for emergencies, reducing that surplus to $98 billion.

And even though we have not yet reached the 2000 fiscal year, we already know that emergency spending expenditures will reduce that year's Social Security surplus by $10 billion.

Our repetitive misuse of the emergency process continues to erode the Social Security Trust Fund.

Senator SNOWE of Maine and I have introduced legislation that would establish permanent safeguards to protect the surplus from questionable ''emergency'' uses.

Specifically, our legislation would do the following:

1. Create a 60-vote point of order that prevents non-emergency items from being included in emergency spending bills.

This will ensure that non-emergency items are subject to careful scrutiny.

2. Create a 60-vote point of order that will allow members to challenge the validity of items that are redesignated as ''emergencies.''

3. Require a 60-vote supermajority in the Senate for the passage of any bill that contains emergency spending.

This will serve as a ''safety value'' to ensure that there is strong support for a bill containing emergency spending even if neither of the proceeding points of order were exercised for any reason.

Mr. President, as we adjust to the welcome reality of budget surpluses—after decades of annual deficits and burgeoning additions to the national debt—we must never forget how easily this valuable asset can be squandered.

For too long, the Federal Government treated the budget like a credit card with an unlimited spending limit.

If our hard-won surpluses are going to be preserved, we have to prevent the abuse of emergency spending from taking over the budgetary process.

Too many instances of misuse will enlarge the hard task of identifying true emergencies and injure the credibility and original purpose of ''emergency'' spending.

Just as private citizens are warned against falsely dialing 911, Congress should be restrained from misusing its emergency spending powers. The next door wide open to raids on the surplus will be the one that passes on more debt—and a less secure Social Security system—to our children and grandchildren.

Mr. President, a ''lockbox'' is a good idea. But we can make this one stronger. We can control ''emergency spending'' so there will be money to put in the lockbox for future generations.

Mr. ENZI. Mr. President, I rise in support of the lockbox legislation being considered by the Senate. The Senate has tried to bring this important issue to a vote and begin changing the way people think about budget surpluses. Our House colleagues have passed their lockbox legislation and now it is up to the Senate to finish the job.

The source of the surplus is a rising inflow of Social Security payroll taxes. Under the current budget rules, this revenue is treated like revenue from any other source—it is put into the general fund and then spent. The lockbox would capture the difference between the inflows to the Social Security trust fund and the payment of benefits to current retirees—reserving it for the Social Security program only.

This debate is not only about preserving Social Security, but the entire concept of a balanced budget. In 1997, Congress passed the first balanced budget since 1969. We now have a surplus of $134 billion for fiscal year 1999 and forecasts show a combined surplus totaling $1.8 trillion over the next ten years. That gives Congress the opportunity to work on long term solutions to the fast approaching insolvency of the Social Security and Medicare programs. There are only 28 years remaining before Social Security is forecast to go broke. Medicare will be bankrupt in less than half that time. We must ensure that we capture as much of the surplus as possible to give Congress the ability to develop a new Social Security program that is actuarially sound for Baby Boomers.

Without the balanced budget, there would be no surplus to save. That goes for the spending caps, too. Without spending caps, there would have been no enforcement mechanism to prevent Congress from increasing the deficit. The spending caps were the tool that Congress used to ensure a surplus. The lockbox is another tool for fiscal discipline—like the spending caps—that will help ensure that the Social Security surplus is used for its stated purpose.

The Social Security surplus is not ''found money.'' It is money that will provide income for retired Americans. The Administration that said it wanted to preserve every penny of the surplus for Social Security has decided that saving the program means spending $1.8 trillion on unrelated programs. Congress rejected the President's attempt to spend the surplus and double the national debt in the process. We must not spend money that is already earmarked for future Social Security beneficiaries. As an accountant, I have a hard time reconciling the President's plan to what I know about accounting. He wants to spend the same money he is claiming to save. You can't have it both ways—either you spend it or you save it. The lockbox saves it. Otherwise, the President forces us to spend it.

The lockbox legislation prohibits spending the surplus on anything but Social Security by requiring a 60 vote point of order against any legislation that spends the surplus. The legislation would also combine the lock with a second provision—the requirement that debt held by the public also decline by the same amount the Social Security surplus increases. That would save the Federal government about $230 billion a year in interest over the next 30 years. That is $230 billion that is available for national defense or even education. If we do nothing, the government will pay over $10 trillion dollars in interest over the next thirty years. The lockbox would help cut the national debt and ensure that future generations are not liable for the fiscal irresponsibility of past generations. It is the national debt that could become a significant roadblock to the economic security of the Baby Boomers. What will the children of baby boomers do when they have to spend all the U.S. tax revenues on Social Security and know that they will never see a penny of it. Would they revolt? Would they end Social Security? This is a reactionary generation coming up, what will their reaction be? The debt reduction provision of the lockbox legislation is the type of farsighted leadership that has been missing in years past. It is also this provision that has earned a veto threat from the President for that reason. It would prevent the President from increasing the national debt as well as the size and scope of government.

The Social Security lockbox will protect the Social Security surplus from wasteful spending and ensure that the money will be there to fulfill future obligations. Just as corporations are prohibited from spending their pension funds on regular business expenses, Congress should have the same restrictions on the Social Security surplus. If company executives handled pension funds like the current use of Social Security the executives would be in jail! The temptation to go back to the old tax and spending ways is too great if Congress has access to a growing pot of money. Congress must not go back to the old spending rules. Just because we have a surplus does not mean that the battle has been won. It means that we must continue to be watchful and ensure that the surplus continues to grow.

Last night, both Houses of Congress took up legislation that would spend the surplus on programs other than Social Security. The House of Representatives passed legislation that would spend $14.3 billion more than budgeted for airports. The Senate had a procedural vote to allow the consideration of legislation to give loans to the steel industry and small oil and gas producers. That money comes right out of the surplus. It is this type of action that the lockbox is designed to prevent.

The lockbox's time has come. Congress must not continue to pay lip service to the concept of preserving the Social Security surplus. We must take the bold steps necessary to ensure that the program is around for the long term. We must not use long term funds to satisfy short term wishes. I encourage my colleagues to vote in favor of this commitment.

Mr. LAUTENBERG. In the final minutes of the debate, I hope we can clear the air so that everybody understands what we are talking about.

There are these kinds of random accusations about demagoguing this issue, et cetera. We are not demagoguing the issue. It is very simple. We ought to be able to discuss it on the floor of the Senate without having the amendment tree filled up so you can't offer amendments, without having cloture offered the minute the bill is introduced, so that there is a lame suggestion there is a filibuster going on when there is no time, 1 hour equally divided—that is a filibuster? That is not a man-size filibuster at all. We have had filibusters that have taken 20 hours. So that is not a filibuster. It is all an excuse to lock out other opinion, controverting what is being presented to us.

Yesterday our good friend from Michigan said that we refused to let that bill go forward, that the Secretary of the Treasury said that we could go into default. That is what he said. We hear these descriptions that are ignored on the other side. We heard our friend from Illinois say that Social Security has these meaningless instruments to protect the trust fund. Meaningless? All they have is the full faith and credit of the United States. If any of you have any money, it says on there ''full faith and credit,'' consider it meaningless, even if you have a lot of it.

This is a nonsense kind of discussion. What they are saying is there is nothing to increase Social Security's solvency being offered. Whatever surplus there is in Social Security stays with Social Security. We agree with that.

We want to take the non-Social Security surplus and use 40 percent of that to preserve Medicare. That is what we want to do. Our friends do not want to let us do that. They do not want to have the debate, and they do not want the American public to have their Medicare protected.

That is not where they are; they are at protecting it for tax cuts or other uses they find appropriate, not for what the American people want.

I assume that we are out of time, Mr. President?

The PRESIDING OFFICER. The Senator's time has expired.

Mr. ABRAHAM. Mr. President, I yield the remainder of our time to the Senator from New Mexico.

Mr. DOMENICI. Mr. President, first of all, I commend Senator KENNEDY, because he offered an amendment. It is pending. I join him in that amendment. That amendment is germane, and it takes care of the entire argument about there being a loophole, because it takes the loophole out.

We didn't put the loophole in. The House did. The loophole is that the Social Security trust fund should be used only for Social Security. The House said it should also be used for Medicare.

Now, the good Senator from New Jersey is saying there are no amendments possible. This amendment could be called up after cloture, and it would take that part of it out and would leave it just for Social Security.

Now, senior citizens are hearing an argument that says we ought to protect both Medicare and Social Security in a proposal that is trying to take the Social Security fund and keep it for the future for senior citizens. One at a time, let's get it done. What is wrong with the other side of the aisle coming forth and debating keeping the Social Security trust fund for Social Security, not divert over and talk about Medicare, which is in committee being debated as to getting a bipartisan bill out of committee? We ought to wait for that to occur before we start talking about Medicare with Social Security.

Finally, the idea that this won't work and the notion that Senator DOMENICI in the past has said: Let's first pay off Medicare's responsibility, let me clear that up.

We were talking then about a huge cigarette tax. That is not before us. The cigarette tax was going to be spent by the President and by many on both sides of the aisle, to which I said: Before we do that, we ought to set it aside to see if Medicare needs it. That was a brand new tax.

Plain and simple, if the Democrats will cooperate, which they are not going to, we will bring before the Senate and have a debate: Do you want to put 100 percent of the Social Security trust fund aside and use it only for Social Security, or do you want to save 62 percent, as the President says, for Social Security? Incidentally, to the credit of Democrats in our committee, not a single one of them voted for the President's budget, not a single one. They voted for little pieces. Even they didn't think the President's ideas were correct. Frankly, from our standpoint, we stand ready, and we say to the American senior citizens: Put the blame where it belongs.

They didn't let us vote on a tough lockbox because it was too tough. We fixed it up to accommodate the Secretary; still too tough. The other side says: You can't get it done. Now we have one that is not as good, but significant, and now they say they want to take care of Medicare also.

We ought to get our priorities straight. We are debating a trust fund in the Senate for Social Security money. If they want to offer amendments to change that in some way, even after cloture, they can vote on those amendments. I repeat, Senator KENNEDY has handled it right. He put in an amendment already. That amendment says Social Security trust funds should only be used for Social Security. It takes Medicare out of the House bill. That is a good way to approach this legislation—not to stand up and say Republicans aren't doing anything. As a matter of fact, we came up with the toughest lockbox you could imagine. But we heard that it is too tough, too hard on future Americans, to hard on our debt, so we changed it some. Then the excuse was: We are not ready to vote on that; we need more amendments.

I think the American senior citizens know what we are trying to do. I hope they know what the Democrats are trying to do.

I yield the floor.

The PRESIDING OFFICER. All time has expired.

Several Senators addressed the Chair.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

PRIVILEGE OF THE FLOOR

Mr. GRAHAM. Mr. President, I ask that Sean McClusky, Curtis Rubinas, Dennis Tamargo, and Zachary Bennett of my staff be afforded floor privileges for the consideration of this legislation.

Mr. LAUTENBERG. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Mr. President, once again, the Senate has the opportunity to do something meaningful for the American people; that is, to protect and strengthen both Social Security and Medicare for generations to come. I fear we may lose that opportunity in just a few moments.

Repeatedly, we have seen lost opportunities as we have debated this lockbox issue now for several months. Rather than allowing Senators to exercise their rights and offer amendments to improve a given piece of legislation, many of our Republican colleagues have opted for a take-it-or-leave-it approach. The losers in each instance are the American people. They know this behavior produces gridlock and partisanship and fails to address the problems and concerns faced by American families around the country. Yet, this is precisely the course the majority has chosen to follow on yesterday's so-called lockbox bill and again on today's version.

In both instances, our Republican colleagues have resorted to procedural tactics to deny Senators the right to offer even a single amendment.

The right to amend is a fundamental part of the legislative process and is particularly important given the nature of the bills before us yesterday and today. Both of these bills have flaws that, if addressed, could quickly lead to final passage of both. Neither the Abraham bill we considered yesterday, nor the House-passed bill we will soon be voting on, sets aside a single dollar for Medicare—not a dollar, not a dime. Nothing.

Democrats believe we should protect and strengthen both Social Security and Medicare. Republicans—at least some of them—can't seem to bring themselves to do anything to address the Medicare issue. Given a choice between Medicare and tax cuts, or just tax cuts, our Republican colleagues are choosing just tax cuts every time.

This position is particularly troubling given the state of Medicare's finances and the size of the projected on-budget, non-Social Security surpluses. According to OMB, we will have an on-budget surplus of $1.7 trillion over the next 15 years.

According to Medicare's actuaries, the Medicare trust fund is likely to go bankrupt in 2015—at the very time when large numbers of the baby boomer generation reach retirement age.

Large non-Social Security surpluses are within our reach while large problems are looming in Medicare. It seems only natural that we would try to set aside a portion of the $1.7 trillion in on-budget surpluses to help protect and reform Medicare. This is precisely the approach taken by Democrats in our alternative: pay down the debt and set aside resources for Social Security and Medicare as well.

If you look at the comments made by Republicans last year, you would think that they would join us now in our pursuit to protect both of these important programs. Just last year on this floor, Republican after Republican took the opportunity to tell us about the importance of saving Medicare.

Quoting one Republican Senator:

> What would we do if we had half a trillion dollars to spend? The obvious answer that cries out is Medicare. I think it is logical. People understand the President on ''save Social Security first,'' and I think they will understand ''save Medicare first.'' Medicare is in crisis. We want to save Medicare first.

So says a Republican colleague just last year.

These words, in various forms, were spoken by a number of our Republican colleagues. The only thing that has changed since then is the size of the non-Social Security surplus; it has grown considerably in the intervening period. Despite their words from last year and forecasts this year showing even larger surpluses—$1.7 trillion over the next 15 years—Republicans now resist setting aside a single dollar for Medicare.

Equally disturbing about the so-called Social Security lockbox is that it does not even truly protect Social Security.

Rather than lock away Social Security trust funds for Social Security benefits, the Republican bill allows Social Security funds to be tapped for anything they decide to call ''Social Security or Medicare reform.'' Be careful of that word ''reform'' because under their proposal Social Security trust funds could be spent to privatize the program or, believe it or not, even to fund tax cuts. Not surprisingly, given this gaping loophole, the Washington Post described the latest Republican lockbox proposal as follows:

> This is phony legislation . . . . its purpose is to protect the politicians, not the program; and most of it is merely a showy restatement of the status quo. This is legislation whose main intent is to deceive and whose main effects could well be harmful.

So states the Washington Post.

Given the Republicans' so-called Social Security lockbox doesn't really lock anything away, one could easily conclude that the Post's characterization of the lockbox as ''phony'' is, if anything, too generous.

The lockbox proposal proposed by our colleagues on the Republican side is a collapsible box that could ultimately end the Social Security system as we know it today.

Very clearly, Democrats have long supported the idea of protecting Social Security, and we stand ready to work with our colleagues on the other side of the aisle today as well. But both the Senate and House bills need improvement. The Republicans have set up procedures to deny us the opportunity to

make improvements. We are prepared to work with the majority when they decide to proceed in a bipartisan fashion and put good policy ahead of what they evidently perceive to be better politics.

That time has not come today, and I ask my colleagues, for that reason, to oppose the cloture motion.

I yield the floor.

Mr. ABRAHAM. Mr. President, I note the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. LOTT. Mr. President, I yield myself time under leader time to conclude the debate. I realize we had notified Members we would be having a vote around 12:30, so I will not use the full 10 minutes. I will just use a portion of it.

I want to begin by commending and thanking Senator ABRAHAM and Senator DOMENICI for their leadership in this area. As always, Senator DOMENICI pays very close attention to how we proceed on the budget and what happens with the people's money. He is a very good custodian of the people's money, and he has provided real leadership in this area; and Senator ABRAHAM has been persistent.

What we are trying to do is very simple. It doesn't need a lot of explanation. We have the good fortune after many years of having not only a balanced budget but having a surplus. But an important factor is that the surplus is caused or provided by the FICA tax. It is Social Security revenue that comes in that gives us this surplus. The question is, What are we going to do with it?

There are a lot of really innovative, thoughtful Members in this and the other body who will surely come up with a variety of ways and say, well, this is an emergency, or that is an emergency, or we need to add more money here, or we need a tax cut somewhere else. Social Security taxes should go for Social Security, and only for Social Security—not for any other brilliant idea we may have. We need some way to lock that in.

I have talked to young people about this. I talked to my mother. Bless her heart. She is 86 years of age and is living in an assisted care facility, and is very dependent on Social Security. I have talked to people from Montana to Pennsylvania, and Missouri. It is overwhelming. People say: You mean, it doesn't already exist this way? You mean that money has been being used or could be used for somebody else? The answer is, it can be, unless we have some procedure, some way to put it in a lockbox.

Senator DOMENICI and Senator ABRAHAM had a tighter lockbox, one that would really be hard to get out of, and it would include the President in the lockbox. We ought to do it that way. But the Senate has indicated three times it does not want to do that. The House has passed overwhelmingly—I think with 415 votes, bipartisan votes—this procedure, this procedure that would allow or require a super vote of 60 votes in the Senate to use these funds for anything else.

That is all we are trying to do—just say that Social Security tax money should go for Social Security; that people support this overwhelmingly, probably at least in the 80 percentile.

As far as amendments, I would be glad to try to work to consider other amendments. I have asked for, and I presume we will be receiving, a copy of one amendment, at least, that Senator DASCHLE has discussed.

But the problem is, this is really simple. It is not complicated. We shouldn't be getting off into all kinds of other areas, which are very important. But Medicare should be dealt with as Medicare. We should have broad Medicare reform—not starting to piecemeal it or trying to attach it to Social Security.

That is why we want a clear vote. We want a straight vote. It is a simple procedure. Everybody can understand it. And we can move on and deal with other issues.

I urge my colleagues to vote for cloture. Let's get this done. Let's move on. We will have other opportunities to deal with other issues. It is something that is long overdue, and it is only the first step. The next step should be a tighter lockbox, and the next step beyond that should be not just more spending for Medicare but genuine, broad Medicare reform.

But, for now, let's protect Social Security. Let's vote for cloture, and let's pass this procedure.

I yield the floor.

CLOTURE MOTION

The PRESIDING OFFICER. Under the previous order, the clerk will report the motion to invoke cloture.

The legislative assistant read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on H.R. 1259, the Social Security and Medicare Safe Deposit Box Act of 1999.

Trent Lott, Spencer Abraham, Rick Santorum, Gordon Smith of Oregon, Mike Crapo, John H. Chafee, Judd Gregg, Larry E. Craig, Rod Grams, Connie Mack, Frank Murkowski, John Warner, Slade Gorton, Fred Thompson, Michael B. Enzi, and Paul Coverdell.

The PRESIDING OFFICER. The question is, Is it the sense of the Senate that debate on H.R. 1259, an act to amend the Congressional Budget Act of 1974 to protect Social Security surpluses through strengthened budgeting enforcement mechanisms, shall be brought to a close?

The yeas and nays are required. The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HARKIN) would vote ''no.''

The PRESIDING OFFICER (Mr. BUNNING). Are there any other Senators in the Chamber who desire to vote?

The yeas and nays result—yeas 55, nays 44, as follows:

[Rollcall Vote No. 170 Leg.]

YEAS—55

Abraham	Frist	Murkowski
Allard	Gorton	Nickles
Ashcroft	Gramm	Roberts
Bennett	Grams	Roth
Bond	Grassley	Santorum
Brownback	Gregg	Sessions
Bunning	Hagel	Shelby
Burns	Hatch	Smith (NH)
Campbell	Helms	Smith (OR)
Chafee	Hutchinson	Snowe
Cochran	Hutchison	Specter
Collins	Inhofe	Stevens
Coverdell	Jeffords	Thomas
Craig	Kyl	Thompson
Crapo	Lott	Thurmond
DeWine	Lugar	Voinovich
Domenici	Mack	Warner
Enzi	McCain	
Fitzgerald	McConnell	

NAYS—44

Akaka	Edwards	Lieberman
Baucus	Feingold	Lincoln
Bayh	Feinstein	Mikulski
Biden	Graham	Moynihan
Bingaman	Hollings	Murray
Boxer	Inouye	Reed
Breaux	Johnson	Reid
Bryan	Kennedy	Robb
Byrd	Kerrey	Rockefeller
Cleland	Kerry	Sarbanes
Conrad	Kohl	Schumer
Daschle	Landrieu	Torricelli
Dodd	Lautenberg	Wellstone
Dorgan	Leahy	Wyden
Durbin	Levin	

NOT VOTING—1

Harkin

The PRESIDING OFFICER. On this vote, the yeas are 55, the nays are 44. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business for not to exceed 60 minutes.

The Senator from Maine.

Ms. COLLINS. I thank the Chair. Mr. President, I will be speaking off the time allocated to the Republican side. For the information of my colleagues who are waiting to speak, I do not anticipate taking more than 10 minutes.

(The remarks of Ms. COLLINS pertaining to the introduction of S. 1225 are located in today's RECORD under ''Statements on Introduced Bills and Joint Resolutions.'')

Ms. COLLINS. I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER. The Senator from Minnesota.

JUSTICE FOR WORKERS AT AVONDALE SHIPYARD

Mr. WELLSTONE. Mr. President, I rise today in solidarity with the workers at Avondale Shipyard in Louisiana, who exactly 6 years ago exercised their democratic right to form a union and bargain collectively.

They voted for a union because that was the only way they knew to improve their working conditions, conditions that include more worker fatalities than any other shipyard in the country, massive safety and health violations, and the lowest pay in the shipbuilding industry.

Unfortunately, Avondale and its CEO, Albert Bossier, have refused to recognize the union Avondale workers voted for back in 1993. For 6 years the shipyard and its CEO have refused to even enter into negotiations. According to a federal administrative law judge, Avondale management has orchestrated an ''outrageous and pervasive'' union-busting campaign in flagrant violation of this country's labor laws, illegally firing and harassing employees who support the union.

I met with some of the Avondale workers several weeks ago when they were here in Washington. What they told me was deeply disturbing. They told me about unsafe working conditions that make them fear for their lives every day they are on the job. They told me that job safety was the number one reason why they voted to join a union back in 1993. And they told me that Avondale continues to harass and intimidate workers suspected of supporting the union.

In fact, it appears that one of those workers, Tom Gainey, was harassed when he got back to Louisiana. Avondale gave him a three-day suspension for the high crime of improperly disposing of crawfish remains from his lunch.

The Avondale workers also told me that they are starting to lose all faith in our labor laws. For 6 years Avondale has gotten away with thumbing its nose at the National Labor Relations Board, the NLRB. The Avondale workers said they are starting to think there is no point in expecting justice from the Board or the courts. And given what they have been through, I think it is hard to disagree.

In February 1998, a Federal administrative law judge found Avondale guilty of ''egregious misconduct,'' of illegally punishing dozens of employees simply because they supported the Avondale union. The judge, David Evans, found that Avondale CEO Albert Bossier had ''orchestrated'' an anti-union campaign that was notable for the ''outrageous and pervasive number and nature of unfair labor practices.''

In fact, Judge Evans found Avondale guilty of over 100 unfair labor practices. Specifically, Avondale had illegally fired 28 pro-union workers, suspended 5 others, issued 18 warning notices, denied benefits to 8 employees, and assigned ''onerous'' work to 8 others.

Judge Evans also found that, during public hearings in the Avondale case, Avondale's Electrical Department Superintendent, a general foreman, and two foremen had all committed perjury. He further found that perjury by one of the foremen appears to have been suborned, and he implied that Avondale and its counsel were responsible.

Avondale's intimidation of its employees was so outrageous, so pervasive, and so systematic that Judge Evans came down with a highly unusual ruling. He ordered CEO Albert Bossier to call a meeting with Avondale workers and personally read a statement listing all of the company's violations of the law and pledging to stop such illegal practices. Judge Evans further ordered Mr. Bossier to mail a similar confession to workers at their homes.

Finally, Judge Evans fined Avondale $3 million and ordered the shipyard to reinstate 28 workers who had been illegally fired for union activities. Pretty remarkable.

What is even more remarkable is that Avondale still hasn't paid its fine, still hasn't rehired those 28 workers, and still hasn't made any apology. Why not? Because instead of complying with Judge Evans' order, Avondale chose to challenge the NLRB in court.

Judge Evans' ruling concerned Avondale's unfair labor practices during and after the 1993 election campaign. A second trial was held this past winter on charges of unfair labor practices during the mid-1990s. Now the NLRB has filed charges against Avondale for unfair labor practices since 1998, and a third trial on those charges is scheduled to begin later this year.

This has been one of the longest and most heavily litigated unionization disputes in the history of the NLRB. After workers voted for the union in June 1993, Avondale immediately filed objections with the Board. But in 1995 an NLRB hearing officer upheld the election, and in April 1997 the Board certified the Metal Trades Council as the union for Avondale workers, once and for all rejecting Avondale's claims of ballot fraud.

At this point, you might think Avondale had no choice but to begin negotiations with the union. But they didn't. Avondale still refused to recognize the union or conduct any negotiations. So in October 1997 the NLRB ordered Avondale to begin bargaining immediately. Instead, Avondale decided to challenge the NLRB's decision in the Fifth Circuit Court of Appeals, and has succeeded in delaying the process for another two years, at least.

Safety problems at Avondale were the central issue in the 1993 election campaign. ''We all know of people who have been hurt or killed at the yard,'' says Tom Gainey, the Avondale worker who was harassed after visiting Congressional offices several weeks ago. ''That's one of the main reasons we came together in a union in the first place.''

Avondale has the highest death rate of any major shipyard. According to federal records, 12 Avondale workers died in accidents from 1982 to 1994. Between 1974 and 1995, Avondale reported 27 worker deaths. The New Orleans Metal Trades Council counts 35 work-related deaths during that period. One Avondale worker has died every year, on average, for the past thirty years.

It doesn't have to be that way. Avondale's fatality rate is twice as high as the next most dangerous shipyards. And it's more than twice as high as its larger competitors, Ingalls Shipyard and Newport News.

Avondale workers have died in various ways, many from falling or from being crushed by huge pieces of metal. Avondale workers have fallen from scaffolds, been struck by falling ship parts, been crushed by weights dropped by cranes, and have fallen through uncovered manholes.

Avondale's safety problems are so bad that it recently got slapped with the second largest OSHA fine ever issued against a U.S. shipbuilder. OSHA fined Avondale $537,000 for 473 unsafe hazards in the workplace. OSHA found that 266 of these violations—more than half—were ''willful'' violations. In other words, they were hazards Avondale knew about and had refused to fix.

Most of these violations were for precisely the kind of hazards that account for Avondale's unusually high fatality rate. These 266 ''willful'' violations involved hazards that can lead to fatal falls, and three of the seven workers who died at Avondale between 1990 and 1995 died from falls. Didn't Avondale learn anything from these tragedies?

OSHA found 107 ''willful'' violations for failure to provide adequate railings on scaffolding. 51 willful violations for unsafe rope rails. 30 willful violations for improperly anchored fall protection devices. 25 willful violations for inadequate guard rails on high platforms. And 27 willful violations for inadequate training in the use of fall protection.

OSHA also found 206 ''serious'' violations for many of the same kind of hazards. ''Serious'' violations are ones Avondale knew about—or should of known about—that pose a substantial danger of death or serious injury.

This is what Labor Secretary Alexis Herman had to say about Avondale's safety problems: ''I am deeply concerned about the conditions OSHA found at Avondale. Falls are a leading cause of on-the-job fatalities, and Avondale has put its workers at risk of falls up to 90 feet. The stiff penalties are warranted. Workers should not have to risk their lives for their livelihood.''

OSHA Assistant Secretary Charles Jeffress said, ''Three Avondale workers have fallen to their deaths, one each in 1984, 1993, and 1994. This inspection revealed that conditions related to these fatalities continued to exist at the

shipyard. This continued disregard for their employees' safety is unacceptable.''

And what was Avondale's response? True to form, Avondale appealed the OSHA fines. Avondale claimed that many of the violations were the result of employee sabotage. Avondale also tried to argue that the OSHA inspector was biased. In response, the head of OSHA observed that ''it's very unusual for a company to accuse its own employees of sabotage, and it's very unusual for a company to attack the objectivity of OSHA inspectors.''

OSHA had found many of the same problems back in 1994, the last time it conducted a comprehensive inspection of Avondale. In 1994 OSHA cited Avondale 61 times for 81 violations, with a fine of $80,000 that was later settled for $16,000.

There may be more fines to come. The OSHA inspection team will soon finish its review of Avondale's safety and medical records. This review was delayed last October when Avondale launched yet another legal battle to prevent OSHA from obtaining complete access to its records.

One of the Avondale workers who visited my office several weeks ago was there during the OSHA inspection, and told me how it happened. OSHA tried to inspect Avondale's Occupational Injuries and Illness logs. But Avondale refused complete access and, according to OSHA, ''attempted to place unnecessary controls over the movements of the investigative team and their contact with employees.''

When OSHA issued a subpoena for the logs, Avondale stopped all cooperation with OSHA and told the inspectors to leave the premises. OSHA had to go to New Orleans district court to get an order enforcing the subpoena.

The other main issue in the 1993 election campaign was pay and compensation. Avondale workers have long been the worst paid in the shipbuilding industry. They have the lowest average wage of any of the five major private shipyards. According to a survey conducted by the AFL–CIO, Avondale workers make 29 percent less than workers at other private contractors for the Navy, and 48 percent less than workers at the nation's federal shipyards. One Avondale mechanic, Mike Boudreaux, says, ''It's a sweatshop with such low wages.''

By way of comparison, look at Ingalls Shipyard, down the river in Pascagoula, Mississippi. The average pay at Ingalls is higher than the top pay at Avondale. Or look at wages in nearby New Orleans for plumbers, pipe fitters, and steam fitters. Their average wage is higher than the top pay at Avondale.

Avondale is also known for its inadequate pension plan. There are Avondale retirees with 30 years' experience who retire with $300 per month. And workers complain that they can't afford Avondale's family health insurance, which costs $2,000 per year. Avondale workers pay more for health care every week than Ingalls workers pay every month.

Unlike other shipyards, Avondale has had a hard time attracting workers, and inferior working conditions certainly have a lot to do with it. Avondale has responded to this labor shortage by using prison labor and importing workers from other countries. It imported a group of Scottish and English workers who were so appalled at the working conditions and low pay that they quit after three days. Nearby Ingalls shipyard, by contrast, has never had to import foreign workers on visas.

So why does Avondale pay so little? Because times are tough? Hardly. Avondale CEO Alfred Bossier has been doing quite well, thank you. In 1998, Mr. Bossier's base salary and bonuses totaled $1,012,410, up more than 20 percent from the previous year. His benefits increased to $17,884, up 73 percent from the previous year. And he got 45,000 shares of stock options, worth up to $1,927,791. The grand total comes to about $3 million.

Meanwhile, the average hourly production worker at Avondale earns less than $10 an hour—or around $20,000 per year. So Al Bossier brings home about 150 times the salary of the average hourly worker.

The obvious question is how can Avondale get away with such appalling behavior? How can it be so brazen? The answer is depressing. Avondale gets away with it because our labor laws are filled with loopholes. Avondale gets away with it because the decks are stacked against workers who want to improve their working conditions by bargaining collectively.

Avondale gets away with it because they have enough money to tie up the courts, knowing full well that organizing drives can fizzle out in the five or six or seven years that highly-paid company lawyers can drag out the process. When asked how Avondale gets away with it, one worker laughed and said, ''This is America. It's money that talks.''

There's one other reason why Avondale gets away with it, and this is something I find especially troubling. They get away with it because American taxpayers are footing the bill. The Navy and the Coast Guard are effectively subsidizing Avondale's illegal union-busting campaign. Avondale gets about 80 percent of its contracts from the Navy for building and repairing ships. If it weren't for the United States Navy, Avondale probably wouldn't exist. This poster child for bad corporate citizenship is brought to you courtesy of the American taxpayer.

This is a classic case of the left hand not knowing what the right hand is doing. On the one hand, the NLRB and OSHA find Avondale in flagrant violation of the law. On the other hand, the Navy keeps rewarding Avondale with more contracts. Avondale has gotten $3.2 billion in contracts from the Navy since 1993, when the shipyard first refused to bargain collectively with its workers.

To add insult to injury, Avondale is billing the Navy for its illegal union-busting. The Navy agreed to pick up the tab for anti-union meetings held on company time in 1993. Nearly every day for three months leading up to the union election, Avondale management called workers into anti-union meetings. Then they billed the Navy for at least 15,216 hours spent by workers at those meetings.

Some of these meetings were the same ones where Avondale illegally harassed and intimidated workers, according to Judge Evans. Yet the Defense Contractor Auditing Agency, DCAA, approved Avondale's billing as indirect spending for shipbuilding. And Avondale billed the Navy $5.4 million between 1993 and 1998 for legal fees incurred in its NLRB litigation.

When the Navy looks the other way as one of its main contractors engages in flagrant lawbreaking, it sends a message. When the Navy keeps awarding contracts to Avondale, when it pays Avondale for time spent in anti-union meetings where workers are harassed and intimidated, when it pays for the legal costs of fighting Avondale's workers, it sends a message. It sends the message that this kind of behavior by Avondale is okay.

When Avondale continues to beat out other shipyards for huge defense contracts, that sends a message too. It sends a message that this is the way you compete in America today. You compete by violating your workers' rights to free speech and free assembly. You compete by illegally firing and harassing your workers. You compete by keeping your employees from bettering their working conditions through collective bargaining.

And that message is not lost on other companies. They see what Avondale is getting away with, and they draw the obvious conclusions. The AFL–CIO's state director pointed to another Louisiana company that initially refused to recognize the union its workers had elected. ''Part of it is they're following Bossier's lead,'' she said. ''After all, the guy's been at it for five years [now six] and he still gets all the contracts he wants.''

Under federal regulations, the Navy is required to exercise oversight over the $3.2 billion in contracts it has awarded to Avondale. And the Navy can only award contracts to ''responsible contractors.'' The contracting officer has to make an affirmative finding that a contractor is responsible. Part of the definition of a ''responsible contractor'' is having a ''satisfactory record of integrity and business ethics.'' So the Navy has to affirmatively determine that Avondale has a satisfactory record of integrity and business ethics.

Well, what exactly would qualify as an unsatisfactory record? Judge Evans ruled that Avondale management had

orchestrated an ''outrageous and pervasive'' union-busting campaign consisting of over 100 violations of labor law and the illegal firing of 28 employees. OSHA has found 473 safety violations—266 of them willful—and fined Avondale $537,000, the second largest fine in U.S. shipbuilding history.

The AFL–CIO has asked the Navy to investigate Avondale's business practices, as a first step to determining what steps should be taken. That doesn't sound so unreasonable to me. In fact, it seems to me that the Navy ought to be concerned when its contracts come in late, as they have at Avondale. It ought to be concerned when a contractor's working conditions are so bad that it suffers from labor shortages.

And it seems to me the Navy ought to investigate whether a company found to have orchestrated an ''outrageous and pervasive'' campaign to violate labor laws is a responsible contractor. Or whether a shipyard found to have willfully violated health and safety laws 266 times is a responsible contractor.

The Navy says it cannot take sides in a labor dispute. But nobody is asking them to do that. The problem is that they already appear to have taken sides. When the Navy finances Avondale's union-busting campaign, when it pays legal fees for Avondale's court challenges, when it certifies Avondale as a responsible contractor with a satisfactory record of integrity and business ethics, and when it rewards Avondale with Navy contracts, the Navy appears to be taking sides.

What has happened at Avondale should give us all pause. The NLRB's general counsel acknowledges that the Avondale case exposes the many problems with the system, caused in part by budget cuts and procedural delays. ''It's hard to take issue with the notion that it's frustrating that an election that took place five years ago [now six] still hasn't come to a conclusion. It's something we're looking at as an example of the process not being what it should be.''

Indeed, the Avondale case exposes glaring loopholes in our labor laws that make it next to impossible for workers to form a union and bargain collectively. In fact, this case provides us with a roadmap for putting a stop to rampant abuses of our labor laws.

First of all, we need to restore cuts in the NLRB's budget so that defendants with deep pockets can't delay the process for years and years. But beyond that, we need to improve our labor laws so we can put a stop to abuses of the kind we've seen in the Avondale case.

We need to install unions quickly after they win an election, the same way we allow elected officials to take office pending challenges to their election. Why should workers be treated any differently than politicians?

In addition, we need to strengthen penalties against unfair labor practices such as the illegal firing of union organizers and sympathizers. And we need to ensure that organizers have equal access to workers during election campaigns, so that companies like Avondale are not able to intimidate their employees and monopolize the election debate.

Senator KENNEDY and I have introduced legislation that would do exactly that. Our bill—S. 654, the Right to Organize Act of 1999—would provide for mandatory mediation and binding arbitration, if necessary, after a union is certified. It would provide for treble damages and a private right of action when the NLRB finds that an employers has illegally fired its workers for union activity. And it would give organizers equal access to employees during a union election campaign.

The Avondale case sends a message to other companies and to workers everywhere, and it's the exact opposite of the message we should be sending. We should be sending a message that corporations are citizens of their community and need to obey the law and respect the rights of their fellow citizens. We should be sending a message that corporations who live off taxpayer money, especially, have an obligation to be good corporate citizens.

Avondale is making a mockery of U.S. labor laws and of the democratic right to organize. Instead of rewarding and financing the illegal labor practices of employers such as Avondale, I believe we should shine a light on these abuses and put a stop to them.

Mr. President, I yield the floor.

The PRESIDING OFFICER. The Senator from Wisconsin.

THE CALLING OF THE BANKROLL

Mr. FEINGOLD. Mr. President, in 1906, Wisconsin sent a new Senator to Washington, and this body and this Government have never been the same since.

From the moment he arrived, delivering powerful orations on the floor of this Chamber and taking on the most powerful interests in this country and all around the world, he became the stuff of legend. Of course, I am talking here about Robert M. La Follette, Sr., who was destined to become one of the greatest Senators in the history of this distinguished body. It is fitting that his portrait now hangs in the Senate reception room outside of this Chamber, along with just four other legendary Senators: Daniel Webster, Henry Clay, John C. Calhoun, and Robert Taft.

When he came to this body, La Follette was already known as an insurgent, and his arrival made more than a few of his colleagues nervous, including, of course, the Senate's leadership. At the time, because this was prior to the ratification of the 17th amendment in 1913, Senators were still appointed by State legislatures, and La Follette himself had been appointed to fill the office after he served as Governor of Wisconsin for 5 years.

By and large, however, the Senate of the early 1900s was dominated by the powerful economic interests of the day: the railroads, the steel companies, and the oil companies, and others.

Senator La Follette did not disappoint those in his State and across the country who looked to him to champion the interests of consumers, taxpayers, and citizens against those entrenched economic forces. The Senate in those days, if you can imagine this, had an unwritten rule that freshman Senators were not supposed to make floor speeches.

La Follette broke that rule in April of 1906. He gave a speech that lasted several days and covered 148 pages of the CONGRESSIONAL RECORD. Speaking on the most important legislation of the year, the Hepburn Act regulating railroads, La Follette discussed the power of the railroad monopolies and declared:

> At no time in the history of any nation has it been so difficult to withstand those forces as it is right here in America today. Their power is acknowledged in every community and manifest in every lawmaking body.

So La Follette offered amendments to try to make railroad regulation more responsive to consumer interests. His amendments lost, of course, but that was part of the plan. That summer he went on a speaking tour across the country. He described his efforts to change the Hepburn Act. And then he did something extraordinary and unprecedented: He read the rollcall on his amendments name by name. This ''calling of the roll'' became a trademark of La Follette's speeches. Its effect on audiences was powerful. You see, at the time Senators' actual votes on legislation were not as well known publicly as they are today. And then when Americans found out that their Senators were voting against their interests, they were shocked and they were angry.

The New York Times reported the following:

> The devastation created by La Follette last summer and in the early fall was much greater than had been supposed. He carried senatorial discourtesy so far that he has actually imperiled the reelection of some of the gentlemen who hazed him last winter.

La Follette's calling of the roll was part of an effort to expose corporate and political corruption. His view was that powerful economic interests controlled the Senate, preventing it from acting in the public interest. Then, in 1907, just a year after La Follette had come to the Senate, the Congress finally acted on legislation that had been under consideration since an investigation a few years earlier of insurance industry contributions to the political parties. That legislation, the Tillman Act, banned corporations from making political contributions in connection with Federal elections.

Today, over 90 years later, obviously much has changed in the Senate and in the country. For one thing, the votes of Senators are available almost instantly on the Internet and published

regularly in the newspapers. Come election time, political ads remind voters regularly about our voting records. La Follette's idea that the public should know how its representatives have voted and it should hold those representatives accountable for their votes is well accepted in our modern political life.

The power of corporate and other interests in the Senate is still too strong. The nearly century-old prohibition on corporate political contributions is now a mere fig leaf made meaningless by the growth of soft money. Today, corporations, unions and wealthy individuals give unlimited—I repeat, unlimited—contributions of soft money to the political parties. While, technically, corporations still do not contribute directly to individual campaigns, they might as well be. Individual Members of Congress get on the phone and raise soft money for their parties, and that money is in turn targeted at congressional races. Some Members have set up so-called leadership PACs to accept soft money for use in their own political endeavors. Soft money has, once again, given corporations the kind of influence over this Congress that La Follette railed against on this very floor.

Since I have come to the Senate, I have noticed that we talk about the money that funds our campaigns and the influence on policy only a few times a year. That is when we are debating actual campaign finance legislation. It is almost as if the influence of campaign money on our business here is an abstract proposition, relevant only when we debate changing the way campaigns are financed. But we all know that the power of money in this body is much more pervasive and, I would say, insidious than that.

We know, if we are honest with ourselves, that campaign contributions are involved in virtually everything that this body does. Campaign money is the 800-pound gorilla in this Chamber every day that nobody talks about but that cannot be ignored. All around us and all across the country, people notice the gorilla. Studies come out on a weekly basis from a variety of research organizations and groups that lobby for campaign finance reform that show what we all know: The agenda of the Congress seems to be influenced by campaign money. But in our debates here, we are silent about that influence, and how it corrodes our system of government.

Mr. President, we can allow that silence no longer. In the tradition of my illustrious predecessor Senator La Follette, I am inaugurating a modern version of the Calling of the Roll. I will call it the ''Calling of the Bankroll.''

I don't expect to be listing votes or specific contributions to specific Senators, but I will be providing vital information, both to my colleagues and the public, as to how much money special interests are donating overall to candidates and political parties. I'll be providing a context for evaluating our debates on legislation, and I'll be doing it right here on this floor, and in the CONGRESSIONAL RECORD, for the convenience of the public and my colleagues.

I plan to Call the Bankroll from time to time here on the floor of this Senate as we debate significant legislation and at least until this body passes a campaign finance reform bill. This body can no longer ignore the 800 pound gorilla. I'm going to point him out sometimes when I speak on a bill, because I think we in the Senate need to face this issue head on. We cannot just pull our head out of the sand to discuss the influence of money on the legislative process once a year when we take up a campaign finance bill.

I am sure my colleagues are familiar with the old adage that is attributed to Otto von Bismark: ''If you like laws and sausages, you should never watch either one being made.'' Well, we might not like to admit that campaign contributions are an ingredient of our legislation, but we know that they are. And the public knows too, although they might not know the details.

But it's those details which help the public see the big—and disturbing—picture of the influence of wealthy interests on our legislation.

It's time to illustrate clearly how our flawed campaign finance system, which corrupts our democracy, also affects our daily lives. The public has a right to this information—it has a right to know how the special interests have worked to influence legislation, and how that influence has had an impact on everything from defense spending to the Y2K problem, and just about everything in between.

I think this information should be part of our public debate on important legislation, and that's why I will Call the Bankroll from this floor. In fact I've already started to do this over the past few weeks on several occasions. For example, when we considered the Emergency Supplemental Appropriations bill, which included a rider to delay the implementation of new mining regulations, I called attention to the more than $29 million the mining industry contributed to congressional campaigns during the last three election cycles, and the $10.6 million the industry made in soft money contributions during the same period. During our debate over the Juvenile Justice bill, I noted the $1.6 million the NRA gave in PAC money in the last election cycle, and the $146,000 in PAC money Handgun Control gave during the same period. Just last month, when I argued for my amendment to the Department of Defense authorization bill concerning the Super Hornet, I included information about the more than $10 million in PAC and soft money contributions the defense industry made in the last cycle. I also pointed out during the debate on Y2K legislation that the computer and electronics industry gave close to $6 million in PAC and soft money in 1997 and 1998, while the Association of Trial Lawyers of America gave $2.8 million.

We have many difficult and important bills to work on this year, Mr. President: bankruptcy reform, financial modernization when it comes back from conference, a patients' bill of rights, and all of our spending bills. It won't be difficult, indeed it will be easy, to find examples in each of those areas of huge campaign contributions coming from industries and groups that are affected by our work. The bankruptcy reform bill itself is a prime example: The members of the National Consumer Bankruptcy Coalition—an industry lobbying group made up of the major credit card companies, and associations representing the nation's big banks and retailers—gave nearly $4.5 million in contributions to parties and candidates in the last election cycle.

The public deserves to know about this, Mr. President. It deserves to know about the campaign contributions these interests are giving us and our political parties at fundraisers—fundraisers that sometimes take place the night before or the night after we vote on bills that affect them.

Now Mr. President, I do not have any pride of authorship here, nor do I plan to lay out the whole picture of campaign contributions that might be relevant to our discussion of a bill. To the contrary, I encourage my colleagues to join this debate. And in particular I want to recognize the effort of my friend the Senator from South Carolina, who on Tuesday came to this floor during the closing debate on the Y2K bill, calling his own roll of the high tech companies that have made campaign contributions to this Congress.

If any of my colleagues feel that the contributions of a different industry or interest group should be highlighted, I encourage them to add that information to their remarks in this chamber. I will also welcome any corrections or additions that my colleagues might wish to provide. Nor do I believe that organizations that may have supported me should be exempt from the Calling of the Bankroll. Providing information about the contributions of any group or interest is welcome, and, more than that, it is critical to the purpose of this effort.

This information should be in the RECORD, and all Senators should be aware that these facts are in the RECORD as they decide how to cast their votes. It is time that the 800-pound gorilla of campaign money be made a part of our debate on legislation.

I look forward to the day when the Calling of the Bankroll will no longer be necessary; when this body has adopted bipartisan campaign finance reform legislation to ban soft money and to restore the vitality of the law banning corporate contributions to federal elections that was enacted in 1907, the year after Robert La Follette of Wisconsin came to the Senate.

Let me close with another quote from Senator La Follette's inaugural speech on the floor of the Senate. He was responding to the argument that public sentiment had been whipped into an unreasonable hysteria over the question of whether the railroads controlled the Congress. His words seem quite apt to me as a response to those who argue on this floor that we really have no campaign finance problem in this country—and that the media and the groups that support reform exaggerate the impact of money on the legislative process. He said:

[I]t does not lie in the power of any or all of the magazines of the country or of the press, great as it is, to destroy, without justification, the confidence of the people in the American Congress. . . . It rests solely with the United States Senate to fix and maintain its own reputation for fidelity to public trust. It will be judged by the record. It can not repose in security upon its exalted position and the glorious heritage of its traditions. It is worse than folly to feel, or to profess to feel, indifferent with respect to public judgment. If public confidence is wanting in Congress, it is not of hasty growth, it is not the product of 'jaundiced journalism.' It is the result of years of disappointment and defeat.

Mr. President, the Senate must respect the public judgment and fix its reputation for fidelity to the public trust. It must let the solid bipartisan majority of this body that supports reform, work its will and pass a campaign finance reform bill this year. Until it does, Mr. President, I plan to Call the Bankroll. I'm going to acknowledge the 800 pound gorilla in this chamber, and I'm going to ask my colleagues to do the same. And then I'm going to see if we can't agree that it's time to show him the door.

Mr. President, I yield the floor.

Mr. WELLSTONE addressed the Chair.

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Minnesota.

SUPPORT FOR CALLING THE BANKROLL

Mr. WELLSTONE. Mr. President, I would be proud, I say to my colleague, Senator FEINGOLD, to be his first recruit in calling the bankroll. I think it is extremely important. I also want to say, being a Senator from the Midwest, that we talk about the fighting La Follette, and we have a fighting RUSS FEINGOLD from the State of Wisconsin, who I think is the Bob La Follette of this Senate. I thank him for his focus on what I believe is a core issue.

Mr. President, how much time do we have on our side in morning business?

The PRESIDING OFFICER. Four minutes.

Mr. WELLSTONE. Might I ask, so that I know, if I suggest the absence of a quorum, does that time burn off on our part?

The PRESIDING OFFICER. The Senator has to get unanimous consent that the quorum call not be counted against you.

PATIENT PROTECTION ACT

Mr. WELLSTONE. Mr. President, I will take a couple of minutes, actually, to speak on our time. I want to make a connection between what my colleague from Wisconsin, Senator FEINGOLD, was saying about the mix of money and politics and all the ways in which big money undercuts representative democracy. I want to make a connection to a piece of legislation that we are trying to get out here on the floor, which is the Patient Protection Act. I say to my colleague from Wisconsin, who is calling the payroll, one of the things I want to do is maybe just come to the floor and present some data about contributions that come from parties on all sides of this question. But from my point of view, you have a health insurance industry that sort of really basically has made the effort to keep universal health care coverage and, for that matter, basic protection of patients, consumer protection, off of the agenda. I think it is our responsibility to put it back on the agenda.

I think we have reached a point in our country where the pendulum has swung too far in the direction of increasingly ''corporatized'' medicine, and it has become corporatized, bureaucratized. You have basically a few large insurance companies that own and control the majority of the managed care plans and, as a result of that, the consumers and the patients wonder where we fit in.

There are a series of Senators on the Democratic side—I certainly hope there will be an equal number on the Republican side—that are committed to bringing patient protection legislation to the floor. Some of my colleagues, such as Senators DURBIN, KENNEDY, I think BOXER, and certainly Senator DASCHLE have introduced a bill, and we were all speaking about this last night. We want to talk about ways in which there can be sensible consumer protection.

That is really what the issue is: Making sure our caregivers—our doctors and our nurses—are able to make decisions about the care we need as opposed to having the insurance industry decide; making sure you have a medicine that is not a monopoly medicine with the bottom line as the only line; making sure people don't find themselves, as employers shift from one plan to another, no longer able to take their child to a trusted family doctor; making sure families with children with illnesses are able to have access to the kind of specialty care that is the best care for their children; making sure there is an ombudsman program available so that advocates who are there, to whom people can go, do know what their rights are; making sure that when we have an external review process of the kind of decisions that are made, people have a place to make an appeal and they know the decision will be a fair decision—making sure, in other words, that we are able to obtain the best care for our families.

As I travel around Minnesota—and around the country, for that matter—I find it astounding the number of people, the number of families, that fall between the cracks. The number of people—even if you are old enough for Medicare, it is not comprehensive. Seniors from Minnesota can't afford the prescription drug costs. It does nothing about catastrophic expenses at the end of your life. If you are ill and you have to be in a nursing home, almost everything you make is basically going to be taken away; there will be nothing left.

That is one of the things that strikes terror in the hearts of elderly people—or people aren't poor enough for medical assistance, which is by no means comprehensive enough; or people aren't lucky enough to be working for an employer that can provide them with good coverage.

To boot, what happens right now is that people who have the coverage find that with this medicine that we have, it is just going so far in the direction of becoming a bottom-line medicine that consumers are basically left in the dust.

We want to have some sensible protection for consumers. We want to bring it to the floor of the Senate. And we want to have a debate on this legislation.

The majority party—the Republican Party—leadership has taken to the situation that they want to be able to sign off on amendments we introduce. But that is not the way it works. It not a question of some Senators telling other Senators what amendments are the right amendments to introduce. We should have the full-scale debate. We should be able to come out here with amendments. We should be able to come out here with amendments that provide consumers with more rights to make sure that people have access to the care they need; to make sure the decisions are made by qualified providers; to make sure the bottom line is not the only line; to make sure this is not an insensitive medical system; to make sure that people do not go without the kind of care they need. We want to do that.

We are committed to making this fight, and, if necessary, I think what you are going to see happen over the next week and beyond is that we are going to, one way or another, have a debate about this critically important issue.

As long as I am talking about health care, I would like to say also that I think the other central issue is the way in which the insurance industry is taking universal health care coverage off the table. We need to put it back on the table. I can't think of an issue that is more important to families in our country.

Mr. President, might I ask how much time we have left?

The PRESIDING OFFICER. The Senator has exceeded his time.

Mr. WELLSTONE. I thank the Presiding Officer for his patience. I ask

unanimous consent, without anybody on the floor, that I be allowed an additional 10 minutes to speak.

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

Mr. WELLSTONE. I thank the Chair.

Mr. President, this is a real pleasure, because one of the problems we have had out here on the floor of the Senate is not enough time to be able to focus on issues that are terribly important, that we really believe ought to be part of this debate and part of the discussion.

As long as I see the Chair, the Senator from Ohio, presiding, I would like to thank him for what I think is really his focus, or at least part of his work, which is the importance of what we do in making sure that, even before kindergarten, we do well by our children.

I would really like to say before the Senate that I hope we will get back soon to a focus on the family issue. I don't think it is all, I say to the Presiding Officer, Government policy. But I do think it is a combination of public sector and private sector and community volunteer work. It should be a marriage made in Heaven, where we really bring people together and we as a nation achieve the following goal. To me, this is the most important goal. I think this should be the central goal of the public policy of the Senate and the House of Representatives. I think this is where the Federal Government can matter, where we can be a real player: It is pre-K.

We ought to make it our goal that every child prekindergarten—she knows the alphabet, he knows colors and shapes and sizes; she knows how to spell her name; he knows his telephone number; and each and every one of them has been read to live; and each and every one of the children in our country comes to kindergarten and has that readiness to learn—they have, I say to the Presiding Officer, that spark of learning that he saw as Governor when he visited elementary school; they have that.

There are just too many children who, by kindergarten, are way behind, and they fall further behind, and then they run into difficulty.

I just want to say I really am disappointed that, in spite of all the studies, in spite of all the reports, in spite of a White House conference, in spite of all of the media coverage—and to a certain extent there is a part of me with some anger that says maybe in spite of the hype—that we have not centered our attention on what it is we could do here in the Senate and in the House of Representatives to enrich the lives of children in our country, to make sure that somehow we can renew our national vow of equal opportunity for every child. From my point of view, I think there is probably no more important focus.

If I were to think about the kind of issues we talk about all the time—solvency for Social Security; where are we going to be as a nation in 1050? Are we going to have a productive, high-moral, skilled workforce? What about Medicare expenses? How do we reduce violence in our communities, violence in homes, violence in schools, violence out in the neighborhood?—each and every time, I make the argument, the most important thing we could do would be to make an investment in the health and skills and intellect and character of our children. To me, that would start with pre-K.

The tragedy of it all—it is a tragedy because we are talking about people's lives—is we have not focused on that agenda at all. We don't even have but about 50 percent of the kids who qualify for Head Start receiving assistance; and, if it is early Head Start, pre-3-year-olds. I think it is naive. It is just a couple of percentage points. I don't think it is even 10 percent. If you move beyond low-income and you look at working families, we are lucky if 20 percent of the families that could use some assistance, some investment that would help them find good child care for their children, get any assistance at all. And then, if you move beyond that and you talk about the wages of child care workers, who do the most important work, it is deplorable the kind of wages we pay.

On the floor of the Senate, I argue that this ought to be our priority. I argue that it doesn't—it cannot make us comfortable that at the same time the economy is humming along, we have about one out of every four children under the age of three growing up poor, and about one out of every two children of color under the age of three growing up poor in our country. We ought to make that a big part of our agenda—children's education, health care coverage, patient protection rights, universal health care coverage.

Finally, I will finish by going back to what Senator FEINGOLD said.

I will make sure he is not lonely and out here alone. I will help him call that bankroll, because we ought to put reform right at the top of our agenda.

We ought to talk about the mix of money and politics. We ought to talk about the ways in which big money dominates politics. We ought to understand the fact that the reason people have become disillusioned with politics is not because they don't care about the issues that are important to their lives. People care deeply and desperately about being able to earn a decent living, giving their children the care they deserve and need, about livable communities, and about being able to do well by their kids. People care about all those issues and more. They care deeply and desperately.

However, they also believe that their concerns are of little concern in the Nation's Capitol, where politics is so dominated by the big money, by the investors, by the givers, by the heavy hitters. They believe if you pay, you play; and if you don't pay, you don't play.

We ought to make reform and the way money has turned elections into auctions and severely undercutting representative democracy, where each and every man and woman should count as one and no more than one—that is not the case—we ought to make that the central issue.

I heard Senators FEINGOLD, DURBIN, BOXER, KENNEDY and Senator DASCHLE speaking. We intend to bring these issues to the floor, along with one other issue that is near and dear to my heart: That is what has now become an economic tragedy—family farmers are being driven off the land. When will they get a fair price? When will they have a fair and open market? When do we take action against the conglomerates that basically dominate the market? When do we take antitrust action?

I heard my colleague talking about Senator LaFollette. When do we take on the economic interests? When will we be there on the side of children, on the side of education, on the side of decent health care, on the side of reform, on the side of working people, on the side of producers?

We ought to be there. All these issues are interrelated. These are the issues that we will insist be part of the agenda of this Senate.

I yield the floor.

The PRESIDING OFFICER (Mr. GREGG). The Senator from Missouri.

SMALL BUSINESS COMMITTEE'S E-COMMERCE FORUM

Mr. BOND. Mr. President, over the past several weeks, much of the discussion and debate in the Senate has focused on high technology and its impact on our everyday lives, particularly with regard to its pivotal role in our economy. We heard about the potential problems related to Y2K computer failures and the need to guard against unreasonable liability in the event that Main Street small businesses, through no fault of their own, become the targets of frivolous lawsuits. In short, we have been preoccupied with the dawn of the 21st century and what we can do to help sustain the robust economic growth that has been fueled by as many remarkable breakthroughs in computer technologies and computer-related services as we could possibly imagine.

Last Thursday, a new reality dawned when I saw a copy of a study on electronic commerce, or e-commerce as business conducted over the Internet is known. Many Members got a jolt from the story entitled ''Net's Economic Impact Zooms.'' A study shows $301 billion was generated in revenue in 1998, and it produced 1.2 million jobs. The findings were reported in the USA Today and were drawn from a study conducted by the Center for Research and Electronic Commerce at the University of Texas and Cisco Systems.

Frankly, I, too, was shocked but in good company because the figures exceeded the wildest expectations of the experts. To add a little more perspective from that study, consider that

from 1995 to 1998 the new Internet economy grew 174 percent, compared to the 3.8 percent growth in the world economy as a whole. The Internet economy alone ranked among the top 20 economies worldwide. More importantly, this awe-inspiring growth, packed into just a few short years, stands almost toe to toe with the economic horsepower generated by the Industrial Revolution.

The onslaught of e-commerce and the Internet puts us in the same position as the snail who was run over by a turtle. When interviewed about it, he said: It all happened so fast I never saw it coming.

We are working hard to see if we can work with small businesses to help them see it coming. E-commerce is leading a new business revolution, from Wall Street to Main Street. In my view, there simply is no more potent force at work in the economy with the equal potential to propel nearly every business into the 21st century.

As chairman of the Senate Committee on Small Business, it is my pleasure to work with my colleagues on both sides of the aisle to take care of and to be concerned about whether small, independent, family-owned, and home-based businesses are adequately prepared to be full partners in the remarkable growth potential that the Internet economy holds.

Some folks may assume that the rapid development of new technologies has given Main Street America the tools to compete more effectively, but the unanswered question is whether the technologies readily available to small businesses are truly up to the challenge.

Yesterday, in the Senate Committee on Small Business, we held a forum entitled ''e-commerce: Barriers and Opportunities for Small Business.'' We had a blue-chip panel of experts in high-tech computer and software companies and business leaders representing over 20 trade groups to identify and target barriers keeping Main Street businesses from expanding into e-commerce.

We were joined by several of the companies that are leading the charge in pushing back the rise of the Internet economy, including an Internet service provider from my home State of Missouri, Primary Network of St. Louis.

It was an exciting and informative session considering the potential growth e-commerce will undoubtedly spark for many years to come. One of the participating companies, CyberCash, unveiled new research specifically for yesterday's forum projecting e-commerce business will generate another million jobs over the next 2 years. Those are conservative estimates.

Another study from the firm, Cyber Dialogue, shows that many small businesses are already taking advantage of e-commerce-based markets. That study says over 427,000 small businesses added web sites and sold $19 billion worth of products and services over the Internet in the last 12 months, a 67-percent increase since early 1998.

Unfortunately, not all the news was good. According to the American City Business Journals and the Network of City Business Journals, only 10 percent of small businesses have a web site today and only 32 percent have access to the Internet. That suggests both a disconnect and, at the same time, an incredible opportunity for Main Street America and for the suppliers of the equipment and services.

What is more, we were reminded that for many small businesses you have to be prepared to deal with a 24-hour-a-day, 7-day-a-week business. Some small businesses have difficulty raising the capital and acquiring the knowledge to survive in such a dynamic business area. Research has shown that even major companies have been slow to realize the potential, and many are now working hard to regain market shares they lost.

Today, thanks to the cutting-edge expertise and the information provided at yesterday's forum, we are a little wiser about the Internet economy. We know that e-commerce can be economic TNT. I think Congress has a duty to make sure that as many independent, family-owned and home-based businesses as possible are not at risk of being left behind in this worldwide business revolution.

I am deeply grateful to the occupant of the Chair. His subcommittee of the Senate Committee on Appropriations has approved a $1 million earmark we asked for to allow the Small Business Administration's Office of Advocacy to begin a study of the potential of e-commerce for small business. We are going to ask the Office of Advocacy to develop a web site to help small businesses who want to do business with the Federal Government.

Make no mistake, the Internet economy is a train that has already left the station and it is picking up speed by the minute. I look forward to working with my colleagues, both in the committee and in this broader body, to help Main Street America climb on board.

I look forward to pursuing this effort. We are outlining just a few steps we will take on the Senate Committee on Small Business. We welcome ideas, participation and suggestions from other colleagues. We invite all Members of the Senate to join in making sure that the smallest businesses in the United States have access to this tremendous engine of economic growth.

I yield the floor.

The PRESIDING OFFICER. The Senator from Pennsylvania.

ELECTRONIC COMMERCE

Mr. SANTORUM. Mr. President, I compliment the Senator from Missouri for his excellent work on the Small Business Committee in a very important area—the dramatic growth in electronic commerce and the ability of small businesses to participate in that. We hear so much about the family farm and the small business community being in jeopardy. As we transition in this economy, to have a chairman of the Small Business Committee who is on top of that and working to integrate the advances in electronic commerce with our small business community, and to make those advances available to them is very important. I congratulate him on that, and Senator MACK and Senator BENNETT of the Joint Economic Committee for a series of hearings this week in the area of technology and its impact and continued potential impact on our country and on our economy and the world economy.

These are the things, frankly, we do not do enough of around here, looking at the future to see how we can adjust our public policy to alleviate not just what the problems are or what the problems were that have been with us but how, through innovation, we can form the future to alleviate those problems.

So I am very pleased we are focusing in on the future as opposed to just dealing with the current important problems; not looking through the rear-view mirror instead of looking in front at the opportunities ahead us.

THE ENERGY AND WATER APPROPRIATIONS BILL

MR. SANTORUM. Mr. President, I rise to thank the chairman of the Energy and Water Subcommittee on Appropriations, Senator DOMENICI, for agreeing to an amendment I offered to restore $25 million of money for the Lackawanna River levee raising project in Lackawanna County, near Scranton, PA. That is a critical project to the people in Greenridge and the Albright Avenue sections of Scranton, who have suffered immeasurable loss in prior floods, which is a chronic problem in the Lackawanna River area. All of Lackawanna and the counties in northeastern Pennsylvania have had terrible problems with flooding. This is a critical project and one I have to commend Congressman Joseph McDade for his work, before he left here, in getting that money.

I just cannot tell you how much I appreciate Senator DOMENICI's willingness to restore that money into this bill so we can tell the people up in Scranton that money will be there, that money is there to raise the levee, to prevent the damage that could be caused by future high waters on the Lackawanna River.

I know it was a very difficult thing for Senator DOMENICI to do. I again want to tell him how much I appreciate his willingness to do that. I know Senator SPECTER was on the floor here a couple of days ago expressing a similar concern, so I think I can speak for Senator SPECTER. We are both very grateful the Senator has agreed to restore that money so we can tell the people

up in Scranton that money will be there, the levee will be built, and there will be money in the pipeline and it will be available whenever that money is needed to raise that levee.

THE SOCIAL SECURITY LOCKBOX

Mr. SANTORUM. Mr. President, finally I want to comment on the vote we just had on the lockbox. I have to say I am puzzled and disappointed at the unanimous opposition by Senate Democrats to a proposal that passed with 416 votes in the House. Obviously, almost every House Democrat—all but 12—voted in favor of this measure, a measure which obviously has broad bipartisan support and, as many have stated in the House and the Senate, one that is a first step toward dealing with the long-term problems of Social Security.

The first step is very simple. We have a surplus. Do not spend it on things other than Social Security; save it for Social Security. We are eventually going to have to do Social Security reform. We are going to have to strengthen it and save it for future generations. It runs out of money in the next 15 years, so we are going to have to do something. We have surpluses building up which are now just being borrowed by the Government and spent on other things. We have had that happen for the past 20 years.

We are now in a unique position. We are close to an on-budget surplus. We are not quite there, but we are very close to an on-budget surplus, non-Social Security surplus. So we have the Social Security money which will go to save Social Security by reducing the Federal debt unless we spend it. In a sense, all this lockbox does is say: Don't spend the money. Don't come up with new ideas and new ways to spend Social Security.

We are not asking anybody to cut anything. That is one of the most remarkable things about it. We are not asking the other side to cut money to make sure the money is there for Social Security. All we are saying is don't spend more. That is why it received bipartisan support in the House.

We hear so much talk on both sides of the aisle about how we have to save Social Security first, how Social Security is the highest priority, how we have to make sure money is there for future generations. In fact, in the budget vote just a couple of months ago, we had a 100-to-nothing or 99-to-nothing vote that we need to save Social Security; we are not going to spend that money in the trust fund. That was just a sense of the Senate. In other words, the first had no binding effect in law.

Now the mechanism comes along that says if we are going to pass a bill that is going to spend Social Security surpluses, we have to have a separate vote where we have to stand up before the clerk and say: Yes, I will spend the Social Security surplus on this.

There is no such vote that has to be cast right now. This will set up a point of order where every Member of the Senate has to say to the people back home: I want to spend Social Security money on this, because I think it is more important than Social Security. That is all this point of order does.

There are points of order out there on spending, but there is nothing clear. There are points of order whereby you can challenge something if it breaks the budget point of order or this and that, and people run out and say it is really not Social Security. You can dance around it. You can spin it back home. There are lots of folks very good at spinning. The wonderful thing about this provision is you cannot spin it. It is what it is. It is a vote that says we will spend the Social Security surplus on this. That will have, I believe, the greatest impact—in this body and the other body, and in particular the other end of Pennsylvania Avenue, the President—on controlling our willingness to raid the Social Security trust fund for the demands of spending today. Or, for that matter, the demands of tax cuts today. I want to add, it is not just a governor on those, principally on the other side, who want to spend more. It is also a governor on those on this side who want to cut more taxes.

As I said before, there is no tax cut I will not vote for, just about. But I am not going to do it out of the Social Security surplus. We will do it out of the general fund where the taxes are paid in. If people are paying in too much in the general fund, give them a tax cut, if we can. I will vote for it. If we can cut spending in the general fund to pay for a tax cut, I will vote for it. But I will not fund a tax cut out of Social Security funds, and that is what this says.

While on the first vote on cloture many Democrats will vote no as a matter of principle, I am hopeful they will understand this is a bill that has consensus, that can be signed, that can put real restraints on our ability and the President's ability to spend the Social Security surplus and, hopefully, we will reach a point where we can have bipartisan consensus on this, because Social Security is simply too important to continue to play political games.

I think what we have seen here is all the rhetoric says: Yes, we agree; yes, we agree. But when it comes down to casting the vote, what we have is this spurious argument, ''You are not letting us amend it,'' which I find is quite remarkable because, if you look at the amendments, they have virtually nothing to do with Social Security.

In fact, I have not seen all the amendments, but those I have been made aware of have absolutely nothing to do with Social Security. They all have to do with what we do with the general fund surplus, and that is the non-Social Security, non-Medicare surplus.

We have on a bill, which is focused on Social Security, on how we save Social Security, an attempt to bring in a whole lot of other issues to clog up this issue, to bog it down, and, in my mind, to try to destroy any chance of this ever becoming law.

Mr. DORGAN. I wonder if the Senator will yield for a question.

Mr. SANTORUM. I will be happy to yield to the Senator from North Dakota.

Mr. DORGAN. Mr. President, I was listening to the Senator from Pennsylvania as I was coming through the Chamber. I want to propound a question.

I do not think there is much disagreement in this Chamber as to whether anybody ought to put their mitts on the Social Security funds. Those are dedicated taxes that go into a trust fund and should only be used for Social Security. I must say, several years ago, we had an incredible debate in this Chamber on amending the Constitution. It was the case that those who wanted to amend the Constitution to require a balanced budget were saying, put in the Constitution a provision that puts the Social Security funds, along with all other operating revenues of the Federal Government, into the same pot. Many of us were very upset about that and stood on the floor day after day saying that was the wrong thing to do; you ought not put them in the same pot.

Mr. SANTORUM. I will respond to that. It is a far different thing to put a Government program—and I do not know of any Government program that exists, with maybe the exception of defense, but defense has changed over time—in the Constitution of the United States and say we are going to set up this Federal program that must be, in a sense, left alone when future Congresses, as I certainly hope will occur, will be making adjustments to that program.

In fact, 200 years from now, who knows what this country is going to look like. It may, in fact, want to do something completely different than what we have in mind today. I think that was the concern of a lot of us. If we were going to start enshrining Government programs in the Constitution, that is a fairly dangerous precedent, and I think a lot of us had real concerns about that.

At the same time, there was broad sympathy that we do need during this time of surplus, because it is not going to be forever that the Social Security surpluses will be there, as the Senator knows because, again, things change—for this time period, we can lock this away and do it by legislation, in this case a point of order.

As the Senator knows, 15 years from now, that provision in the Constitution would work almost in some respects against Social Security because they would be running a deficit. As the economics of Social Security change, enshrining that in the Constitution I do not think is in the best interest of Social Security. Here we can react to

what is a surplus situation and make sure that it is protected from raids.

What will happen in the future is that it will be a deficit situation, and there may be a different dynamic that goes on with respect to that, which I do not think the Constitution would provide for.

The PRESIDING OFFICER. The leader's time has expired.

ENERGY AND WATER DEVELOPMENT APPROPRIATIONS ACT, 2000

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1186) making appropriations for energy and water development for the fiscal year ending September 30, 2000, and for other purposes.

The Senate resumed consideration of the bill

Pending:

Domenici amendment No. 628, of a technical nature.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, in a couple minutes, we will be in a position where, after a few remarks, Senator JEFFORDS has one remaining issue.

There is a package of amendments, which is already at the desk. This unanimous consent request has been checked with the minority and is satisfactory with them.

AMENDMENTS NOS. 637, 638, 639, 661, 643, 630, AND 633, EN BLOC

Mr. DOMENICI. Mr. President, there are a number of amendments that have been cleared on both sides. I ask unanimous consent that the following amendments be considered en bloc: Nos. 637, 638, 639, 661, 643, 630, and 633. I further ask unanimous consent that the amendments be agreed to and the motions to reconsider be laid upon the table.

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

The amendments (Nos. 637, 638, 639, 661, 643, 630, and 633), en bloc, were agreed to, as follows:

AMENDMENT NO. 637

(Purpose: To provide funds for development of technologies for control of zebra mussels and other aquatic nuisance species)

On page 8, lines 7 and 8, strike ''facilities:'' and insert ''facilities, and of which $1,500,000 shall be available for development of technologies for control of zebra mussels and other aquatic nuisance species in and around public facilities:''.

AMENDMENT NO. 638

On page 8, line 12, insert the following before the period: '': *Provided further*, That the Secretary of the Army, acting through the Chief of Engineers, may use not to exceed $300,000 for expenses associated with the commemoration of the Lewis and Clark Bicentennial''.

AMENDMENT NO. 639

(Purpose: To make a technical correction providing construction funds for the Site Operations Center at the Idaho National Engineering and Environmental Laboratory)

Title III, Department of Energy, Defense Environmental Restoration and Waste Management, on page 26, line 2 insert the following before the period: ''*Provided*, That of the amount provided for site completion, $1,306,000 shall be for project 00–D–400, CFA Site Operations Center, Idaho National Engineering and Environmental Laboratory, Idaho''.

AMENDMENT NO. 661

(Purpose: To clarify usage of Drought Emergency Assistance funds)

At the end of Title II, insert the following new section: SEC. . Funds under this title for Drought Emergency Assistance shall only be made available for the leasing of water for specified drought related purposes from willing lessors, in compliance with existing state laws and administered under state water priority allocation. Such leases may be entered into with an option to purchase, provided that such purchase is approved by the state in which the purchase takes place and the purchase does not cause economic harm within the state in which the purchase is made.

AMENDMENT NO. 643

At the appropriate place add the following: ''*Provided further*, That the Secretary of the Interior may provide $2,865,000 from funds appropriated herein for environmental restoration at Fort Kearny, Nebraska.''

AMENDMENT NO. 630

(Purpose: To strike the rescission of appropriations for the Hackensack Meadowlands flood control project, New Jersey)

On page 37, strike lines 20 and 21.

AMENDMENT NO. 633

(Purpose: To strike the rescission of appropriations for the Lackawanna River project, Scranton, Pennsylvania)

On page 37, strike lines 25 and 26.

AMENDMENTS NOS. 629, 631, 634, 642, 645, AND 646, AS AMENDED, EN BLOC

Mr. DOMENICI. Mr. President, I further ask unanimous consent that six second-degree amendments, which are at the desk, to amendments Nos. 629, 631, 634, 642, 645, and 646 be considered agreed to; that the first-degree amendments be agreed to, as amended; and that the motions to reconsider be laid upon the table.

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

The amendments were agreed to, en bloc, as follows:

AMENDMENT NO. 629

(Purpose: To make funds available for the University of Missouri research reactor project)

On page 22, line 7, before the period at the end insert '', of which $100,000 shall be used for the University of Missouri research reactor project''.

AMENDMENT NO. 672 TO AMENDMENT NO. 629

(Purpose: A second degree amendment to the Bond amendment numbered 629)

On line 2, strike '', of which $8,100,000'' and insert: '', of which $3,000,000 shall be used for Boston College research in high temperature superconductivity and of which $5,000,000''.

AMENDMENT NO. 631

(Purpose: To provide funding for the Minnish Waterfront Park project, Passaic River, New Jersey)

On page 4, between lines 12 and 13, insert the following: ''Minnish Waterfront Park project, Passaic River, New Jersey, $4,000,000;''.

AMENDMENT NO. 673 TO AMENDMENT NO. 631

(Purpose: A second degree amendment to the Torricelli amendment numbered 631)

On line 4, strike ''$4,000,000'' and insert: ''$1,500,000''.

AMENDMENT NO. 634

(Purpose: To provide funding for water quality enhancement)

On page 4, line 20, strike ''$4,400,000:'' and insert ''$4,400,000; and Metro Beach, Michigan, $422,500 for aquatic ecosystem restoration.''

AMENDMENT NO. 674 TO AMENDMENT NO. 634

(Purpose: A second degree amendment to the Abraham amendment numbered 634)

Strike: ''Metro Beach, Michigan, $422,500 for aquatic ecosystem restoration.''

And insert: ''Lake St. Clair, Metro Beach, Michigan, section 206 project, $100,000:''.

AMENDMENT NO. 642

On page 8, line 16, strike all that follows ''expended:'' to the end of line 24.

AMENDMENT NO. 675 TO AMENDMENT NO. 642

(Purpose: A second degree amendment to the Boxer amendment numbered 642)

Strike ''line 16, strike all that follows 'expended:' to the end of line 24.'', and insert the following: ''line 23, strike all that follows 'tions' through 'Act' on line 24.''.

AMENDMENT NO. 645

(Purpose: To make a technical correction with respect to a Corps of Engineers project in the State of North Dakota)

On page 5, lines 19 through 21, strike ''shall not provide funding for construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, unless'' and insert ''may use funding previously appropriated to initiate construction of an emergency outlet from Devils Lake, North Dakota, to the Sheyenne River, except that the funds shall not become available unless''.

AMENDMENT NO 676 TO AMENDMENT NO. 645

(Purpose: A second degree amendment to amendment numbered 645 offered by Mr. Dorgan and Mr. Conrad)

On line 4 strike: ''may use funding previously appropriated'', and insert: ''may use Construction, General funding as directed in Public Law 105–62 and Public Law 105–245''.

AMENDMENT NO. 646

(Purpose: To prohibit the inclusion of costs of breaching or removing a dam that is part of the Federal Columbia River Power System within rates charged by the Bonneville Power Administration)

On page 33, between lines 2 and 3, insert the following:

SEC. 3 . PROHIBITING THE INCLUSION OF COSTS OF BREACHING OR REMOVING A DAM THAT IS PART OF THE FEDERAL COLUMBIA RIVER POWER SYSTEM WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION.

Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

''(n) PROHIBITING THE INCLUSION OF COSTS OF BREACHING OR REMOVING A DAM THAT IS PART OF THE FEDERAL COLUMBIA RIVER POWER SYSTEM WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION.—Notwithstanding any other provision of this section, rates established under this section shall not include any costs to undertake the removal of breaching of any dam that is part of the Federal Columbia River Power System.''.

AMENDMENT NO. 677 TO AMENDMENT NO. 646

(Purpose: A second degree amendment to the Gorton amendment number 646)

Strike line 2 and all thereafter, and insert the following:

SEC. 3 . LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.

Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

(n) LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.—Notwithstanding any other provision of this section, rates established by the Administrator, in accordance with established fish funding principles, under this section shall recover costs for protection, mitigation and enhancement of fish, whether under the Pacific Northwest Electric Power Planning and Conservation Act or any other act, not to exceed such amounts the Administrator forecasts will be expended during the period for which such rates are established.''.

AMENDMENTS NOS. 678, 679, 680, AND 681, EN BLOC

Mr. DOMENICI. Mr. President, I finally ask unanimous consent that four additional first-degree amendments, which are at the desk, be considered agreed to and that the motions to reconsider be laid upon the table, all of the above occurring en bloc.

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

The amendments (Nos. 678, 679, 680, 681) were agreed to, as follows:

AMENDMENT NO. 678

(Purpose: To provide for continued funding of wildlife habitat mitigation for the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota)

On page 13, between lines 15 and 16, insert the following:

SEC. 1 . CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION.

(a) IN GENERAL.—The Secretary of the Army shall continue to fund wildlife habitat mitigation work for the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota at levels previously funded through the Pick-Sloan operations and maintenance account.

(b) CONTRACTS.—With $3,000,000 made available under the heading ''CONSTRUCTION, GENERAL'', the Secretary of the Army shall fund activities authorized under title VI of division C of Public Law 105–277 (112 Stat. 2681–660 through contracts with the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota.

AMENDMENT NO. 679

(Purpose: To provide funds for the Lake Andes-Wagner/Marty II demonstration program)

On page 15, line 1, after ''expended,'' insert ''of which $150,000 shall be available for the Lake Andes-Wagner/Marty II demonstration program authorized by the Lake Andes-Wagner/Marty II Act of 1992 (106 Stat. 4677),''.

AMENDMENT NO. 680

(Purpose: To appropriate funding for flood control project in Glendive, Montana)

On page 2, between line 20 and 21 insert the following after the colon: ''Yellowstone River at Glendive, Montana Study, $150,000; and''.

AMENDMENT NO. 681

On page 3, line 14, strike ''$1,113,227,000'' and insert ''$1,086,586,000''.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. The next amendment in order, as I understand, is the Jeffords amendment; is that true?

The PRESIDING OFFICER. The Chair advises the Senator from Nevada that it will take unanimous consent to set aside amendment No. 628.

Mr. DOMENICI. We have a technical amendment that stands in the way?

The PRESIDING OFFICER. Amendment No. 628 is pending.

Mr. DOMENICI. Is that not the amendment that the Senator from New Mexico put in as a technical amendment early on?

Mr. President, I ask unanimous consent that we go to that amendment and that it be considered.

The PRESIDING OFFICER. The question is on agreeing to amendment No. 628.

The amendment (No. 628) was agreed to.

Mr. DOMENICI. I thank the Chair.

Mr. REID. Mr. President, I ask unanimous consent that at the time Senator JEFFORDS comes to the Chamber, I be recognized on that amendment.

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

Mr. DOMENICI. Mr. President, while we wait for Senator JEFFORDS, who has a very important matter to bring before the Senate, let me thank the many Senators who have cooperated in an effort to get this bill passed. We still have the issue that Senator JEFFORDS will raise before the Senate, but I suggest, in a bill that is about $600 million less than the President requested with reference to the nondefense part of this bill, we have done a pretty good job of covering most of the projects in this country that are needed, that the Corps of Engineers and the Bureau of Reclamation talk about and a number of projects in the sovereign States that our Senators, from both sides of the aisle, represent.

We have done our best. We were not able to fund everything, nor were we able to fund at full dollar, and we had to reduce funding for the ongoing projects substantially in the flood line of money and projects that the Corps of Engineers has going for it.

We understand that the allocations for this subcommittee, which is made up with a significant amount of defense money and a lesser amount of nondefense money, have been allocated in the House in a manner that is about $1.6 billion less than this bill. We do not know how that can ever be worked out in conference, so we are very hopeful that before the House is finished, they will do some of the things that have been done in the Senate to alleviate the pressure on committees such as the energy and water subcommittee and others.

We have no assurance of that, but obviously everything is in place so that when this is passed today, if it is passed, we will be on a path to be ready for the House bill when they send it over and immediately go to conference. We will be ready to do that at the beck and call of the House to try to get this bill done at the earliest possible time.

I will await the arrival of the distinguished Senator from Vermont, and I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I say to my friend, the senior Senator from New Mexico, that I appreciate his hard work on this measure. This has been very difficult. As he has pointed out, we do not have the money we had last year. To meet all the demands on this very important subcommittee has been very difficult.

We have harbors that need to be dredged. We have water projects that are ongoing which are important to prevent flooding and to allow people to develop commerce in various parts of the country. We have been unable to do all that was required to be done under this bill, but we have done our best.

I extend my appreciation to those Members on this side with whom we have had to work on these amendments. It has been very difficult. There has been some give-and-take on both sides.

Senator DOMENICI and I have worked together now on three different bills, and each year it seems that it gets more difficult.

But for our relationship, this bill would even be more difficult.

I also say what the Senator has said but perhaps in a different way. From this side of the aisle they must hear the message in the other body that we need at least this much money to do a bill. For the other body to come in and say that we are going to cut even more than is cut here means we are not going to get a bill. This has been cut to the bear bones. We cannot go any deeper.

Senator SCHUMER from New York has done an outstanding job in advocating things he thinks the State of New York deserves in this legislation. We have been able to meet many of the things he has suggested and advocated—in fact, most everything. I had a longtime relationship with his predecessor, who was an extremely strong advocate for

the State of New York. Senator SCHUMER certainly stepped into those shoes and has been as strong an advocate as Senator MOYNIHAN.

The one thing we were unable to do for the State of New York dealt with the Community Assistance and Worker Transition Program, and that was at the Brookhaven National Laboratory. Interestingly, yesterday, the one meeting I was able to have off the floor was with Assistant Secretary Dan Reicher. The reason I say ''interestingly'' is because this is the program he works with in the Department of Energy, the Worker Transition Program.

In this bill, there is money for that program. We are ratcheting this down every year. In our bill, we have $30 million for that program. Senator SCHUMER thought there should be an earmark for Brookhaven National Laboratory. We thought that was inappropriate. It had not been done in the past; we could not do it on this bill.

I have indicated to the Senator from New York that we will work in conference to see if there can be something done. But more important, the Senator from New York must know that Assistant Secretary Reicher said Brookhaven was a prime candidate for that.

In short, I believe this can be done administratively and will not require legislation. So if, in fact, the people of Brookhaven are laid off permanently—and it has not been determined yet whether they are going to be laid off permanently—Secretary Reicher indicated there was a real strong possibility they would fit right into the Community Assistance and Worker Transition Program that has been able in the past to cover people at Savannah River in South Carolina, Oak Ridge National Laboratory in Tennessee, the Pinellas Nuclear Facility in Florida, and the Nevada Test Site in Nevada.

So Brookhaven National Laboratory has many of those same conditions and problems. We are going to work very hard to make sure we do what we can to protect those workers at the Brookhaven National Laboratory.

If the reactor at Brookhaven is decommissioned, and the workers have left because of a loss of confidence, or other reasons, the lab certainly will lose its efficiency in its mission. If the reactor is restarted, the decontamination team will need transition assistance.

The simple expedient of providing some assistance now, I believe, will avoid the waste and needless suffering. In short, we are going to do what we can, both from a legislative standpoint, but more importantly from an administrative standpoint, to take care of those problems. So I appreciate, I say to the manager of this bill, the cooperation of the Senator from New York.

Mr. DOMENICI. Mr. President, I state here for the RECORD my sincere appreciation and thanks to Senator REID, the ranking minority member, and his staff—all of them. This is a complicated bill involving everything from the deepest military needs in terms of research, in terms of development, maintenance, safekeeping of all of our nuclear weapons at our nuclear laboratories around the country, the maintenance of all the other laboratories that DOE runs, to water, inland waterways and barges and seaports and flood prevention. Many Members have an active interest. We have had to work very hard to do what we think is a reasonably good job under the circumstances.

I also say to the distinguished junior Senator from New York, with reference to Brookhaven, I am totally familiar with the situation at Brookhaven. I worked on it for 2 years in a row when they had some problems up there. We worked with the administration and the Department. Clearly, if they qualify for the Worker Transition Program, we ought to be able to handle it administratively. The Department ought to be able to do that.

I say to Senator REID, I will be there helping wherever I can. I am very grateful we did not have to have a vote on this issue, because I think we would have had to object to it. I think it is much better that it be handled administratively. If they are entitled to it, they will get it because the program is already there.

I yield the floor.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. We have been told the Senator from Vermont will be here in a matter of a couple minutes. While we are waiting for the Senator to come, I want to just build upon some of the things the senior Senator from New Mexico talked about.

This bill, I am confident, is one of the most complicated bills in the entire 13 Appropriations subcommittees. It deals with the Corps of Engineers, the Bureau of Reclamation, the Department of Energy, atomic energy, defense activities, the Power Marketing Administrations, the Federal Energy Regulatory Commission, the Appalachian Regional Commission, the Defense Nuclear Facilities Safety Board, the Nuclear Regulatory Commission, the Nuclear Waste Technical Review Board, and the Tennessee Valley Authority. I think I have covered most all of them.

But this bill deals with a myriad of very difficult problems. We find each year the requests—which are valid requests—from Members trying to protect interests in their State get bigger because the problems become more complex. It has made it most difficult, because the numbers we are allowed to work with are going down all the time.

Not only do we deal with problems in the continental United States, but, of course, our two newest States, Alaska and Hawaii. We also deal with problems in American Samoa, Puerto Rico, and the U.S. Virgin Islands. This is very difficult as it relates to the Corps of Engineers.

The construction account for the Corps of Engineers deals with problems that are all over this part of the world. We even deal with problems that some say have gone on too long. The fact of the matter is that sometimes when we are not able to give the full amount of the money in a given year, then the projects take more money. We may start out with a program that costs $100, and if you spread that out over, instead of 1 year, 3 years, it winds up costing more than $100. Those are some of the problems we have faced in this bill.

The Bureau of Reclamation was first authorized in 1902. The Bureau of Reclamation manages, develops, and protects water reclamation projects in arid and semiarid areas in 17 of the Western States. The first ever Bureau of Reclamation project in the history of the United States was in arid Nevada. It was called the Newlands project, named after a Congressman from Nevada named Francis Newlands, who later became a Senator. It was going to make the desert blossom like a rose; and it did. It diverted water from the Truckee River. It created some very difficult problems. In this bill we are working on it. Even though it was 96 years ago that the first act took place, we are still trying to correct some of the problems that were created. The Bureau of Reclamation provides in this bill over $600 million to handle water and related resources accounts. It is something that has been made more interesting as a result of something I talked about when the bill came up on Monday, and that is the CALFED project.

This is a huge project. It is a program that the private sector has invested in, the State of California has invested in, and local government in California has invested in, along with the Federal Government. This project, the Bay Delta in California, CALFED project, deals with two-thirds of the water, the potable water, the water they drink in the State of California—a difficult project. It is something that is extremely important to a State that has 35 million people in it. Yet we have projects from the Bureau of Reclamation to some of our smallest States and populations, but we have to work with this multitude of problems with less money. And we keep going down, as I said.

The Department of Energy, a large part of this bill: We deal there with energy programs, nondefense environmental management, uranium enrichment and decontamination, decommissioning funds; we deal with science programs, atomic energy, defense activities, which take up a large amount of money in this bill; and we have to do this to support the safety and reliability of our nuclear stockpile. This program is becoming even more important with the emphasis that has been focused on our nuclear programs as a result of the China problem dealing with the supposed theft, the alleged

theft, the spying that has taken place in one of our laboratories, and maybe more than one of our laboratories.

Power marketing administrations: We have had to work money there to see what we can do to maintain that very important program.

The Federal Energy Regulatory Commission is part of our responsibilities.

We have also had for many years the responsibility of a program established in 1965 called the Appalachian Regional Commission. This is a regional economic development agency. This program, which has been going on for some 44 years, receives over $70 million in this bill, which is important for a large part of the United States. The amount of money we have been asked to increase for this program has been very difficult to come by. There have been the increased construction costs of the Richie County Dam, and the cost has gone up because of delays due to a legal challenge over some problems in the Fourth Circuit. This caused our bill to be required to spend more money.

The Nuclear Regulatory Commission: This bill provides $465.4 million. There are some offsetting revenues that we reduced the amount we need to put in this bill.

For each of these entities, everything we do is vitally important. Each dollar we do not put in is something less that they can do that certainly is required.

Nuclear Waste Technical Review Board: This is a board which reviews what happens with this very important issue of nuclear waste. Just this morning, the full committee, authorizing committee, chaired by the junior Senator from Alaska, reported out a very important nuclear waste bill. Part of what happens with nuclear waste has to be reviewed by the Nuclear Waste Technical Review Board. We fund that program.

One of the programs that has been ongoing for many, many years, back in the days of the Depression, is the Tennessee Valley Authority. Under this bill, they receive some $7 million.

We have a lot to do in this bill. It seems it becomes more complicated each year because of the cut in moneys that we receive. We have worked very hard, as the Senator from New Mexico has indicated, trying to resolve most of these amendments. We have been able to do it with the cooperation of Senators on both sides of the aisle.

AMENDMENT NO. 648

(Purpose: To increase funding for energy supply, research, and development activities relating to renewable energy sources, with an offset)

Mr. REID. Mr. President, I make a point of order that amendment No. 648, offered by Senator JEFFORDS, violates section 302(f) of the Budget Act.

The PRESIDING OFFICER. The amendment is not pending. The Senator would have to call for the amendment.

Mr. REID. I believe that was already done with a unanimous consent request.

Mr. JEFFORDS. Mr. President, as far as I know, my amendment has not been called up.

Mr. REID. That is what the Chair just said.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. I ask that amendment No. 648 be read.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:.

The Senator from Vermont [Mr. JEFFORDS], for himself, Mr. ALLARD, Mr. ROTH, Mr. WYDEN, Mr. MOYNIHAN, Mr. HARKIN, Mr. DASCHLE, Mr. LIEBERMAN, Mr. KERRY, Mr. SCHUMER, and Mr. KENNEDY, proposes an amendment numbered 648.

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

The PRESIDING OFFICER. Is there objection?

Mr. JEFFORDS. Mr. President, I object.

The PRESIDING OFFICER. The clerk will read the amendment.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The regular order is the reading of the amendment.

The amendment shall be read to completion until consent is granted to dispense with the reading.

The clerk will report.

The legislative clerk read as follows:

On page 20. strike lines 21 through 24 and insert ''$791,233,000, of which $821,000 shall be derived by transfer from the Geothermal Resources Development Fund and $5,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund, and of which $70,000,000 shall be derived from accounts for which this Act makes funds available for unnecessary Department of Energy contractor travel expenses (of which not less than $4,450,000 shall be available for solar building technology research, not less than $82,135,000 shall be available for photovoltaic energy systems, not less than $17,600,000 shall be available for concentrating solar systems, not less than $37,700,000 shall be available for power systems in biomass/biofuels energy systems, not less than $48,000,000 shall be available for transportation in biomass/biofuels energy systems (of which not less than $1,500,000 shall be available for the Consortium for Plant Biotechnology Research), not less than $42,265,000 shall be available for wind energy systems, not less than $4,000,000 shall be available for the renewable energy production incentive program, not less than $7,600,000 shall be available for support of solar programs, not less than $5,100,000 shall be available for the international solar energy program, not less than $5,000,000 shall be available for the National Renewable Energy Laboratory, not less than $27,850,000 shall be available for geothermal technology development, not less than $27,700,000 shall be available for hydrogen research, not less than $6,400,000 shall be available for hydropower research, not less than $32,000,000 shall be available for high temperature superconducting research and development, not less than $3,000,000 shall be available for energy storage systems, and not less than $18,500,000 shall be available for direction of programs).''.

Mr. REID addressed the Chair.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, I make a point of order that amendment No. 648 offered by Senator JEFFORDS violates section 302(f) of the Budget Act which prohibits consideration of legislation that exceeds the committee's allocation.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, in the long tradition of the Senate, I ask unanimous consent that I be allowed to amend the amendment by deleting the word ''unnecessary'' as it first appears in the amendment.

The PRESIDING OFFICER. Is there objection?

Mr. REID. I object.

The PRESIDING OFFICER. There is objection.

Mr. JEFFORDS. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

Mr. JEFFORDS. Objection.

The PRESIDING OFFICER. Objection is heard.

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

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

Mr. DORGAN. Mr. President, because we were in a quorum call, I wanted to point out to my colleagues that a group of us, just moments ago, held a press conference discussing the issue——

The PRESIDING OFFICER. The rules require unanimous consent for the Senator to proceed at this point because a point of order has been made against the pending amendment.

Mr. DURBIN. Mr. President, under the rules of the Senate, does the Senator object to having to identify himself?

The PRESIDING OFFICER. The Chair would ask, object to what?

Mr. DURBIN. The Senator who objects to the unanimous-consent request.

The PRESIDING OFFICER. It is a matter of order in the Senate not to proceed when there is a pending point of order.

Mr. DORGAN. Mr. President, I ask unanimous consent to be recognized.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Objection to what?

Mr. DOMENICI. What is the request?

The PRESIDING OFFICER. Would the Senator from North Dakota state his request.

Mr. DORGAN. I asked consent to be recognized. My understanding is we were in a quorum call. I asked consent to be recognized for the purpose of discussing a press conference we just held on the Patients' Bill of Rights. Because we were in a quorum call and not conducting other Senate business, I wanted to have a few minutes to discuss

that subject. So I ask unanimous consent to be able to do so.

Mr. DOMENICI. I object.

The PRESIDING OFFICER. There is objection.

Mr. JEFFORDS addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont.

Mr. JEFFORDS. Mr. President, I ask unanimous consent to withdraw my amendment.

The PRESIDING OFFICER. Is there objection?

Mr. DOMENICI. Mr. President, I have no objection.

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

The amendment is withdrawn.

Mr. JEFFORDS. Mr. President, at this time, I would like to take the floor to discuss the amendment that I have just withdrawn. I do so with some reluctance, but denying a Senator the right to amend his own amendment is such a rare situation—if not unprecedented—that I think it is only fair and appropriate for those of us who have worked long and hard on this amendment and know they have sufficient votes to pass it, as modified, to have the opportunity to at least discuss and to let this body know what they are being prevented from doing by virtue of this rare use of the rules.

Mr. REID. Will the Senator yield for a question?

Mr. JEFFORDS. I yield for a question.

Mr. REID. I want to state to the Senator that as one of the managers of this bill, I think the content of his amendment is very good. I think he has had a record of looking out for programs like solar and renewable energy. I have a personal commitment to work with the Senator from Vermont and the senior Senator from New Mexico as this matter goes to conference to see how well we can do in regard to the matters he has put before the Senate.

In short, my statement is in the form of a reverse question. I want the Senator to understand that certainly there was nothing personal in regard to exercising my rights under the rule. In fact, it is one of the more difficult things I have done in my time here. The Senator from Vermont offered something that I think needs to be spoken about. He has done it before very eloquently, and we will do the best we can from the time that this bill leaves this body until it gets to conference, keeping this amendment in mind.

Mr. DOMENICI. Will the Senator yield?

Mr. DORGAN. Will the Senator yield?

Mr. DOMENICI. Without losing your right to the floor.

Mr. JEFFORDS. Yes.

Mr. DOMENICI. I have no objection to the Senator from Vermont debating and discussing the issue, as he sees it. I would just like to ask, in the interest of moving things along—there are no other amendments. Everything is finished on the bill—I wonder how long the Senator from Vermont would like to discuss it. Is it possible that he might tell us?

Mr. JEFFORDS. I cannot give the Senator anything but a guesstimate because I have many supporters of this amendment who may or may not desire to speak. But I have no intention of trying to filibuster this bill.

Mr. DOMENICI. I didn't say that.

Mr. JEFFORDS. I understand. I just wanted to make it clear. But what I do want to have everyone understand is that this modification of the amendment is by taking one word out in order to meet a requirement of the budget. The budget requirement may or may not be valid, but once you get it, there is not much you can do about it. The whole disagreement here is with respect to the one word ''unnecessary,'' which we want to delete, because by using that word we inadvertently created a budget point of order. Because as far as the Budget Committee is concerned, there is never any unnecessary use of the airplane, or travel by the Department of Energy, even though they spent some $250 million traveling where and why and who I do not know, which was more than enough, with a reasonable cut in the use of their airplanes, to fund a very important amendment dealing with more emphasis on renewable resources.

I would like to, certainly for a question, yield to the Senator from North Dakota.

Mr. DORGAN. Mr. President, let me just propound a question. But before I do, let me state to the Senator from Vermont that I am a cosponsor of what he is trying to do. I think what he is trying to do is very important.

I regret that we found this parliamentary situation that created a point of order. I don't quite know how one gets out of this at this point. I regret that the Senator felt that he had to withdraw the amendment, but I think what he and I and others are trying to do makes a lot of sense in terms of investment for this country and investment in the future with alternative energy resources. It is very important, especially because some of the programs show such great promise for our country's future.

I regret that we are not able to proceed with his amendment. I think the offset is appropriate. I think the amendment would advance this country's energy interests. I know because of the press of time that folks want to move forward. I will not say more except to say that I appreciate the leadership of the Senator from Vermont on this. I hope this is not the end of it. I hope that perhaps by this process by committees in the Senate and in the House we can find a way to do what the Senator and I and so many others want to do.

Mr. JEFFORDS. Mr. President, I would be happy to yield to the Senator from Delaware without giving up my right to the floor.

Mr. ROTH. Mr. President, I want to congratulate my colleague for the leadership that he has provided in this renewable energy program.

I strongly believe that renewable energy technology represents our best hope for reducing air pollution, creating jobs, and decreasing our reliance on imported oil and finite supplies of fossil fuel. These programs promise to supply economically competitive and commercially viable exports. I believe that the nation should be looking toward clean, alternative forms of energy, not taking a step backward by cutting funding for these important programs.

Indeed this is a sentiment shared by a majority of the American people. Public support for renewable energy programs is strong. For the fifth year in a row, a national poll has revealed that Americans believe renewable energy along with energy efficiency should be the highest energy research and development priority.

My own State of Delaware has a long tradition in solar energy. In 1972, the University of Delaware established one of the first photovoltaic laboratories in the nation, the Institute for Energy Conversion, which has been instrumental in developing photovoltaic technology. Delaware's major solar energy manufacturer, Astro Power, has become the largest U.S.-owned photovoltaic company and has doubled its work force since 1997.

While the solar energy industry might have evolved in some form on its own, federal investment has accelerated the transition from the laboratory bench to commercial markets by leveraging private sector efforts. This collaboration has already accrued valuable economic benefits to the nation. Solar energy companies—like Astro Power—have already created thousands of jobs and helped to reduce our trade deficit through exports. My state has demonstrated that solar energy technology can be an economically competitive and commercially viable energy alternative.

International markets for solar energy systems are virtually exploding, due to several key market trends. Most notably, solar energy is already one of the lowest cost options available to developing countries that cannot afford to build large, expensive centralized power generation facilities with elaborate distribution systems.

The governments of Japan, Germany, and Australia are investing heavily in aggressive technology and market development in partnership with their own solar energy industries. Until recently, Japan and Germany held the lead in world market share for photovoltaics; the United States has only recently recaptured international market dominance.

Cutting funding for these technologies would have a chilling effect on the U.S. industry's ability to compete on an international scale in these billion-dollar markets of today and tomorrow. The employment potential of renewables represents a minimum of

15,000 new jobs this decade with nearly 120,000 the next decade.

It is imperative that this Senate support renewable energy technologies and be a partner to an energy future that addresses our economic needs in an environmentally acceptable manner. My state has done and will continue to do its part. I hope my colleagues in the Senate will look to the future and do their part in securing a safe and reliable energy future by supporting this amendment.

Again, I want to congratulate my distinguished colleague for his leadership on this most important matter.

Mr. JEFFORDS. Mr. President, I certainly thank my good friend from Delaware who has been out front on this issue for many years. I appreciate his efforts in this area.

The amendment that Senator ROTH and I desire to offer today is about priorities. I think we all agree that increased domestic energy production should be a priority. We agree that a lower balance of payments should be a priority. We agree that helping farmers, ranchers and rural communities is a priority. We agree that standing up for U.S. companies selling U.S. manufacturing energy technologies in overseas markets is a priority. We cheer the increased job markets in every State in this Nation. We support the small companies across the Nation that are working to capture the booming global energy market, and we would make it a priority to promote clean air. The bill does not do that in its present form.

The bill before us further whittles away our Nation's efforts to wean itself from foreign oil. It erodes our efforts to develop technology that increases domestic energy production. It ends commitments made to small energy companies that depend on Federal assistance to enter the giant global energy market. It reduces our efforts to make major advancements in energy development. It reduces our commitment to energy that is affordable, that is clean, and, most importantly, that is made in America.

The administration requested a 16-percent increase in renewable funding—from $384 million to $446 million. More than half of the Senate—54 Senators—signed a letter in support of this $62 million increase. The committee did not request an increase in the renewable budget. It did not even hold at a renewable budget level. The committee cut the budget by $13 million. There is a $92 million shortfall between the committee mark and the amount requested by more than one-half of the Senate.

A vote for this amendment is a vote for five things, if we are allowed to present it.

It is a vote for national security.

It is a vote for small businesses across the United States that produce clean, renewable energy.

It is a vote for farmers and ranchers in rural communities across America.

It is a vote to help American business grab onto a chunk of that rapidly growing export market for renewable products.

And a vote for this amendment is a vote for cleaner air for our children.

I am going to address each of these reasons why my colleagues should support this bill in turn.

First of all, we have charts that allow you to understand better what we are discussing.

This is a vote about national security. It is about making our Nation's future secure by securing our energy future.

The U.S. trade deficit has scored as its No. 1 contributor imported foreign oil, which has reached record levels.

Foreign oil imports constituted 55 percent of consumption early this year and is expected to reach more than 70 percent by the year 2020. At that time, most of the world's oil—over 64 percent—is expected to come from potentially unstable Persian Gulf nations. These imports account for over $60 billion, or 36 percent of the U.S. trade deficit. These are U.S. dollars being shipped overseas to the Middle East which could be put to better use at home.

The defense leaders of our Nation agree that increasing dependence on foreign oil has serious implications for our national and energy security. They agree that investing in renewable energy is an invaluable insurance policy to enhance our national and energy security.

Lee Butler agrees. He is the former commander of the Strategic Air Command and strategic air planner for Operation Desert Storm. Robert McFarlane agrees. Robert McFarlane was National Security Adviser under former President Ronald Reagan. Thomas Moorer agrees. Thomas Moorer is former Chairman of the Joint Chiefs of Staff. James Woolsey agrees. James Woolsey is a former Director of the CIA. In a recent letter to Members of Congress, these national security leaders support the administration's budget request for renewable energy.

Reading from my first chart, the national security leader said:

> Current conflicts in the Middle East and the Balkans and our stressed defense capability only reinforce our earlier concerns that our increasing dependence on imported oil has serious implications for national and energy security. Wars and terrorism strongly highlight the benefits of obtaining domestic, dispersed renewable energy systems and efficiency. . . .
>
> Now is clearly the time to increase our coverage under this valuable insurance policy for our security—the availability of renewable resources and improvements in energy efficiency. Such a commitment will not only enhance national and energy security, but also bring with it global leadership, environmental and economic benefits, new industry and high quality jobs.

PRIVILEGE OF THE FLOOR

I ask unanimous consent David Hunter of my staff be granted privilege of the floor during the pendency of the energy and water appropriations.

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

Mr. JEFFORDS. Mr. President, no crisis can stop the sun from shining, the wind from blowing, or the Earth from producing geothermal heat.

Let's review some alternatives we have and how they can be utilized. Geysers Geothermal Power Plant in California is an example of the sort of energy savings we can gain through ''made in America'' geothermal energy.

American soil holds a natural resource available throughout much of this country: Geysers produce the energy equivalent of over 250 million barrels of oil and currently provide electricity for over 1 million people. Geysers Geothermal Power Plant in California is an example.

The next chart shows renewable generation by each State, indicating how much renewable energy is produced in every State in the United States. I think all Senators ought to take that into consideration. We are hurting small businesses located in every State in the United States. Every Senator in the United States is a stakeholder in this debate. These States have a substantial energy generation capacity. Much is not utilized, and much more is available. It is very extensive, according to the chart.

The next chart shows the top 20 States for wind energy. There is a lot of wind around this place especially, but also around the rest of the country. This chart shows the top 20 States for wind energy potential. Although most of the wind potential generated today has occurred in California, many States have much greater wind potential. The top 20 States for wind energy potential are: North Dakota, Texas, Kansas, South Dakota, Montana, Nebraska, Wyoming, Oklahoma, Minnesota, Iowa, Colorado, New Mexico, Idaho, Michigan, New York, Illinois, California, Wisconsin, Maine, and Missouri. The American Midwest is the Saudi Arabia of wind energy. North Dakota alone can produce 36 percent of all U.S. electric power needs. New Mexico could produce 10 percent of U.S. electric power needs. The oil wells in Saudi Arabia will eventually run dry. The wind in North Dakota will supply indefinitely a steady source of power.

Next is a map of localities with geothermal energy. Like the sun shining on American soil and the wind blowing over it, geothermal energy is a great American resource. It is good for the environment, good for the country, and good for business. This chart shows bountiful geothermal energy supplies, especially on the west coast.

I have a series of pictures of renewable energy projects across the country. They demonstrate that a vote for renewable energy is a vote for ranchers, farmers, and small communities all across America.

This chart shows the North State Power Wind Farm in Minnesota. The

wind facility has pumped over $125 million into the local economy and provides an extra source of income for local farmers in Lake Benton, MN.

Farmers make money through royalty payments for the wind turbines on their lands. They continue to farm their lands and make additional money for the wind that blows above it. This shows municipal utility wind turbines in Traverse City, MI. Note the corn growing. This wind turbine provides clean, renewable, locally produced wind energy for the people of Traverse City, MI.

The next chart shows Culberson Wind Plant in Texas. This wind facility is the largest energy producer in Culberson County. It provides $400,000 annually in tax revenues to Culberson County hospitals and schools. That is 10 percent of the county's property tax base. It also provides $100,000 to the Texas public school fund.

It is not just wind energy that is helpful in small communities. Photovoltaic helps ranchers and farmers. This is a cattle rancher with a photovoltaic-powered well in Idaho. This Idaho rancher powers his home and pumps well water for his cattle under a photovoltaic program offered by Idaho Power Company.

This chart shows Kotzebue Electric Association Village Power Project in Kotzebue, AK. The projects will reduce emissions from diesel plants and reduce fuel transport and costs to the villagers.

Next is Ontario Hydro Village Power Project. There is a large market for export of U.S. wind turbines to northern communities in Alaska, Canada, and Russia. This turbine was built in Vermont and exported to Ontario, Canada. In the last 10 years, photovoltaic sales have more than quadrupled. In developing countries, demand has increased because it is attractive to isolated communities that are distant from the power plant and because they have small electric requirements.

Although America is still a leader in developing renewable energy technologies, this lead may slip if we lower our renewable research and development funding. Europe and Japan continue to subsidize their renewable industry, putting U.S.-based companies at a severe disadvantage.

For example, Japan, Germany, and Denmark use tied aid, offer financing, and provide export promotion for their domestic industries, and our industries have to compete with that. It is very difficult to do. But because of its success and the fact that we have advantages, they have been able to survive, with great difficulty, without having that assistance from loans. This is not the time to lose our lead or to cut funding out of this important industry.

There is one final reason why my colleagues should overwhelmingly support this amendment. A vote on this amendment is also a vote for the environment.

Consider this chart showing children playing in front of a windmill in Iowa's Spirit Lake district. The wind turbine generates power for the school. It is emission free, completely natural. Few us of us want to have our children play under smokestacks or near oil fields or uranium enrichment plants. Few of us want our children to fight wars in the Middle East over oil. But we are all happy to have our children playing in the wind and the sun.

Next is a geothermal powerplant in Dixie Valley, NV. This plant, which produces electricity for 100,000 people, produces no emissions and 1 to 5 percent as much SO_X and CO_2 as a coal-fired plant of the same size.

Mr. REID. Will the Senator yield?

It is a beautiful place, isn't it? It is very close to the Fallon Naval Air Training Center, which is the premier fighter training center for the Navy pilots. That is where they train to land on carriers. Some of their training can be watched from this powerplant.

Mr. JEFFORDS. We should have more of them. I wish the Senator would support my amendment, and we could really help the State.

Mr. REID. I also say to my friend, a number of the programs he has talked about are at places I have been, for example, the wind energy plant in California. These are places I have been. I watched these windmills. It is very exciting.

I finalize my question to the Senator. The Senator is aware that last year's bill we reported out of this subcommittee was less than what we reported out this year. Is the Senator aware of that? The bill we reported out of this subcommittee last year was less than what we reported out this year. I can assure the Senator that is accurate. It was only with the supplemental that this number came up larger than the number that we gave this year. The number, including the supplemental, was $12 million more than what we recommended this year, but about $50 million less than what the subcommittee approved last year.

Mr. JEFFORDS. I point out that it was because of my amendment, which was adopted last year. I appreciate the Senator being aware of that. I wish we would take the same approach this year and adopt this amendment, and then we will make sure we have a much better prospect for the future.

Mr. REID. As I said to the Senator when he first began, he has done excellent work here, and we appreciate it very much.

I will ask the Senator another question. We have had a number of Senators come to the floor. There are one or two Senators who want to speak on this. Would the Senator have any objection to having a final vote on this, and when it is over people can talk on this issue for as long as they desire?

Mr. JEFFORDS. A vote on my amendment? I have no problem with that.

Mr. REID. I am sorry; I did not hear the Senator.

Mr. JEFFORDS. Have a final vote on my amendment, yes, I would like that.

Mr. REID. Of course, the only thing in order is final passage, so the answer to my question is no.

Mr. JEFFORDS. If you are saying without my amendment being voted on? You are saying we will vote your amendment and then we can go to final vote? That would be fine with me.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. DOMENICI. Will the Senator yield for a question?

Mr. JEFFORDS. I am happy to yield.

Mr. DOMENICI. I am fully aware of the genuine interest the Senator has in this and his enthusiasm and his hard work. But I wonder if he might permit me to speak for 2 minutes and yield right back to him.

Mr. JEFFORDS. I will do that.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I just want to share with my fellow Senators the reality of what has happened to solar energy in this bill. First of all, in the Senate bill, for everything in this bill that is nondefense, there is a reduction of 7 percent. That means that for all of the things we do in water, in the Corps of Engineers, and all the other things, there is a 7 percent reduction. If we were to adopt this amendment, we would be taking this piece of the budget and increasing it 7 percent, thus giving it a 14 percent preferential treatment over the rest of the nondefense items in this bill.

All we are doing in this bill is reducing from $365.9 million, reducing it by $12 million, which is less than a 3 percent reduction, which means this is already favored by way of prioritizing by about 5 percent better than the other nondefense accounts here. So we can talk all afternoon and into the night about how great renewables are; we can all agree; but that is not the issue. The issue is, should we add $70 million when we have had to reduce everything else that is nondefense by the huge amounts I have just described? I do not think we need to.

Most of the things the Senator is discussing we will continue to do, and some that are in the pipeline ready to get done will get done because we are going to fund this at $353.9 million. That is not peanuts. Most of the solar things we want to do as a nation will get done.

As long as everybody knows, we are not trying to be arbitrary. We thought we were very fair in the treatment of renewables in this bill. It was not enough. We had to add $70 million more with an amendment that was out of order because it added to the amount we had to spend in our allocation, which means it breaks the budget.

I yield the floor.

Several Senators addressed the Chair.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. JEFFORDS. I yield for the purposes of debate, control of the floor, to my great friend from Colorado.

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

Mr. ALLARD. I thank the Senator from Vermont for yielding to me. I am not going to take a lot of time.

I want to recognize the leadership and fine work he has done in fighting to get this to the floor of the Senate. I am obviously disappointed, as he is, in the fact we are not going to have a vote on this. But I do have some charts and, like my colleague, will talk about the importance of renewable energy, particularly in the context of wind energy, geothermal, and solar energy.

The Senator's State, like the State of Colorado, has done a considerable amount in this area. It is important to the State of Colorado. In fact, we have a research laboratory in Colorado just to address things we are talking about on the floor.

I just wanted to recognize in a public way the Senator's contribution and effort in trying to move forward with renewable energy. It has been a pleasure to be associated with my colleague on this amendment.

I thank my colleague, the Senator from Vermont, for once again standing firm in his commitment to renewable energy. I concur with the Senator from Vermont and would like to share my thoughts on the importance of funding the Department of Energy's renewables budget.

While the record clearly shows that I am a dedicated fiscal conservative, I also see the importance of spending a little now, to save a lot more later. By investing in the research and development of these energy sources today, we are saving taxpayers billions of dollars tomorrow in costs associated with much more than energy. Mr. President, it is not an exaggeration to say that our future as a nation and a community depends in part on the decisions we make today when it comes to energy matters. In this modern day of technological boom, energy literally runs the world in which we live. From the cars we drive to the homes we live in, without affordable, accessible sources of energy, we open ourselves up to dangers that we simply cannot allow to happen.

In their paper titled The New Petroleum from the January/February 1999 issue of the publication Foreign Affairs, my colleague from Indiana, Senator LUGAR, and former CIA Director James Woolsey argue the importance of increasing our use of alternative energy sources, in this case, biofuels. They appropriately note that, ''New demand for oil will be filled largely by the Middle East, meaning a transfer of more than $1 trillion over the next 15 years to the unstable states of the Persian Gulf alone—on top of the $90 billion they received in 1996.'' As a member of the Senate Armed Services Committee, and Select Committee on Intelligence, I hear first-hand about foreign nations that are working to use energy sources to neutralize. I would hope that the rest of my colleagues share my concerns about sending $1 trillion over the next 15 years to rogue nations in the Middle East who are developing weapons of mass destruction as we speak, with an intent to harm American interests. We must be firm in our decision to develop accessible, affordable and dependable sources of energy here at home—our security may depend on it.

The environmental benefits of renewable energy are also well noted and do not need too much repeating. Not only are renewable sources of energy beneficial to our national security, but they reduce, and in fact help to eliminate harmful greenhouse gas emissions. Wind, solar, geothermal, biomass, photovoltaic and other renewable energies have few if any harmful by-products. It is simply good policy to do all we can to effectively harness and utilize the natural, clean, re-usable sources of energy that are abundantly all around us.

I would like to illustrate a few Colorado-specific points if I may.

The Solar Energy Research Facility at the Department of Energy's National Renewable Energy Laboratory (NREL) in Golden, Colorado houses over 200 scientists and engineers. This building was designed to use energy efficient and renewable energy technologies—like the photovoltaic panels seen here—and reduce costs by 30% from the federal standard. Much of the Department's funding that was cut by the Committee goes to this vital facility in my state.

NREL is on the cutting edge in bringing renewable energy technologies out of the laboratory and into the mainstream of American business and society. Recognizing that America has rivals in many Asian and European nations in investing in the development of these technologies, NREL deserves credit for many wonderful accomplishments.

Wind power use in Colorado is becoming increasingly popular. If you've ever spent any time along the foothills of the Rocky Mountains, you know that the wind can whip down from the mountains quite fast. That wind can be easily harnessed for energy. Public Service Company of Colorado operates several wind powering facilities, one of which is in Northern Colorado on the Wyoming border in Ponnequin. Expansions of many wind facilities in Colorado are taking place as we speak. In many Northern Colorado communities, demand for wind energy has risen so dramatically that the Platte River Power Authority of Ft. Collins is planning to more than triple the installed capacity of its wind farm just across the border in Medicine Bow, Wyoming. Residents in this area can look forward to making a positive contribution to the environment.

The current levelized cost of wind energy is between 4 and 6 cents per kilowatt-hour, with a goal approaching 2.5 cents by 2010. According to NREL, the cost of this technology has already decreased by more than 80% since the early 1980's due to continued cost-shared R&D partnerships between industry and DOE.

The developable, windy land in just 5 western states could produce electricity equivalent to the annual demand of the contiguous 48 states. Total worldwide wind energy generating capacity now exceeding the 10,000 megawatt point with expectations of 100,000 megawatts by 2020. Thanks to continued research and development, the industry has grown from being California-based to having wind sites in 18 states.

Photovoltaic water pumping systems are being used on hundreds of ranches and farms across the U.S. to bring power to remote locations—like in some parts of Colorado—that would otherwise cost tens of thousands of dollars in extending existing power lines. In locations where solar resources are not bountiful, other renewable technologies, like wind energy, can be used in a similar fashion.

This is an application of renewable energy that interests me greatly. For those farmers who live in remote areas, renwable energy systems also offer distinct advantages in agricultural applications where power lines are subject to failure due to flooding, icing or other seasonal changes. These energy technologies also make sense where electrical needs are relatively small or are seasonal.

In conclusion, I want to reiterate my belief that investing in research and development of renewable energies is a win-win solution in every sense. Jobs are created, taxpayer money is saved, our national security is enhanced and the environment is protected. The future of our security and prosperity depends on the commitments we make today.

Mr. BINGAMAN. Mr. President, renewable energy is a win-win. Renewable technologies such as wind, solar, geothermal, and biomass are domestic and clean. Many renewable applications are especially suited to remote rural locations where construction of electric transmission facilities are prohibitively expensive. The federal government has had a very successful program installing 122 photovoltaic systems in place of diesel generators at remote locations of the National Park Service, Forest Service and BLM. (Chart) These systems produce electric power without any noise or emissions. Photovoltaics are also well-suited for use on remote areas of Indian Reservations.

Collaboration between the National Labs and U.S. industry has made huge strides in photovoltaic efficiency and cost-competitiveness. The cost of photovoltaic systems have declined 10 fold since 1980. Ongoing work in system reliability and long-term performance is crucial to continued development of U.S. leadership in this area. The Department of Energy's proposed budget is barely 40% of what Japan and half of what Germany spend on photovoltaic research.

Another important technology is concentrating solar power, where the sun's energy is first converted to heat then used to generate electricity in a conventional generator. The federal research program, centered at Sandia, has been a true success. Further work in advanced trough technology and dish based systems, which can be dispatched into the electricity grid, promise to dramatically lower costs. Based on World Bank estimates of capacity installation for these technologies, up to $12 billion in sales of U.S.-manufactured products and up to 13,000 new jobs could be created by U.S. industry by 2010.

Since the 1980's the cost of wind power has declined 80% (from 25 cents to 4.5 cents per kilowatt hour.) With the necessary support, the cost of wind will be down to 3 cents per kilowatt hour or lower within five years. This amendment will fund U.S.-based turbine certification, international consensus standards, wind mapping to assist in targeting key areas, and support to industry on solving near term problems. The export opportunities for U.S. industry are large, but the U.S. must compete against the highly subsidized European manufacturers.

The opportunities for economic development of geothermal power in the U.S. west are vast. The Department of Energy has an initiative underway to cut the cost of drilling for geothermal resources by 25% within the next two years. Geothermal, especially using non-drinking water sources and treated wastewater, can become an important energy source for arid states. This research with commercial development could result in development of 30,000 jobs in the U.S. and open up significant international marketing opportunities for U.S. manufacturers.

The research programs funded by this amendment are making important contributions to the ongoing restructuring of the electric utility industry. For example, many experts believe the future of electric power generation will be in the form of small, so-called ''distributed'' generation technologies. Smaller power plants offer advantages in terms of improved efficiency and reliability as well as reduced environmental impacts. Solar, wind, geothermal, biomass and other generating technologies such as fuel cells and microturbines are all likely approaches to distributed generation. The Energy Committee will hold an oversight hearing on distributed generation next week. Finally, research in this bill is also helping assure the continued security and reliability of the nation's high-tension transmission grid. Sandia Labs in New Mexico is a key partner in DOE's transmission research program.

I think it is critical to maintain our momentum in renewable energy research. The proposed budget cuts in the bill are unfortunate and unnecessary. I am pleased to support the amendment and I thank Senator JEFFORDS for his efforts.

Mr. LEAHY. Mr. President, I have the pleasure of joining Senator JEFFORDS to rise in support of the renewable energy programs within the Energy and Water Appropriations bill. First, let me thank Senators DOMENICI and REID for their hard work to put together a balanced appropriations bill under very difficult budget constraints. I know both of these Senators support the renewable energy programs at Department of Energy and would have liked to come closer to the President's requested funding level. However, as with all the appropriations bills, this year has forced all of us to make difficult choices.

I am supporting the Jeffords amendment because I firmly believe that developing new solar and renewable energy sources is absolutely critical to reducing our reliance on imported fossil fuels and addressing climate change. Anyone who had the pleasure of spending some of this spring in the Northeast will tell you that although we all appreciated the glorious 85 degree days, it was unusual. After about a week, Vermonters really began to wonder about the strange weather. This is only a harbinger of things to come if we do not aggressively address the greenhouse gases that contribute to climate change.

The solar and renewable energy programs will help our nation find alternative energy sources and help our states and industry start using them. We need to invest more funding to develop renewable energy technology and to bring this technology into the mainstream. Coming from Vermont, I have already seen how this technology can be used. During the nuclear freeze movement of the 1980s, Vermonters adopted a saying: ''As Vermont goes, so goes the nation.'' I hope that our state can provide similar leadership to set the nation on a path in the new millennium to promote the development and use of renewable energy.

From the Green Mountain Power wind farm in Searsburg to the McNeil biomass gasifier in Burlington, Vermont is developing and using renewable energy sources. These large projects are being looked at as models for how public-private partnerships can spur growth in our renewable energy sectors. Vermont is also leading the nation in developed small, community-based renewable energy projects. Many Vermont communities have shifted away from fossil energy sources to biomass, building small wood-fired systems. Biomass is now being used in Vermont schools, low-income housing projects, state office buildings and mills.

Vermont is also taking this technology overseas. I am proud to say that several Vermont renewable energy businesses have created niche markets for their technology all around the world. Just a few weeks ago, Prime Minister Tony Blair turned on the lights at a school that had just installed a small wind turbine built by a Vermont company. Another Vermont company has developed solar panels that are being used by individual homes in many developing countries where there is no central energy source.

When Vermont and the nation consider what the next millennium will look like the most important question to be asked is what do we want to pass on to the next generation?

I want my grandson to be able to hike through the Green Mountains and see the same majestic forests and mountain peaks as I did. I want him to be able to fish in Lake Champlain without having to worry about what heavy metals are in it. If my grandchildren are going to enjoy these experiences, our nation has to reduce our reliance on fossil fuels and increase our use of renewable energy. The Jeffords amendment will ensure that the successes of the solar and renewable energy programs at Department of Energy are replicated to help our nation meet this goal.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. WELLSTONE addressed the Chair.

Mr. JEFFORDS. Mr. President, let me first ask unanimous consent to add 13 additional original cosponsors to my amendment. These are: Mr. ALLARD, Mr. MOYNIHAN, Mr. LIEBERMAN, Mr. KENNEDY, Mr. GRASSLEY, Ms. COLLINS, Mrs. BOXER, Mr. CLELAND, Mr. ROTH, Mr. HARKIN, Mr. KERRY, Mr. BINGAMAN, Mr. LEVIN, Mr. BRYAN, Ms. SNOWE, Mr. WYDEN, Mr. DASCHLE, Mr. SCHUMER, Mr. HAGEL, Mrs. MURRAY, Mr. CHAFEE, and Mr. WELLSTONE.

I yield, reserving my right to the floor, to the Senator from Minnesota.

The PRESIDING OFFICER. Without objection, the names will be added as cosponsors.

The Senator from Nevada.

Mr. REID. Mr. President, it is my understanding the unanimous consent request applies to the amendment that has been withdrawn; is that right?

The PRESIDING OFFICER. Does the Senator from Vermont desire to withdraw the amendment?

Mr. REID. It has already been withdrawn. The unanimous consent request to add cosponsors applies to the amendment that has been withdrawn.

Mr. JEFFORDS. It applies to the amendment I had pending on the list. I guess that is the best way to describe it.

Mr. REID. The amendment has been withdrawn; is that right?

The PRESIDING OFFICER. The Senator is correct, the amendment has been withdrawn.

Mr. REID. I have no objection to the cosponsors being added to the amendment that has been withdrawn.

The PRESIDING OFFICER. Without objection, the cosponsors will be added, and, without objection, the Senator may yield the floor to the Senator from Minnesota, as he reserves his right to the floor.

Mr. WELLSTONE. Mr. President, rather than having to put it in the form of a question, I appreciate the way my colleague made the UC request.

I come to the floor in complete support of what Senator JEFFORDS is trying to do. One can look at it in a couple of different ways. One can look at it in terms of the numbers in the here and now, but, frankly, as I look at this picture over a period of time, I do not think we have done near what we should by way of investment in renewable energy. That is what my colleague from Vermont is saying.

I come from a cold weather State at the other end of the pipeline, and when we import barrels of oil and Mcfs of natural gas, we export dollars and yet we are rich in resources—wind, solar, safe energy.

My colleague is right on the mark. I thank him for his leadership. We should be making much more of an investment in this area. It is on sound ground from the point of view of the environment. It leads us down the path of smaller business economic development, technologies that are more compatible with communities, more homegrown economies, more capital investment locally. I thank my colleague for his work and tell him what he has been trying to do is important. He is right on the mark, and I add my support to his effort.

The PRESIDING OFFICER. The Senator from Vermont has the floor.

Mr. JEFFORDS. Mr. President, I will continue with my presentation of the merits of this amendment. I have no intention of holding up this body any longer than necessary; necessary meaning this preemptive strike is designed to make us accomplish our goals.

The next chart is the Westinghouse power connection's biomass gasification facility in Hawaii. This demonstrates the potential to convert agricultural waste—sugarcane in this case—into electricity.

I have another chart to demonstrate the power of all of these generating plants. This one is at BC International Corporation, biomass ethanol plant in Jennings, LA. This plant will be retrofitted to produce ethanol from sugarcane bagasse and rice waste.

That completes my charts. I hope my colleagues have been impressed with what we could have done if we were not prohibited.

Let me conclude by reminding everyone we are proposing to add $70 million through our amendment to the Department of Energy's solar, wind, and renewable budget. Federal support for renewable energy research and development has been a major success story in the United States. Costs have declined, reliability has improved, and a growing domestic industry has been born. More work still needs to be done in applied research and development to bring down the cost of the production even further.

This is a tremendous opportunity for this Nation which will help us reduce our trade deficits. The need for renewable R&D is not a partisan issue:

We must encourage environmentally responsible development of all U.S. energy resources, including renewable energy. Renewable energy does reduce demand upon our other finite natural resources. It enhances our energy security, and clearly, it protects the environment.

This was President Bush, September 1991.

MOTION TO RECOMMIT

Mr. President, I move to recommit the bill to the Appropriations Committee, and further, that the committee report the bill forthwith, with the following amendment. Mr. President, I send the amendment to the desk.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Vermont [Mr. JEFFORDS] moves to recommit the bill S. 1186 to the Committee on Appropriations with instructions to report back forthwith, with an amendment numbered 682.

The amendment is as follows:

On page 20, strike lines 21 through 24 and insert ''$791,233,000, of which $821,000 shall be derived by transfer from the Geothermal Resources Development Fund and $5,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund, and of which $75,000,000 shall be derived from accounts for which this Act makes funds available for Department of Energy contractor travel expenses (of which not less than $4,450,000 shall be available for solar building technology research, not less than $82,135,000 shall be available for photovoltaic energy systems, not less than $17,600,000 shall be available for concentrating solar systems, not less than $37,700,000 shall be available for power systems in biomass/biofuels energy systems, not less than $48,000,000 shall be available for transportation in biomased biofuels energy systems (of which not less than $1,500,000 shall be available for the Consortium for Plant Biotechnology Research), not less than $42,265,000 shall be available for wind energy systems, not less than $4,000,000 shall be available for the renewable energy production incentive program, not less than $7,600,000 shall be available for support of solar programs, not less than $5,100,000 shall be available for the international solar energy program, not less than $5,000,000 shall be available for the National Renewable Energy Laboratory, not less than $27,850,000 shall be available for geothermal technology development, not less than $27,700,000 shall be available for hydrogen research, not less than $6,400,000 shall be available for hydropower research, not less than $32,000,000 shall be available for high temperature superconducting research and development, not less than $3,000,000 shall be available for energy storage systems, and not less than $18,500,000 shall be available for direction of programs).''.

Mr. REID. I object.

The PRESIDING OFFICER. The Senator from Nevada objects.

Mr. REID. I object and call for the regular——

The PRESIDING OFFICER. The Senator from Nevada has objected. Under the unanimous consent agreement, the only amendments in order are those that have been filed.

Mr. JEFFORDS. Mr. President, I do not believe that the order includes a motion to recommit with an amendment. I ask for clarification in that respect.

Mr. REID. I submit to the Chair that it includes all amendments.

The PRESIDING OFFICER. The Senator from Vermont is advised that the instructions that all amendments must be filed applies even to amendments that would be included within a motion with instructions to recommit.

Mr. JEFFORDS. Mr. President, I appeal the ruling of the Chair.

The PRESIDING OFFICER. The appeal is debatable. Is there debate on the appeal?

Mr. JEFFORDS. Mr. President, I hope Members understand that this amendment would be perfectly appropriate to make this bill a more useful document. I understand the strong desires of some not to have this amendment apply, but it is an amendment which has over 50 cosponsors. It is only appropriate that this body have the right to exercise their will on a vote which will let them modify this bill in a manner which they think will make it more appropriate.

I urge all Members, especially the 50 cosponsors, to join with me on appealing the ruling of the Chair to allow this amendment to be placed upon the bill. It is only appropriate considering that the only problem we had was the one word ''unnecessary'' which made it subject to a point of order because the CBO ruled that the word ''unnecessary'' would prevent the funding and, therefore, would not be appropriate.

I believe very strongly we ought to have an opportunity for the majority of this Senate to express their will on this bill. Therefore, I am appealing the ruling of the Chair.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, first of all, I reiterate what the chairman of the subcommittee has said, the manager of this bill. It is not as if we have not done everything we can to make sure that solar renewables are taken care of. There has been a 3-percent cut in solar and renewables. Others had a 9-percent cut. We have treated this, in effect, more fairly than anything else.

I also say to my friends, when this bill left this body last year, it had less money in it than the bill has this year. It was only because of what took place in the so-called summit after the committees completed all their work, the negotiation with the President, that the bill was plused up to $365 million. This is not chicken feed. This is $354 million for solar renewables.

Also, we in Nevada understand solar energy. At the Nevada Test Site, which we hear so much about in this Chamber, there could be enough energy produced by Sun at the Nevada Test Site to take care of all the energy needs of this country. The fact is, it is very difficult to get from here to there.

We are spending huge amounts of money—not enough; and I recognize that. Everybody wants to come and

spend more money. I would like to spend more money. My friend from Vermont voted for the budget. I did not vote for the budget. I wish we had more money here. I think the budget we are being asked to work under is ridiculous. We cannot do what needs to be done for this country. My friend from Vermont voted for the budget. I did not.

So I say that we have to understand that if this goes back to the committee, we are going to have significant difficulties getting to the point where we are today. If we are going to move these bills along, it would seem to me the majority should help us move them along. This is one of the easier bills, some say. Based on this, I am not too sure.

I am a supporter of alternate energy sources. We have a solar energy program in the State of Nevada that we are very proud of. It is one of the best in the country. I have been to the one at Barstow. It produces 200 megawatts of electricity. It is by far the largest plant in the world. It is 100 times larger than the second largest plant, which is a small plant. Technology is allowing us to move forward but not very rapidly.

In this bill for solar building technology research there is $2 million; for photovoltaic energy systems there is $64 million; for biomass/biofuels transportation there is $38 million. For wind energy systems there is $34 million in this bill.

In the bill there is money for solar program support, the renewable energy production incentive, international solar programs, national renewable energy laboratory construction, and geothermal funding.

The State of Nevada has more geothermal potential than any State in this Union. It would be very beneficial for us to have more money. It would help the State of Nevada. We cut solar renewables 3 percent. We cut other nondefense programs almost 10 percent. We have been more fair to this entity than any of the others.

So I move to table the appeal and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

Mr. REID. I withhold.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I ask unanimous consent to speak for 2 minutes.

Mr. JEFFORDS. Mr. President, I did not hear the request.

The PRESIDING OFFICER. The Senator requested to speak for 2 minutes.

Mr. JEFFORDS. Fine.

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

Mr. DOMENICI. Thank you.

Fellow Senators, I suggest to you, the Chair has ruled that what the Senator seeks to do is out of order. We did establish right after we started this bill that amendments had to be filed at the desk so everybody could look at them. As you look at that sequence of things, a motion to send this back to committee with instructions was out of order; so those who want the Senator to win could not have won anyway. Now he wants to just send it back to committee. The Chair has once again ruled that is out of order.

How far do we have to go? As a matter of fact, we have already taken care of renewables better than almost any other nondomestic piece of this budget. We have reduced, by 24 percent, items such as cleanup, nondefense cleanup, in this country because we do not have enough money this year. We are $600 million short. We have only reduced this function by 2.8 percent. We reduce the Corps of Engineers by 8 percent, the Bureau of Reclamation by 3 percent. The total nondefense has been reduced by 7 percent.

We have prioritized well. As a matter of fact, if this amendment passes, we will be giving renewables a 14-percent priority over the rest of the nondefense programs of this country which, on average, have been cut 7 percent, because this would ask to increase it by 7. I believe it should be tabled. I hope we will do that expeditiously. I thank Senator REID for his attentiveness and his stick-to-itiveness on this. I believe we have treated renewables fairly.

I yield the floor.

The PRESIDING OFFICER. The Senator's motion to table has been withheld to this point.

Mr. REID. I move to table the appeal and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is on agreeing to the motion to table the appeal of the ruling of the Chair. The yeas and nays have been ordered. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. REID. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HARKIN) would vote ''no.''

The result was announced—yeas 60, nays 39, as follows:

[Rollcall Vote No. 171 Leg.]

YEAS—60

Abraham	Enzi	Mack
Allard	Frist	McCain
Ashcroft	Gorton	McConnell
Baucus	Graham	Mikulski
Bennett	Gramm	Moynihan
Bond	Hatch	Murkowski
Breaux	Helms	Nickles
Bunning	Hollings	Reid
Burns	Hutchinson	Robb
Byrd	Hutchison	Roberts
Campbell	Inhofe	Santorum
Cochran	Inouye	Sarbanes
Coverdell	Kerrey	Sessions
Craig	Kohl	Shelby
Crapo	Kyl	Smith (NH)
Daschle	Landrieu	Specter
DeWine	Lautenberg	Stevens
Domenici	Lincoln	Thomas
Edwards	Lott	Thompson
		Thurmond
		Torricelli
		Voinovich

NAYS—39

Akaka	Durbin	Levin
Bayh	Feingold	Lieberman
Biden	Feinstein	Lugar
Bingaman	Fitzgerald	Murray
Boxer	Grams	Reed
Brownback	Grassley	Rockefeller
Bryan	Gregg	Roth
Chafee	Hagel	Schumer
Cleland	Jeffords	Smith (OR)
Collins	Johnson	Snowe
Conrad	Kennedy	Warner
Dodd	Kerry	Wellstone
Dorgan	Leahy	Wyden

NOT VOTING—1

Harkin

The motion was agreed to.

The PRESIDING OFFICER. The decision of the Chair stands.

Mr. REID. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

Mr. WELLSTONE. Mr. President, I regret that I cannot support S. 1186, the FY 2000 Energy and Water Appropriations bill. I cannot support this bill because its funding for renewable energy falls far short of what we need in this country as we head into the 21st Century. The funding level provided in this bill, $353.9 million, doesn't come close to meeting the Administration's budget request. S. 1186 has $92 million less for renewables than the Administration requested. This represents a cut from last year's final appropriated level of about $12 million.

This is a very difficult vote for me because S. 1186 includes funding for some very important projects and programs. There are two projects that I believe are particularly important, the Marshall Flood Control Project and the Stillwater Levee. The Marshall Flood Control Project has been under consideration since the early 1970s and was authorized under the 1986 and 1988 Water Resources Development Act (WRDA). The FY 1999 Energy and Water Appropriations bill included $1.5 million for this project, and the Army Corps was able to reprogram an additional $700,000. FY 2000 funding will make it possible for a significant portion of the Stage Two work to be completed during this year's construction season.

The Stillwater Levee is another worthy project funded in this bill. Although the levee survived last year's high waters, it is in urgent need of repairs. The levee will protect downtown Stillwater, which includes over 60 sites on the National Register of Historic Sites.

It is especially unfortunate that we failed to take advantage of the opportunity we had to improve this bill. Senator JEFFORDS proposed an amendment that would have increased funding for solar and geothermal energy by $70 million, and we did not even get an up-or-down vote on his amendment. I think it was an important amendment, and I was proud to be an original cosponsor. I very much appreciate the

leadership of my friend from Vermont on this issue.

As we near the millenium, I believe we need a far stronger commitment to a renewable energy future, not the $12 million cut for renewable energy in this bill. For too long, we have allowed our economy to remain hostage to oil, much of it imported. We should all recognize that our addiction to fossil fuels is not sustainable. We fight wars in part over oil, which we then use to pollute our skies, while providing tax breaks to large oil companies. Petroleum has helped us to achieve a very high standard of living in the western world, and oil will continue to be a major part of our economy. Indeed, oil is the central nervous system of the western world's economy. But we have been in need of surgery for years now.

In the past, we have risen to the challenge when faced with a visible crisis and rising prices. Can we do it again without long gas lines and with stable prices? I say we can. Indeed, while many see only a future of constraints, I see a future with opportunities.

After all, what will it take to stop overloading Mother Nature? Higher efficiency and more reliance on cleaner fuels. And what will that lead to? Manufacturing enterprises with the lowest operating costs in the world. Households that generate electricity from rooftop solar arrays. Farmers who harvest an additional ''crop''—the winds that blow over their fields. City streets inhabited by quiet and pollution-free electric vehicles.

That is a future the American people surely can rally behind. Now is the time to rally all Americans behind that vision of the future. But unfortunately, this bill fails to do that. In fact, I believe it is a step in the wrong direction, and for that reason I am voting against it.

Mrs. MURRAY. Mr. President, included in the manager's package is an amendment designed to insert the United States Congress into the Bonneville Power Administration's rate setting process. I believe it is unnecessary and potentially counterproductive. Thus, I do not support it and will work to see it stricken in conference.

The BPA next month hopes to initiate the rate case to establish the cost of BPA power and set parameters for funding salmon recovery on the Columbia and Snake Rivers. As currently formulated, the rates established will fund projected fish and wildlife costs through customer rates. The process is working and this amendment could potentially jeopardize it.

I, along with other Democratic members of the Northwest delegation, recently sent a letter to Vice President GORE to reiterate our support for the so-called ''fish funding principles'' agreed to by the Administration and BPA. We sent this letter in response to a staff memo initiated by the National Marine FIsheries Service and the Environmental Protection Agency, recommending BPA charge its customers higher rates so it could establish a ''slush fund'' to pay the enormous cost of removing or breeching the four lower Snake River dams. As my colleagues know, there has been no decision that these dams should be removed and therefore there is no need to begin saving for such a controversial plan. Our letter firmly opposed collecting money from ratepayers for costs that may or may not be incurred in the future. Specifically, we opposed ''prepayment of speculative future costs, particularly if those costs are contingent upon congressional action.''

There is no movement afoot by the Administration or BPA to establish such a slush fund. So, there is not a problem to solve regarding slush funds for dam removal.

However, we do have a problem to solve: saving our wild salmon. We are committed as a region and as a nation to doing so. These skirmishes over staff memos and rumors simply divide us and divert our attention from the real problems we must solve; the real creative solutions we must fund; the real consensus we must forge. I fear an unintended consequence of this amendment may be to reduce our region's ability to solve this problem on its own.

So, Mr. President, this amendment is not helpful. That said, I know I do not have the votes to prevent its inclusion in this bill and thus have worked with Senator GORTON to modify it to make it more acceptable. The amendment now will apply only to this fiscal year, instead of continuing in perpetuity. In addition, the BPA Administration now must set rates with the ''fish funding principles'' agreed to by the Administration and BPA in mind.

Let me conclude by reiterating that we have a process working to set rates for BPA customers, which I firmly believe will achieve the vital goal of helping us save fish, and will allow full public and stakeholder involvement. This amendment is unnecessary and diversionary. I look forward to working with Senator GORTON and the Administration to get this language dropped from the bill in conference committee.

Mr. GORTON. Mr. President, no large group of citizens should be required to pay in advance for a project that they oppose, that will have an adverse impact on their lives and livelihoods, and that will almost certainly never be authorized. But that is exactly what has recently been proposed by certain officials of the Clinton Administration.

A discussion paper was recently published by these officials suggesting that the Bonneville Power Administration (BPA) add significantly to its power charges to its customers in its impending rate case. The purpose of these added charges is to provide a slush fund for the removal of four Federal dams from the Snake River, if that removal is ever authorized or ordered. It is only fair to add that the Clinton Administration has stated that the paper does not now reflect Administration policy, but it has nevertheless raised fears that the Administration might some day try to order such a removal without asking Congress either for the authority or the money to do so.

This amendment will prevent such an end run. It does not prevent BPA from including fish recovery costs in its rate structure for the next five years, even in greater amounts than the $435 million per year current limit. It will, however, prevent an additional surcharge for possible dam removal. That project, if it should be proposed, should require Congressional authorization, and a debate over funding sources, only as and when this or any later Administration makes such a recommendation.

Mr. LEAHY. Mr. President I would like to engage the Chairman in a colloquy. First, let me thank the Senator from New Mexico for his diligence in balancing funding for the wide variety of programs within the Energy and Water Appropriations bill under very difficult budget constraints. Under these constraints, you were able to fund the biomass programs at $72 million. However, one very important program to the Northeast has not been funded. The Northeast Regional Biomass Program has helped my State make significant steps to develop and market the use of wood as an energy source. It is now being used in Vermont schools, low-income housing projects, State office buildings and mills. Without support from the Northeast Regional Biomass Program, Vermont will not be able to build on these successes. Although funding is not included in the Senate bill for this program, the Department of Energy should be given the flexibility to continue support for some of these projects.

Mr. DOMENICI. As you mentioned, this appropriations bill was allocated $439 million less than the Fiscal Year 1999 enacted level. Although there are many programs I would have liked to continue, this funding level cannot accommodate all of them. However, I recognize the good projects being undertaken by the regional biomass programs and would encourage the Department of Energy its support for those programs within the overall biomass budget.

Mr. LEAHY. I thank the Chairman and look forward to working with him and the Department of Energy to support state efforts to expand the use of small biomass projects that promote the use of wood energy as a renewable resource.

Mr. President, I would like to engage the Chairman in a colloquy. As more and more states deregulate their own energy industries, environmentally preferable electric power is one of the markets developing first. One sector that has garnered specific questions about its impact on the environment is hydropower. Consumers need a credible means to determine which hydropower facilities are environmentally preferable. Mr. Chairman, you have partially addressed this situation already

by including funding within the Department of Energy's hydropower account to develop ''fish friendly'' turbines. I believe facilities that use this and other new technology should receive recognition for their efforts. Hydropower facilities that are operated to avoid and reduce their environmental impact should also receive recognition.

Mr. DOMENICI. I agree with the Senator and encourage the Department of Energy to support a voluntary certification program that will distinguish low impact hydropower from other hydropower. Such a certification program would also help develop new markets for ''green power.''

Mr. LEAHY. I thank the Chairman and look forward to working with him and the Department of Energy to support this type of certification program.

HEMISPHERIC CENTER FOR ENVIRONMENTAL TECHNOLOGY (HCET)

Mr. MACK. Mr. President, I want to engage the distinguished Senator from new Mexico and the distinguished Senator from Nevada, managers of the pending bill, in a colloquy.

Mr. DOMENICI. I will be pleased to respond to the distinguished Senator from Florida, Senator MACK.

Mr. REID. I echo the sentiments of my colleague, Senator DOMENICI, and will be happy to respond to the distinguished Senator from Florida.

Mr. MACK. I thank the Senator.

Florida International University in my State of Florida has done a truly remarkable job of working with the Department of Energy in carrying out critically important environmental research and development of deactivation and decommissioning environmental technologies. More specifically, FIU's Hemispheric Center for Environmental Technology (HCET) has a proud history of partnering with DOE through its Environmental Management program to form a true 'center of excellence' in these areas and the President's fiscal year 2000 budget request for the EM program assumes full funding for continuation of this impressive partnership.

Mr. GRAHAM. Will the senator yield?

Mr. MACK. I yield to my colleague from Florida.

Senator GRAHAM. I echo the comments of the Senator from Florida about the FIU Hemispheric Center for Environmental Technology and reinforce the importance of the FIU Center in assisting the Department of Energy in deactivation and decommissioning of some of the most strategically important DOE sites in the Nation, including Fernald, Chicago, Albuquerque, Richland, and Oak Ridge facilities. I am proud of the role that HCET plays in these efforts.

Mr. MACK. I thank my colleague from Florida. It is my understanding that the President's budget contains sufficient funding ($5,000,000) to fully fund the current working agreement between Florida International University and the Department of Energy. Is that the Chairman's understanding?

Mr. DOMENICI. The Senator is correct.

Mr. MACK. I thank the Chairman. I specifically request that, as the distinguished senior Senator from New Mexico and the chairman of the Energy and Water Development Subcommittee continues to shepherd this legislation through the Senate and conference with the House, he would make every possible effort to provide the full budget request for the DOE's Environmental Management program and protect the full funding contained therein for the DOE-Florida International University partnership.

Mr. GRAHAM. I strongly endorse the recommendation of my colleague from Florida and hope that the distinguished Chairman and Ranking Member of the Subcommittee, Senator REID, will approve the full budget request in the final bill that is sent to the White House for approval. This is a program that is important to us and to our State.

Mr. REID. I thank both Senators from Florida, and you have my commitment that I will do whatever I can to include sufficient funding for the Environmental Management program at DOE to allow for the full $5,000,000 for the Florida International University-DOE initiative.

Mr. DOMENICI. I offer my commitment as well that I will work with Senator REID and the other members of the Subcommittee to do whatever I can to include sufficient funding for the Environmental Management program at DOE to allow for the full $5,000,000 for the Florida International University-DOE initiative.

Mr. MACK. I thank the distinguished Senators from New Mexico and Nevada for their commitment and leadership on this important legislation.

Mr. GRAHAM. I, too, thank the distinguished Senators from New Mexico and Nevada for their support in this most important matter.

INTERNATIONAL RADIOECOLOGY LABORATORY

Mr. COVERDELL. Mr. President, I bring to the attention of the chairman, other members of the Appropriations Committee, and the Senate—the International Radioecology Laboratory, commonly referred to as IRL, in Slavutych, Ukraine—which was dedicated last month by the U.S. Department of Energy. The IRL was established in July, 1998 by an agreement between the governments of the United States and the Ukraine to facilitate the critical research being conducted near the Chernobyl nuclear site on the long-term health and environmental effects of the world's worst nuclear accident. Construction of the IRL will be completed by fall, 1999. The IRL is managed by the Savannah River Ecology Laboratory, also known as SREL, of the University of Georgia and funded through cooperative agreements by the Department of Energy.

Led by Dr. Ron Chesser of SREL, highly integrated research scientists from the University of Georgia, Texas Tech, Texas A & M, the Illinois State Museum, Purdue University, Colorado State University, Ukraine and Russia have been involved in cooperative research in the Chernobyl region since 1992. These efforts have significant importance regarding the long-term risks in the Chernobyl area itself, but also for predicting the environmental consequences of future radioactive releases.

The new IRL will serve as the primary facility from which radioecology research activities are directed and will be the central point for collaboration among scientists worldwide concerned with the effects of environmental radiation.

The Savannah River Ecology Laboratory has proposed a new 5-year research initiative at the IRL to be administered through the Office of International Nuclear Safety Cooperation Program at the Department of Energy. This ambitious research project would carry out the goals of the United States-Ukraine 1998 agreement to: (1) understand the effects of the pollution from the Chernobyl disaster on forms of life; (2) provide data needed to make wise decisions concerning environmental and human health risks and the effectiveness of clean-up activities; and (3) develop strategic plans for the potential of future radiation releases. I am disappointed that this new initiative was not specifically funded in the FY 2000 Energy and Water Appropriations bill approved by the Committee and I would urge the Chairman to do all he can to find the necessary funds for this important project when the FY 2000 Energy and Water Appropriations bill goes to conference.

Mr. DOMENICI. I appreciate the concern of the Senior Senator from Georgia. I share his point of view regarding the importance of this new joint United States-Ukraine facility and the vital research being conducted on the aftermath of the Chernobyl accident. While you know how tight our budget is, I assure you that when this bill goes to conference we will make every effort to locate additional funds within DOE to allocate for programs like this and will attempt to find additional funding for DOE programs.

NAME CHANGE FOR TERMINATION COSTS PROGRAM

Mr. CRAIG. Mr. President, I rise to engage in a colloquy with my colleague from New Mexico, the bill manager, regarding the need to change the name of one of the programs in the Department of Energy's appropriations. Within the Energy Supply account, there is an account called ''Nuclear Energy.'' Within the nuclear energy account, there is a program called ''Termination Costs.''

For some time, the name ''Termination Costs'' has caused considerable confusion. In fact, in the past the Department of Energy has submitted its budget request for this program using a different name. They called it the ''Facilities'' program and the Senate last year even appropriated funding using

the name ''Facilities'' but the name change was dropped in conference.

The name ''Termination Costs'' is not an accurate depiction of the activities occurring under this program. I will quote from the Department of Energy's fiscal year 2000 budget request. The following items are listed as the program mission for the Termination Costs Program. (1) Ensuring the cost-effective, environmentally-compliant operation of Office of Nuclear Energy, Science and Technology sites and facilities; (2) Maintaining the physical and technical infrastructure necessary to support research and technology development by U.S. and overseas researchers; (3) Demonstrating the acceptability of electrometallurgical technology for preparing DOE spent nuclear fuel for ultimate disposal; and (4) Placing unneeded facilities in industrially safe and environmentally compliant conditions for low-cost, long-term surveillance.

With the possible exception of the last item, No. 4, these important mission priorities do not fit the heading of ''termination.''

Again, quoting from the Department of Energy's budget submittal, the stated program goal for the Termination Costs Program is, ''To contribute to the nation's nuclear science and technology infrastructure through the development of innovative technologies for spent fuel storage and disposal and the effective management of active and surplus nuclear research facilities.'' I think this is an enduring mission for DOE and therefore the moniker ''Termination Costs'' is misleading.

Mr. DOMENICI. Will my colleague from Idaho yield?

Mr. CRAIG. I yield to my colleague.

Mr. DOMENICI. Mr. President, listening to the statements of the Senator from Idaho, I share his conviction that the name ''Termination Costs'' appears to be inadequate to describe the activities carried out under this program. This is consistent with the position the Senate took last year. I commit to work with my colleague to see that the name is changed to ''Facilities'' as requested by both my colleague and by DOE in the past.

Mr. CRAIG. I thank my colleague from New Mexico for his assistance in this matter.

DOE CLEAN-UP AT FERNALD

Mr. DEWINE. Mr. President, the Fernald site in Cincinnati, OH, has done a truly remarkable job of working with the Department of Energy in carrying out critically important environmental clean-up and restoration missions. More specifically, the clean-up at Fernald has garnered broad-based stakeholder support and is moving along ahead of schedule. More important, the Fernald site has pioneered the accelerated 10 year clean-up plan, which will save taxpayers several billion dollars. All of this has been accomplished while managing the site at or below the Department's appropriated budget for the project. I see the distinguished Chairman of the Energy and Water Subcommittee on the floor and wanted to be sure he is aware of the efforts underway at Fernald.

Mr. DOMENICI. I thank the Senator from Ohio for his comments. I am aware and certainly do appreciate the efficiency and budget-wise efforts of the clean-up achievements at the Fernald site.

Mr. DEWINE. I thank the Chairman of the Subcommittee. Does the Chairman agree that to further the proceedings, the Department of Energy should support the accelerated clean-up plan in place?

Mr. DOMENICI. I agree with the Senator from Ohio. The subcommittee recognizes the support of the Cincinnati community and regulators. The Department of Energy should take all steps necessary to keep the accelerated cleanup at Fernald on schedule, and the Subcommittee will continue to work with the senior Senator from Ohio to monitor this effort.

Mr. DEWINE. I thank my friend and distinguished colleague from New Mexico for his leadership on this important issue to the citizens of Cincinnati.

BUREAU OF RECLAMATION DAM SAFETY RESEARCH

Mr. BENNETT. Mr. President, Utah has at least 30 dams that currently do not meet current safety standards. Most of these dams were built more than 30 years ago by either the Bureau of Reclamation, the Soil Conservation Service or the state for a variety of purposes such as flood control, irrigation or municipal purposes or for wildlife enhancement. As these dams have aged, safety concerns have increased. We now find ourselves facing tremendous and expensive safety issues.

Earlier this year, I requested additional funding for research related to monitoring and manipulating subsurface flows which affect Bureau dams. It is my hope that this research could be utilized to help address dam safety across the West. Unfortunately, given the committee allocation, it was not possible to provide increased funding this year.

I know that the Bureau is seeking to conduct more extensive research to determine the possibility of manipulating subsurface flows and the effects on dam safety. Utah State University's Water Research Lab has been identified as a leader in this effort. I also requested funding to be directed toward the Dam Breach Modeling program which would research additional modeling of dam failure scenarios. This research would include water tracking technologies to monitor internal movement of water through dams, and allow the Bureau to explore applying this technology to specific Western dams.

The technology would provide the Dam Safety program with additional tools to gather information on internal conditions and analyze dam integrity and make predictions on possible impacts from floods, earthquakes and similar events. It is anticipated that after a testing period, assistance could be made available to federal and state dam safety officials in assessment programs.

Utah, New Mexico, Idaho and almost all western states have potentially serious dam safety problems. New technologies could provide information to identify high risk areas and define the critical flows and leaks that threaten a structure.

As a member of the subcommittee, I certainly understand the pressures on the chairman because of the budget limitations and personally know that he has done everything he can to meet the enormous and competing demands. I hope that should additional funds become available down the road, the Committee would consider these requests at some funding level.

Mr. DOMENICI. I concur with the Senator on the importance of developing and testing dam safety technologies. However, since funding levels for the Bureau are $95 million below the budget request, there are numerous projects of merit which must go unfunded this year. I wish this were not the case, but I would be happy to work with the Senator should additional resources become available and conference conditions allow the Committee to consider this matter.

MAINTENANCE DREDGING PROJECTS

Mr. GREGG. Mr. President, I rise to clarify points regarding the Army Corps of Engineers maintenance dredging projects in the State of New Hampshire.

Maintenance dredging of Little Harbor, in Portsmouth, remains a top priority for the State of New Hampshire and is important to regional and recreational commercial boating users who continue to operate with navigational safety hazards. Environmental mitigation matters associated with the federal project have been addressed by an interagency task force. Proposed dredging, dredged material disposal, and mitigation arrangements are currently being addressed by the Army Corps of Engineers in an Environmental Assessment.

Piscataqua River shoaling remains a top priority for the State of New Hampshire. Shoaling has occurred in the major shipping lane at Portsmouth Harbor. Last year 6 million tons of cargo, mostly petroleum products, passed through the Piscataqua River. It is imperative for navigational and environmental safety that the shipping lane be cleared at the earliest possible opportunity. The Army Corps of Engineers is currently developing an Environmental Impact Study.

Sagamore Creek is also a priority for the State of New Hampshire. Maintenance dredging of Sagamore Creek is important to the New Hampshire Commercial Fishing Industry as it functions as a transit channel and is the back channel to Little Harbor. Appropriated funds would allow the Army Corps of Engineers to conduct required hydrographic and material testing to

initiative project. Sagamore Creek is being abandoned by the New Hampshire Commercial Fishing Fleet due to lack of clearance and navigational safety concerns.

I respectfully ask the distinguished chairman to consider the importance of these projects as this bill develops and to help the Corps in addressing these pressing priorities which are so important in my state.

Mr. DOMENICI. I appreciate the Senator from New Hampshire bringing these important projects to my attention. I understand, from recent communications with the Army Corps of Engineers, that work may being on these projects as soon as possible, consistent with necessary approvals and funding. I look forward to working together to identify ways in conference by which we might be able to advance these projects.

BROOKHAVEN NATIONAL LABORATORY

Mr. SCHUMER. Mr. President, with the threat of a permanent shutdown of the High Flux Beam Reactor at Brookhaven National Laboratory, the employees who operate the reactor have asked to be reinstated under The Department of Energy Worker and Community Transition Program. This office provides funding for separation benefits, outplacement assistance, and training. Brookhaven and Argonne National Labs in Idaho were removed from the program in 1997, making their employees ineligible for those benefits.

I thank Senator REID for committing to pursue adding this provision during the conference committee negotiations on Energy and Water Appropriations for Fiscal Year 2000. This program is crucial to ensure future employment of the workforce at Brookhaven National Laboratory.

Mr. REID. I am pleased to help the Senator from New York.

Mr. SCHUMER. I thank the Chair.

GEORGIA ENERGY AND WATER PROJECTS

Mr. COVERDELL. Mr. President, as the chairman knows, several projects from the great state of Georgia found funding in the Committee's appropriations report now before us. I applaud the attention and support provided by the Subcommittee to fund these important activities. In particular, I speak of the funding for Brunswick and Savannah Harbor maintenance and the Army Corps of Engineers' investigations of Brunswick Harbor and the Savannah Harbor Expansion. The Brunswick and Savannah Harbor expansion projects found earlier authorization in the Water Resources Development Act of 1999 (WRDA) which recently passed the Senate.

Mr. DOMENICI. The subcommittee understands the importance of harbor maintenance and deepening to Savannah and Brunswick. I also appreciate the work of the Senator from Georgia.

Mr. COVERDELL. In addition, the subcommittee's continued funding of other worthy projects in Georgia, the New Savannah Bluff Lock and Dam, is appreciated. I look forward to working with you and the Subcommittee on other Georgia priorities.

Mr. DOMENICI. The subcommittee agrees that these projects after undergoing the intense scrutiny of the Congressional process for a number of years continue to prove their worth. I look forward to continuing to work on behalf of these and other priorities for Georgia.

Mr. COVERDELL. I thank the Senator for the opportunity to engage in this colloquy and for your support of these very worthwhile projects.

Mr. DOMENICI. Mr. President, I submit for the RECORD the official Budget Committee scoring of the pending bill—S. 1168, the Energy and Water Development Appropriations bill for FY 2000.

The scoring of the bill reflects an amendment I offered at the beginning of this debate to correct an inadvertent error in the bill as reported to the Senate. With this correction of a clerical error, the bill provides $21.3 billion in new budget authority (BA) and $13.3 billion in new outlays to support the programs of the Department of Energy, the U.S. Army Corps of Engineers, and the Bureau of Reclamation, and related federal agencies. The bill provides the bulk of funding for the Department of Energy, including Atomic Energy Defense Activities and civilian energy research and development (R&D) other than fossil energy R&D and energy conservation programs.

When outlays from prior-year budget authority and other completed actions are taken into account, the pending bill totals $21.3 billion in BA and $20.9 billion in outlays for FY 2000. The bill is $2 million in BA below the Subcommittee's 302(b) allocation, and at the 302(b) allocation for outlays.

The Senate bill is $0.1 billion in BA and $0.5 billion in outlays above the 1999 level. The bill is $0.3 billion in both BA and outlays below the President's budget request for FY 2000.

Mr. President, I ask unanimous consent that a table displaying the Budget Committee scoring of the FY 2000 Energy and Water Development Appropriations bill be printed in the RECORD.

I urge the adoption of the bill.

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

S. 1168, ENERGY AND WATER APPROPRIATIONS, 2000, SPENDING COMPARISON—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

	General purposes	Crime	Mandatory	Total
SENATE-REPORTED BILL: [1]				
Budget authority	21,278	.....	.....	21,278
Outlays	20,868	.....	.....	20,868
Senate 302(b) allocation:				
Budget authority	21,280	.....	.....	21,280
Outlays	20,868	.....	.....	20,868
1999 Level:				
Budget authority	21,177	.....	.....	21,177
Outlays	20,366	.....	.....	20,366
President's request:				
Budget authority	21,557	.....	.....	21,557
Outlays	21,172	.....	.....	21,172
House-passed bill:				
Budget authority	.....	.....	.....	.....
Outlays	.....	.....	.....	.....
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	(2)	.....	.....	(2)
Outlays	.....	.....	.....	.....
1999 Level:				
Budget authority	101	.....	.....	101
Outlays	502	.....	.....	502
President's request:				
Budget authority	(279)	.....	.....	(279)
Outlays	(304)	.....	.....	(304)
House-passed bill:				
Budget authority	21,278	.....	.....	21,278
Outlays	20,868	.....	.....	20,868

[1] Reflects floor amendment on SEPA reducing BA by $11 million and outlays by $9 million.

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Mr. DOMENICI. Mr. President, I rise to discuss an amendment specifically focused on encouraging small business partnership interactions with the Department of Energy's national laboratories and other facilities associated with Defense Activities.

Congress has frequently encouraged the national laboratories and facilities of the Department of Energy to craft partnerships that are supportive of their mission interests. Congress has emphasized that all program funding at these institutions can be used for mission-supportive partnerships.

Through industrial interactions, the best practices from industry, from improved technologies to improved operations, can be infused into Department missions. These interactions also provide opportunities for U.S. industry to benefit from technologies developed in support of the Department's mission areas, with a corresponding impact on the competitive position of our nation.

In past years, Congress has identified large amounts of funding, over $200 million per year, to encourage formation of these partnerships. There is less need for these funds for industrial interactions today, since the labs and facilities should have learned how to optimally use these partnerships. However, the reduction in funding for industrial interactions does not imply that Congress is less supportive of them, it only indicates the expectations that the Department's programs should be able to continue to use these partnerships without line item funding.

One specific class of industrial interactions, however, requires continued attention and specific funding from Congress. This involves interactions with small businesses. Small businesses are a primary engine of U.S. economy. They frequently represent the greatest degree of innovation in their approaches. Their focus on innovation makes them a particularly important partner for the labs and facilities, yet their small size and less developed business operations make interactions with the large Departmental facilities difficult.

In addition, each of the labs and facilities needs a supportive small business community surrounding them, one

that can provide needed technical services as well as provide an economic climate that assists in recruitment and retention of the specialized personnel required at these facilities.

For these reasons, we need a focused small business initiative to encourage interactions with this vital community. These partnership interactions can take many forms, from very formal cooperative research and development agreements to less formal technology assistance. They should be justified either on a mission relevance or regional economic development basis.

Four these reasons, Mr. President, this amendment creates a Small Business Initiative within Defense Activities for $10 million. With this Initiative, this vital class of interactions will be encouraged.

Mr. President, I also wish to speak about an amendment to add $10 million for a specific area of civilian research and development. This area involves assessment of accelerator transmutation of waste technology that may be able to significantly reduce the radioactivity and radio-toxicity of certain isotopes found in spent nuclear fuel.

Accelerator transmutation of waste or ATW may enable the nation to consider alternative strategies for spent nuclear fuel at some future point in time. Our present plan involves no options, it involves only the disposition of spent fuel in a permanent underground geologic repository. Yet that spent fuel still has most of its energy potential.

Depending on future generation's needs for energy, the availability of cost effective technologies for generation of electricity, and whatever limitations on power plant emissions may be in place, the nation may want to reexamine the advisability of continuing the current path for spent fuel. Transmutation technologies could enable energy recovery, along with significant reduction in the toxicity of the resulting final waste. However, while transmutation is technically feasible, much research and development will be required to determine its economic implications.

There is intense international interest in transmutation—from France, Japan, and Russia as examples. This is an excellent subject for international collaboration, and may lead to additional cooperation in the entire area of spent fuel management. The U.S. needs to have a sufficiently strong program to participate in such an international program, and ideally to exert a degree of leadership on the directions of international spent fuel programs.

For these reasons, Mr. President, this amendment adds $10 million to the civilian research and development funding line within the nuclear energy programs.

Mr. MCCAIN. Mr. President, the bill we are considering today, the energy and water appropriations bill, is fundamental to our nation's energy and defense related activities, and takes care of vitally important water resources infrastructure needs. Unfortunately, this bill diverts from its intended purpose by including a multitude of additional, unrequested earmarks to the tune of $531 million.

This amount is substantially less than the earmarks included in the FY'99 appropriations bill and I commend my colleagues on the Appropriations Committee for their hard work in putting this bill together. In fact, this year's recommendation is about 60 percent lower than the earmarks included in last year's appropriation bill. My optimism was raised upon reading the committee report which states that the Committee is ''reducing the number of projects with lower priority benefits.'' Unfortunately, while the Committee attempts to be more fiscally responsible, there is a continuing focus on parochial, special interest concerns.

Funding is provided in this bill for projects where it is very difficult to ascertain their overall importance to the security and infrastructure of our nation.

Let me highlight a few examples:

$3,000,000 is provided for an ethanol pilot plant at Southern Illinois University;

$300,000 is provided to the Vermont Agriculture Methane project;

$400,000 is included for aquatic weed control at Lake Champlain in Vermont, and,

$100,000 in additional funding for mosquito control activities in North Dakota.

How are these activities connected to the vital energy and water resource needs of our nation? Why are these projects higher in priority than other flood control, water conservation or renewable energy projects? These are the type of funding improprieties that make a mockery of our budget process.

Various projects are provided with additional funding at levels higher than requested by the Administration. The stated reasons include the desire to finish some projects in a reasonable timeframe. Unfortunately, other projects are put on hold or on a slower track. The inconsistency between the Administration's request, which is responsible for carrying out these projects, and the views of the Appropriators on just how much funding should be dedicated to a project, is troubling. As a result, various other projects that may be equally deserving or higher in priority do not receive an appropriate amount of funding, or none at all. Many of my objections are based on these types of inconsistencies and nebulous spending practices.

Another $92 million above the budget request is earmarked in additional funding for regional power authorities. I fail to understand why we continue to spend millions of federal dollars at a time when power authorities are increasingly operating independent of federal assistance. Even the Bonneville Power Administration, one of these power entities, is self-financed and operates without substantial federal assistance.

We must stop this practice of wasteful spending. It is unconscionable to repeatedly ask the taxpayers to foot the bill for these biased actions. We must work harder to focus our limited resources on those areas of greatest need nationwide, not political clout.

I remind my colleagues that I object to these earmarks on the basis of their circumvention of our established process, which is to properly consider, authorize and fund projects based on merit and need. Indeed, I commend my colleagues for not including any projects which are unauthorized. However, there are still too many cases of erroneous earmarks for projects that we have no way of knowing whether, at best, all or part of this $531 million should have been spent on different projects with greater need or, at worst, should not have been spent at all.

I will support passage of this bill, but let me state for the RECORD that this is not the honorable way to carry out our fiscal responsibilities.

Mr. President, I ask unanimous consent that this list of objectionable provisions in S. 1186 and its accompanying Senate report be printed in the RECORD.

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

OBJECTIONABLE PROVISIONS IN S. 1186 FISCAL YEAR 2000 ENERGY AND WATER APPROPRIATIONS BILL

BILL LANGUAGE

Department of Defense, Army Corps of Engineers

General investigations

Earmark of $226,000 for the Great Egg Harbor Inlet to Townsend's Inlet, New Jersey

General construction

Earmark of $2,200,000 to Norco Bluffs, California

Earmark of $3,000,000 to Indianapolis Central Waterfront, Indiana

Earmark of $1,000,000 to Ohio River Flood Protection, Indiana

Earmark of $800,000 to Jackson County, Mississippi

Earmark of $17,000,000 to Virginia Beach, Virginia (Hurricane Protection)

An additional $4,400,000 to Upper Mingo County (including Mingo County tributaries),

Lower Mingo County (Kermit), Wayne County, and McDowell County, elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River project in West Virginia

Earmark of $2,000,000 to be used by the Secretary of the Army, acting through the Chief of Engineers, is directed to construct bluff stabilization measures at authorized locations for Natchez Bluff, Mississippi

Earmark of $200,000 to be used by the Secretary of the Army, acting through the Chief of Engineers, to initiate a Detailed Project Report for the Dickenson County, Virginia elements of the Levisa and Tug Forks of the Big Sandy River and Upper Cumberland River West Virginia, Virginia and Kentucky, project

An additional $35,630,000 above the budget request to flood control, Mississippi River and Tributaries, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee

POWER MARKETING ADMINISTRATIONS

$39,594,000 restored to the Southeastern Power Administration above the budget request.

An additional $60,000 above budget request for operation and maintenance at Southwestern Power Administration.

INDEPENDENT AGENCIES

An additional $5,000,000 above the budget request is provided for the Appalachian Regional Commission

An amount of $25,000,000 above the budget request is provided for the Denali Commission

General provisions

Language which stipulates all equipment and products purchased with funds made available in this Act should be American-made.

REPORT LANGUAGE

Department of Defense, Army Corps of Engineers

General Investigations

Earmark of $100,000 to the Barrow Coastal Storm Damage Reduction, AK.

Earmark of $100,000 to Chandalrr River Watershed, AK.

Earmark of $100,000 to Gastineau Channel, Juneau, AK.

Earmark of $100,000 to Skagway Harbor, AK.

Earmark of $150,000 to Rio De Flag, Flagstaff, AZ.

Earmark of $250,000 to North Little Rock, Dark Hollow, AR.

Earmark of $250,000 to Llagas Creek, CA.

An additional $450,000 to Tule River, CA.

An additional $450,000 to Yuba River Basin, CA.

Earmark of $250,000 to Bethany Beach, South Bethany, DE.

Earmark of $100,000 to Lake Worth Inlet, Palm Beach County, FL.

Earmark of $100,000 to Mile Point, Jacksonville, FL.

An additional $170,000 to Metro Atlanta Watershed, GA.

Earmark of $100,000 to Kawaihae Deep Draft Harbor, HI.

Earmark of $100,000 to Kootenai River at Bonners Ferry, ID.

Earmark of $100,000 to Little Wood River, ID.

Earmark of $100,000 to Mississinewa River, Marion, IN.

Earmark of $100,000 to Calcasieu River Basin, LA.

Earmark of $500,000 to Louisiana Coastal Area, LA.

Earmark of $100,000 to St. Bernard Parish, LA.

Earmark of $100,000 to Detroit River Environmental Dredging, MI.

Earmark of $400,000 to Sault Ste. Marie, MI.

An additional $400,000 to Lower Las Vegas Wash Wetlands, NV.

An additional $75,000 to Truckee Meadows, NV.

Earmark of $200,000 to North Las Cruces, NM.

Earmark of $100,000 to Lower Roanoke River, NC and VA.

Earmark of $300,000 to Corpus Christi Ship Channel, Laquinta Channel, TX.

Earmark of $200,000 to Gulf Intracoastal Waterway Modification, TX.

Earmark of $100,000 to John H. Kerr, VA and NC.

Earmark of $100,000 to Lower Rappahannock River Basin, VA.

Earmark of $500,000 to Lower Mud River, WV.

Earmark of $400,000 to Island Creek, Logan, WV.

Earmark of $100,000 to Wheeling Waterfront, WV.

Language which directs the Corps of Engineers' to work with the city of Laurel, MT to provide appropriate assistance to ensure reliability in the city's Yellowstone River water source.

Construction

An additional $1,200,000 to Cook Inlet, AK.

An additional $900,000 to St. Paul Harbor, AK.

An additional $13,000,000 to Montgomery Point Lock and Dam, AR.

An additional $8,000,000 to Los Angeles County Drainage Area, CA.

Earmark of $500,000 to Fort Pierce Beach, FL.

Earmark of $500,000 to Lake Worth Sand Transfer Plant, FL.

An additional $2,000,000 to Chicago Shoreline, IL.

An additional $10,000,000 to Olmstead Locks and Dam, Ohio River, IL and KY.

An additional $2,000,000 to Kentucky Lock and Dam, Tennessee River, KY.

An additional $2,000,000 to Inner Harbor Navigation Canal Lock, LA.

An additional $5,000,000 to Lake Pontchartrain and Vicinity, LA.

An additional $1,000,000 to West Bank Vicinity of New Orleans, LA.

An additional $2,500,000 to Poplar Island, MD.

Earmark of $250,000 to Clinton River, MI Spillway.

Earmark of $100,000 to Lake Michigan Center.

Earmark of $1,100,000 to St. Croix River, Stillwater, MN.

An additional $5,000,000 to Blue River Channel, Kansas City, MO.

An additional $1,000,000 to Missouri National Recreational River, NE and SD.

An additional $8,900,000 to Tropicana and Flamingo Washes, NV.

Earmark of $250,000 to Passaic River, Minish Waterfront Park, NJ.

Earmark of $750,000 to New York Harbor Collection and Removal of Drift, NY & NJ.

An additional $4,000,000 to West Columbus, OH.

An additional $90,000 to the Lower Columbia River Basin Bank Protection, OR and WA.

An additional $10,000,000 to Locks and Dams 2, 3 and 4, Monongahela River, PA.

An additional $1,000,000 to Cheyenne River Sioux Tribe, Lower Brule Sioux, SD.

Earmark of $1,000,000 to James River Restoration, SD.

Earmark of $1,000,000 to Black Fox, Murfree Springs, and Oakland Wetlands, TN.

Earmark of $1,000,000 to Tennessee River, Hamilton County, TN.

Earmark of $800,000 to Greenbrier River Basin, WV.

Earmark of $1,000,000 to Lafarge Lake, Kickapoo River, WI.

Earmark of $400,000 for aquatic weed control at Lake Champlain in Vermont.

An additional $960,000 for various earmarks under Section 107, Small Navigation Projects.

An additional $5,675,000 for various earmarks under Section 205, Small flood control projects.

An additional $1,760,000 for various earmarks under Section 206, Aquatic ecosystem restoration.

An additional $1,500,000 for various earmarks under Section 1135, Projects Modifications for improvement of the environment.

An additional $12,500,000 for the Mississippi River Levees, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri and Tennessee.

An additional $500,000 to St. Francis Basin, Arkansas and Missouri.

An additional $2,000,000 for the Louisiana State Penitentiary Levee, Louisiana.

An additional $500,000 for Backwater Pump, Mississippi.

An additional $585,000 for the Big Sunflower River, Mississippi.

An additional $5,000,000 for Demonstration Erosion Control, Mississippi.

An additional $2,000,000 for the St. Johns Bayou and New Madrid Floodway, Missouri.

An additional $2,764,000 for the Mississippi River Levees, Arkansas, Illinois, Kentucky, Louisiana, Mississippi, Missouri, and Tennessee.

An additional $1,500,000 for the St. Francis River Basin, Arkansas and Missouri.

An additional $2,250,000 for the Atchafalaya Basin, Louisiana.

An additional $1,000,000 for Arkabutla Lake, Missouri.

An additional $1,000,000 for End Lake, Missouri.

An additional $1,000,000 for Grenada Lake, Mississippi.

An additional $1,000,000 for Sardis Lake, Mississippi.

An additional $31,000 for Tributaries, Mississippi.

CORPS OF ENGINEERS—OPERATION AND MAINTENANCE, GENERAL

An additional $2,000,000 for Mobile Harbor, Alabama.

Earmark of $1,000,000 for Lowell Creek Tunnel (Seward), Arkansas.

An additional $1,500,000 for Mississippi River between Missouri River and Minneapolis, Illinois, Indiana, Minnesota, Missouri.

An additional $525,000 for John Redmond Dam and Reservoir, Kansas.

An additional $2,000,000 for Red River Waterway, Mississippi River to Shreveport, Louisiana.

Earmark of $250,000 for Missouri National River.

An additional $35,000 for Little River Harbor, New Hampshire.

Earmark of $20,000 for Portsmouth Harbor, Piscataqua River, New Hampshire.

An additional $1,500,000 for Delaware River, Philadelphia to the Sea, New Jersey, Pennsylvania and Delaware.

Earmark of $800,000 for Upper Rio Grande Water Operations Model.

An additional $100,000 for Garrison Dam, Lake Sakakawea, North Dakota.

An additional $500,000 for Oologah Lake, Oklahoma.

An additional $2,300,000 for Columbia and Lower Willamette River Below Vancouver, Washington and Portland.

An additional $50,000 for Port Orford, Oregon.

Earmark $400,000 for Corpus Christi Ship Channel, Barge Lanes, Texas.

An additional $1,140,000 for Burlington Harbor Breakwater, Vermont.

An additional $3,000,000 for Grays Harbor and Chehalis River, Washington.

Language which directs the Army Corps of Engineers to address maintenance at Humboldt; Harbor, CA; additional maintenance dredging of the Intracoastal Waterway in South Carolina; from Georgetown to Little River, and from Port Royal to Little River; dredging at the entrance; channel at Murrells Inlet, SC; additional dredging for the Lower Winyah Bay and Gorge in Georgetown Harbor, SC.

Bureau of Reclamation—Water and related resources

Earmark of $5,000,000 for Headgate Rock Hydroelectric Project.

An additional $1,500,000 for Central Valley Project: Sacramento River Division.

Earmark of $250,000 for Fort Hall Indian Reservation.

Earmark of $4,000,000 for Fort Peck Rural Water System, Montana.

Earmark of $2,000,000 for Lake Mead and Las Vegas Wash.

Earmark of $1,500,000 for Newlands Water Right Fund.

Earmark of $800,000 for Truckee River Operation Agreement.

Earmark of $400,000 for Walker River Basin Project.

An additional $2,000,000 for Middle Rio Grande Project.

Earmark of $300,000 for Navajo-Gallup Water Supply Project.

Earmark of $750,000 for Santa Fe Water Reclamation and Reuse.

Earmark of $250,000 for Ute Reservoir Pipeline Project.

An additional $2,000,000 for Garrison Diversion Unit, P–SMBP.

Earmark of $400,000 for Tumalo Irrigation District, Bend Feed Canal, Oregon.

An additional $2,000,000 for Mid-Dakota Rural Water Project.

Earmark of $600,000 for Tooele Wastewater Reuse Project.

Department of Energy

Earmark of $1,000,000 is for the continuation of biomass research at the Energy and Environmental Research Center.

Earmark of $5,000,000 for the McNeil biomass plant in Burlington, Vermont.

Earmark of $300,000 for the Vermont Agriculture Methane project.

Earmark of $2,000,000 for the continued research in environmental and renewable resource technologies by the Michigan Biotechnology Institute.

Earmark of $500,000 for the University of Louisville to research the commercial viability of refinery construction for the production of P-series fuels.

No less than $3,000,000 for the ethanol pilot plant at Southern Illinois University at Edwardsville.

Earmark of $250,000 for the investigation of simultaneous production of carbon dioxide and hydrogen at the natural gas reforming facility in Nevada.

Earmark of $350,000 for the Montana Trade Port Authority in Billings, Montana.

Earmark of $250,000 for the gasification of Iowa switchgrass and its use in fuel cells.

Earmark of $1,000,000 to complete the 4 megawatt Sitka, Alaska project.

Earmark of $1,700,000 for the Power Creek hydroelectric project.

Earmark of $1,000,000 for the Kotzebue wind project.

Earmark of $300,000 for the Old Harbor hydroelectric project.

Earmark of $1,000,000 for a demonstration associated with the planned upgrade of the Nevada Test Site power substations of distributed power generation technologies.

Earmark of $3,000,000 for the University of Nevada at Reno Earthquake Engineering Facility.

An additional $35,000,000 to initiate a new strategy (which includes $5,000,000 for activities at Lawrence Livermore National Laboratory, $10,000,000 for Los Alamos National Laboratory, and $20,000,000 for work at Sandia National Laboratory).

An addition $15,0000,000 for the Nevada Test Site.

An addition $15,000,000 for future requirements at the Kansas City Plant compatible with the Advanced Development and Production Technologies [ADAPT] program and Enhanced Surveillance program.

An additional $10,000,000 for core stockpile management weapon activities to support work load requirements at the Pantex plant in Amarillo, Texas.

An additional $10,000,000 to address funding shortfalls in meeting environmental restoration Tri-Party Agreement compliance deadlines, and to accelerate interim safe storage of reactors along the Columbia River.

An additional $10,000,000 for spent fuel activities related to the Idaho Settlement Agreement with the Department of Energy.

An additional $30,000,000 for tank cleanup activities at the Hanford Site, WA.

An additional $20,000,000 to Rocky Flats site, CO.

Total amounts of earmarks: $531,124,000.

Mr. CRAIG. Mr. President, I rise to explain my amendment to S. 1186, a bill making appropriations for certain Department of Energy programs. Among these programs is the radioactive waste management program which is responsible for developing a nuclear waste repository at Yucca Mountain, in Nevada.

This repository will, if successfully completed, one day hold the spent nuclear fuel from all of this country's commercial nuclear power plants, in addition to defense high-level radioactive waste left-over from the development of nuclear weapons.

It has been 12 years since passage of the Nuclear Waste Policy Act Amendments of 1987, and I believe the Department of Energy's Yucca Mountain program is in serious trouble. In 1983, the Department of Energy signed contracts with every one of this country's nuclear power generators saying that the government would start taking their spent fuel for disposal in January of 1998.

Because of the Government's failure to meet that deadline, a number of utility companies, in conjunction with many State governments, are suing the Federal Government for failure to fulfill its contractual commitments. Many of these utilities are being forced, because of the Government's failure, to construct additional storage capacity at their sites. Many of these companies are seeking monetary damages from the Government.

Inheriting this situation from his predecessors at the Department of Energy, Secretary Richardson laid a proposal before the nuclear utilities last year. Secretary Richardson told the utilities that if they would agree to drop all future claims against the government, the Department of Energy would be willing to pay the utilities for their on site storage costs and that DOE would ''take title''—meaning DOE would take over ownership and all liability—for the spent nuclear fuel and store it at the nuclear power plants for an indefinite period of time.

It is safe to say—since this administration opposes my interim storage legislation—that we can expect spent nuclear fuel under their scenario to be stored at reactors until at least the year 2015, because that is when the repository is expected to open—at the earliest.

The amendment I offer today speaks to the heart of this issue. To be blunt, I think it is irresponsible to create some 80 new federal interim storage sites for spent fuel scattered around this country. And I think the Administration compounds their neglect of this crisis by depleting the funds collected for development of the permanent solution—the Nuclear Waste Fund, created by law in 1982—by dispersing these funds back out to the same utilities who paid them in the first place, only now they are being used as a ''band-aid'' to pay to store fuel at reactors.

Very simply put, my amendment prohibits the Department of Energy from using funds appropriated from the Nuclear Waste Fund for the purpose of settling lawsuits or paying judgments arising out of the failure of the federal government to accept spent nuclear fuel from commercial utilities.

Money in the Nuclear Waste Fund has been collected to pay for a permanent solution to our nuclear waste problem. Mr. President, I don't think we should be squandering these funds on band-aid schemes. My amendment prohibits this from happening.

Mr. DOMENICI. Will my colleague from Idaho yield for a question?

Mr. CRAIG. I yield to my colleague.

Mr. DOMENICI. Mr. President, I share the concerns of the Senator from Idaho. However, it is not clear to me that the Department of Energy currently has the authority to use appropriated funds from the Nuclear Waste Fund for the purpose—on site storage at nuclear power plants—that is of concern to the Senator from Idaho. As I interpret current law, there exists no statutory provision allowing the Department of Energy to fund on-site storage. If that were the case, would my colleague from Idaho still feel the need to offer his amendment?

Mr. CRAIG. Mr. President, with my colleague's comment regarding the lack of current Department of Energy authority to use the Nuclear Waste Fund in the way I am concerned, I will reconsider offering my amendment at this time. I thank the Chair and my colleague from New Mexico.

Mr. FEINGOLD. Mr. President, I wanted to make a few remarks with regard to the FY 2000 Energy and Water Appropriations legislation. First, let me state that I am pleased that this bill takes strides to significantly reduce, in the name of fiscal soundness, appropriations for two programs about which I have been concerned for quite some time—the non-power programs of the Tennessee Valley Authority (TVA) and the Animas La-Plata project by the Bureau of Reclamation. I intend to support this appropriations bill this year.

For the past few Congresses, I have argued that the non-power programs of the TVA should be seriously scrutinized and reduced appropriately. I have introduced legislation which would put TVA on a glidepath toward eliminating federal funding for the non-power programs. The former Senator from Alabama (Mr. HEFLIN) and I personally met with TVA to discuss this legislation and the appropriate length of time for a federal fund phase-out. In the last two appropriations cycles, I have written to the appropriations committee

asking them to reduce TVA non-power appropriations, and in the FY99 appropriations bill the funds for TVA were reduced significantly to a third of the more than $150 million that TVA received when I began raising this issue in the 104th Congress. My voice in the Senate on this issue is echoed by a number of members of the House Appropriations Committee who zeroed out funds for TVA non-power programs in the House-version of the FY99 Energy and Water Appropriations legislation.

I am pleased that this resounding call for scrutiny of these programs is leading to real results. In FY99 the TVA received $50 million dollars, with $7 million of that total specifically for the Land Between the Lakes (LBL) Recreation Area. This appropriations legislation virtually eliminates appropriations for TVA non-power programs, retaining only $7 million in flat funding for LBL. The TVA non-power activities for which we have previously provided funds include providing recreational programs, making economic development grants to communities, and promoting public use of TVA land and water resources. I understand the Committee's concerns that the management of the LBL is a federal responsibility. I believe that the Committee has acted appropriately in this matter. In fulfilling this function, which is federal, the Committee has provided resources specifically for LBL but not for the other non-power programs. In the future, Congress needs to evaluate whether other federal land management agencies, such as the Interior Department, might be able to manage this area, but this is the right step at this time.

I believe it is appropriate for the Senate to significantly reduce funds for TVA's appropriated programs because there are lingering concerns, brought to light in a 1993 Congressional Budget Office (CBO) report, that non-power program funds subsidize activities that should be paid for by non-federal interests. In its 1993 report, CBO focused on two programs: the TVA Stewardship Program and the Environmental Research Center, which no longer receives federal funds. Stewardship activities historically received the largest share of TVA's appropriated funds. The funds are used for dam repair and maintenance activities. According to 1995 testimony provided by TVA before the House Subcommittee on Energy and Water Appropriations, when TVA repairs a dam it pays 70%, on average, of repair costs with appropriated dollars and covers the remaining 30% with funds collected from electricity ratepayers. This practice of charging a portion of dam repair costs to the taxpayer, CBO highlighted, amounts to a significant subsidy. If TVA were a private utility, and it made modifications to a dam or performed routine dredging, the ratepayers would pay for all of the costs associated with that activity. I think that removing appropriations for this program largely ends concerns about taxpayer subsidization of the dam repair and maintenance program.

I am also pleased that this legislation contains a $1 million reduction from the Budget Request for the Animas La-Plata project. In this bill, the project receives a total of $2 million for FY 2000. As my colleagues know, I have long been active in raising Senate awareness about the financial costs of moving forward with development and construction of the full-scale version of the Animas-La Plata project. I do not want the federal government to proceed with construction of the full-scale project while the Department of the Interior continues its discussion about alternatives to that project.

As my colleagues will recall from the debate on an amendment I offered to the FY 98 Energy and Water Appropriations legislation on this matter, the currently authorized Animas-La Plata project is a $754 million dollar water development project planned for southwest Colorado and northwest New Mexico, with federal taxpayers slated to pay more than 65% of the costs. I am glad that we are not proceeding on this project full steam ahead, and I am pleased to see that the Appropriators recognize that on-going alternatives discussions can proceed without a large infusion of new resources.

Despite these gains in reducing funds for some questionable programs, the bill contains some shifts in program funding about which I am concerned. Particularly troubling is the reduction in the President's proposed increase in the renewable energy budget. The bill provides $261 million more for the DOE defense activities than requested by the Administration, but reduces the request for solar and renewable energy programs by $92.1 million. I believe that it is important for the federal government to make appropriate investment in solar and renewable technology, particularly in light of our efforts to restructure the electricity system and meet our overall energy efficiency goals. I would hope that we could find a way to shift resources within this legislation to make it possible to fulfill the Administration's request.

Overall, Mr. President, I am pleased that this bill can meet our requirements under the budget caps by reducing unnecessary spending. I yield the floor.

Mr. REID. Mr. President, as in recent years, the energy and water Appropriation bill has been faced with dilemmas about funding the diverse activities within its jurisdiction. For example, last year, the budget request for the Corps of Engineers was significantly decreased and in this subcommittee we had the challenge of keeping the Corps of Engineers viable and focused. Clearly this year's appropriation bill was just as dramatic—since for the first time in over twenty years the Corps of Engineers funding is reduced below the enacted bill's level. Despite the problems, there are many positives to this particular appropriation which the Chairman and I pointed out in opening statements.

Additionally, we have worked hard to find ways to accommodate our colleagues with their amendments. I believe that the responsibility of a Senator is not simply to listen to the bureaucrats who plan ways to spend the appropriations, but to request those amendments the Senator sees as necessary for his or her constituents. While Members may not be satisfied with every aspect or the resolution of every request, the chairman and I have made a conscientious effort to work with those amendments.

I recommend this bill to my colleagues for the vital functions across the nation that are funded through these appropriations. I recognize the difficult work done by the subcommittee staff and their efforts in preparing this bill and responding to the members of the Senate. So I commend the diligence of Alex Flint, David Gwaltney, Gregory Daines, Lashawnda Leftwich, Elizabeth Blevins, Sue Fry, a detail from the Corps of Engineers, and Bob Perret, a congressional fellow, in my office.

Mr. DOMENICI. Mr. President, we are ready to go to final passage. We need 2 minutes, and then we will call for third reading. Senator HUTCHISON wanted 2 minutes. I ask that she be granted 2 minutes, and then we will proceed.

The PRESIDING OFFICER (Mr. SESSIONS). The Senator from Texas.

Mrs. HUTCHISON. Mr. President, I thank the Senator from New Mexico for allowing me 2 minutes. I was introducing a judicial candidate and was not able to come earlier.

I thank the Senator from New Mexico, the chairman of the committee, for the great help he has given to many of us who particularly have strong water needs in our States.

I particularly want to mention the Port of Houston. The Port of Houston is the second largest port in the Nation, and it is the largest in foreign tonnage. It is the largest container port. We have the largest petrochemical complex in the entire world.

It is very important that our port be competitive. This bill will fully fund the dredging of that port, which is the last port in America that has not gone under 40 feet. This will take us to 45.

It is a very important bill.

I think both Senator DOMENICI and Senator LEAHY have done a great job on this bill, but particularly I appreciate the support for this great Port of Houston and the efforts that were made to continue this dredging project that will help us in trade and help us remain competitive in the world market.

I yield the floor.

Mr. DOMENICI. Mr. President, I ask for the third reading.

The PRESIDING OFFICER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

Mr. DOMENICI. I ask for the yeas and nays on final passage.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The bill having been read the third time, the question is, Shall the bill pass? On this question, the yeas and nays have been ordered, and the clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator form Iowa (Mr. HARKIN) is necessarily absent.

I further announce that, if present and voting, the Senator from Iowa (Mr. HARKIN) would vote ''aye.''

The result was announced—yeas 97, nays 2, as follows:

[Rollcall Vote No. 172 Leg.]

YEAS—97

Abraham	Enzi	Mack
Akaka	Feingold	McCain
Allard	Feinstein	McConnell
Ashcroft	Fitzgerald	Mikulski
Baucus	Frist	Moynihan
Bayh	Gorton	Murkowski
Bennett	Graham	Murray
Biden	Gramm	Nickles
Bingaman	Grams	Reed
Bond	Grassley	Reid
Boxer	Gregg	Robb
Breaux	Hagel	Roberts
Brownback	Hatch	Rockefeller
Bryan	Helms	Roth
Bunning	Hollings	Santorum
Burns	Hutchinson	Sarbanes
Byrd	Hutchison	Schumer
Campbell	Inhofe	Sessions
Chafee	Inouye	Shelby
Cleland	Johnson	Smith (NH)
Cochran	Kennedy	Smith (OR)
Collins	Kerrey	Snowe
Conrad	Kerry	Specter
Coverdell	Kohl	Stevens
Craig	Kyl	Thomas
Crapo	Landrieu	Thompson
Daschle	Lautenberg	Thurmond
DeWine	Leahy	Torricelli
Dodd	Levin	Voinovich
Domenici	Lieberman	Warner
Dorgan	Lincoln	Wyden
Durbin	Lott	
Edwards	Lugar	

NAYS—2

Jeffords	Wellstone

NOT VOTING—1

Harkin

(The bill will be printed in a future edition of the RECORD.)

Mr. BENNETT. Mr. President, I move to reconsider the vote by which the bill was passed, and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

APPOINTMENT OF CONFEREES—S. 1059

The PRESIDING OFFICER. The Senate, having received S. 1059, disagrees with the House amendment, requests a conference with the House, and the Chair appoints the following conferees.

The Presiding Officer (Mr. SESSIONS) appointed Mr. WARNER, Mr. THURMOND, Mr. MCCAIN, Mr. SMITH of New Hampshire, Mr. INHOFE, Mr. SANTORUM, Ms. SNOWE, Mr. ROBERTS, Mr. ALLARD, Mr. HUTCHINSON, Mr. SESSIONS, Mr. LEVIN, Mr. KENNEDY, Mr. BINGAMAN, Mr. BYRD, Mr. ROBB, Mr. LIEBERMAN, Mr. CLELAND, Ms. LANDRIEU, and Mr. REED conferees on the part of the Senate.

The PRESIDING OFFICER. The Senator from Utah.

UNANIMOUS CONSENT AGREEMENT—S. 1206

Mr. BENNETT. Mr. President, I ask unanimous consent that when the Senate considers S. 1206, the legislative branch appropriations bill, immediately following the reporting of the bill by the clerk, I be recognized to offer a managers' amendment, and the time on the amendment and the bill be limited to 20 minutes equally divided, with no amendments in order to the managers' amendment.

I further ask unanimous consent that following the adoption of the managers' amendment, the bill be immediately advanced to third reading, and the Senate proceed to the House companion bill.

I further ask unanimous consent that H.R. 1905 be amended as follows: On page 2, after line 1, insert the text of S. 1206, as amended, beginning on page 2, line 2, over to and including line 7 on page 10; beginning on page 11, line 13, over to and including line 18 on page 18 be struck and the text of S. 1206, as amended, beginning on page 10, line 8, over to and including line 22 on page 16 be inserted in lieu thereof; and beginning on page 18, line 23, over to and including line 6 on page 40 be struck and the text of S. 1206, as amended, beginning on line 23, page 16 over to and including line 23 on page 38 be inserted in lieu thereof.

I further ask unanimous consent that upon passage of the House bill, S. 1206, be indefinitely postponed.

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

LEGISLATIVE BRANCH APPROPRIATIONS ACT, 2000

Mr. BENNETT. Mr. President, I now call up S. 1206.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 1206) making appropriations for the legislative branch for the fiscal year ending September 30, 2000, and for other purposes.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I understand that the senior Senator from California, Mrs. FEINSTEIN, is on her way to the floor. I will wait until she is here to express to the entire Senate my appreciation for her assistance as the ranking member of the Legislative Branch Subcommittee of Appropriations.

I have been delighted to have the opportunity to work with her on this legislation and I will make that clear when she arrives. I understand she is in another committee meeting, and in the pattern of the Senate, finds herself torn between two equally important responsibilities. That is a situation with which we are all familiar.

I will, for the information of Senators, point out that the legislative branch bill provides $1.68 billion in budget authority, exclusive of House items, for fiscal year 2000. This is $114 million or 6.4 percent less than the fiscal 1999 level. It represents $105 million or a 5.9-percent decrease from the President's budget request. So in this time of difficulty, we are coming in below last year's spending and below where the President recommended.

There are increases in the bill, of course. There always will be in an appropriations bill. You cut some places, and you increase others. The majority of the increases in the bill account for cost-of-living adjustments only, and they are estimated at 4.4 percent across the board.

The Senate portion of the bill increases funding for the Senate by only 3 percent above the fiscal 1999 level, which is less than the 4.4-percent COLA adjustment. So while the Senate portion of the bill is going up, it is going up less than the mandatory COLA that is required by law.

The bill funds 79 percent of the budget request of the Architect of the Capitol. Of the funds provided, 73 percent will fund operations, with the other 27 percent to fund Capitol projects.

I have always been one who has insisted on funding Capitol projects. As a businessman, I know that sometimes the most expensive savings you can achieve are savings that you take in the name of maintenance deferral. As things begin to deteriorate around the Capitol, it is tempting to say we can put it off for another year and look good in the short term. All you do when you do that is raise your costs in the long term. So throughout my tenure on the Legislative Branch Subcommittee and particularly my tenure as the chairman of that subcommittee, I have always been a champion of funding the Capitol projects and funding the maintenance projects to their fullest level, believing that in the long run that saves money.

Why then am I standing here today and saying that we are not going to do that in this bill, and we are not giving the Architect of the Capitol the funds that were requested? Well, there are several reasons for that. I think it is worth an explanation.

The subcommittee did not fund the Architect's request for $28 million for Capitol dome renovations. I have been in the Capitol dome with the Architect of the Capitol, and I have seen firsthand how desperately in need of renovation it is. However, the full scope of the project will be determined during the paint removal process which is currently underway. The paint removal process is not expected to be completed

until next summer. Therefore, I think it prudent for us to delete the funds from this bill until we have the completion of that process and have the information available to us that will come as a result. That is why we do not recommend proceeding until the full scope of the project has been determined. That is where a large part of the savings that we referred to have come from.

I see the Senator from California has arrived. I wish to make public acknowledgment of the great contribution she has made to the Legislative Branch Subcommittee. This is her first assignment on the subcommittee as its ranking member, and I have found her not only delightful and cooperative to deal with but, perhaps even more appreciated, fully engaged. It is one thing to have a colleague who is nice to deal with but who never shows up and never pays any attention to any of the issues. The Senator from California not only shows up but comes with her homework having been done, a full agenda of her own, and complete understanding of the issues. I appreciate very much the opportunity I have had of working with her and welcome her to the subcommittee and to this particular bill.

The PRESIDING OFFICER. The Senator from California.

Mrs. FEINSTEIN. Mr. President, I thank the chairman of the subcommittee, Senator BENNETT, and commend him for the fair and responsible bill that has been put together. This is my first year as the ranking member of the Legislative Branch Subcommittee, and I have found Senator BENNETT to be very open and willing to discuss issues. His leadership on our subcommittee is carried out in the best bipartisan spirit.

Mr. BENNETT. Mr. President, I thank the Senator and appreciate her comments.

Mrs. FEINSTEIN. Mr. President, as the distinguished subcommittee chairman, Senator BENNETT, just outlined for the Senate, the fiscal year 2000 legislative branch appropriation bill was reported out of the full Appropriations Committee on Thursday, June 10, 1999, by a vote of 28–0. As reported by the committee, the bill, which totals $1,679,010,000 in budget authority, exclusive of House items, is $113,962,000, or 6.4 percent, below last year's enacted level and $104,529,000, or 5.9 percent, below the President's request. For Senate items only, the subcommittee recommends a total of $489,406,000—a reduction of $28,187,000, or 5.4 percent, from the President's request.

For the Capitol Police, the subcommittee recommends a total of $88.7 million for salaries and general expenses. This is an increase of $5.8 million, or 6.8 percent, over last year's enacted level. I commend the agency for soliciting a management review which was conducted by an outside consulting firm. Since that time, the Capitol Police has been very aggressive in addressing the management deficiencies outlined in that report. First, they provided the subcommittee with a departmental response which addressed the findings of the review, and they are currently in the process of developing a strategic planning process which will provide for a systematic approach to organizational enhancements and professional growth for the future. In this regard, this bill contains the funding required for improvements to information technology and transfers this responsibilities from the Senate Sergeant at Arms to the Capitol Police. This action was recommended in the management review report. The bill also provides for cost-of-living and comparability increases for the men and women of the United States Capitol Police.

For the General Accounting Office, the subcommittee recommends a funding level of $382.3 million, which is $4.8 million below the budget request, but is almost $10 million above what the House is proposing. The level proposed by the subcommittee will permit the GAO to maintain the current level of 3,275 FTEs, which is what the Comptroller requested for Fiscal Year 2000 and it will also provide adequate funds for them to meet their mandatory requirements.

Mr. President, I also want to take a minute, as I did during our full committee markup, to talk about the Senate Employees Child Care Center. As Members may be aware, the groundbreaking for the child care center began in the fall of 1996, and the center was to be completed in the fall of 1997. Here we are in June of 1999, and the center remains incomplete. I have encouraged the Architect of the Capital to raise the priority of this project and bring this problem-plagued project to completion by the current targeted date of September 1, 1999. This new center will expand the quality of child care services available to the staff who help us.

Again, Mr. President, I want to personally thank the chairman of the subcommittee, Senator BENNETT, for the courtesies he has extended to me. He is, indeed, a most thoughtful and gracious chairman—a real gentleman—who has made my first year on the subcommittee a most pleasant one.

If I may, Mr. President, I extend my very sincere thanks to Mary Dewald and Christine Ciccone of the staff for their excellent work on this bill. It has been very special, and we are blessed with wonderful staff.

The PRESIDING OFFICER. The Senator from Utah.

Mr. BENNETT. Mr. President, I thank the Senator from California and particularly thank her for remembering the staff. We stand here before the television cameras, but we take credit for the work they do. I appreciate her doing that.

AMENDMENTS NOS. 683 AND 684, EN BLOC

Mr. BENNETT. Mr. President, I now send to the desk a managers' amendment and ask for its immediate consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Utah [Mr. BENNETT] proposes amendments en bloc numbered 683 and 684.

Mr. BENNETT. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 683

(Purpose: To amend chapter 89 of title 5, United States Code, to modify service requirements relating to creditable service with congressional campaign committees)

On page 38, insert between lines 21 and 22 the following:

SEC. 313. CREDITABLE SERVICE WITH CONGRESSIONAL CAMPAIGN COMMITTEES.

Section 8332(m)(1)(A) of title 5, United States Code, is amended to read as follows:

''(A) such employee has at least 4 years and 6 months of service on such committees as of December 12, 1980; and''.

AMENDMENT NO. 684

(Purpose: To further restrict legislative postemployment lobbying by Members and senior staffers)

At the appropriate place in the bill, insert the following:

SEC. ____. Section 207(e) of title 18, United States Code, is amended—

(1) by striking paragraphs (1), (2), (3), and (4) and inserting the following:

''(1) MEMBERS OF CONGRESS AND ELECTED OFFICERS.—Any person who is a Member of Congress or an elected officer of either House of Congress and who, within 2 years after that person leaves office, knowingly makes, with the intent to influence, any communication to or appearance before any Member, officer, or employee of either House of Congress, or any employee of any other legislative office of Congress, on behalf of any other person (except the United States) in connection with any matter on which such former Member of Congress or elected officer seeks action by a Member, officer, or employee of either House of Congress, in his or her official capacity, shall be punished as provided in section 216 of this title.

''(2) CONGRESSIONAL EMPLOYEES.—(A) Any person who is an employee of the Senate or an employee of the House of Representatives who, within 2 years after termination of such employment, knowingly makes, with the intent to influence, any communication to or appearance before any person described under subparagraph (B), on behalf of any other person (except the United States) in connection with any matter on which such former employee seeks action by a Member, officer, or employee of either House of Congress, in his or her official capacity, shall be punished as provided in section 216 of this title.

''(B) The persons referred to under subparagraph (A) with respect to appearances or communications by a former employee are any Member, officer, or employee of the House of Congress in which such former employee served.'';

(2) in paragraph (6)—

(A) in subparagraph (A), by striking ''paragraphs (2), (3), and (4)'' and inserting ''paragraph (2)''; and

(B) in subparagraph (B), by striking ''paragraph (5)'' and inserting ''paragraph (3)'';

(3) in paragraph (7)(G), by striking '', (2), (3), or (4)'' and inserting ''or (2)''; and

(4) by redesignating paragraphs (5), (6), and (7) as paragraphs (3), (4), and (5), respectively.

Mr. BENNETT. Mr. President, these amendments have been cleared on both sides. I ask for their adoption.

The PRESIDING OFFICER. Without objection, the amendments are agreed to.

The amendments (No. 683 and 684) were agreed to.

Mr. BENNETT. Mr. President, having agreed to the managers' amendment, I ask unanimous consent that the bill be read for the third time and passage occur, all without any intervening action or debate, and that following passage the Senate insist on its amendments, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

The PRESIDING OFFICER. Without objection, it is so ordered. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed for a third reading and was read the third time.

The PRESIDING OFFICER. The clerk will report the House bill.

The legislative clerk read as follows:

A bill (H.R. 1905) making appropriations for the legislative branch for the fiscal year ending September 30, 2000, and for other purposes.

The PRESIDING OFFICER. The bill is amended pursuant to the unanimous consent agreement.

The question is on the engrossment of the amendment and third reading of the bill.

The amendment was ordered to be engrossed and the bill to be read the third time.

The bill was read the third time.

Mr. DOMENICI. Mr. President, I ask unanimous consent to have printed in the RECORD at the end of my remarks the Senate Budget Committee scoring of the legislative branch appropriations bill for fiscal year 2000.

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

(See exhibit 1.)

Mr. DOMENICI. Mr. President, I commend the distinguished subcommittee chairman and ranking member of the Legislative Branch Appropriations Subcommittee for bringing the Senate a bill that is within the subcommittee's 302(b) allocation. The bill provides $1.7 billion in new budget authority and $1.4 billion in new outlays for the operations of the U.S. Senate and joint agencies supporting the legislative branch. When House funding is added to the bill, and with outlays from prior years and other completed actions, the Senate bill totals $2.5 billion in budget authority and $2.6 billion in outlays for fiscal year 2000.

The bill is $23 million in BA and $20 million in outlays below the subcommittee's 302(b) allocation. I commend the managers of the bill for their diligent work, and I urge the adoption of the bill.

EXHIBIT 1

H.R. 1905, LEGISLATIVE BRANCH APPROPRIATIONS, 2000, SPENDING COMPARISONS—SENATE-REPORTED BILL

[Fiscal year 2000, in millions of dollars]

	General purpose	Crime	Mandatory	Total
Senate-reported bill:				
Budget authority	2,455	.....	94	2,549
Outlays	2,464	.....	94	2,558
Senate 302(b) allocation:				
Budget authority	2,478	.....	94	2,572
Outlays	2,484	.....	94	2,578
1999 level:				
Budget authority	2,353	.....	94	2,447
Outlays	2,328	.....	94	2,422
President's request:				
Budget authority	2,620	.....	94	2,714
Outlays	2,614	.....	94	2,708
House-passed bill:				
Budget authority	2,416	.....	94	2,510
Outlays	2,453	.....	94	2,547
SENATE-REPORTED BILL COMPARED TO:				
Senate 302(b) allocation:				
Budget authority	(23)	.....	.....	(23)
Outlays	(20	.....	.....	(20)
1999 level:				
Budget authority	102	.....	.....	102
Outlays	136	.....	.....	136
President's request:				
Budget authority	(165)	.....	.....	(165)
Outlays	(150)	.....	.....	(150)
House-passed bill:				
Budget authority	39	.....	.....	39
Outlays	11	.....	.....	11

Note: Details may not add to totals due to rounding. Totals adjusted for consistency with scorekeeping conventions.

Mr. FEINGOLD. Mr. President, ever since I arrived here in 1993, I have supported initiatives to help restore the public's confidence in government by limiting the influence of special interests over the legislative process. It's a big task, Mr. President and along the way I have offended and even angered some people around here.

I have worked to require greater disclosure of the expenses and activities of lobbyists. I pushed to put in place new gift restrictions that stopped Senators and staff from accepting free vacations and fancy dinners from lobbyists as used to be the norm around here. And finally, I have argued that we need to reform the woefully loophole-ridden campaign finance system that we currently live under. Reforming Congress is a crucial issue for me because the electorate has grown to view this institution with cynicism and disdain, and even to fundamentally distrust their own elected representatives.

Now Mr. President, a crucial part of the culture of special interest influence that pervades Washington is the revolving door between public service and private employment. But by putting a lock on this revolving door for some period of time, we can send a message that those entering government employment should view public service as an honor and a privilege—not as another wrung on the ladder to personal gain and profit.

There are countless instances of former members of Congress who once chaired or served on committees with jurisdiction over particular industries or special interests now lobbying their former colleagues on behalf of those very industries or special interests. Former committee staff directors are using their contacts and knowledge of their former committees to secure lucrative positions in lobbying firms and associations with interests related to those committees.

There have been some very interesting studies showing just how regularly the revolving door swings. Of the 91 lawmakers who left Congress at the end of 1994, at least 25 later registered to lobby. A 1995 study of 353 former lawmakers showed that one in four had lobbied for private interests after leaving office. In fact, there were more than 100 former Members of Congress who appear on the lobbying reports filed in August 1997, and that doesn't count Members who left office in 1996, since they could not yet register without violating the current revolving door law. I could go on, Mr. President, and on and on and on. The problem of revolving door lobbying is quite clear.

The amendment I am offering today is designed to strengthen the post-employment restrictions on Members of Congress and senior congressional staff that are currently in place. Keep in mind, post-employment restrictions are nothing new. There is currently a one year ban on former members of Congress lobbying the entire Congress as well as a one-year ban on senior congressional staff lobbying the committee or the Member for whom they worked. And by Senate rule, we prohibit all departing Senate staff from lobbying their former employing entity for one year. Members and senior staff are also prohibited from lobbying the executive branch on behalf of a foreign entity for one year.

The amendment would double the current restriction and prohibit members of Congress from lobbying the entire Congress for two years. Thus, in most cases, an entire two year Congress will intervene before a former Member can be back lobbying his or her former colleagues. Perhaps the longer period will encourage those who leave the Congress to seek opportunities for future employment outside of the lobbying world. Perhaps it will discourage big business from putting former Members on their payroll right after they leave office. But in any event, this longer ''cooling off period'' will give the public more confidence in the integrity of this body.

With respect to staff, the amendment makes some changes as well. Here we are talking only about those staff who make three quarters or more of the salary of a member of Congress. In other words, this amendment would change the post-employment restrictions only on staff making over $102,000 per year. These senior staff work closely with us, at the committee level, or with the leadership, or in our personal offices. This amendment would prohibit these very senior staffers from lobbying the House of Congress in which they work during the same 2-year period as we are prohibited from lobbying the entire Congress. So senior Senate staffers couldn't lobby the Senate and senior House staffers couldn't lobby the House.

Now here we have struck a balance, Mr. President. It seems clear to me

that the current restrictions which prohibit lobbying contacts only with the former employer, whether Member or committee, are inadequate. High level staffers have contacts and work closely with people throughout the body, not just with the other staff or Members on their committees or in their Member's office. These are people making $102,000 or more. They are highly in demand in the lobbying world, not just for their expertise but for their contacts. If the cooling off period is to mean anything with respect to these senior staff, it must cover more than the individual committee or member of Congress for whom they worked.

Some senior staff undoubtedly have contacts with their counterparts in the other body. But their day to day work, and therefore their closest contacts will be in the house of Congress in which they work. So this amendment leaves an outlet for the use of a former staffer's expertise in lobbying the other body. To me, that is a reasonable balance, and not an unreasonable restriction on a staffer's future employment.

Now some might argue that we are inhibiting talented individuals from pursuing careers in policy matters on which they have developed substantial expertise. It may be asked why a former high-level staffer on the Senate Subcommittee on Communications of the Senate Commerce Committee cannot accept employment with a telecommunications company? After all, this person has accumulated years of knowledge of our communication laws and technology. Why should this individual be prevented from accepting private sector employment in the communications field ?

But my amendment does not bar anyone from seeking private-sector employment. Staffers can take those jobs with the telecommunications company, but what they cannot do is lobby their former colleagues in the house of Congress for which they worked for two years. They can consult, they can advise, they can recommend, but they cannot lobby their former colleagues.

I considered an even longer cooling off period for staffers to be barred from lobbying their former employer, be it a member or a committee, but decided that the two year, house of Congress limitation strikes the best balance. Two years is the length of an entire Congress. That period of time should be enough to mitigate to a great extent the special access that the staffer is likely to have because of his or her former position. At the same time, it allows the staffer who is intent on pursuing a lobbying career to concentrate on the other body for two years, and then return to the side of the Capitol in which he or she worked after that period.

Mr. President, this amendment is not an attack on the profession of lobbying. The right to petition the government is a fundamental constitutional right. Simply attacking lobbyists does not address the true flaws of our political system. Lobbying is merely an attempt to present the views and concerns of a particular group and there is nothing inherently wrong with that. In fact, lobbyists, whether they are representing public interest groups or Wall Street, can present important information to Members of Congress that may not otherwise be available.

I strongly believe that there is no more noble endeavor than to serve in government. But we need to take immediate action to restore the public's confidence in their government, and to rebuild the lost trust between members of Congress and the electorate. This amendment is a strong step in that direction because it addresses a perception that too often rises to the level of reality—that the interests that hire former Members or staffers from the Congress have special access when they lobby the Congress. We need to slow the revolving door to address that perception, and this amendment will do just that.

I am pleased that the managers have agreed to accept my amendment and that it has become part of the bill that will go to the President for signature.

I yield the floor.

Mr. BENNETT. Mr. President, I yield back the remainder of our time.

Mrs. FEINSTEIN. I yield back the remainder of our time.

Mr. BENNETT. Mr. President, I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The yeas and nays were ordered.

The PRESIDING OFFICER. The question is, Shall the bill pass?

The clerk will call the roll.

The legislative clerk called the roll.

Mr. REID. I announce that the Senator from Iowa (Mr. HARKIN) is necessarily absent.

The PRESIDING OFFICER (Mr. ABRAHAM). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 95, nays 4, as follows:

[Rollcall Vote No. 173 Leg.]

YEAS—95

Abraham	Domenici	Kohl
Akaka	Dorgan	Kyl
Allard	Durbin	Landrieu
Ashcroft	Edwards	Lautenberg
Bayh	Enzi	Leahy
Bennett	Feingold	Levin
Biden	Feinstein	Lieberman
Bingaman	Fitzgerald	Lincoln
Bond	Frist	Lott
Boxer	Gorton	Lugar
Breaux	Graham	Mack
Brownback	Grams	McCain
Bryan	Grassley	McConnell
Bunning	Gregg	Mikulski
Burns	Hagel	Moynihan
Byrd	Hatch	Murkowski
Campbell	Helms	Murray
Chafee	Hollings	Nickles
Cleland	Hutchinson	Reed
Cochran	Hutchison	Reid
Collins	Inhofe	Robb
Coverdell	Inouye	Roberts
Craig	Jeffords	Rockefeller
Crapo	Johnson	Roth
Daschle	Kennedy	Santorum
DeWine	Kerrey	Sarbanes
Dodd	Kerry	Schumer
Sessions	Stevens	Voinovich
Shelby	Thomas	Warner
Smith (OR)	Thompson	Wellstone
Snowe	Thurmond	Wyden
Specter	Torricelli	

NAYS—4

Baucus	Gramm
Conrad	Smith (NH)

NOT VOTING—1

Harkin

The bill (H.R. 1905), as amended, was passed.

The PRESIDING OFFICER. H.R. 1905 having passed, the Senate insists on its amendments, requests a conference with the House, and the Chair appoints the following conferees.

The Presiding Officer (Mr. ABRAHAM) appointed Mr. BENNETT, Mr. STEVENS, Mr. CRAIG, Mr. COCHRAN, Mrs. FEINSTEIN, Mr. DURBIN, and Mr. BYRD conferees on the part of the Senate.

Mr. WARNER. Mr. President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

MORNING BUSINESS

Mr. WARNER. I ask unanimous consent the Senate proceed to a period for morning business with Senators permitted to speak for up to 10 minutes each.

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

THE Y2K LIABILITY BILL

Mr. REED. Mr. President, I would like to take this opportunity to discuss S. 96, the McCain bill concerning Y2K litigation. It is unfortunate that this bill has, to some extent, been utilized by those on both extremes of the tort reform debate: with proponents arguing that opposition to the bill reflects contempt for our economy and a few opponents accusing the bill's supporters of contempt for consumers' rights. The truth, as usual, is somewhere in between these two poles.

As our economy evolves, becoming national and international in scope, situations will arise that demand procedural and substantive changes to our legal system. Moderate, balanced tort reform is an issue on which I have worked for some years. I approach each issue with the same question: can our legal system be made more efficient while continuing to provide adequate, just protections to consumers? This approach has led me to support reforms which have been validated by the test of time.

Mr. President, in 1994, I supported one of the first tort reform measures to pass Congress, the Aviation Revitalization Act of 1994. At that time small plane manufacturers had been almost extinguished by costly litigation. This narrowly-tailored legislation limited the period, to eighteen years, in which manufactures could be sued for design or manufacturing defects. In the six

years since enactment, the industry has reemerged to create thousands of new jobs while providing consumers with safe products.

In 1995, I sought to apply this same principle to all durable goods, some of which remain in the workplace for forty, fifty, sixty years or more. Tool and machine manufacturers in Rhode Island and the nation were saddled with costs stemming from litigation over products they made a half century ago, some of which had been modified by others. As a result, I supported tort reform for durable goods which limited the statute of repose, reasonably capped punitive damages, and implemented proportionate liability to de minimis tortfeasors. In an effort to further the reform effort, I voted for this bill even though I was concerned that its punitive damage caps and proportionate liability sections were too broad. My support for the bill included a vote to override President Clinton's veto.

My concerns about this bill were borne out by the fact that the veto override was not successful. Proponents of tort reform allowed their view of perfection to become an enemy of good, sensible reform. Indeed, their stubbornness continues to frustrate progress to this day.

Just last year, a compromise tort reform bill negotiated by Senator ROCKEFELLER between the Clinton Administration and members of the business community was rejected by some who wanted only sweeping changes to current tort law. I am afraid that some have brought this same sentiment to the Y2K issue.

In addition to addressing the products liability reform issue in 1995, I was also approached by members of the securities industry seeking to amend litigation rules pertaining to securities law. The industry wished to combat frivolous litigation. Indeed, it was obvious that some class action suits were being filed after a precipitous drop in the value of a corporation's stock, without evidence of fraud. Such lawsuits frequently inflict substantial legal costs upon corporations, harming both the business and its shareholders. This sort of activity benefitted no one but the attorneys who brought the cases.

As a result, I supported both procedural changes and requirements that specific examples of fraud be listed in a lawsuit as embodied in the Private Securities Litigation Reform Act of 1995. Again, my support for this legislation required my vote to override a veto. This time, that override was successful. In my view, that success was due to the moderate, balanced approach of the bill.

In practice, the legislation successfully ended frivolous lawsuits in federal courts such that I worked with colleagues and the Chairman of the Securities and Exchange Commission to implement the same rules at the state level. This effort resulted in the Securities Litigation Uniform Standards Act of 1998. Again, this bill only received Presidential support after an attempt to inject overly broad provisions into the bill were defeated. Courts are now applying this standard in a manner that balances the interest we all have in ensuring consumer protection, while also deterring nonmeritorious law suits.

I think the record is clear. When Congress addresses identifiable inequalities or inefficiencies in our legal system, progress can be made. However, when legislation focuses on broader, philosophical debates, directly pitting the interests of consumers against manufactures, consensus cannot be reached. It is my hope that the Senate will keep this lesson in mind when the Y2K legislation goes to conference.

As the work of the Senate's Y2K Committee and the President's Council on the Year 2000 Conversion have shown, the millennium bug will cause disruptions. These disruptions will inflict costs on individuals and businesses. The question is: how will we adjudicate who will bear the burden of these costs?

Thus far, as demonstrated by a recent report by the Congressional Research Service, there have been only 48 Y2K related lawsuits filed. Recently, the Gartner Group, a consulting firm specializing in Y2K redress, reported that a quarter of all Y2K failures have already occurred. Given the paucity of Y2K lawsuits today, one could question whether the dire predictions of billions of dollars in Y2K litigation is overestimated. At the very least, it is certain that the current 48 suits have not provided much in the way of proof concerning the inequities in our legal system that will allow attorneys to compound and exacerbate the costs associated with the Y2K problem.

Some of these 48 lawsuits are class actions against inexpensive software manufactured several years ago. The merit of such suits is dubious, given that no harm has yet occurred and the ''reasonableness'' of a consumer's expectation that $30 software would last several years and withstand the millennium bug.

These 48 lawsuits also contain examples, however, of companies attempting to improperly profit from their own Y2K unpreparedness. For example, one software company sold a product to small business men and women for $13,000 in 1996 with implied warrantees for proper use for a decade. A year later the company sent its customers notice that the software was not Y2K compatible. The software, would, therefore, not work in two years. The company offered its customers a $25,000 ''upgrade'' which would ensure that the software would work properly for half the time it was warranted. Needless to say, a free fix was quickly offered by this software manufacturer once a class action lawsuit was filed.

The question the Senate must address in this legislation is what changes in our legal system will encourage everyone to address Y2K problems before they strike while allowing defrauded consumers continued opportunity to obtain redress. Indeed, the greatest danger would seem to be that this legislation unintentionally rewards bad faith companies that fail to address Y2K problems. Again, according to the Gartner Group, some $600 billion will be spent by the end of the year in trying to find, patch, and test computer systems at risk of fault. Bad faith companies that have not taken these responsible steps should not be rewarded.

I supported legislation put forward by Senators KERRY, ROBB, BREAUX, REID and Leader DASCHLE which encourages redress not litigation, deters frivolous lawsuits, provides good-faith actors with additional protections if they are sued, and allows individual consumers the protections they are afforded under current law. Specifically, the amendment requires that plaintiffs provide defendants with notice of a lawsuit and time for the defendant to respond with proposed redress to the problem. Additionally, plaintiffs would have to cite with specificity the material defect of their product as well as the damages incurred. Class action lawsuits are limited to those involving material harm. Current redress of Y2K problems is encouraged by the provision of the amendment which requires immediate mitigation and limits damages for those who fail in this regard. The amendment provides commercial transactions with the benefit of their express contract, while omitting consumers, who do not have the economic bargaining power or legal departments of large corporations, from the scope of the legislation. The amendment also discourages plaintiffs from simply suing the defendant with the ''deepest pockets'' by providing proportionate liability for companies that have acted responsibly in addressing Y2K problems in their products.

On balance, the Kerry/Daschle amendment is a fair method of addressing identifiable problems in our litigation system as they relate to potential Y2K litigation.

I must also acknowledge that the McCain legislation has markedly improved from its original form due in no small part to the efforts of Senator DODD. As first introduced, the bill appeared to be a wish-list for those who have attempted over the past decades, without success, to completely overhaul our litigation system. S. 96, however, continues to contain provisions that simply appear to transfer Y2K costs from defendants to plaintiffs without equitable cause. The bill provides protections to plaintiffs not afforded defendants, caps punitive damages for bad faith actors, limits joint and several liability for bad faith businesses, prohibits states like Rhode Island from awarding non-economic damages even in instances of fraud, federalizes all class action lawsuits, and fails

to distinguish between consumers and large corporations.

Perhaps just as importantly as its substantive problems, the Clinton Administration has threatened a veto of S. 96. With six months until the end of the year, we do not have two, three, or four months to negotiate compromises.

It is my hope that those of us who are truly in support of reforming the current system will prevail in softening some of S. 96's provisions to arrive at legislation that the Administration can and will support. While this will not result in legislation that organizations can use to fuel their drive to overhaul the entire tort system, it will allow us to mitigate Y2K litigation costs while protecting those who have been wronged.

COMMENDING THE REPUBLIC OF CHINA ON TAIWAN FOR AID TO KOSOVO

Mr. INHOFE. Mr. President, I bring to the attention of this body the efforts of the Republic of China on Taiwan on behalf of the Kosovar refugees. As a member of the world community committed to protecting and promoting human rights, the Republic of China on Taiwan is deeply concerned about the plight of the Kosovars and hopes to contribute to the reconstruction of their war-torn land. To that end, President Lee Tung-hui announced on June 7, 1999 that Taiwan will grant $300 million in an aid package to the Kosovars. The aid package will consist of the following:

1. Emergency support for food, shelters, medical care and education, etc. for Kosovar refugees living in exile in neighboring countries.

2. Short-term accommodations for some of the Kosovar refugees in Taiwan with opportunities for job training to enable them to be better equipped for the restoration of their homeland upon their return.

3. Support for the restoration of Kosovo in coordination with international long-term recovery programs once a peace plan is implemented.

I commend the Republic of China on Taiwan for their commitment to humanitarian assistance for these victims of the war in Yugoslavia. Their aid will contribute to the promotion of the peace plan for Kosovo and will help the refugees return safety to their homes as soon as possible.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Wednesday, June 15, 1999, the federal debt stood at $5,579,687,074,229.55 (Five trillion, five hundred seventy nine billion, six hundred eighty seven million, seventy four thousand, two hundred twenty-nine dollars and fifty five cents).

One year ago, June 15, 1998, the federal debt stood at $5,484,471,000,000 (Five trillion, four hundred eighty four billion, four hundred seventy-one million).

Five years ago, June 15, 1994, the federal debt stood at $4,607,232,000,000 (Four trillion, six hundred seven billion, two hundred thirty-two million).

Ten years ago, June 15, 1989, the federal debt stood at $2,782,363,000,000 (Two trillion, seven hundred eighty two billion, three hundred sixty-three million).

Fifteen years ago, June 15, 1984, the federal debt stood at $1,519,266,000,000 (One trillion, five hundred nineteen billion, two hundred sixty-six million) which reflects a debt increase of more than $4 trillion—$4,060,421,074,229.55 (Four trillion, sixty billion, four hundred twenty-one million, seventy-four thousand, two hundred twenty-nine dollars and fifty-five cents) during the past 15 years.

MESSAGES FROM THE HOUSE

At 12:18 p.m., a message from the House of Representatives, delivered by Mr. Hanrahan, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 17. An act to amend the Agricultural Trade Act of 1978 to require the President to report to Congress on any selective embargo on agricultural commodities, to provide a termination date for the embargo, to provide greater assurances for contract sanctity, and for other purposes.

H.R. 973. An act to modify authorities with respect to the provision of security assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes.

H.R. 1000. An act to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 75. Concurrent Resolution condemning the National Islamic Front (NIF) government for its genocidal war in southern Sudan, support for terrorism, and continued human rights violations, and for other purposes.

The message further announced that the House has passed the following bill, with an amendment, in which it requests the concurrence of the Senate:

S. 1059. An act to authorize appropriations for fiscal year 2000 for military activities of the Department of Defense, for military construction, and for defense activities of the Department of Energy, to prescribe personnel strengths for such fiscal year for the Armed Forces, and for other purposes.

MEASURES REFERRED

The following bills were read the first and second time by unanimous consent and referred as indicated:

H.R. 973. An act to modify authorities with respect to the provision of security assistance under the Foreign Assistance Act of 1961 and the Arms Export Control Act, and for other purposes; to the Committee on Foreign Relations.

H.R. 1000. An act to amend title 49, United States Code, to reauthorize programs of the Federal Aviation Administration, and for other purposes; to the Committee on Commerce, Science, and Transportation.

The following concurrent resolution was read and referred as indicated:

H. Con. Res. 75. Concurrent resolution condemning the National Islamic Front (NIF) government for its genocidal war in southern Sudan, support for terrorism, and continued human rights violations, and for other purposes; to the Committee on Foreign Relations.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with accompanying papers, reports, and documents, which were referred as indicated:

EC–3630. A communication from the Director, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Endangered and Threatened Wildlife and Plants; Threatened status for the plant Thelypodium howellii ssp. spectabilis (Howell's spectacular thelypody)'' (RIN1018-AE52), received June 4, 1999; to the Committee on Environment and Public Works.

EC–3631. A communication from the Director, Office of Congressional Affairs, Office of the General Counsel, Nuclear Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Formal and Informal Adjudicatory Hearing Procedures; Clarification of Eligibility to Participate'' (RIN3150-AG27), received June 8, 1999; to the Committee on Environment and Public Works.

EC–3632. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Revised Format for Materials Being Incorporated by Reference for Florida; Approval of Recodification of the Florida Administrative Code'' (FRL # 6352-9), received June 9, 1999; to the Committee on Environment and Public Works.

EC–3633. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Plans; Delware; Reasonably Available Control Technology Requirements for Nitrogen Oxides'' (FRL # 6357-7), received June 9, 1999; to the Committee on Environment and Public Works.

EC–3634. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; Florida: Approval of Revisions to the Florida State Implementation Plan'' (FRL # 6352-3), received June 9, 1999; to the Committee on Environment and Public Works.

EC–3635. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Recordkeeping Requirements for Low Volume Exemption and Low Release and Exposure Exemption; Technical Correction'' (FRL # 6085-5), received June 9,

1999; to the Committee on Environment and Public Works.

EC–3636. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of two rules entitled ''Aminoethoxyvinylglycine; Temporary Pesticide Tolerance'' (FRL # 6080–4) and ''Sulfosate; Pesticide Tolerance (FRL # 6086–6), received June 9, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3637. A communication from the Congressional Review Coordinator, Policy Program Development, Regulatory Analysis and Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Karnal Bunt Regulated Areas'' (96–016–24), received June 2, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3638. A communication from the Congressional Review Coordinator, Policy and Program Development, Regulatory Analysis and Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Mediterranean Fruit Fly; Removal of Quarantined Area'' (98–083–4), received June 2, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3639. A communication from the Acting Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Economic and Public Interest Requirements for Contract Market Designation'' (RIN3038–AB33), received June 4, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3640. A communication from the Acting Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendments to Recordkeeping Requirements of Regulation 1.31'', received June 4, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3641. A communication from the Acting Executive Director, Commodity Futures Trading Commission, transmitting, pursuant to law, the report of a rule entitled ''Representations and Disclosures Required by Certain Introducing Brokers, Commodity Pool Operators and Commodity Trading Advisors'', received June 4, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3642. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled ''Share Insurance and Appendix'', received June 4, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–3643. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (64 FR 28931) (05/28/99), received June 8, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–3644. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Changes in Flood Elevation Determinations'' (64 FR 28933) (05/28/99), received June 8, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–3645. A communication from the General Counsel, Federal Emergency Management Agency, transmitting, pursuant to law, the report of a rule entitled ''Final Flood Elevation Determinations'' (64 FR 28935) (05/28/99), received June 8, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–3646. A communication from the Acting Regulations Officer, Social Security Administration, transmitting, pursuant to law, the report of a rule entitled ''Federal Old-Age, Survivors and Disability Insurance; Determining Disability and Blindness; Extensions of Expiration Dates for Several Body Systems Listings'' (RIN0960–AF02), received June 4, 1999; to the Committee on Finance.

EC–3647. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Revenue Ruling 99–27, Quarterly Interest Rates Beginning July 1, 1999'', received June 2, 1999; to the Committee on Finance.

EC–3648. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Addition of Bigleaf Mahogany to Appendix III under the Convention on International Trade in Endangered Species of Wild Fauna and Flora by the Government of Mexico'' (RIN1018–AF58), received June 8, 1999; to the Committee on Environment and Public Works.

EC–3649. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Secondary Direct Food Additives Permitted in Food for Human Consumption; Boiler Water Additives'' (97F–0450), received June 4, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3650. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants Production Aids, and Sanitizers; Technical Amendment'' (97F–0421), received June 8, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3651. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adhesives and Components of Coatings'' (98F–0823), received June 8, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3652. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Food Additives for Direct Addition to Food for Human Consumption; Sucrose Acetate Isobutyrate'' (91F–0228), received June 8, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3653. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Indirect Food Additives: Adjuvants, Production Aids, and Sanitizers'', received May 26, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3654. A communication from the Director, Corporate Policy and Research Department, Pension Benefit Guaranty Corporation, transmitting, pursuant to law, the report of a rule entitled ''Allocation of Assets in Single-Employer Plans; Interest Assumptions for Valuing Benefits'', received June 9, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3655. A communication from the Assistant General Counsel for Regulations, Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled ''Office of Special Education'' (84.328), received June 4, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–3656. A communication from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''Reinstatement of Benefits Eligibility Based Upon Terminated Marital Relationships'' (RIN2900–AJ53), received June 4, 1999; to the Committee on Veterans' Affairs.

EC–3657. A communication from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''Service Connection Of Dental Conditions For Treatment Purposes'' (RIN2900–AH41), received June 2, 1999; to the Committee on Veterans' Affairs.

EC–3658. A communication from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''Surviving Spouse's Benefit for Month of Veteran's Death'' (RIN2900–AJ64), received June 2, 1999; to the Committee on Veterans' Affairs.

EC–3659. A communication from the Director, Office of Regulations Management, Veterans Benefits Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''VA Acquisition Regulation Part 803, Improper Business Practices and Personal Conflicts of Interest, and Part 852, Solicitation Provisions and Contract Clauses'' (RIN2900–AJ06), received June 2, 1999; to the Committee on Veterans' Affairs.

EC–3660. A communication from the Assistant General Counsel for Regulatory Services, Office of Inspector General, Department of Education, transmitting, pursuant to law, the report of a rule entitled ''Privacy Act Regulations'' (RIN1880–AA78), received June 4, 1999; to the Committee on Governmental Affairs.

EC–3661. A communication from the Executive Director, Committee For Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of a rule entitled ''Procurement List, Additions and Deletions'', received June 8, 1999; to the Committee on Governmental Affairs.

EC–3662. A communication from the General Counsel, Federal Retirement Thrift Investment Board, transmitting, pursuant to law, the report of a rule entitled ''Expansion and Continuation of Thrift Savings Plan Eligibility; Death Benefits; Methods of Withdrawing Funds from the Thrift Savings Plan; and Miscellaneous Regulations'', received June 8, 1999; to the Committee on Governmental Affairs.

EC–3663. A communication from the Director, Office of Regulations Management, National Cemetery Administration, Department of Veterans Affairs, transmitting, pursuant to law, the report of a rule entitled ''National Cemetery Administration; Title Changes'' (RIN 2900-AJ79), received June 8, 1999; to the Committee on Veterans Affairs.

EC–3664. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Groundfish Fisheries by Vessels using Hook-and-Line Gear in the Gulf of Alaska'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3665. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Deepwater Species Fishery by Vessels using Trawl Gear in the Gulf of Alaska'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3666. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Bycatch Rate Standards for the Second Half of 1999'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3667. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Other Nontrawl Fisheries in the Bering Sea and Aleutian Islands'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3668. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Economic Exclusive Zone Off Alaska; Groundfish of the Bering Sea and Aleutian Islands Management Area; Exempted Fishing Permit'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3669. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Whiting Closure for the Mothership Sector'', received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3670. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Modification of Class E Airspace; Santa Rosa, CA; Docket No. 99–AWP–3 {6–7/6–7}'' (RIN2120–AA66) (1999–0187), received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3671. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Pratt & Whitney T8D–1, –1A, –1B, –7, –7A, –7B, –9, –9A, –9B, 11, –15, –15A, –17, –17A, –17R, and –17AR Series Turbofan Engines; Docket No. 98–ANE–48 {6–8/6–7}'' (RIN2120–AA64) (1999–0239), received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3672. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Pratt & Whitney JT8D–200 Series Turbofan Engines; Docket No. 98–ANE–43 {6–8/6–7}'' (RIN2120–AA64) (1999–0240), received June 8, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3673. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Airworthiness Directives: Boeing Model 727–400 Series Airplanes Powered by Pratt & Whitney PW4000 Engines; Docket No. 97–NM–89 {5–26/6–3}'' (RIN2120–AA64) (1999–0238), received June 4, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3674. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Electronic Service of Documents, Order No. 604, 87 FERC 61,205 (May 26, 1999)'', received June 8, 1999; to the Committee on Energy and Natural Resources.

EC–3675. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Final Rule on Open Access Same-Time Information System (OASIS), Order No. 605, 87 FERC 61,224 (1999)'', received June 8, 1999; to the Committee on Energy and Natural Resources.

EC–3676. A communication from the Chairman, Federal Energy Regulatory Commission, transmitting, pursuant to law, the report of a rule entitled ''Revisions of Existing Regulations Governing the Filing of Applications for the Construction and Operation of Facilities to Provide Service or to Abandon Facilities or Service under Section 7 of the Natural Gas Act, Order No. 603, 64 FERC 26572 (April 29, 1999)'', received June 8, 1999; to the Committee on Energy and Natural Resources.

EC–3677. A communication from the Acting Assistant General Counsel for Regulatory Law, Office of Safeguards and Security, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Manual for Nuclear Materials Management and Safeguards System Reporting and Data Submission'' (DOE M 474–1–2), received June 1, 1999; to the Committee on Energy and Natural Resources.

EC–3678. A communication from the Acting Assistant General Counsel for Regulatory Law, Office of Safeguards and Security, Department of Energy, transmitting, pursuant to law, the report of a rule entitled ''Classified Matter Protection and Control Manual'' (DOE M 471.2–1B), received May 27, 1999; to the Committee on Energy and Natural Resources.

EC–3679. A communication from the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Agency, Department of Justice, transmitting, pursuant to law, the report of a rule entitled ''Special Surveillance List of Chemicals, Products, Materials and Equipment used in the clandestine production of controlled substances or listed chemicals'' (DEA–172N), received June 8, 1999; to the Committee on the Judiciary.

EC–3680. A communication from the Administrator, Food Safety and Inspecion Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Use of Soy Protein Concentrate, Modified Food Starch and Carrageenan as Binders in Certain Meat Products'' (RIN0583–AB82), received June 4, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3681. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Maryland; Control of VOC Emissions from Decorative Surfaces, Brake Shoe Coatings, Structural Steel Coatings, and Digital Imaging'' (FRL #6357–5), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3682. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Commonwealth of Pennsylvania; Motor Vehicle Inspection and Maintenance Program'' (FRL #6354–9), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3683. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, South Coast Air Quality Management District'' (FRL #6358–3), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3684. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans for Designated Facilities and Pollutants; Control of Emissions From Hospital/Medical/Infectious Waste Incinerators; State of Iowa'' (FRL # 6358–3), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3685. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Clean Air Act Approval and Promulgation of State Implementation Plan; Colorado; Revisions Regarding Negligibly Reactive Volatile Organic Compounds and Other Regulatory Revisions'' (FRL # 6358–6), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3686. A communication from the Director, Office of Regulatory Management and Information, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Clean Air Act Full Approval of 40 CFR Part 70 Operating Permit Program; State of North Dakota'' (FRL #6358–6), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3687. A communication from the Assistant Secretary for Fish and Wildlife and Parks, Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Migratory Bird Hunting; Withdrawal of Regulations Designed to Reduce the Mid-continent Light Goose Population'' (RIN1018–AF05), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3688. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; 1990 NO_X Base Year Emission Inventory for the Philadelphia Ozone Nonattainment Area'' (FRL # 6361–5), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3689. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Implementation Plans for Designated Facilities and Pollutants; Texas'' (FRL # 6361–4), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3690. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and

Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of State Plans for Designated Facilities and Pollutants; Louisiana'' (FRL # 6360–84), received June 11, 1999; to the Committee on Environment and Public Works.

EC–3691. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Tumon, Guam)'' (MM Docket No. 98–113), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3692. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Cannon Ball, ND, Velva, ND, Delhi, NY, Flasher, ND, Berthold, ND, Ranier, OR, Richardton, ND, Wimbledon, ND)'' [MM Docket Nos. 99–4, 99–5, 99–7, 99–37, 99–38, 99–39, 99–40, 99–41), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3693. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations Deer Lodge, Hamilton and Shelby, Montana'' [MM Docket No. 99–70; RM–9380), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3694. A communication from the Special Assistant to the Chief, Mass Media Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations (Leesville, Louisiana)'' [MM Docket No. 98–191; RM–9351), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3695. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule received on June 9, 1999 (CC Docket Nos. 96–45, and 96–262, FCC99–119); to the Committee on Commerce, Science, and Transportation.

EC–3696. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''In the Matter of Changes to the Board of Directors of the National Exchange Carrier Association, Fed-St. Joint Board of Universal Service'' (CC Docket Nos. 97–21 and 96–45, FCC99–49), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3697. A communication from the Chief, Accounting Policy Division, Common Carrier Bureau, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Federal-State Joint Board on Universal Service'' (CC Docket No. 96–45, FCC99–121), received June 9, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3698. A communication from the Assistant Director, Division of Enforcement, Bureau of Consumer Protection, Division of Enforcement, Federal Trade Commission, transmitting, pursuant to law, the report of a rule entitled ''Rule Concerning Disclosures Regarding Energy Consumption and Water Use of Certain Home Appliances and Other Products Required Under the Energy Policy and Conservation Act (Appliance Labeling Rule)'' (RIN3084–AA26, 16 CFR Part 305), received June 11, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3699. A communication from the Chief, Office of Regulations and Adminstrative Law, U.S. Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Drawbridge Regulations; Back Bay of Biloxi, MS(CGD8–96–049)'' (RIN2115–AE47) (1999–0020), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3700. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Establishment of the San Juan High Offshore Airspace Area, PR; Docket No. 97–ASI–21 {6–9/6–10}'' (RIN2120–AA66) (1999–0197), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3701. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Cresco, IA; Direct final rule; confirmation of effective date; Docket No. 99–ACE–13 {6–10/6–10}'' (RIN2120–AA66) (1999–0197), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3702. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; West Union, IA; Direct final rule; confirmation of effective date; Docket No. 99–ACE–12 {6–10/6–10}'' (RIN2120–AA66) (1999–0197), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3703. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Ottawa, KS; Direct final rule; Request for comments; Docket No. 99–ACE–21 {6–10/6–10}'' (RIN2120–AA66) (1999–0193), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3704. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Rolla/Vichy, MO; Direct final rule; request for comments; Docket No. 99–ACE–26 {6–10/6–10}'' (RIN2120–AA66) (1999–0194), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3705. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Lebanon, MO; Direct final rule; confirmation of effective date; Docket No. 99–ACE–26 {6–10/6–10}'' (RIN2120–AA66) (1999–0191), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3706. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Shenandoah, IA; Direct final rule; confirmation of effective date; Docket No. 99–ACE–26 {6–10/6–10}'' (RIN2120–AA66) (1999–0191), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3707. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Neosho, MO; Direct final rule; confirmation of effective date; Docket No. 99–ACE–11 {6–10/6–10}'' (RIN2120–AA66) (1999–0190), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3708. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Washington, IA; Direct final rule, confirmation of effective date; Docket No. 99–ACE–18 {6–10/6–10}'' (RIN2120–AA66) (1999–0189), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3709. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Amendment to Class E Airspace; Thedford, NE; Direct Final Rule, Request for Comments; Docket No. 99–ACE–23 {6–10/6–10}'' (RIN2120–AA66) (1999–0188), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3710. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (32); Amdt. No. 1932 {6–10/6–10}'' (RIN2120–AA66) (1999–0029), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3711. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (42); Amdt. No. 1933 {6–9/6–10}'' (RIN2120–AA66) (1999–0028), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3712. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''Standard Instrument Approach Procedures; Miscellaneous Amendments (102); Amdt. No. 1934 {6–10/6–10}'' (RIN2120–AA66) (1999–0027), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3713. A communication from the Program Analyst, Office of the Chief Counsel, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled ''IFR Altitudes; Miscellaneous Amendments (64); Amdt. No. 416 {6–9/6–10}'' (RIN2120–AA66) (1999–0002), received June 10, 1999; to the Committee on Commerce, Science, and Transportation.

EC–3714. A communication from the Chief, Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Rev. Rul. 99–28, Medical Expense Deduction for Smoking-Cessation Programs'', received June 11, 1999; to the Committee on Finance.

EC–3715. A communication from the Director, Office of Surface Mining, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled ''Indiana Regulatory Program'' (SPATS # IN–145–FOR), received June 9, 1999; to the Committee on Energy and Natural Resources.

EC–3716. A communication from the Congressional Review Coordinator, Policy and

Program Development, Regulatory Analysis and Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''Mexican Fruit Fly Regulations; Removal of Regulated Area'' (98–082–4), received June 10, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3717. A communication from the Congressional Review Coordinator, Policy and Program Development, Regulatory Analysis and Development, Animal and Plant Health Inspection Service, Department of Agrictulture, transmitting, pursuant to law, the report of a rule entitled ''Oriental Fruit Fly; Designation of Quarantined Area'' (98–044–1), received June 10, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3718. A communication from the Under Secretary, Rural Development, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled ''7 CFR part 3570, subpart B, Community Facilities Grants'', received June 9, 1999; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3719. A communication from the President and Chairman, Export-Import Bank of the United States, transmitting, pursuant to law, a report relative to a transaction involving U.S. exports to Indonesia; to the Committee on Banking, Housing, and Urban Affairs.

EC–3720. A communication from the Deputy Secretary, Department of Housing and Urban Development, transmitting, pursuant to law, a report entitled ''HUD Procurement Reform: Substantial Progress Underway''; to the Committee on Banking, Housing, and Urban Affairs.

EC–3721. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to law, the report of an export license relative to Saudi Arabia; to the Committee on Foreign Relations.

EC–3722. A communication from the General Counsel, Department of the Treasury, transmitting, a draft of proposed legislation to authorize appropriations for the United States contribution to the HIPC Trust Fund, administered by the International Bank for Reconstruction and Development; to the Committee on Foreign Relations.

EC–3723. A communication from the General Counsel, Department of the Treasury, transmitting, a draft of proposed legislation to authorize the transfer of certain resources to the Enhanced Structural Adjustment Facility/Heavily Indebted Poor Countries Trust Fund; to the Committee on Foreign Relations.

EC–3724. A communication from the Secetary of Labor, transmitting, pursuant to law, the annual report for fiscal year 1997 of the Office of Workers' Compensation Programs; to the Committee on Health, Education, Labor, and Pensions.

EC–3725. A communication from the Director, National Institute on Aging, Department of Health and Human Services, transmitting, a report relative to the demography and economics of aging; to the Committee on Health, Education, Labor, and Pensions.

EC–3726. A communication from the Secretary of Agriculture, transmitting, a draft of proposed legislation entitled ''The Stabilization Act of 1999''; to the Committee on Agriculture, Nutrition, and Forestry.

EC–3727. A communication from the Chairman, Federal Trade Commission, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–3728. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–3729. A communication from the Director, Office of Personnel Management, transmitting, a draft of proposed legislation relative to early retirement offers by Federal agencies; to the Committee on Governmental Affairs.

EC–3730. A communication from the Chairman, Board of Governors, United States Postal Service, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–3731. A communication from the Chairman, National Science Board, transmitting, pursuant to law, the report of the Office of Inspector General for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–3732. A communication from the Inspector General, Railroad Retirement Board, transmitting, pursuant to law, the report for the period of October 1, 1998, through March 31, 1999; to the Committee on Governmental Affairs.

EC–3733. A communication from the Secretary of Education, transmitting, pursuant to law, a report relative to audit follow-up for the period October 1, 1998 to March 31, 1999; to the Committee on Governmental Affairs.

EC–3734. A communication from the Comptroller General of the United States, transmitting, pursuant to law, the report of the list of General Accounting Office reports for April 1999; to the Committee on Governmental Affairs.

EC–3735. A communication from the Secretary of Defense, transmitting, pursuant to law, the report for calendar year 1997 relative to the Cooperative Threat Reduction (CTR) Program; to the Committee on Armed Services.

EC–3736. A communication from the General Counsel, Department of Defense, transmitting, a draft of proposed legislation relative to managing military strengths during time of war or national emergency; to the Committee on Armed Services.

EC–3737. A communication from the Secretary of Defense, transmitting, the report of a retirement; to the Committee on Armed Services.

EC–3738. A communication from the Director, Administration and Management, Office of the Secretary of Defense, transmitting, pursuant to law, a report relative to a vacancy in the Office of the Secretary of Defense; to the Committee on Armed Services.

EC–3739. A communication from the General Counsel, Department of Defense, transmitting, a draft of proposed legislation relative to the disability evaluation system for certain members of the Armed Forces; to the Committee on Veterans' Affairs.

EC–3740. A communication from the Assistant Attorney General, Office of Justice Programs, and the Acting Assistant Attorney General, Office of Legislative Affairs, transmitting jointly, the Office of Justice Programs annual report for fiscal year 1998; to the Committee on the Judiciary.

EC–3741. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report relative to prisoners and their access to interactive computer services; to the Committee on the Judiciary.

EC–3742. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, a draft of proposed legislation amending the Foreign Agents Registration Act (FARA) of 1938; to the Committee on the Judiciary.

EC–3743. A communication from the Acting Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, a draft of proposed legislation relative to the removal of dangerous criminal aliens from our communities and our country; to the Committee on the Judiciary.

EC–3744. A communication from the President, American Academy of Arts and Letters, transmitting, pursuant to law, a report of activities during calendar year 1998; to the Committee on the Judiciary.

EC–3745. A communication from the Administrator, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, a report relative to a program to combat drowsy driving; to the Committee on Appropriations.

EC–3746. A communication from the Chair, Medicare Payment Advisory Commission, transmitting, pursuant to law, a report entitled ''Selected Medicare Issues'', dated June 1999; to the Committee on Finance.

EC–3747. A communication from the Secretary of Commerce, transmitting, pursuant to law, a report entitled ''National Oceanic and Atmospheric Administration Chesapeake Bay Office Activities'', dated April 1999; to the Committee on Commerce, Science, and Transportation.

EC–3748. A communication from the General Counsel, Department of Commerce, transmitting, a draft of proposed legislation entitled ''National Marine Sanctuaries Preservation Act of 1999''; to the Committee on Commerce, Science, and Transportation.

EC–3749. A communication from the Administrator, Federal Aviation Administration, Department of Commerce, transmitting, pursuant to law, a report relative to civil aviation security in calendar year 1997; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred and ordered to lie on the table as indicated:

POM–157. A joint resolution adopted by the Legislature of the State of Nevada relative to the Employee Retirement Income Security Act of 1974; to the Committee on Health, Education, Labor, and Pensions.

ASSEMBLY JOINT RESOLUTION NO. 15

Whereas, On May 19, 1998, testimony was presented to members of the United States Senate Committee on Labor and Human Resources by the Honorable Marilyn R. Goldwater, Deputy Majority Whip in the Maryland House of Delegates, urging members of Congress to strengthen requirements for the appeals processes for plans covered by the Employee Retirement Income Security Act of 1974 (ERISA); and

Whereas, In her presentation, Ms. Goldwater noted that it is important to have strong, effective and responsive internal grievance and appeal mechanisms in place; and

Whereas, Every state requires managed care entities to have an internal appeals process in place; and

Whereas, If it is determined that a federal external appeals process is appropriate, it should be administered by the Federal Government according to rules established by federal law, with states managing those plans under their regulatory authority; and

Whereas, Several states have enacted legislation to revise and refine both the internal and external appeals processes; and

Whereas, In Maryland, legislation was enacted to strengthen the state's internal grievance and appeals processes, establish an external appeal mechanism and provide additional regulatory authority to the state's insurance commissioner over medical directors in health maintenance organizations; and

Whereas, In Florida, the nation's first external review process was created in 1985, and Florida continues to fine tune its process by utilizing a panel of six state employees for the external review process, with explicit time frames from ''extreme emergency'' cases to ''nonurgent'' cases; and

Whereas, New Jersey enacted legislation in 1997 that requires health maintenance organizations to establish an external appeal process and now operates a consumer hot line for consumer questions and complaints; and

Whereas, Texas enacted landmark legislation in 1998 that permits managed care enrollees to sue their health plans for malpractice in cases where they have been harmed by a plan's decision to delay or deny treatment; and

Whereas, According to ''The Best From the States II: The Text of Key State HMO Consumer Protection Provisions'' by Families USA Foundation (October 1998), key consumer protection provisions include the establishment of explicit time frames for appeal of decisions, implementation of methods for expediting the review of emergency and urgent care situations, acceptance of oral appeals and adoption of laws that require reviewers to be health care providers with expertise in the clinical area being reviewed and that prohibits reviewers from participating in the review of cases in which they were involved in the original decisions; and

Whereas, On February 9, 1999, in a letter to the editor of the Las Vegas Sun, Marie Soldo, immediate past Chairman of the Nevada Association of Health Plans, wrote that, because the state has limited jurisdiction regarding the regulation of health insurance plans, more than two-thirds of Nevadans, including state and federal employees, Medicare and Medicaid enrollees and others whose employers are self-insured, are not affected by state legislative action such as mandated benefits, improved grievance and appeals processes and the proposed ombudsman office; now, therefore, be it

Resolved by the Assembly and Senate of the State of Nevada, Jointly, That the Nevada Legislature hereby urges Congress to take steps to ensure that those plans which are exempt from state regulation provide adequate protection provisions for persons covered by such health plans; and be it further

Resolved, That the Chief Clerk of the Assembly prepare and transmit a copy of this resolution to the Vice President of the United States as the presiding officer of the Senate, the Speaker of the House of Representatives and each member of the Nevada Congressional Delegation; and be it further

Resolved, That this resolution becomes effective upon passage and approval.

POM–188. A petition from a citizen of the State of Florida relative to tobacco; to the Committee on Health, Education, Labor, and Pensions.

POM–189. A petition from a citizen of the State of Florida relative to federal income tax laws; to the Committee on Finance.

POM–190. A petition from a citizen of the State of Florida relative to Social Security and Medicare laws; to the Committee on Finance.

POM–191. A petition from a citizen of the State of Florida relative to water sources; to the Committee on Environment and Public Works.

POM–192. A petition from a citizen of the State of Florida relative to court reform; to the Committee on the Judiciary.

POM–193. A petition from a citizen of the State of Florida relative to campaign financing reform; to the Committee on Rules and Administration.

POM–194. A petition from a citizen of the State of Florida relative to paper money; to the Committee on Banking, Housing, and Urban Affairs.

POM–195. A resolution adopted by the Board of Directors, Puerto Rico Bar Association relative to navy war practices at the island of Vieques; to the Committee on Armed Services.

POM–196. A petition from a citizen of the State of Indiana relative to highway safety and the trucking industry; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. MCCAIN, from the Committee on Commerce, Science, and Transportation, with amendments:

S. 342. A bill to authorize appropriations for the National Aeronautics and Space Administration for fiscal years 2000, 2001, and 2002, and for other purposes (Rept. No. 106–77).

By Mr. MURKOWSKI, from the Committee on Energy and Natural Resources, without amendment:

S. 607. A bill to reauthorize and amend the National Geologic Mapping Act of 1992 (Rept. No. 106–78).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Ms. SNOWE:

S. 1224. A bill to amend the Elementary and Secondary Education Act of 1965 to encourage students, including young women, to pursue demanding careers and higher education degrees in mathematics, science, engineering and technology; to the Committee on Health, Education, Labor, and Pensions.

By Ms. COLLINS (for herself, Mr. GREGG, Mr. CONRAD, Mr. BURNS, Mr. KERREY, Mr. HAGEL, and Mr. HUTCHINSON):

S. 1225. A bill to provide for a rural education initiative, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MACK:

S. 1226. A bill to amend the Internal Revenue Code of 1986 to provide that interest on indebtedness used to finance the furnishing or sale of rate-regulated electric energy or natural gas in the United States shall be allocated solely to sources within the United States; to the Committee on Finance.

By Mr. CHAFEE (for himself, Mr. MCCAIN, Mr. GRAHAM, Mr. MACK, Mr. MOYNIHAN, and Mr. JEFFORDS):

S. 1227. A bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women and children to be eligible for medical assistance under the medical program, and for other purposes; to the Committee on Finance.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, Mr. LOTT, and Mr. CONRAD):

S. 1228. A bill to provide for the development, use, and enforcement of a system for labeling violent content in audio and visual media products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

By Mr. BURNS:

S. 1229. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a foreign pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

By Mrs. BOXER:

S. 1230. A bill to amend the Internal Revenue Code of 1986 to encourage the production and use of clean-fuel vehicles, and for other purposes; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. SNOWE:

S. 1224. A bill to amend the Elementary and Secondary Education Act of 1965 to encourage students, including young women, to pursue demanding careers and higher education degrees in mathematics, science, engineering and technology; to the Committee on Health, Education, Labor, and Pensions.

● Ms. SNOWE. Mr. President, I rise today to introduce legislation that will ensure our nation's students, and young women in particular, are encouraged to pursue degrees and careers in math, science, engineering, and technology.

Mr. President, if our children are to be prepared for the globally competitive economy of the next century, they must not only have access to the technologies that will dominate the workforce and job market that they will enter—but they should also be encouraged to pursue degrees in the fields that underlie these technologies.

We simply cannot ignore that six out of ten new jobs require technological skills—skills that are seriously lacking in our workforce today. The impact of this technological illiteracy is devastating for our nation's businesses, with an estimated loss in productivity of $30 billion every year, and the inability of companies across the nation to fill an estimated 190,000 technology jobs in mid- to large-sized companies. In fact, these very job vacancies led to Congress passing legislation last year that increased the number of H1–B visas that could be issued to foreign workers to enter the United States.

Furthermore, according to a 1994 report by the American School Counselors Association, 65 percent of all jobs will require technical skills in the year 2000, with 20 percent being professional and only 15 percent relying on unskilled labor. In addition, between 1996 and 2006, all occupations expect a 14 percent increase in jobs, but Information Technology occupations should jump by 75 percent. As this data implies, today's students must gain a different knowledge base than past generations of students if they are to be prepared for, and competitive in, the global job market of the 21st Century.

Mr. President, even as we should seek to increase student access and exposure

to advanced technologies in our nation's schools and classrooms through the E-rate and other programs, we should also seek to increase the interest of our students in the fields that are the backbone of these technologies: namely, math, science, engineering, and other technology-related fields. Clearly, if technology will be the cornerstone of the job market of the future, then it is vital that our nation's students—who will be tomorrow's workers—be the architects that build that cornerstone.

Accordingly, the legislation I am offering today is designed to ensure that our nation's students are encouraged to pursue degrees in these demanding fields. In particular, my legislation will ensure that young girls—who are currently less likely to enter these fields than their male counterparts—be encouraged to enter these fields of study.

Mr. President, as was highlighted in the American Association of University Women report, ''Gender Gaps: Where Schools Still Fail Our Children,'' when compared to boys, girls might be at a significant disadvantage as technology is increasingly incorporated into the classroom. Not only do girls tend to come into the classroom with less exposure to computers and other technology, but they also tend to believe that they are less adept at using technology than boys.

In light of these findings, it should come as no surprise that girls are dramatically underrepresented in advanced computer science courses after graduation from high school. Furthermore, it should come as no surprise that girls tend to gravitate toward the fields of social sciences, health services, and education, while boys disproportionately gravitate toward the fields of engineering and business.

In fact, data gathered in 1997 on the intended majors of college-bound students found that a larger proportion of female than male SAT test-takers intended to major in visual and performing arts, biological sciences, education, foreign or classical languages, health and allied services, language and lierature, and the social sciences. In contrast, a larger portion of boys than girls intended to major in agriculture and natural resources, business and commerce, engineering, mathematics, and physical sciences.

While all of these fields are invaluable—and students should always be encouraged to choose the fields of study and careers that interest them most—I believe it is critical that we ensure students do not balk at entering a particular field of study or career simply because it has typically been associated with ''males'' or ''females.'' Instead, all students should be aware of the multitude of opportunities that are available to them, and encouraged to enter those fields that they find of interest.

Mr. President, young women should not shy away from technical careers simply because they are more often associated with men—and they should not avoid higher education courses that would give them the knowledge and skills they need for these jobs simply because they are more typically taken by young men. Accordingly, my legislation will ensure that fields relying on skills in math, science, engineering, and technology will be promoted to all students—and especially girls—to ensure that the numerous opportunities and demands of the job market in the 21st Century are met.

Specifically, the ''High Technology for Girls Act'' will expand the possible uses of monies provided under the Elementary and Secondary Education Act (ESEA) of 1965 to ensure young women are encouraged to pursue demanding careers and higher education degrees in mathematics, science, engineering, and technology. As a result, monies provided for Professional Development Activities, the National Teacher Training Project, and the Technology for Education programs can be used by schools to ensure these fields of study and careers are presented in a favorable manner to all students.

Of critical importance, schools will be able to use these monies for the development of mentoring programs, model programs, or other appropriate programs in partnership with local businesses or institutions of higher education. As a result, programs will be created that meld the best ideas from educators and the private sector, thereby improving the manner in which these fields are presented and taught—and ultimately putting a positive ''face'' on fields that may otherwise be shunned by young women.

Mr. President, as Congress moves forward in its effort to reauthorize the ESEA, I believe the provisions contained in this legislation would be a positive and much-needed step toward preparing our students for the jobs of the 21st Century. We cannot afford to let any of our nation's students overlook the fields of study that will be the cornerstone of the global job market of the future, and my legislation will help ensure that does not happen.

Accordingly, I urge that my colleagues support the ''High Technology for Girls Act,'' and look forward to working for its adoption during the consideration of the Elementary and Secondary Education Act.●

By Ms. COLLINS (for herself, Mr. GREGG, Mr. CONRAD, Mr. BURNS, Mr. KERREY, Mr. HAGEL, and Mr. HUTCHINSON):

S. 1225. A bill to provide for a rural education initiative, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

RURAL EDUCATION INITIATIVE ACT

Ms. COLLINS. Mr. President, I rise today to introduce the Rural Education Initiative Act. I am very pleased to be joined by my colleagues Senators GREGG, CONRAD, KERREY, BURNS, HUTCHINSON, and HAGEL as original cosponsors of this commonsense, bipartisan proposal to help rural schools make better use of Federal education dollars. I also want to acknowledge the valuable assistance provided by the American Association of School Administrators in the drafting of this legislation.

The Elementary and Secondary Education Act authorizes formula and competitive grants that allow many of our local school districts to improve the education of their students. These Federal grants support efforts to promote such laudable goals as the professional development of teachers, the incorporation of technology into the classroom, gifted and talented programs and class-size reduction. Schools receive several categorical grants supporting these programs, each with its own authorized activities and regulations and each with its own redtape and paperwork. Unfortunately, as valuable as these programs may be for thousands of predominantly urban and suburban school districts, they simply do not work well in rural areas.

The Rural Education Initiative Act will make these Federal grant programs more flexible in order to help school districts in rural communities with fewer than 600 students. Six hundred may not sound like many students to some of my colleagues from more populous or urban States, but they may be surprised to learn that more than 35 percent of all school districts in the United States have 600 or fewer students. In my State of Maine, 56 percent, or 158 of its 284 school districts, have fewer than 600 students. The two education initiatives contained in our legislation will overcome some of the most challenging obstacles that these districts face in participating in Federal education programs.

The first rural education initiative deals with four formula grants. Formula-driven grants from some education programs simply do not reach small rural schools in amounts that are sufficient to improve curriculum and teaching in the same way that they do for larger suburban or urban schools.

This is because the grants are based on school district enrollment. Unfortunately, these individual grants confront smaller schools with a dilemma; namely, they simply may not receive enough funding from any single grant to carry out meaningful activity. Our legislation will allow a district to combine the funds from four categorical programs.

Under the Rural Education Initiative Act, rural districts will be permitted to combine the funds from these programs and use the money to support reform efforts of their own choice to improve the achievement of their students and the quality of the instruction. Instead of receiving grants from four independent programs, each insufficient to accomplish the program's objectives, these rural districts will have the flexibility to combine the grants and the

dollars to support locally chosen educational goals.

I want to emphasize that the rural initiative I have just described does not change the level of funding a district receives under these formula grant programs. It simply gives these rural districts the flexibility they need to use the funds far more effectively.

The second rural initiative in our legislation involves several competitive grant programs that present small rural schools with a different problem. Because many rural school districts simply do not have the resources required to hire grant writers and to manage a grant, they are essentially shut out of those programs where grants are competitively awarded.

The Rural Education Initiative Act will give small, rural districts a formula grant in lieu of eligibility for the competitive programs of the ESEA. A district will be able to combine this new formula grant with the funds from the regular formula grants and use the combined moneys for any purpose that will improve student achievement or teaching quality.

Districts might use these funds, for example, to hire a new reading or math teacher, to fund important professional development, to offer a program for gifted and talented students, to purchase high technology, or to upgrade a science lab, or to pay for any other activity that meets the district's priorities and needs.

Let me give you a specific example of what these two initiatives will mean for one Maine school district, School Administrative District 33. This district serves two northern Maine communities, Frenchville and St. Agatha. Each of these communities has about 200 school-age children. SAD 33 receives four separate formula grants ranging from about $1,900 from the Safe and Drug Free Schools Program to $9,500 under the Class Size Reduction Act.

You can see the problem right there. The amounts of the grants under these programs are so small that they really are not useful in accomplishing the goals of the program. The total received by this small school district for all four of the programs is just under $16,000. But each grant must be applied for separately, used for different—and federally mandated—purposes, and accounted for independently.

Under our legislation, this school district will be freed from the multiple applications and reports, and it will have $16,000 to use for locally identified education priorities. In addition, since SAD 33 does not have the resources needed to apply for the current competitively awarded grant programs, our legislation will allow this school district to receive a supplemental formula grant of $34,000. The bottom line is, under my legislation this district will have about $50,000 and the flexibility to use these Federal funds to address its most pressing educational needs.

But with this flexibility and additional funding comes responsibility. In return for the advantages and flexibility that our legislation provides, participating districts will be held accountable for demonstrating improved student performance. Each participating school district will be required to administer the same test of its choice annually during the 5-year period of this program. Based on the results of this test, a district will have to show that student achievement has improved in order to continue its participation beyond the 5-year period.

Since Maine and many other States already administer annual education assessments, districts will not incur any significant administrative burden in accounting and complying with this accountability provision. More important, the schools will be held responsible for what is really important, and that is improved student achievement, rather than for time-consuming paperwork in the form of applications and reports.

As one rural Maine superintendent told me: ''Give me the resources I need plus the flexibility to use them, and I am happy to be held accountable for improved student performance. It will happen.''

The Federal Government has an important role to play in improving education in our schools. But it has a supporting role, whereas States and communities have the lead role. We must improve our education system, we must enhance student achievement, without requiring every school in this Nation to adopt a plan designed in Washington and without imposing burdensome and costly regulations in return for Federal assistance.

The two initiatives contained in our bill will accomplish those goals. They will allow rural schools to use their own strategies for improvement without the encumbrance of onerous regulations and unnecessary paperwork. It is my hope that we will be able to enact this important and bipartisan legislation this year.

I thank my colleagues for their attention.

Mr. GREGG. Mr. President, today, I join my esteemed colleagues Senator COLLINS and CONRAD in introducing the Rural Education Initiative Act (REA). This Act represents a bipartisan approach to address the unique needs of 35% of school districts in the United States, specifically small, rural school districts. It does not authorize any new money. Rather, REA amends the Rural Education Demonstration Grants under Part J, of Title X, of the Elementary and Secondary Education Act (ESEA) and retains the current ESEA authorization of up to $125 million for rural education programs.

Rural school districts are at a distinct disadvantage when it comes to both receiving and using federal education funds. They either don't receive enough federal funds to run the program for which the funds are allocated or don't receive federal funds for programs for which they have to fill out applications. Small rural school districts rarely apply for federal competitive grants because they lack the resources and expertise required to fill out complicated and time intensive applications for federal education grants, which means that rural school districts lose out on millions of federal education dollars each year.

The Rural Education Initiative Act addresses both the problem of rural school districts' inability to generate enough money under federal formula grants to run a program and the problem of rural school districts' inability to compete for federal discretionary grants.

With regard to federal education formula grants, REA permits rural school districts to merge funds from the President's 100,000 New Teachers program and several Elementary and Secondary Education Act programs, specifically Eisenhower Professional Development, Safe and Drug Free Schools, Innovative Education Program Strategies. Under REA, school districts can pool funds from these federal education programs and use the money for a variety of activities that the district believes will contribute to improved student achievement.

With regard to federal discretionary grants for which rural grants have to compete, the bill stipulates that small rural school districts who decline to apply for federal discretionary grants are eligible to receive money under a rural education formula grant. As a result, school districts would no longer have to go through the application process to receive federal funds. School districts that had to forgo applying for discretionary grants simply because they did not have the resources to do so, would no longer be penalized. As with their other federal grant money, a school district would have broad flexibility on how to use funds provided under this new grant to improve student achievement and the quality of instruction.

A local school district can combine their other formula grant money with this new direct grant to create a large flexible grant at the school district level to: hire a new teacher, purchase a computer, provide professional development, offer advanced placement or vocational education courses or just about any other activity that would contribute to increased student achievement and higher quality of instruction.

In addition to the aforementioned changes, REA has a strong accountability piece. The bill stipulates that rural school districts may only continue to receive the rural education initiative grant and have enormous flexibility over other federal education dollars if in fact they can show a marked improvement in student achievement.

In conclusion, this bill not only builds momentum for driving more federal dollars directly down to rural school districts but marks an important sea change in federal education

policy in that it cedes unprecedented authority to school districts to use federal funds as they see fit, not as the federal government prescribes and it links increased flexibility and increased federal funds directly to student achievement.

Mr. CONRAD. Mr. President, I am very pleased to join my distinguished colleagues from Maine, New Hampshire, and Nebraska in introducing the Rural Education Initiative Act. Over the past five years, Congress and the Administration have significantly increased education funding for States and local school districts. They have also undertaken a number of new initiatives in response to educational concerns including Class Size Reduction and the 21st Century Community Learning Centers Program.

Unfortunately, rural schools are not benefiting from these new initiatives or from funding increases to the same degree as many urban and suburban schools. In fact, on the basis of discussions with educators in North Dakota, Federal education laws are discouraging many rural schools from making the best use of funds that are currently allocated by formula from the Department of Education.

The formulas developed to allocate education funding, formulas which take into consideration a number of factors including student enrollment, in many cases do not result in sufficient funding to permit the smaller school to most effectively use the funds for local educational priorities.

Many small, rural schools, for example, don't have the enrollment numbers or special categories of students that result in sufficient revenue under the education formulas to hire a new teacher under the Class Size Reduction initiative, or to participate in a more specialized education program like the 21st Century Community Learning Centers Program.

Additionally, these schools are not able to compete as effectively as larger districts for funding under some Department of Education competitive grant programs. Limited resources do not permit smaller districts to hire specialists to prepare and submit grant applications. In some cases, the only option for a smaller school district is to form a consortium with other rural districts to qualify for sufficient funding.

No more clearly are the concerns of rural school educators expressed than in a letter that I received from ElRoy Burkle, Superintendent for the Starkweather Public School District, in Starkweather, North Dakota, a school district with 131 students. In his letter, ElRoy expressed the difficulty that smaller, rural schools are having in accessing Federal education funds.

ElRoy remarked, ''. . . school districts have lost their ability to access funds directly, and as a result of forming these consortiums in order to access these monies, it is my opinion, we have lost our individual ability to utilize these monies in an effective manner that would be conducive to promoting the educational needs of our individual schools.''

Mr. President, the Rural Education Initiative Act responds to the unique needs of rural school districts by enabling these districts to more fully participate in Department of Education formula and competitive grant programs.

Under Section 4 of the proposed legislation, school districts with less than 600 students would be eligible to pool resources from four DOE formula programs, and use the funding for quality of instruction or student achievement priorities determined by the local school district.

These programs include the DOE's Class-Size Reduction, Eisenhower Professional Development, Title VI (Innovative Education Strategies), and Safe and Drug Free Schools, Title I GOALS 2000, Individuals With Disabilities Education, and Impact Aid are not included in this legislation.

Additionally, to qualify for funding under the Rural Education Initiative Act, a school district would elect not to apply for competitive grant funding from seven programs including Gifted and Talented Children Grants; State and Local Programs for Technology Resources; 21st Century Community Learning Centers; Grants under the Fund for the Improvement of Education; Bilingual Education Professional Development Grants; Bilingual Education Capacity and Demonstration Grants; and Bilingual Education Research, Evaluation, and Dissemination Grants.

In opting out of these competitive grant programs, the rural school district would be entitled to a formula grant, based on student enrollment, to use for education reform efforts to improve class instruction and student achievements. The grant amount would be reduced by the level of funding received by the School district under the formula grant programs outlined in Section 4.

To remain in the Rural Education Initiative, school districts, after five years, would be required to assess the academic achievement of students using a statewide test, or in the case where there is no statewide test, a test selected by the local education agency.

Additionally, the Rural Education Initiative Act will not abolish or reduce funding for any DOE education program including the eleven grant programs discussed in this initiative.

Mr. President, It's very important that we consider the Rural Education Initiative Act as part of the re-authorization of the Elementary and Secondary Education Act during the 106th Congress. No issue is more important for rural America than the future of our schools. In North Dakota 86 percent of school districts, 198 schools, have less than 600 students.

Additionally, many of these school districts are facing declining enrollments. According to the Report Card for North Dakota's Future (1998) prepared by the North Dakota Department of Public Instruction, over the past two decades school districts in the State have declined from 364 to 214, almost 40 percent.

This decline in student population is not unique to North Dakota. Many other states have a significant percentage of rural school districts, and many are also experiencing a decline in rural student population. While the quality of education, including smaller classes, in many of these smaller communities remains excellent, the more limited resources of smaller, rural schools, coupled with the declining student enrollments, pose extraordinarily challenges for rural schools across America.

These factors along with current Federal education formulas have limited the ability of smaller districts to take full advantage of federal education grants. In some instances, they have limited educational opportunities for students such as distance learning, or advanced academic and vocational courses. Rural schools are unique and have educational needs that are not being met.

Mr. President, I want to commend the American Association of School Administrators (AASA) for the key role they have played in the development of this rural schools initiative. AASA has a remarkable record of achievement on behalf of the education community, parents, and students. For several years, they have been examining the difficulties that rural schools were experiencing in applying and qualifying for Federal education funding. The proposal developed by AASA would have a significant impact on almost 200 school districts in North Dakota.

I also want to commend the Organizations Concerned About Rural Education for their efforts on behalf of this initiative, and the exemplary work on behalf of other educational issues for rural America.

Again, I congratulate Senator COLLINS for taking the lead on this important education initiative, and I strongly urge the Committee on Health, Education, Labor, and Pensions to carefully consider this legislation and the educational needs of rural schools during the reauthorization of the Elementary and Secondary Education Act.

Mr. President, I ask unanimous consent that the letter from Mr. Burkle, a summary of the bill, and a description of the rural schools formula under the Rural Education Initiative Act, prepared by the American Association of School Administrators be printed in the RECORD.

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

RURAL EDUCATION INITIATIVE ACT

QUALIFYING DISTRICTS

A district eligible to elect to receive its funding through this initiative must have 599 students or fewer and have a Beale Code rating of 6, 7, 8, or 9. The Beale Codes are used

by the U.S. Department of Agriculture to determine how relatively rural or urban a county is. Beale Codes range from 0 to 9, with 0 being most urban and 9 being most rural. A county-by-county listing may be found at: http://www.econ.ag.gov/epubs/other/typolog/index.html.

FLEXIBLE USE OF FORMULA GRANTS

If a district qualifies and elects to participate in this initiative, it will have flexibility with regard to Titles II (Eisenhower professional development), IV (Safe and Drug-Free Schools), and VI (Innovative Education Program Strategies) of the Elementary and Secondary Education Act and the Class Size Reduction Act. Districts would be able to combine the funds from these programs and use the money to support reform efforts intended to improve the achievement of students and the quality of instruction provided.

ALTERNATIVE TO COMPETITIVE GRANT PROGRAMS

If an eligible district elects not to compete the discretionary grants programs listed below, it will receive a formula grant based on student enrollment (see following table), less the amount they received from the formula grant programs included in the flexible use of formula grants program (Titles II, IV and Vi of ESEA and the Class Size Reduction Act). This alternative formula grant may be combined with the funds from the flexible formula grant program and used for the same purposes.

State and Local Programs for School Technology Resources (Subpart 2 of part A of title III of ESEA);

Bilingual Education Capacity and Demonstration Grants (Subpart 1 of part A of title VII of ESEA);

Bilingual Education Research, Evaluation, and Dissemination Grants (Subpart 2 of part A of title VII of ESEA);

Bilingual Education Professional Development Grants (Subpart 3, Section 7142 of part A of title VII of ESEA);

Fund for the Improvement of Education (Part A of Title X of ESEA);

Gifted and Talented Grants (Part B of Title X of ESEA);

21st Century Community Learning Centers (Part I of title X of ESEA)

Number of K–12 Students in District:	*Amount of grant*
1 to 49	[1] $20,000
50 to 149	[1] 30,000
150 to 299	[1] 40,000
300 to 449	[1] 50,000
450 to 599	[1] 60,000

[1] Reduced by the amount the district receives from the listed formula grants.

ACCOUNTABILITY

School districts participating in this initiative would have to meet high accountability standards. They would have to show significant statistical improvement in assessment test scores based on state and/or local assessments. Schools failing to show demonstrable progress will not be eligible for continued participation in the initiative.

STARKWEATHER PUBLIC SCHOOL
DISTRICT NO. 44,
Starkweather, ND, April 15, 1999.

Hon. KENT CONRAD,
U.S. Senate, Washington, DC.

DEAR SENATOR CONRAD: The purpose of this letter is to voice several concerns that are facing rural districts in North Dakota and ask for your assistance as the reauthorization process for various educational legislation is currently being addressed by congress. I currently serve as a shared superintendent for both the Starkweather and Munich Public School Districts. At this particular time these two districts are two independent districts, with the Starkweather District serving 131 students and Munich serving 154 students. Each district covers in excess of 200 square miles.

The first issue that I have deals with the recently approved Class-Size Reduction Program. I support the primary legislative intent of this legislation, however, this office disagrees with the way in which the funds can be accessed. Please allow me to explain.

This office received information at a recent regional meeting that the allocation for the Starkweather District is $5,003, and $6,020 for Munich. It was also shared that in order to access these funds our individual district allocations must be equal to or greater than the cost of hiring a first-year teacher at our schools. This equates to approximately $23,000. If a school allocation is less than that, the school district can create or join a consortium to access these dollars, so long as the aggregate amount equals or exceeds that cost of a first-year teacher. Therefore, as you can see, the two school districts that I serve would be forced to enter into another consortium in order to obtain these allocated funds through this program.

Currently, both the Munich and Starkweather School Districts are members of various consortiums in order to access our federal allocated monies. These consortiums include Title II, Lake Area Carl-Perkins, and Goals 2000. This is in addition to having consortiums for special education and school improvement. My point is that each of my respective school districts have lost their individual ability to access funds directly, and as a direct result of forming these consortiums in order to access our entitled monies, it is of my opinion, we have lost our individual ability to utilize these monies in an effective manner that would be conducive to promoting the educational needs of our individual schools. Let me cite an example of how this loss of effectiveness has occurred for my districts.

3. Legislation for rural school districts. Something needs to be done for us. Rural districts with low student enrollments and high square miles have to form consortiums to access federal funds. If legislation were created as cited above, my two districts could better utilize allocated funds and still be in-line with federal education goals.

In closing, I understand that it is difficult to write legislation to meet everyone's needs. However, I do believe that we need to address our educational needs as our children deserve the same opportunity as those in larger districts. Our issues may be different, but we all hold the common thread of providing the best education for each child.

Thank you for your time and consideration regarding the issues shared. Your office has my permission to share this letter with any individual who may need to review the concerns voiced. Your office may feel free to contact me at the address and telephone provided, or e-mail messages to me at elburkle@sendit.nodak.edu (work) or my home e-mail stburkle@stellarnet.com.

Respectfully,

ELROY BURKLE,
Superintendent.

Mr. KERREY. Mr. President, I rise in support of the Rural Education Initiative introduced by Senator COLLINS today, and I am pleased to be a cosponsor of this important piece of legislation.

The Rural Education Initiative takes a significant step toward ensuring that all young people have a shot at the American Dream. It addresses an important problem that many rural schools face: Often they receive small amounts of funding for a variety of programs, but they don't have the budget and personnel to develop and sustain multiple programs. Yet they still have students who need our help to raise their achievement levels and become productive, successful citizens.

The Rural Education Initiative asks us to make a $125 million investment in rural schools. And it allows small rural districts to pool funds from a handful of federal programs and target funding in those areas where they see the greatest need and where the funding will have the greatest impact.

But this legislation also ensures that districts remain accountable—in exchange for increased flexibility, they must demonstrate improved performance.

Over 70 percent of Nebraska's school districts are small, rural districts, as defined by this legislation. Currently Nebraska receives approximately $92 million in federal funds for elementary and secondary education. The Rural Education Initiative would increase that contribution by more than $10 million.

Mr. President, recently I contacted Jim Havelka, superintendent of both Dodge and Howells Public Schools in Nebraska. Dodge has 175 students K–12, and Howells has 225 students K–12. I said, ''Jim, what do you need to do a better job of educating your kids?''

Jim said, ''You know, it's awfully hard to start a new initiative on $900. But if I could pool funds from a few programs, I could hire an experienced instructional technology teacher to help us make even better use of computer hardware and software that is so crucial in improving learning opportunities for our students. And I could share that instructor with 2 or 3 other schools. Keep Title I, special education, and other major programs intact, but give me a little flexibility with a few other programs, and I'll give you results.''

Mr. President, I intend to do what I can to help Jim and his students produce results. I believe that in addition to this initiative, we should increase our investment in Title I and in education technology, both of which are especially important to rural schools. I look forward to working with Senator COLLINS and the other cosponsors of this legislation to accomplish these goals as we move this legislation through Congress.

By Mr. MACK:

S. 1226. A bill to amend the Internal Revenue Code of 1986 to provide that interest on indebtedness used to finance the furnishing or sale of rate-regulated electric energy or natural gas in the United States shall be allocated solely to sources within the United States; to the Committee on Finance.

ALLOCATION TO SOURCES WITHIN THE UNITED STATES OF INTEREST EXPENSE ON INDEBTEDNESS FINANCING RATE-REGULATED ELECTRIC ENERGY OR NATURAL GAS INFRASTRUCTURE INVESTMENTS

Mr. MACK. Mr. President, today I am introducing legislation to remedy a problem in the way the U.S. taxes the foreign operations of U.S. electric and gas utilities. With the 1992 passage of the National Energy Policy Act, Congress gave a green light to U.S. utilities wishing to do business abroad, lifting a long-standing prohibition. U.S. utilities were allowed to compete for the foreign business opportunities created by the privatization of national utilities and the need for the construction of facilities to meet increased energy demands abroad.

Since 1992, U.S. utility companies have made significant investments in utility operations in the United Kingdom, Australia, Eastern Europe, the Far East and South America. These investments in foreign utilities have created domestic jobs in the fields of design, architecture, engineering, construction, and heavy equipment manufacturing. They also allow U.S. utilities an opportunity to diversify and grow.

Unfortunately, the Internal Revenue Code penalizes these investments by subjecting them to double-taxation. U.S. companies with foreign operations receive tax credits for a portion of the taxes they pay to foreign countries, to reduce the double-taxation that would otherwise result from the U.S. policy of taxing worldwide income. The size of these foreign tax credits are affected by a number of factors, as U.S. tax laws recalculate the amount of foreign income that is recognized for tax credit purposes.

Section 864 of the tax code allocates deductible interest expenses between the U.S. and foreign operations based on the relative book values of assets located in the U.S. and abroad. By ignoring business realities and the peculiar circumstances of U.S. utilities, this allocation rule overtaxes them. Because U.S. utilities were until recently prevented from operating abroad, their foreign plants and equipment have been recently-acquired and consequently have not been much depreciated, in contrast to their domestic assets which are in most cases fully-depreciated. Thus, a disproportionate amount of interest expenses are allocated to foreign income, reducing the foreign income base that is recognized for U.S. tax purposes thus the size of the corresponding foreign tax credits.

The allocation rules increase the double-taxation of foreign income by reducing foreign tax credits, thereby increasing domestic taxation. The unfairness of this result is magnified by the fact that the interest expenses—which are the reason the foreign tax credit shrinks—are usually associated with domestically-regulated debt, which is tied to domestic production and is not as fungible as the tax code assumes.

The result of this economically-irrational taxation scheme is a very high effective tax rate on certain foreign investment and a loss of U.S. foreign tax credits. Rather than face this double-tax penalty, some U.S. utilities have actually chosen not to invest overseas and others have pulled back from their initial investments.

One solution to this problem is found in the legislation that I am introducing today. This remedy is to exempt from the interest allocation rules of Section 864 the debt associated with a U.S. utility's furnishing and sale of electricity or natural gas in the United States. This proposed rule is similar to the rule governing ''non-recourse'' debt, which is not subjected to foreign allocation. In both cases, lenders look to specific cash flows for repayment and specific assets as collateral. These loans are thus distinguishable from the typical risks of general credit lending transactions.

The specific cash flow aspect of non-recourse financing is a critical element of the non-recourse debt exception, and logic requires that the same tax treatment should be given to analogous utility debt. Thus, my bill would exempt from allocation to foreign source income the interest on debt incurred in the trade or business of furnishing or selling electricity or natural gas in the United States. The current situation is a very real problem that must be remedied, and I urge my colleagues to support the solution I am proposing.

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. 1226

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

SECTION 1. ALLOCATION TO SOURCES WITHIN THE UNITED STATES OF INTEREST EXPENSE ON INDEBTEDNESS FINANCING RATE-REGULATED ELECTRIC ENERGY OR NATURAL GAS INFRASTRUCTURE INVESTMENTS.

(a) IN GENERAL.—Subsection (e) of section 864 of the Internal Revenue Code of 1986 (relating to rules for allocating interest, etc.) is amended by redesignating paragraphs (6) and (7) as paragraphs (7) and (8), respectively, and by inserting after paragraph (5) the following new paragraph:

''(6) TREATMENT OF CERTAIN INTEREST EXPENSE RELATING TO QUALIFIED INFRASTRUCTURE INDEBTEDNESS.—

''(A) IN GENERAL.—Interest on any qualified infrastructure indebtedness shall be allocated and apportioned solely to sources within the United States, and such indebtedness shall not be taken into account in allocating and apportioning other interest expense.

''(B) QUALIFIED INFRASTRUCTURE INDEBTEDNESS.—For purposes of this paragraph, the term 'qualified infrastructure indebtedness' means any indebtedness incurred—

''(i) to carry on the trade or business of the furnishing or sale of electric energy or natural gas in the United States, or

''(ii) to acquire, construct, or otherwise finance property used predominantly in such trade or business.

''(C) RATE REGULATION.—

''(i) IN GENERAL.—If only a portion of the furnishing or sale referred to in subparagraph (B)(i) in a trade or business is rate regulated, the term 'qualified infrastructure indebtedness' shall not include nonqualified indebtedness.

''(ii) NONQUALIFIED INDEBTEDNESS.—For purposes of clause (i), the term 'nonqualified indebtedness' means so much of the indebtedness which would (but for clause (i)) be qualified infrastructure indebtedness as exceeds the amount which bears the same ratio to the aggregate indebtedness of the taxpayer as the value of the assets used in the furnishing or sale referred to in subparagraph (B)(i) which is rate-regulated bears to the value of the total assets of the taxpayer.

''(iii) RATE-REGULATED DEFINED.—For purposes of this subparagraph, furnishing or sale is rate-regulated if the rates for the furnishing or sale, as the case may be, have been established or approved by a State or political subdivision thereof, by an agency or instrumentality of the United States, or by a public service or public utility commission or other similar body of the District of Columbia or of any State or political subdivision thereof.

''(iv) ASSET VALUES.—For purposes of clause (ii), assets shall be treated as having a value equal to their adjusted bases (within the meaning of section 1016) unless the taxpayer elects to use fair market value for all assets. Such an election, once made, shall be irrevocable.

''(v) TIME FOR MAKING DETERMINATION.—The determination of whether indebtedness is qualified infrastructure indebtedness or nonqualified indebtedness shall be made at the time the indebtedness is incurred.

''(vi) SEPARATE APPLICATION TO ELECTRIC ENERGY AND NATURAL GAS.—This subparagraph shall be applied separately to electric energy and natural gas.''

(b) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by this section shall apply to indebtedness incurred in taxable years beginning after the date of enactment of this Act.

(2) OUTSTANDING DEBT.—In the case of indebtedness outstanding as of the date of enactment of this Act, the determination of whether such indebtedness constitutes qualified infrastructure indebtedness shall be made by applying the rules of subparagraphs (B) and (C) of section 864(e)(6) of the Internal Revenue Code of 1986, as added by this section, on the date such indebtedness was incurred.

By Mr. CHAFEE (for himself, Mr. MCCAIN, Mr. GRAHAM, Mr. MACK, Mr. MOYNIHAN, and Mr. JEFFORDS):

S. 1227. A bill to amend title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide States with the option to allow legal immigrant pregnant women and children to be eligible for medical assistance under the medical program, and for other purposes; to the Committee on Finance.

IMMIGRANT CHILDREN'S HEALTH IMPROVEMENT ACT OF 1999

Mr. CHAFEE. Mr. President, I am pleased to introduce the Immigrant Children's Health Improvement Act of 1999. I also want to thank Senators MCCAIN, GRAHAM, MACK, MOYNIHAN, and JEFFORDS for their support and cosponsorship of this important legislation.

In 1996, legal immigrants in this country lost critical public benefits because of changes made under welfare reform. While I supported the underlying goals of welfare reform—self sufficiency and individual responsibility—I continue to believe that the cuts made to immigrants' benefits as part of the 1996 reforms were unwarranted. While some of those cuts were reversed in 1997 and again in 1998, we still have a long way to improve the lives of the millions of immigrants who are legally in this country. The Immigrant Children's Health Improvement Act is one small but important step toward this goal.

While cash benefits such as Supplemental Security Income (SSI) and food stamps are critical to the well-being of low-income immigrants, access to health care is their largest concern. Immigrants who were legally in the country before the enactment of the welfare reform legislation are still eligible for Medicaid. However, those immigrants—including children and pregnant women—who arrived after August 22, 1996, the enactment date of the welfare bill, are barred for five years from receiving health benefits under Medicaid or the State Children's Health Insurance Program (SCHIP). While these individuals may still get emergency medical care, they are ineligible for the basic medical services that may reduce the need for such emergency care. This makes no sense.

The legislation we are introducing today would fix this problem by giving states the option to lift the five-year bar for pregnant women and children, allowing this narrow group of legal immigrants to receive health care services under either SCHIP or Medicaid. I want to emphasize that this legislation does not require states to cover these immigrant children—it merely allows the state to do so if it chooses. This approach is consistent with Congress' shift toward more state flexibility and will provide needed relief to states, such as Rhode Island, with high immigrant populations.

I hope that my colleagues will join me in support of this important measure. I ask unanimous consent that the legislation be printed in the RECORD.

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

S. 1227

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 ''Immigrant Children's Health Improvement Act of 1999''.

SEC. 2. OPTIONAL ELIGIBILITY OF CERTAIN ALIEN PREGNANT WOMEN AND CHILDREN FOR MEDICAID.

(a) IN GENERAL.—Subtitle A of title IV of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1611–1614) is amended by adding at the end the following:

''SEC. 405. OPTIONAL ELIGIBILITY OF CERTAIN ALIENS FOR MEDICAID.

''(a) OPTIONAL MEDICAID ELIGIBILITY FOR CERTAIN ALIENS.—A State may elect to waive (through an amendment to its State plan under title XIX of the Social Security Act) the application of sections 401(a), 402(b), 403, and 421 with respect to eligibility for medical assistance under the program defined in section 402(b)(3)(C) (relating to the medicaid program) of aliens who are lawfully residing in the United States (including battered aliens described in section 431(c)), within any or all (or any combination) of the following categories of individuals:

''(1) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

''(2) CHILDREN.—Children (as defined under such plan), including optional targeted low-income children described in section 1905(u)(2)(B).''.

(b) APPLICABILITY OF AFFIDAVITS OF SUPPORT.—Section 213A(a) of the Immigration and Nationality Act (8 U.S.C. 1183a(a)) is amended by adding at the end the following:

''(4) INAPPLICABILITY TO BENEFITS PROVIDED UNDER A STATE WAIVER.—For purposes of this section, the term 'means-tested public benefits' does not include benefits provided pursuant to a State election and waiver described in section 405 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996.''.

(c) CONFORMING AMENDMENTS.—

(1) Section 401(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1611(a)) is amended by inserting ''and section 405'' after ''subsection (b)''.

(2) Section 402(b)(1) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (8 U.S.C. 1612(b)(1)) is amended by inserting '', section 405,'' after ''403''.

(3) Section 403(a) of such Act (8 U.S.C. 1613(a)) is amended by inserting ''section 405 and'' after ''provided in''.

(4) Section 421(a) of such Act (8 U.S.C. 1631(a)) is amended by inserting ''except as provided in section 405,'' after ''Notwithstanding any other provision of law,''.

(5) Section 1903(v)(1) of the Social Security Act (42 U.S.C. 1396b(v)(1)) is amended by inserting ''and except as permitted under a waiver described in section 405(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996,'' after ''paragraph (2),''.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 1999.

SEC. 3. OPTIONAL ELIGIBILITY OF IMMIGRANT CHILDREN FOR SCHIP.

(a) IN GENERAL.—Section 405 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, as added by section 2(a), is amended—

(1) in the heading, by inserting ''**and SCHIP**'' before the period; and

(2) by adding at the end the following new subsection:

''(b) OPTIONAL SCHIP ELIGIBILITY FOR CERTAIN ALIENS.—

''(1) IN GENERAL.—Subject to paragraph (2), a State may also elect to waive the application of sections 401(a), 402(b), 403, and 421 with respect to eligibility of children for child health assistance under the State child health plan of the State under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), but only with respect to children who are lawfully residing in the United States (including children who are battered aliens described in section 431(c)).

''(2) REQUIREMENT FOR ELECTION.—A waiver under this subsection may only be in effect for a period in which the State has in effect an election under subsection (a) with respect to the category of individuals described in subsection (a)(2) (relating to children).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to child health assistance for coverage provided for periods beginning on or after October 1, 1999.

● Mr. GRAHAM. Mr. President, I rise today, along with Senators CHAFEE, MACK, MCCAIN, and MOYNIHAN, to introduce the Immigrant Children Health Improvement Act of 1999. I believe that these efforts are necessary in order to guarantee a healthy generation of children.

This legislation is simple. It provides states the option to provide health care coverage to legal immigrant children through Medicaid and the State Children's Health Insurance Program (SCHIP)—in essence eliminating the arbitrary designation of August 22, 1996 as the cutoff date for benefits eligibility to children. The welfare reform legislation passed in 1996 prohibits states from covering these immigrant children during their first five years in the United States. This prohibition has serious consequences.

Children without health insurance do not get important care for preventable diseases. Many uninsured children are hospitalized for acute asthma attacks that could have been prevented, or suffer from permanent hearing loss from untreated ear infections. Without adequate health care, common illnesses can turn into life-long crippling disease, whereas appropriate treatment and care can help children with diseases like diabetes live relatively normal lives. A lack of adequate medical care will also hinder the social and educational development of children, as children who are sick and left untreated are less ready to learn.

In addition to allowing extended coverage of legal immigrant children, this initiative aims to provide Medicaid to legal immigrant pregnant women who are also barred from receiving services as a result of the 1996 welfare reform law.

This legislation attempts to diminish the arbitrary cutoff date used in the 1996 welfare law to determine the eligibility of legal immigrants to benefits they desperately need. Our nation was built by people who came to our shores seeking opportunity and a better life, and America has greatly benefitted from the talent, resourcefulness, determination, and work ethic of many generations of legal immigrants. Time and time again, they have restored our faith in the American Dream. We should not discriminate between these important members of our community based on nothing more than an arbitrary date.

As our nation enters what promises to be a dynamic century, the United States needs a prudent, fair immigration policy to ensure that avenues of refuge and opportunity remain open for those seeking freedom, justice, and a better life.●

Mr. MCCAIN. Mr. President, I am proud to join my colleague Senator CHAFEE in introducing the Immigrant Children's Health Improvement Act of 1999. This legislation would help provide access to health care through the

Medicaid system for pregnant women and children who are legal immigrants.

In 1996, Congress passed and President Clinton signed into law the Personal Responsibility and Work Opportunity Reconciliation Act making critical reforms to our nation's welfare system. This greatly needed piece of legislation is dramatically improving our nation's welfare system by requiring able-bodied welfare recipients to work and encouraging individuals to become self-sufficient.

As my colleagues know, the welfare reform law limits most means-tested benefits for legal residents who are not citizens. The specific provision affecting these benefits is based on the principle that those who immigrate to this nation pledge to be self-sufficient, and should comply with that agreement. However, I have been concerned that this provision is having a negative impact on a vulnerable segment of our population, children and pregnant women.

My concern is not new. While Congress was considering this legislation, I raised concerns regarding several provisions which could have negative impact on certain vulnerable populations including children, pregnant women, the elderly and disabled. I believe our nation has a responsibility to provide assistance, when necessary, to our most vulnerable citizens, regardless of whether they were born here or in another country. I am pleased that Congress has addressed many of these concerns and implemented a number of changes to the 1996 welfare reform law. However, my concern for the pregnant women and children who are legal immigrants but were not protected by the changes implemented since 1996 still remains.

The consequences of lack of insurance are problematic for everyone, but they are particularly serious for children. Uninsured and low income children are less likely to receive vital primary and preventative care services. This is quite discouraging since it is repeatedly demonstrated that regular health care visits facilitate the continuity of care which plays a critical role in the development of a healthy child. For example, one analysis found that children living in families with incomes below the poverty line were more likely to go without a physician visit than those with Medicaid coverage or those with other insurance. The result is many uninsured, low-income children not seeking health care services until they are seriously sick. These dismal consequences of lack of access to quality health care also have disastrous impacts on pregnant women and their unborn children.

Studies have further demonstrated that many of these children are more likely to be hospitalized or receive their care in emergency rooms, which means higher health care costs for conditions that could have been treated with appropriate outpatient services or prevented through regular checkups. Receiving the appropriate prenatal care is essential for the health delivery and development for the unborn child which can help stave off future, more costly health care needs.

Under our bill, states would be given the option to allow legal immigrant children and pregnant women to have access to medical services under the Medicaid program. Again, let me reiterate—this is completely optional for the states and is not mandatory This bill would provide our states with the flexibility to address the health care needs of some of our most vulnerable—our children and pregnant women.

I urge our colleagues to support this important legislation.

Mr. MOYNIHAN. Mr. President, today, I am proud to cosponsor the Immigrant Children's Health Improvement Act of 1999, introduced by my good friend and colleague Senator CHAFEE. We are joined by our colleagues Senators MCCAIN, JEFFORDS, and MACK, and by Senator GRAHAM, who has long been a leader on this issue.

This bill includes three provisions which are part of the Fairness for Legal Immigrants Act of 1999 (S. 792), which I introduced, along with Senator GRAHAM, on April 14th of this year. They would restore health coverage to legal immigrants—mostly children—whose eligibility for benefits is denied to them by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996. It is a crucial step we should take. I will continue to work to move forward the broader Fairness for Legal Immigrants Act as well because it contains important provisions to prevent hunger and help the elderly and disabled.

The Immigrant Children's Health Improvement Act would: Permit states to provide Medicaid coverage to all eligible legal immigrant children; permit states to provide Medicaid coverage to all eligible legal immigrant pregnant women; and permit states to provide coverage under the Children's Health Insurance Program (CHIP) to all eligible legal immigrant children.

Note that these provisions are optional. There are no mandates in this bill. It would merely allow states to take common sense steps to aid legal immigrant children.

The problem is that under current law, states are not allowed to extend such health care coverage—which is so important for the development of healthy children—to families who have come to the U.S. after August 22, 1996, until the families have been here for five years. Five years is a very long time in the life of a child. Such a bar makes little sense for them, and is nonsensical for pregnant women. It is common knowledge that access to health care is essential for early childhood development. We should, at a minimum, permit states to extend coverage to all poor legal immigrant children, no matter when they have arrived here. Let me emphasize that under the 1996 law, states cannot use federal funds for this—and we are restoring this option to them. This builds upon our recent achievements in promoting health care for children—legal immigrant children should not be neglected in these efforts.

The provisions of that 1996 law concerning legal immigrants were based on the false premise that immigrants are a financial burden to American taxpayers. On the contrary. A recent comprehensive study by the National Academy of Sciences concluded that immigration actually benefits the U.S. economy. In fact, the study found that the average legal immigrant contributes $1,800 more in taxes than he or she receives in government benefits.

Many Americans may not realize this, but legal immigrants pay income and payroll taxes. And without continued legal immigration, the long-term financial condition of Social Security and Medicare would be worsened. According to the most recent Social Security trustees report, a decline in net immigration of 150,000 per year will reduce payroll tax revenues and require a 0.1% payroll tax increase to replace.

It is in our interest to see that these immigrant families have healthy children. And it is not merely wise, it is just. These immigrants have come here under the rules we have established and they have abided by those rules.

The 1996 law did grevious harm to the safety net for immigrants. Some states have begun their own efforts—without federal funding—to assist immigrants to make up the difference. Yet a new Urban Institute study concluded that ''[d]espite the federal benefit restorations and the many states that have chosen to assist immigrants, the social safety net for immigrants remains weaker than before welfare reform and noncitizens generally have less access to assistance than citizens.'' The Urban study also notes that ''[b]y barring many immigrants from federal assistance, the federal government shifted costs to states, many of which already bore a fiscal burden for providing assistance to immigrants.'' We in Washington should do our fair share.

Mr. President, simple decency requires us to continue to provide a measure of a safety net to legal immigrant families. I urge the enactment of this legislation to ensure that we do so.

By Mr. MCCAIN (for himself, Mr. LIEBERMAN, Mr. LOTT, and Mr. CONRAD):

S. 1228. A bill to provide for the development, use, and enforcement of a system for labeling violent content in audio and visual media products, and for other purposes; to the Committee on Commerce, Science, and Transportation.

MEDIA VIOLENCE LABELING ACT OF 1999

● Mr. MCCAIN. Mr. President, I join my colleagues today in introducing the 21st Century Media Responsibility Act. This bill would establish a uniform product labeling system for violent

content by requiring the manufacturers of motion pictures, video programs, interactive video games, and music recording products, provide plain-English labels on product packages and advertising so that parents can make informed purchasing decisions.

The most basic and profound responsibility that our culture—any culture—has, is raising its children. We are failing that responsibility, and the extent of our failure is being measured in the deaths, and injuries of our kids in the schoolyard and on the streets of our neighborhoods and communities.

Primary responsibility lies with families. As a country, we are not parenting our children. This is our job, our paramount responsibility, and most unfortunately, we are failing. We must get our priorities straight, and that means putting our kids first.

However, parents need help, because our homes and our families—our children's minds, are being flooded by a tide of violence. this dehumanizing violence pervades our society: our movies depict graphic violence; our children are taught to kill and maim by interactive video games; much of the music that inundates our children's lives delivers messages of hate and violence. Our culture is dominated by media, and our children, more so than any generation before them, is vulnerable to the images of violence that, unfortunately, are dominant themes in so much of what they see, and hear.

It is beyond debate that exposure to media violence is harmful to children. Study after scientific study, beginning with the Surgeon General's report in the early 1970's, has established this. Certainly, there is a hard consensus in our society that something must be done. What this bill makes clear is that the manufacturers and producers of these consumer products should have a legal responsibility to provide plain-english so that parents can make truly informed decisions about what their children consume.

This is not a rating system. It is a labeling system. it is not censorship. We are not talking about limiting free speech. Rather, we are talking about providing content labels on highly sophisticated, highly targeted, and highly promoted consumer products. This is common sense.●

● Mr. LIEBERMAN. Mr. President, I rise today to join my distinguished colleague and friend, the chairman of the Commerce Committee, Senator MCCAIN, and my colleague from North Dakota, Senator CONRAD, in introducing legislation that we believe will move us another step forward in ameliorating the culture of violence surrounding our children, and in helping parents protect their kids from harm.

This is a problem that has been much on our minds in the wake of the school massacre in Littleton and the other tragic shootings that preceded it, a series of events which has continued to reverberate through the national consciousness, which has in particular heightened our awareness as a nation to the violent images and messages bombarding our children, and which has in turn spurred a renewed debate about the entertainment media's contributing role in the epidemic of youth violence we are experiencing across the nation, not just in suburban schools but on the streets and in homes in every community.

We made an initial attempt to respond to this problem through the juvenile justice bill that the Senate recently passed, and I believe it was a good start. Senator MCCAIN and I joined Senators BROWNBACK and HATCH in cosponsoring a bipartisan amendment that would, among other things, authorize an investigation of the entertainment industry's marketing practices to determine the extent to which they are targeting the sale of ultraviolent, adult-rated products directly to kids.

This amendment, which was approved unanimously, would also facilitate the development of stronger codes of conduct for the various entertainment media and thereby encourage them to accept greater responsibility for the products they distribute.

The bill we are introducing today, the 21st Century Media Responsibility Act, would build on that initial response and significantly improve our efforts in the future to limit children's success to inappropriate and potentially harmful products.

Specifically, it calls for the creation of a uniform labeling system for violent entertainment media products, to provide parents with clear, easy-to-understand warnings about the amount and degree of violence contained in the movies, music, television shows, and video games that are being mass-marketed today. Beyond that, it would require the businesses where these products are sold or distributed—the movie theaters, record and software stores, and rental outlets—to strictly enforce these new ratings, and thus prohibit children from buying or renting material that is meant for adults and may pose a risk to kids.

This proposal is premised in many respects on our concerted efforts to keep cigarettes out of the hands of minors, and with good reason. As with tobacco, decades of research have shown definitively that media violence can be seriously harmful to children, that heavy, sustained exposure to violent images, particularly those that glamorize murder and mayhem and that fail to show any consequences, tends to desensitize young viewers and increase the potential they will become violent themselves. As with tobacco, and its mascot Joe Camel, we are beginning to see substantial evidence indicating that the entertainment industry is not satisfied with mass marketing mass murder, but that it is actually targeting products to children that the producers themselves admit are not appropriate for minors.

And as with tobacco, we are seeking to change the behavior of a multi-billion dollar industry that too often seems locked in deep denial, that has shown little inclination to acknowledge there is a problem with its products, let alone work with us to find reasonable solutions to reduce the threat of media violence to children.

Of course, there are differences between the tobacco and entertainment industries and the products they make. Cigarettes are filled with physical substances that have been proven to cause cancer in longtime smokers. Violent entertainment products have a less visible and physical effect on longtime viewers and listeners, and, more significantly, they are forms of speech that enjoy protection under the First Amendment.

It is because of our devotion to the First Amendment that Senator MCCAIN and I, along with many other concerned critics, have been reluctant to call for government restrictions on the content of movies, music, television and video games. All along, we have urged entertainment industry leaders to police themselves, to draw lines and set higher standards, to balance their right to free expression with their responsibilities to the larger community to which they belong. We repeated these pleas with a new sense of urgency in the days following the shooting at Columbine High School, asking the most influential media voices to attend the White House summit meeting the President convened and to engage in open dialogue about what all of us can do to reduce the likelihood of another Littleton.

And there has been a smattering of encouraging responses emanating from the entertainment media. For example, the Interactive Digital Software Association, which represents the video game manufacturers, has acknowledged that the grotesque and perverse violence used in some advertisements crosses the line, and it is reexamining its marketing code to respond to some of the concerns we have raised. Disney for its part announced that it would no longer house violent coin-operated video games in its amusement parks. The National Association of Theater Owners pledged to tighten the enforcement of its policies restricting the access of children to R-rated movies. And several prominent screenwriters, speaking at a recent forum sponsored by the Writers Guild of America, raised concerns about the level of violence in today's movies and called on the industry to rethink its fascination with murder and mayhem.

But overall the silence from the men and women who make the decisions that shape our culture has been deafening, their denials extremely disappointing. Not one CEO from the major entertainment conglomerates—Sony, Disney, Seagram, Time Warner, Viacom, and Fox—accepted the President's invitation to attend the White House summit meeting. And since

then, not one has made a statement accepting some responsibility for the culture of violence surrounding our children, or indicating their willingness to address their part of the lethal mix that is turning kids into killers. What we have heard, from Seagram's Edgar Bronfman and Time Warner's Gerald Levin and Viacom's Sumner Redstone, are more shrill denials and diversions, along with attacks on those of us in Congress who are concerned about what they are doing to our country and our kids.

This is the responsibility vacuum in which we are operating, and this is the vacuum we are trying to fill with the legislation we are introducing today. Ideally, our bill would be unnecessary. Ideally, the various segments of the entertainment industry would agree to adopt and implement a set of commonsense, uniform standards that would provide for clear and concise labeling of media products, that would prohibit the marketing and sales of adult-rated products to children, and that would hold producers or retail outlets that violate the code accountable for their irresponsibility. But there is no sign that is going to happen any time soon, which is why we feel compelled to go forward with this proposal today.

We are not advocating censorship, or placing restrictions on the kind of entertainment products that can be made and sold commercially. What we are doing through this bill is treating violent media like tobacco and other products that pose risks to children, requiring producers to provide explicit warnings to parents about potentially harmful content, and requiring retailers to take reasonable steps to limit the availability of adult-rated products with high doses of violence to audiences for which they are designed. That is why we have chosen to amend the Federal Cigarette Labeling and Advertising Act, to accentuate the fact that we are not regulating artistic expression but the marketing and distribution of commercial products, and that we are not criminalizing speech, but demanding truth in labeling and enforcement.

If a video game company is telling parents a game is not appropriate for children under 17, then parents should have a realistic expectation that this game will not be marketed or sold to that audience. Unfortunately, that is often not the case these days, and we would correct that by authorizing the Federal Trade Commission to investigate and punish retailers and rental outlets and movie theaters that in effect deceive parents about the products they are selling or renting to their kids. Specifically, it would authorize the FTC to levy fines of up to $10,000 per violation of the act's provisions prohibiting the sale or rental of adult-rated products to children.

This bill does not just respond to concerns of today, but anticipates the media landscape of tomorrow. According to most experts, as technologies converge over the next few years, more and more of our entertainment is going to be delivered through a single wire into the home over the Internet. In this radically different universe, it only makes sense to modernize the ratings concept to fit the new contours of the Information Age, and develop a standard labeling system for the video, audio, and interactive games we will consume through a common portal. Our legislation will move us in that direction and prod the entertainment industry to help parents meet the new challenges of this new era, and hopefully usher in a new ethic of media responsibility, a goal that is reflected in the bill's title.

In closing, Mr. President, I want to make clear that I do not consider this legislation to be ''the'' answer to the threat of media violence or the solution to repairing our culture. It won't singlehandedly stop media standards from falling, or substitute for industry self-restraint. No one bill or combination of laws could replace the exercise of corporate citizenship, particularly given our respect for the First Amendment. We must continue to push the entertainment industry to embrace its responsibilities. But this bill is a common-sense, forward looking response that will in fact help reduce the harmful influences reaching our children and thereby reduce the risk of youth violence. That makes it more than worthwhile, and I ask my colleagues to join us in supporting it.●

By Mr. BURNS:

S. 1229. A bill to amend the Federal Insecticide, Fungicide, and Rodenticide Act to permit a State to register a foreign pesticide for distribution and use within that State; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. BURNS. Mr. President, I rise today as a proud sponsor of this pesticide harmonization legislation. As many of you are aware, there are a number of trade imbalances facing the agricultural industry.

In my home State of Montana and many other western and mid-western states, trade imbalances occur primarily between Canada and the United States. However, disparities occur between the United States and many foreign countries.

One of those trade imbalances is pesticide harmonization, which is a serious issue for American farmers. There are numerous disparities between chemicals and pesticides that are allowed in foreign countries and those that are allowed here in the United States.

In many cases a chemical will have the identical chemical structure in both countries but be named and priced differently. Why should an American producer be expected to pay twice the amount for an identical chemical available in a foreign country for less?

In order for free trade to truly occur, this issue must be addressed. Farmers have dealt with several years of depressed prices with no immediate end in sight. To compound the economic crunch American farmers are feeling, American agricultural producers must pay nearly twice the amount that foreign producers pay in their country for nearly the same chemical.

This leads to a huge disparity between the break-even price on crop production between foreign and American farmers, and gives foreign producers an unfair advantage. It is unfair for American producers to pay twice the amount for pesticides and chemicals as many of our trading partners.

Furthermore, it is against the law for American producers to purchase an identical chemical in a foreign country and bring it across the border. The Environmental Protection Agency (EPA) must be held accountable to American producers and assure that producers have the same advantages in this country in regards to pesticides and chemicals that foreign producers enjoy.

My bill assures that the Environmental Protection Agency (EPA) will be held accountable to domestic agricultural producers. Primarily, it mandates that the EPA give mutual recognition to the same chemical structures, on both existing and new products, in the United States and competing foreign countries.

It does this by several provisions. First, it permits any agricultural individual or group, within a state, to put forth a request through the State Ag Commissioner (Head of the Department of Agriculture) to the EPA to register chemicals with substantially similar make-up to those registered in a foreign country.

Within 60 days of receiving that request the EPA would be held responsible to either accept or deny that request. They must then give the same recognition to American producers for chemical structures that are substantially similar to cheaper products available in competing foreign countries.

Additionally, my bill will ensure that the Administrator of the EPA will take into account both NAFTA and the Canada/U.S. Trade Agreement, in making these determinations.

These provisions will level the pricing structure by making sure that chemicals with the same (or substantially similar) structures are priced fairly in the United States.

I look forward to working with my colleagues on this important issue to American farmers and ranchers.

Thank you, Mr. President.

By Mrs. BOXER:

S. 1230. A bill to amend the Internal Revenue Code of 1986 to encourage the production and use of clean-fuel vehicles, and for other purposes; to the Committee on Finance.

THE ELECTRIC VEHICLE CONSUMER INCENTIVE TAX ACT OF 1999

Mrs. BOXER. Mr. President, today I am introducing the ''Electric Vehicle Consumer Incentive Tax Act of 1999'' to

provide new incentives and extend previous ones to spark the zero emission vehicle market. This legislation is similar to previous bills that I have introduced in the 104th and 105th Congresses.

I am pleased to see that already the market for electric vehicles is emerging. All major domestic automakers and most of foreign automakers have zero emission vehicles in the market. However, we still need to provide tax incentives to help lower the cost of the new technology vehicles. Despite the what appears to be a new understanding from our automakers that they must begin to produce environmentally friendly vehicles, the costs of these new generation of vehicles are still steep for most Americans.

The need to decrease automobile pollution is still critical. Since 1970, total U.S. population increased 31 percent and vehicle miles traveled—that's our best measure of vehicle use—increased 127 percent. During that time, emissions for most of the key pollutants have decreased from the introduction of new technologies. But we are still failing to meet air quality standards in many areas. In fact, the emissions of one key pollutant—nitrogen oxides—actually increased 11 percent from 1970 to 1997. Nitrogen oxides, produced largely from automobile fuel combustion, is the building block for smog. About 107 million Americans were residing in counties that did not meet the air quality standards for at least one of the National Ambient Air Quality Standards pollutants in 1997.

These emissions still produce profound and troubling impacts on the health of Americans, particularly the young.

That is why I believe Congress should help and encourage Americans to purchase or lease zero emission vehicles. Electric vehicles, which produce no pollution from their engines, will not become the preferred automobile for all Americans, but for many it can become the preferred commuter vehicle or city car. Electric vehicles can also help state and local governments, and private fleet operators, meet new and future air quality requirements.

Mr. President, I am pleased to say that previous provisions of my clean fuel vehicle legislation have become law. The lowering of the excise tax on liquified natural gas will help spur the market for that fuel for heavy duty vehicles. The repeal of the luxury tax on electric vehicles also helps remove or lessen market barriers. But more needs to be done. That is why I have introduced the ''Electric Vehicle Consumer Incentive Tax Act of 1999.'' U.S. Representative MAC COLLINS of Georgia has introduced the companion bill in the House, H.R. 1108.

The bill provides four major incentives. First, it removes the governmental use restrictions for electric vehicles. At present, the Internal Revenue Code prohibits any tax credit taken for property (in this case electric vehicles) used by the United States or any state or local government. Removing this bar will encourage the leasing of electric vehicles for state and local use. By removing restriction on governmental use of electric vehicles, owners of electric vehicle fleets could ''pass on'' any cost savings from tax credits to the government.

Second, the bill makes large electric trucks, vans, and buses eligible for the same tax deduction available now for other clean-fuel vehicles under the Energy Policy Act of 1992. Large electric trucks, vans and buses currently are limited to the maximum tax credit of $4,000 under the Code. Other clean-fuel vehicles, however, may receive a $50,000 tax deduction. This section of the bill would remove the unfair distinction between large electric and other large clean-fuel vehicles. Each would qualify for the tax deduction incentive which would serve to promote the greatest use of clean-fuel vehicles. The bill would end the tax credit for large electric vehicles and provide a tax deduction instead.

Third, the bill provides a flat $4,000 tax credit on the purchase of an electric vehicle. Under current law, electric vehicles are eligible under the Code for a 10 percent tax credit for the cost of qualified electric vehicles, up to a maximum of $4,000. The bill would modify that section to provide for a flat $4,000 tax credit (rather than 10 percent of the purchase price up to $4,000) in order to maximize the tax incentive.

Fourth, the bill extends the sunset period for the tax credit. Current law phases out the electric vehicle tax credit beginning in the year 2002. The Energy Policy Act of 1992 anticipated that electric vehicles would be available commercially in 1992. The first electric vehicles were not available to the public until 1997. All major automakers now have electric vehicles on the market. However, that market is still very small. Therefore, the bill extends the phase out for four years with the credit sunsetting December 31, 2008, instead of December 31, 2004. The phase out provisions are conformed by amending the Code to provide that the credit will be phased out, at a 25 percent annual cumulative rate, for each of the three years preceding termination.

I believe these provisions can provide important market incentives for Americans to purchase automobiles that do not contribute to urban smog or other pollution and at a modest cost in reduced Federal taxes. I ask that my colleagues join me in supporting this legislation and making way for a clean fuel future in the 21st Century.

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

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

S. 1230

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

SECTION 1. SHORT TITLE; AMENDMENT OF 1986 CODE.

(a) SHORT TITLE.—This Act may be cited as the ''Electric Vehicle Consumer Incentive Tax Act of 1999''.

(b) REFERENCE TO 1986 CODE.—Except as otherwise expressly provided, whenever in this Act an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of the Internal Revenue Code of 1986.

SEC. 2. GOVERNMENTAL USE RESTRICTION MODIFIED FOR ELECTRIC VEHICLES.

(a) IN GENERAL.—Paragraph (3) of section 30(d) (relating to special rules) is amended by inserting ''(without regard to paragraph (4)(A)(i) thereof)'' after ''section 50(b)''.

(b) CONFORMING AMENDMENT.—Paragraph (5) of section 179A(e) (relating to other definitions and special rules) is amended by inserting ''(without regard to paragraph (4)(A)(i) thereof in the case of a qualified electric vehicle described in subclause (I) or (II) of subsection (b)(1)(A)(iii) of this section)'' after ''section 50(b)''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of enactment of this Act.

SEC. 3. LARGE ELECTRIC TRUCKS, VANS, AND BUSES ELIGIBLE FOR DEDUCTION FOR CLEAN-FUEL VEHICLES.

(a) IN GENERAL.—Paragraph (3) of section 179A(c) (defining qualified clean-fuel vehicle property) is amended by inserting '', other than any vehicle described in subclause (I) or (II) of subsection (b)(1)(A)(iii)'' after ''section 30(c))''.

(b) DENIAL OF CREDIT.—Subsection (c) of section 30 (relating to credit for qualified electric vehicles)is amended by adding at the end the following new paragraph:

''(3) DENIAL OF CREDIT FOR VEHICLES FOR WHICH DEDUCTION ALLOWABLE.—The term 'qualified electric vehicle' shall not include any vehicle described in subclause (I) or (II) of section 179A(b)(1)(A)(iii).''

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to property placed in service on or after the date of enactment of this Act.

SEC. 4. ELECTRIC VEHICLE CREDIT AMOUNT AND APPLICATION AGAINST ALTERNATIVE MINIMUM TAX.

(a) IN GENERAL.—Subsection (a) of section 30 (relating to credit for qualified electric vehicles) is amended by striking ''10 percent of''.

(b) APPLICATION AGAINST ALTERNATIVE MINIMUM TAX.—Section 30(b) (relating to limitations) is amended by striking paragraph (3).

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 1998.

SEC. 5. EXTENSION OF CREDIT FOR QUALIFIED ELECTRIC VEHICLES.

(a) IN GENERAL.—Section 30(e) (relating to the termination of the credit) is amended by striking ''December 31, 2004'' and inserting ''December 31, 2008''.

(b) CONFORMING AMENDMENT.—Section 30(b)(2) (relating to the phaseout of the credit) is amended by striking ''December 31, 2001'' and inserting ''December 31, 2005'' and by striking ''2002'', ''2003'', and ''2004'' and inserting ''2006'', ''2007'', and ''2008'', respectively.

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

ADDITIONAL COSPONSORS

S. 13

At the request of Mr. SESSIONS, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 13, a bill to amend the Internal Revenue Code of 1986 to provide additional tax incentives for education.

S. 115

At the request of Ms. SNOWE, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 115, a bill to require that health plans provide coverage for a minimum hospital stay for mastectomies and lymph node dissection for the treatment of breast cancer and coverage for secondary consultations.

S. 222

At the request of Mr. LAUTENBERG, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from Maryland (Mr. SARBANES), and the Senator from New York (Mr. SCHUMER) were added as cosponsors of S. 222, a bill to amend title 23, United States Code, to provide for a national standard to prohibit the operation of motor vehicles by intoxicated individuals.

S. 256

At the request of Mr. GRASSLEY, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 256, a bill to amend title XVIII of the Social Security Act to promote the use of universal product numbers on claims forms submitted for reimbursement under the medicare program.

S. 331

At the request of Mr. THURMOND, his name was added as a cosponsor of S. 331, a bill to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes.

At the request of Mr. CRAIG, his name was added as a cosponsor of S. 331, supra.

S. 345

At the request of Mr. ALLARD, the name of the Senator from Hawaii (Mr. AKAKA) 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. 386

At the request of Mr. GORTON, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from California (Mrs. BOXER), the Senator from Kentucky (Mr. BUNNING), the Senator from Tennessee (Mr. THOMPSON), and the Senator from Kentucky (Mr. MCCONNELL) were added as cosponsors of S. 386, a bill to amend the Internal Revenue Code of 1986 to provide for tax-exempt bond financing of certain electric facilities.

S. 459

At the request of Mr. BREAUX, the name of the Senator from Maine (Ms. COLLINS) was added as a cosponsor of S. 459, a bill to amend the Internal Revenue Code of 1986 to increase the State ceiling on private activity bonds.

S. 487

At the request of Mr. GRAMS, the names of the Senator from Hawaii (Mr. INOUYE) and the Senator from Arkansas (Mr. HUTCHINSON) were added as cosponsors of S. 487, a bill to amend the Internal Revenue Code of 1986 to provide additional retirement savings opportunities for small employers, including self-employed individuals.

S. 495

At the request of Mr. BOND, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 495, a bill to amend the Clean Air Act to repeal the highway sanctions.

S. 631

At the request of Mr. DEWINE, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 631, a bill to amend the Social Security Act to eliminate the time limitation on benefits for immunosuppressive drugs under the medicare program, to provide continued entitlement for such drugs for certain individuals after medicare benefits end, and to extend certain medicare secondary payer requirements.

S. 784

At the request of Mr. ROCKEFELLER, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 784, a bill to establish a demonstration project to study and provide coverage of routine patient care costs for medicare beneficiaries with cancer who are enrolled in an approved clinical trial program.

S. 808

At the request of Mr. JEFFORDS, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to provide tax incentives for land sales for conservation purposes.

S. 894

At the request of Mr. CLELAND, the names of the Senator from Nevada (Mr. REID) and the Senator from Virginia (Mr. WARNER) were added as cosponsors of S. 894, a bill to amend title 5, United States Code, to provide for the establishment of a program under which long-term care insurance is made available to Federal employees and annuitants, and for other purposes.

S. 896

At the request of Mr. GRAMS, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 896, a bill to abolish the Department of Energy, and for other purposes.

S. 926

At the request of Mr. DODD, the name of the Senator from Wisconsin (Mr. FEINGOLD) was added as a cosponsor of S. 926, a bill to provide the people of Cuba with access to food and medicines from the United States, and for other purposes.

S. 947

At the request of Mr. HOLLINGS, the name of the Senator from Arkansas (Mr. HUTCHINSON) was added as a cosponsor of S. 947, a bill to amend federal law regarding the tolling of the Interstate Highway System.

S. 965

At the request of Mr. JEFFORDS, the names of the Senator from Massachusetts (Mr. KENNEDY), the Senator from New Jersey (Mr. LAUTENBERG), and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. 965, a bill to restore a United States voluntary contribution to the United Nations Population Fund.

S. 978

At the request of Mr. WARNER, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 978, a bill to specify that the legal public holiday known as Washington's Birthday be called by that name.

S. 1038

At the request of Mr. GRASSLEY, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1038, a bill to amend the Internal Revenue Code of 1986 to exempt small issue bonds for agriculture from the State volume cap.

S. 1070

At the request of Mr. BOND, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1070, a bill to require the Secretary of Labor to wait for completion of a National Academy of Sciences study before promulgating a standard, regulation or guideline on ergonomics.

S. 1167

At the request of Mr. GORTON, the name of the Senator from Idaho (Mr. CRAPO) was added as a cosponsor of S. 1167, a bill to amend the Pacific Northwest Electric Power Planning and Conservation Act to provide for expanding the scope of the Independent Scientific Review Panel.

S. 1176

At the request of Mr. ROBB, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 1176, a bill to provide for greater access to child care services for Federal employees.

S. 1180

At the request of Mr. KENNEDY, the names of the Senator from Maryland (Ms. MIKULSKI) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 1180, a bill to amend the Elementary and Secondary Education Act of 1965, to reauthorize and make improvements to that Act, and for other purposes.

SENATE CONCURRENT RESOLUTION 32

At the request of Mr. CONRAD, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of Senate Concurrent Resolution 32,

a concurrent resolution expressing the sense of Congress regarding the guaranteed coverage of chiropractic services under the Medicare+Choice program.

SENATE RESOLUTION 59

At the request of Mr. LAUTENBERG, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of Senate Resolution 59, a resolution designating both July 2, 1999, and July 2, 2000, as ''National Literacy Day.''

SENATE RESOLUTION 87

At the request of Mr. DURBIN, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of Senate Resolution 87, a resolution commemorating the 60th Anniversary of the International Visitors Program

AMENDMENT NO. 648

At the request of Mr. BRYAN, his name was added as a cosponsor of amendment No. 648 proposed to S. 1186, an original bill making appropriations for energy and water development for the fiscal year ending September 30, 2000.

At the request of Mr. JEFFORDS, the names of the Senator from Iowa (Mr. GRASSLEY), the Senator from Maine (Ms. COLLINS), the Senator from California (Mrs. BOXER), the Senator from Georgia (Mr. CLELAND), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Michigan (Mr. LEVIN), the Senator from Maine (Ms. SNOWE), the Senator from Nebraska (Mr. HAGEL), the Senator from Washington (Mrs. MURRAY), the Senator from Rhode Island (Mr. CHAFEE), and the Senator from Minnesota (Mr. WELLSTONE) were added as cosponsors of amendment No. 648 proposed to S. 1186, supra.

AMENDMENTS SUBMITTED

WORK INCENTIVES IMPROVEMENT ACT OF 1999

ROTH AND BINGAMAN AMENDMENT NO. 671

Mr. ROTH (for himself and Mr. BINGAMAN) proposed an amendment to the bill (S. 331) to amend the Social Security Act to expand the availability of health care coverage for working individuals with disabilities, to establish a Ticket to Work and Self-Sufficiency Program in the Social Security Administration to provide such individuals with meaningful opportunities to work, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Work Incentives Improvement Act of 1999''.

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

SEC. 2. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress makes the following findings:

(1) Health care is important to all Americans.

(2) Health care is particularly important to individuals with disabilities and special health care needs who often cannot afford the insurance available to them through the private market, are uninsurable by the plans available in the private sector, and are at great risk of incurring very high and economically devastating health care costs.

(3) Americans with significant disabilities often are unable to obtain health care insurance that provides coverage of the services and supports that enable them to live independently and enter or rejoin the workforce. Personal assistance services (such as attendant services, personal assistance with transportation to and from work, reader services, job coaches, and related assistance) remove many of the barriers between significant disability and work. Coverage for such services, as well as for prescription drugs, durable medical equipment, and basic health care are powerful and proven tools for individuals with significant disabilities to obtain and retain employment.

(4) For individuals with disabilities, the fear of losing health care and related services is one of the greatest barriers keeping the individuals from maximizing their employment, earning potential, and independence.

(5) Individuals with disabilities who are beneficiaries under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.) risk losing medicare or medicaid coverage that is linked to their cash benefits, a risk that is an equal, or greater, work disincentive than the loss of cash benefits associated with working.

(6) Currently, less than ½ of 1 percent of social security disability insurance and supplemental security income beneficiaries cease to receive benefits as a result of employment.

(7) Beneficiaries have cited the lack of adequate employment training and placement services as an additional barrier to employment.

(8) If an additional ½ of 1 percent of the current social security disability insurance (DI) and supplemental security income (SSI) recipients were to cease receiving benefits as a result of employment, the savings to the Social Security Trust Funds in cash assistance would total $3,500,000,000 over the worklife of the individuals.

(b) PURPOSES.—The purposes of this Act are as follows:

(1) To provide health care and employment preparation and placement services to individuals with disabilities that will enable those individuals to reduce their dependency on cash benefit programs.

(2) To encourage States to adopt the option of allowing individuals with disabilities to purchase medicaid coverage that is necessary to enable such individuals to maintain employment.

(3) To provide individuals with disabilities the option of maintaining medicare coverage while working.

(4) To establish a return to work ticket program that will allow individuals with disabilities to seek the services necessary to obtain and retain employment and reduce their dependency on cash benefit programs.

TITLE I—EXPANDED AVAILABILITY OF HEALTH CARE SERVICES

SEC. 101. EXPANDING STATE OPTIONS UNDER THE MEDICAID PROGRAM FOR WORKERS WITH DISABILITIES.

(a) IN GENERAL.—

(1) STATE OPTION TO ELIMINATE INCOME, ASSETS, AND RESOURCE LIMITATIONS FOR WORKERS WITH DISABILITIES BUYING INTO MEDICAID.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(A) in subclause (XIII), by striking ''or'' at the end;

(B) in subclause (XIV), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(XV) who, but for earnings in excess of the limit established under section 1905(q)(2)(B), would be considered to be receiving supplemental security income, who is at least 16, but less than 65, years of age, and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish;''.

(2) STATE OPTION TO PROVIDE OPPORTUNITY FOR EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY TO BUY INTO MEDICAID.—

(A) ELIGIBILITY.—Section 1902(a)(10) (A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as amended by paragraph (1), is amended—

(i) in subclause (XIV), by striking ''or'' at the end;

(ii) in subclause (XV), by adding ''or'' at the end; and

(iii) by adding at the end the following:

''(XVI) who are employed individuals with a medically improved disability described in section 1905(v)(1) and whose assets, resources, and earned or unearned income (or both) do not exceed such limitations (if any) as the State may establish, but only if the State provides medical assistance to individuals described in subclause (XV);''.

(B) DEFINITION OF EMPLOYED INDIVIDUALS WITH A MEDICALLY IMPROVED DISABILITY.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following:

''(v)(1) The term 'employed individual with a medically improved disability' means an individual who—

''(A) is at least 16, but less than 65, years of age;

''(B) is employed (as defined in paragraph (2));

''(C) ceases to be eligible for medical assistance under section 1902(a)(10)(A)(ii)(XV) because the individual, by reason of medical improvement, is determined at the time of a regularly scheduled continuing disability review to no longer be eligible for benefits under section 223(d) or 1614(a)(3); and

''(D) continues to have a severe medically determinable impairment, as determined under regulations of the Secretary.

''(2) For purposes of paragraph (1), an individual is considered to be 'employed' if the individual—

''(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

''(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined by the State and approved by the Secretary.''.

(C) CONFORMING AMENDMENT.—Section 1905(a) of such Act (42 U.S.C. 1396d(a)) is amended in the matter preceding paragraph (1)—

(i) in clause (x), by striking ''or'' at the end;

(ii) in clause (xi), by adding ''or'' at the end; and

(iii) by inserting after clause (xi), the following:

''(xii) employed individuals with a medically improved disability (as defined in subsection (v)),''.

(3) STATE AUTHORITY TO IMPOSE INCOME-RELATED PREMIUMS AND COST-SHARING.—Section 1916 of such Act (42 U.S.C. 1396o) is amended—

(A) in subsection (a), by striking ''The State plan'' and inserting ''Subject to subsection (g), the State plan''; and

(B) by adding at the end the following:

''(g) With respect to individuals provided medical assistance only under subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii)—

''(1) a State may (in a uniform manner for individuals described in either such subclause)—

''(A) require such individuals to pay premiums or other cost-sharing charges set on a sliding scale based on income that the State may determine; and

''(B) require payment of 100 percent of such premiums for such year in the case of such an individual who has income for a year that exceeds 250 percent of the income official poverty line (referred to in subsection (c)(1)) applicable to a family of the size involved, except that in the case of such an individual who has income for a year that does not exceed 450 percent of such poverty line, such requirement may only apply to the extent such premiums do not exceed 7.5 percent of such income; and

''(2) such State shall require payment of 100 percent of such premiums for a year by such an individual whose adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986) for such year exceeds $75,000, except that a State may choose to subsidize such premiums by using State funds which may not be federally matched under this title.

In the case of any calendar year beginning after 2000, the dollar amount specified in paragraph (2) shall be increased in accordance with the provisions of section 215(i)(2)(A)(ii).''.

(4) PROHIBITION AGAINST SUPPLANTATION OF STATE FUNDS AND STATE FAILURE TO MAINTAIN EFFORT.—Section 1903(i) of such Act (42 U.S.C. 1396b(i)) is amended—

(A) by striking the period at the end of paragraph (18) and inserting ''; or''; and

(B) by inserting after such paragraph the following:

''(19) with respect to amounts expended for medical assistance provided to an individual described in subclause (XV) or (XVI) of section 1902(a)(10)(A)(ii) for a fiscal year unless the State demonstrates to the satisfaction of the Secretary that the level of State funds expended for such fiscal year for programs to enable working individuals with disabilities to work (other than for such medical assistance) is not less than the level expended for such programs during the most recent State fiscal year ending before the date of enactment of this paragraph.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4) is amended in the matter preceding subparagraph (A) by inserting ''1902(a)(10)(A)(ii)(XV), 1902(a)(10)(A)(ii)(XVI)'' after ''1902(a)(10)(A)(ii)(X),''.

(2) Section 1903(f)(4) of such Act, as amended by paragraph (1), is amended by inserting ''1902(a)(10)(A)(ii)(XIII),'' before ''1902(a)(10)(A)(ii)(XV)''.

(c) GAO REPORT.—Not later than 3 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress regarding the amendments made by this section that examines—

(1) the extent to which higher health care costs for individuals with disabilities at higher income levels deter employment or progress in employment;

(2) whether such individuals have health insurance coverage or could benefit from the State option established under such amendments to provide a medicaid buy-in; and

(3) how the States are exercising such option, including—

(A) how such States are exercising the flexibility afforded them with regard to income disregards;

(B) what income and premium levels have been set;

(C) the degree to which States are subsidizing premiums above the dollar amount specified in section 1916(g)(2) of the Social Security Act (42 U.S.C. 1396o(g)(2)); and

(D) the extent to which there exists any crowd-out effect.

(d) EFFECTIVE DATE.—

(1) IN GENERAL.—Except as provided in paragraph (2), the amendments made by this section apply to medical assistance for items and services furnished on or after October 1, 1999.

(2) RETROACTIVITY OF CONFORMING AMENDMENT.—The amendment made by subsection (b)(2) takes effect as if included in the enactment of the Balanced Budget Act of 1997.

SEC. 102. CONTINUATION OF MEDICARE COVERAGE FOR WORKING INDIVIDUALS WITH DISABILITIES.

(a) CONTINUATION OF COVERAGE.—

(1) IN GENERAL.—Section 226 of the Social Security Act (42 U.S.C. 426) is amended—

(A) in the third sentence of subsection (b), by inserting '', except as provided in subsection (j)'' after ''but not in excess of 24 such months''; and

(B) by adding at the end the following:

''(j) The 24-month limitation on deemed entitlement under the third sentence of subsection (b) shall not apply—

''(1) for months occurring during the 6-year period beginning with the first month that begins after the date of enactment of this subsection; and

''(2) for subsequent months, in the case of an individual who was entitled to benefits under subsection (b) as of the last month of such 6-year period and would continue (but for such 24-month limitation) to be so entitled.''.

(2) CONFORMING AMENDMENT.—Section 1818A(a)(2)(C) of the Social Security Act (42 U.S.C. 1395i–2a(a)(2)(C)) is amended—

(A) by striking ''solely''; and

(B) by inserting ''or the expiration of the last month of the 6-year period described in section 226(j)'' before the semicolon.

(b) GAO REPORT.—Not later than 4 years after the date of the enactment of this Act, the Comptroller General of the United States shall submit a report to Congress that—

(1) examines the effectiveness and cost of subsection (j) of section 226 of the Social Security Act (42 U.S.C. 426);

(2) examines the necessity and effectiveness of providing the continuation of medicare coverage under that subsection to individuals whose annual income exceeds the contribution and benefit base (as determined under section 230 of the Social Security Act);

(3) examines the viability of providing the continuation of medicare coverage under that subsection based on a sliding scale premium for individuals whose annual income exceeds such contribution and benefit base;

(4) examines the interrelation between the use of the continuation of medicare coverage under that subsection and the use of private health insurance coverage by individuals during the 6-year period; and

(5) recommends whether that subsection should continue to be applied beyond the 6-year period described in the subsection.

(c) EFFECTIVE DATE.—The amendments made by subsection (a) apply to months beginning with the first month that begins after the date of the enactment of this Act.

(d) TREATMENT OF CERTAIN INDIVIDUALS.—An individual enrolled under section 1818A of the Social Security Act (42 U.S.C. 1395i–2a) shall be treated with respect to premium payment obligations under such section as though the individual had continued to be entitled to benefits under section 226(b) of such Act for—

(1) months described in section 226(j)(1) of such Act (42 U.S.C. 426(j)(1)) (as added by subsection (a)); and

(2) subsequent months, in the case of an individual who was so enrolled as of the last month described in section 226(j)(2) of such Act (42 U.S.C. 426(j)(2)) (as so added).

SEC. 103. GRANTS TO DEVELOP AND ESTABLISH STATE INFRASTRUCTURES TO SUPPORT WORKING INDIVIDUALS WITH DISABILITIES.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall award grants described in subsection (b) to States to support

the design, establishment, and operation of State infrastructures that provide items and services to support working individuals with disabilities.

(2) APPLICATION.—In order to be eligible for an award of a grant 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 shall require.

(3) DEFINITION OF STATE.—In this section, the term ''State'' means each of the 50 States, the District of Columbia, Puerto Rico, Guam, the United States Virgin Islands, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(b) GRANTS FOR INFRASTRUCTURE AND OUTREACH.—

(1) IN GENERAL.—Out of the funds appropriated under subsection (e), the Secretary shall award grants to States to—

(A) support the establishment, implementation, and operation of the State infrastructures described in subsection (a); and

(B) conduct outreach campaigns regarding the existence of such infrastructures.

(2) ELIGIBILITY FOR GRANTS.—

(A) IN GENERAL.—No State may receive a grant under this subsection unless the State—

(i) has an approved amendment to the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) that provides medical assistance under such plan to individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)); and

(ii) demonstrates to the satisfaction of the Secretary that the State makes personal assistance services available under the State plan under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to the extent necessary to enable individuals described in clause (i) to remain employed (as determined under section 1905(v)(2) of the Social Security Act (42 U.S.C. 1396d(v)(2))).

(B) DEFINITION OF PERSONAL ASSISTANCE SERVICES.—In this paragraph, the term ''personal assistance services'' means a range of services, provided by 1 or more persons, designed to assist an individual with a disability to perform daily activities on and off the job that the individual would typically perform if the individual did not have a disability. Such services shall be designed to increase the individual's control in life and ability to perform everyday activities on or off the job.

(3) DETERMINATION OF AWARDS.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall determine a formula for awarding grants to States under this section that provides special consideration to States that provide medical assistance under title XIX of the Social Security Act to individuals described in section 1902(a)(10)(A)(ii)(XVI) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XVI)).

(B) AWARD LIMITS.—

(i) MINIMUM AWARDS.—

(I) IN GENERAL.—Subject to subclause (II), no State with an approved application under this section shall receive a grant for a fiscal year that is less than $500,000.

(II) PRO RATA REDUCTIONS.—If the funds appropriated under subsection (e) for a fiscal year are not sufficient to pay each State with an application approved under this section the minimum amount described in subclause (I), the Secretary shall pay each such State an amount equal to the pro rata share of the amount made available.

(ii) MAXIMUM AWARDS.—No State with an application that has been approved under this section shall receive a grant for a fiscal year that exceeds 15 percent of the total expenditures by the State (including the reimbursed Federal share of such expenditures) for medical assistance for individuals eligible under subclause (XV) and (XVI) of section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)), as estimated by the State and approved by the Secretary.

(c) AVAILABILITY OF FUNDS.—

(1) FUNDS AWARDED TO STATES.—Funds awarded to a State under a grant made under this section for a fiscal year shall remain available until expended.

(2) FUNDS NOT AWARDED TO STATES.—Funds not awarded to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for awarding by the Secretary.

(d) ANNUAL REPORT.—A State that is awarded a grant under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include the percentage increase in the number of title II disability beneficiaries, as defined in section 1148(k)(3) of the Social Security Act (as amended by section 201) in the State, and title XVI disability beneficiaries, as defined in section 1148(k)(4) of the Social Security Act (as so amended) in the State who return to work.

(e) APPROPRIATION.—

(1) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to make grants under this section—

(A) for fiscal year 2000, $20,000,000;

(B) for fiscal year 2001, $25,000,000;

(C) for fiscal year 2002, $30,000,000;

(D) for fiscal year 2003, $35,000,000;

(E) for fiscal year 2004, $40,000,000; and

(F) for each of fiscal years 2005 through 2010, the amount appropriated for the preceding fiscal year increased by the percentage increase (if any) in the Consumer Price Index for All Urban Consumers (United States city average) for the preceding fiscal year.

(2) BUDGET AUTHORITY.—This subsection constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under paragraph (1).

(f) RECOMMENDATION.—Not later than October 1, 2009, the Secretary, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the grant program established under this section should be continued after fiscal year 2010.

SEC. 104. DEMONSTRATION OF COVERAGE UNDER THE MEDICAID PROGRAM OF WORKERS WITH POTENTIALLY SEVERE DISABILITIES.

(a) STATE APPLICATION.—A State may apply to the Secretary of Health and Human Services (in this section referred to as the ''Secretary'') for approval of a demonstration project (in this section referred to as a ''demonstration project'') under which up to a specified maximum number of individuals who are workers with a potentially severe disability (as defined in subsection (b)(1)) are provided medical assistance equal to that provided under section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) to individuals described in section 1902(a)(10)(A)(ii)(XV) of that Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(b) WORKER WITH A POTENTIALLY SEVERE DISABILITY DEFINED.—For purposes of this section—

(1) IN GENERAL.—The term ''worker with a potentially severe disability'' means, with respect to a demonstration project, an individual who—

(A) is at least 16, but less than 65, years of age;

(B) has a specific physical or mental impairment that, as defined by the State under the demonstration project, is reasonably expected, but for the receipt of items and services described in section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)), to become blind or disabled (as defined under section 1614(a) of the Social Security Act (42 U.S.C. 1382c(a))); and

(C) is employed (as defined in paragraph (2)).

(2) DEFINITION OF EMPLOYED.—An individual is considered to be ''employed'' if the individual—

(A) is earning at least the applicable minimum wage requirement under section 6 of the Fair Labor Standards Act (29 U.S.C. 206) and working at least 40 hours per month; or

(B) is engaged in a work effort that meets substantial and reasonable threshold criteria for hours of work, wages, or other measures, as defined under the demonstration project and approved by the Secretary.

(c) APPROVAL OF DEMONSTRATION PROJECTS.—

(1) IN GENERAL.—Subject to paragraph (3), the Secretary shall approve applications under subsection (a) that meet the requirements of paragraph (2) and such additional terms and conditions as the Secretary may require. The Secretary may waive the requirement of section 1902(a)(1) of the Social Security Act (42 U.S.C. 1396a(a)(1)) to allow for sub-State demonstrations.

(2) TERMS AND CONDITIONS OF DEMONSTRATION PROJECTS.—The Secretary may not approve a demonstration project under this section unless the State provides assurances satisfactory to the Secretary that the following conditions are or will be met:

(A) ELECTION OF OPTIONAL CATEGORY.—The State has elected to provide coverage under its plan under title XIX of the Social Security Act of individuals described in section 1902(a)(10)(A)(ii)(XV) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)(XV)).

(B) MAINTENANCE OF STATE EFFORT.—Federal funds paid to a State pursuant to this section must be used to supplement, but not supplant, the level of State funds expended for workers with potentially severe disabilities under programs in effect for such individuals at the time the demonstration project is approved under this section.

(C) INDEPENDENT EVALUATION.—The State provides for an independent evaluation of the project.

(3) LIMITATIONS ON FEDERAL FUNDING.—

(A) APPROPRIATION.—

(i) IN GENERAL.—Out of any funds in the Treasury not otherwise appropriated, there is appropriated to carry out this section—

(I) for fiscal year 2000, $72,000,000;

(II) for fiscal year 2001, $74,000,000;

(III) for fiscal year 2002, $78,000,000; and

(IV) for fiscal year 2003, $81,000,000.

(ii) BUDGET AUTHORITY.—Clause (i) constitutes budget authority in advance of appropriations Acts and represents the obligation of the Federal Government to provide for the payment of the amounts appropriated under clause (i).

(B) LIMITATION ON PAYMENTS.—In no case may—

(i) except as provided in clause (ii), the aggregate amount of payments made by the Secretary to States under this section exceed $300,000,000;

(ii) the aggregate amount of payments made by the Secretary to States for administrative expenses relating to annual reports required under subsection (d) exceed $5,000,000; or

(iii) payments be provided by the Secretary for a fiscal year after fiscal year 2005.

(C) FUNDS ALLOCATED TO STATES.—The Secretary shall allocate funds to States based on their applications and the availability of

funds. Funds allocated to a State under a grant made under this section for a fiscal year shall remain available until expended.

(D) FUNDS NOT ALLOCATED TO STATES.—Funds not allocated to States in the fiscal year for which they are appropriated shall remain available in succeeding fiscal years for allocation by the Secretary using the allocation formula established under this section.

(E) PAYMENTS TO STATES.—The Secretary shall pay to each State with a demonstration project approved under this section, from its allocation under subparagraph (C), an amount for each quarter equal to the Federal medical assistance percentage (as defined in section 1905(b) of the Social Security Act (42 U.S.C. 1395d(b)) of expenditures in the quarter for medical assistance provided to workers with a potentially severe disability.

(d) ANNUAL REPORT.—A State with a demonstration project approved under this section shall submit an annual report to the Secretary on the use of funds provided under the grant. Each report shall include enrollment and financial statistics on—

(1) the total population of workers with potentially severe disabilities served by the demonstration project; and

(2) each population of such workers with a specific physical or mental impairment described in subsection (b)(1)(B) served by such project.

(e) RECOMMENDATION.—Not later than October 1, 2002, the Secretary shall submit a recommendation to the Committee on Commerce of the House of Representatives and the Committee on Finance of the Senate regarding whether the demonstration project established under this section should be continued after fiscal year 2003.

(f) STATE DEFINED.—In this section, the term ''State'' has the meaning given such term for purposes of title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

SEC. 105. ELECTION BY DISABLED BENEFICIARIES TO SUSPEND MEDIGAP INSURANCE WHEN COVERED UNDER A GROUP HEALTH PLAN.

(a) IN GENERAL.—Section 1882(q) of the Social Security Act (42 U.S.C. 1395ss(q)) is amended—

(1) in paragraph (5)(C), by inserting ''or paragraph (6)'' after ''this paragraph''; and

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

''(6) Each medicare supplemental policy shall provide that benefits and premiums under the policy shall be suspended at the request of the policyholder if the policyholder is entitled to benefits under section 226(b) and is covered under a group health plan (as defined in section 1862(b)(1)(A)(v)). If such suspension occurs and if the policyholder or certificate holder loses coverage under the group health plan, such policy shall be automatically reinstituted (effective as of the date of such loss of coverage) under terms described in subsection (n)(6)(A)(ii) as of the loss of such coverage if the policyholder provides notice of loss of such coverage within 90 days after the date of such loss.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) apply with respect to requests made after the date of the enactment of this Act.

TITLE II—TICKET TO WORK AND SELF-SUFFICIENCY AND RELATED PROVISIONS

Subtitle A—Ticket to Work and Self-Sufficiency

SEC. 201. ESTABLISHMENT OF THE TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM.

(a) IN GENERAL.—Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.) is amended by adding after section 1147 (as added by section 8 of the Noncitizen Benefit Clarification and Other Technical Amendments Act of 1998 (Public Law 105–306; 112 Stat. 2928)) the following:

''TICKET TO WORK AND SELF-SUFFICIENCY PROGRAM

''SEC. 1148. (a) IN GENERAL.—The Commissioner shall establish a Ticket to Work and Self-Sufficiency Program, under which a disabled beneficiary may use a ticket to work and self-sufficiency issued by the Commissioner in accordance with this section to obtain employment services, vocational rehabilitation services, or other support services from an employment network which is of the beneficiary's choice and which is willing to provide such services to the beneficiary.

''(b) TICKET SYSTEM.—

''(1) DISTRIBUTION OF TICKETS.—The Commissioner may issue a ticket to work and self-sufficiency to disabled beneficiaries for participation in the Program.

''(2) ASSIGNMENT OF TICKETS.—A disabled beneficiary holding a ticket to work and self-sufficiency may assign the ticket to any employment network of the beneficiary's choice which is serving under the Program and is willing to accept the assignment.

''(3) TICKET TERMS.—A ticket issued under paragraph (1) shall consist of a document which evidences the Commissioner's agreement to pay (as provided in paragraph (4)) an employment network, which is serving under the Program and to which such ticket is assigned by the beneficiary, for such employment services, vocational rehabilitation services, and other support services as the employment network may provide to the beneficiary.

''(4) PAYMENTS TO EMPLOYMENT NETWORKS.—The Commissioner shall pay an employment network under the Program in accordance with the outcome payment system under subsection (h)(2) or under the outcome-milestone payment system under subsection (h)(3) (whichever is elected pursuant to subsection (h)(1)). An employment network may not request or receive compensation for such services from the beneficiary.

''(c) STATE PARTICIPATION.—

''(1) IN GENERAL.—Each State agency administering or supervising the administration of the State plan approved under title I of the Rehabilitation Act of 1973 may elect to participate in the Program as an employment network with respect to a disabled beneficiary. If the State agency does elect to participate in the Program, the State agency also shall elect to be paid under the outcome payment system or the outcome-milestone payment system in accordance with subsection (h)(1). With respect to a disabled beneficiary that the State agency does not elect to have participate in the Program, the State agency shall be paid for services provided to that beneficiary under the system for payment applicable under section 222(d) and subsections (d) and (e) of section 1615. The Commissioner shall provide for periodic opportunities for exercising such elections (and revocations).

''(2) EFFECT OF PARTICIPATION BY STATE AGENCY.—

''(A) STATE AGENCIES PARTICIPATING.—In any case in which a State agency described in paragraph (1) elects under that paragraph to participate in the Program, the employment services, vocational rehabilitation services, and other support services which, upon assignment of tickets to work and self-sufficiency, are provided to disabled beneficiaries by the State agency acting as an employment network shall be governed by plans for vocational rehabilitation services approved under title I of the Rehabilitation Act of 1973.

''(B) STATE AGENCIES ADMINISTERING MATERNAL AND CHILD HEALTH SERVICES PROGRAMS.—Subparagraph (A) shall not apply with respect to any State agency administering a program under title V of this Act.

''(3) SPECIAL REQUIREMENTS APPLICABLE TO CROSS-REFERRAL TO CERTAIN STATE AGENCIES.—

''(A) IN GENERAL.—In any case in which an employment network has been assigned a ticket to work and self-sufficiency by a disabled beneficiary, no State agency shall be deemed required, under this section, title I of the Workforce Investment Act of 1998, title I of the Rehabilitation Act of 1973, or a State plan approved under such title, to accept any referral of such disabled beneficiary from such employment network unless such employment network and such State agency have entered into a written agreement that meets the requirements of subparagraph (B). Any beneficiary who has assigned a ticket to work and self-sufficiency to an employment network that has not entered into such a written agreement with such a State agency may not access vocational rehabilitation services under title I of the Rehabilitation Act of 1973 until such time as the beneficiary is reassigned to a State vocational rehabilitation agency by the Program Manager.

''(B) TERMS OF AGREEMENT.—An agreement required by subparagraph (A) shall specify, in accordance with regulations prescribed pursuant to subparagraph (C)—

''(i) the extent (if any) to which the employment network holding the ticket will provide to the State agency—

''(I) reimbursement for costs incurred in providing services described in subparagraph (A) to the disabled beneficiary; and

''(II) other amounts from payments made by the Commissioner to the employment network pursuant to subsection (h); and

''(ii) any other conditions that may be required by such regulations.

''(C) REGULATIONS.—The Commissioner and the Secretary of Education shall jointly prescribe regulations specifying the terms of agreements required by subparagraph (A) and otherwise necessary to carry out the provisions of this paragraph.

''(D) PENALTY.—No payment may be made to an employment network pursuant to subsection (h) in connection with services provided to any disabled beneficiary if such employment network makes referrals described in subparagraph (A) in violation of the terms of the agreement required under subparagraph (A) or without having entered into such an agreement.

''(d) RESPONSIBILITIES OF THE COMMISSIONER.—

''(1) SELECTION AND QUALIFICATIONS OF PROGRAM MANAGERS.—The Commissioner shall enter into agreements with 1 or more organizations in the private or public sector for service as a program manager to assist the Commissioner in administering the Program. Any such program manager shall be selected by means of a competitive bidding process, from among organizations in the private or public sector with available expertise and experience in the field of vocational rehabilitation and employment services.

''(2) TENURE, RENEWAL, AND EARLY TERMINATION.—Each agreement entered into under paragraph (1) shall provide for early termination upon failure to meet performance standards which shall be specified in the agreement and which shall be weighted to take into account any performance in prior terms. Such performance standards shall include—

''(A) measures for ease of access by beneficiaries to services; and

''(B) measures for determining the extent to which failures in obtaining services for beneficiaries fall within acceptable parameters, as determined by the Commissioner.

''(3) PRECLUSION FROM DIRECT PARTICIPATION IN DELIVERY OF SERVICES IN OWN SERVICE AREA.—Agreements under paragraph (1) shall preclude—

''(A) direct participation by a program manager in the delivery of employment services, vocational rehabilitation services, or other support services to beneficiaries in the service area covered by the program manager's agreement; and

''(B) the holding by a program manager of a financial interest in an employment network or service provider which provides services in a geographic area covered under the program manager's agreement.

''(4) SELECTION OF EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Commissioner shall select and enter into agreements with employment networks for service under the Program. Such employment networks shall be in addition to State agencies serving as employment networks pursuant to elections under subsection (c).

''(B) ALTERNATE PARTICIPANTS.—In any State where the Program is being implemented, the Commissioner shall enter into an agreement with any alternate participant that is operating under the authority of section 222(d)(2) in the State as of the date of enactment of this section and chooses to serve as an employment network under the Program.

''(5) TERMINATION OF AGREEMENTS WITH EMPLOYMENT NETWORKS.—The Commissioner shall terminate agreements with employment networks for inadequate performance, as determined by the Commissioner.

''(6) QUALITY ASSURANCE.—The Commissioner shall provide for such periodic reviews as are necessary to provide for effective quality assurance in the provision of services by employment networks. The Commissioner shall solicit and consider the views of consumers and the program manager under which the employment networks serve and shall consult with providers of services to develop performance measurements. The Commissioner shall ensure that the results of the periodic reviews are made available to beneficiaries who are prospective service recipients as they select employment networks. The Commissioner shall ensure that the periodic surveys of beneficiaries receiving services under the Program are designed to measure customer service satisfaction.

''(7) DISPUTE RESOLUTION.—The Commissioner shall provide for a mechanism for resolving disputes between beneficiaries and employment networks, between program managers and employment networks, and between program managers and providers of services. The Commissioner shall afford a party to such a dispute a reasonable opportunity for a full and fair review of the matter in dispute.

''(e) PROGRAM MANAGERS.—

''(1) IN GENERAL.—A program manager shall conduct tasks appropriate to assist the Commissioner in carrying out the Commissioner's duties in administering the Program.

''(2) RECRUITMENT OF EMPLOYMENT NETWORKS.—A program manager shall recruit, and recommend for selection by the Commissioner, employment networks for service under the Program. The program manager shall carry out such recruitment and provide such recommendations, and shall monitor all employment networks serving in the Program in the geographic area covered under the program manager's agreement, to the extent necessary and appropriate to ensure that adequate choices of services are made available to beneficiaries. Employment networks may serve under the Program only pursuant to an agreement entered into with the Commissioner under the Program incorporating the applicable provisions of this section and regulations thereunder, and the program manager shall provide and maintain assurances to the Commissioner that payment by the Commissioner to employment networks pursuant to this section is warranted based on compliance by such employment networks with the terms of such agreement and this section. The program manager shall not impose numerical limits on the number of employment networks to be recommended pursuant to this paragraph.

''(3) FACILITATION OF ACCESS BY BENEFICIARIES TO EMPLOYMENT NETWORKS.—A program manager shall facilitate access by beneficiaries to employment networks. The program manager shall ensure that each beneficiary is allowed changes in employment networks for good cause, as determined by the Commissioner, without being deemed to have rejected services under the Program. The program manager shall establish and maintain lists of employment networks available to beneficiaries and shall make such lists generally available to the public. The program manager shall ensure that all information provided to disabled beneficiaries pursuant to this paragraph is provided in accessible formats.

''(4) ENSURING AVAILABILITY OF ADEQUATE SERVICES.—The program manager shall ensure that employment services, vocational rehabilitation services, and other support services are provided to beneficiaries throughout the geographic area covered under the program manager's agreement, including rural areas.

''(5) REASONABLE ACCESS TO SERVICES.—The program manager shall take such measures as are necessary to ensure that sufficient employment networks are available and that each beneficiary receiving services under the Program has reasonable access to employment services, vocational rehabilitation services, and other support services. Services provided under the Program may include case management, work incentives planning, supported employment, career planning, career plan development, vocational assessment, job training, placement, followup services, and such other services as may be specified by the Commissioner under the Program. The program manager shall ensure that such services are available in each service area.

''(f) EMPLOYMENT NETWORKS.—

''(1) QUALIFICATIONS FOR EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—Each employment network serving under the Program shall consist of an agency or instrumentality of a State (or a political subdivision thereof) or a private entity that assumes responsibility for the coordination and delivery of services under the Program to individuals assigning to the employment network tickets to work and self-sufficiency issued under subsection (b).

''(B) ONE-STOP DELIVERY SYSTEMS.—An employment network serving under the Program may consist of a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998.

''(C) COMPLIANCE WITH SELECTION CRITERIA.—No employment network may serve under the Program unless it meets and maintains compliance with both general selection criteria (such as professional and educational qualifications (where applicable)) and specific selection criteria (such as substantial expertise and experience in providing relevant employment services and supports).

''(D) SINGLE OR ASSOCIATED PROVIDERS ALLOWED.—An employment network shall consist of either a single provider of such services or of an association of such providers organized so as to combine their resources into a single entity. An employment network may meet the requirements of subsection (e)(4) by providing services directly, or by entering into agreements with other individuals or entities providing appropriate employment services, vocational rehabilitation services, or other support services.

''(2) REQUIREMENTS RELATING TO PROVISION OF SERVICES.—Each employment network serving under the Program shall be required under the terms of its agreement with the Commissioner to—

''(A) serve prescribed service areas; and

''(B) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans meeting the requirements of subsection (g).

''(3) ANNUAL FINANCIAL REPORTING.—Each employment network shall meet financial reporting requirements as prescribed by the Commissioner.

''(4) PERIODIC OUTCOMES REPORTING.—Each employment network shall prepare periodic reports, on at least an annual basis, itemizing for the covered period specific outcomes achieved with respect to specific services provided by the employment network. Such reports shall conform to a national model prescribed under this section. Each employment network shall provide a copy of the latest report issued by the employment network pursuant to this paragraph to each beneficiary upon enrollment under the Program for services to be received through such employment network. Upon issuance of each report to each beneficiary, a copy of the report shall be maintained in the files of the employment network. The program manager shall ensure that copies of all such reports issued under this paragraph are made available to the public under reasonable terms.

''(g) INDIVIDUAL WORK PLANS.—

''(1) REQUIREMENTS.—Each employment network shall—

''(A) take such measures as are necessary to ensure that employment services, vocational rehabilitation services, and other support services provided under the Program by, or under agreements entered into with, the employment network are provided under appropriate individual work plans that meet the requirements of subparagraph (C);

''(B) develop and implement each such individual work plan in partnership with each beneficiary receiving such services in a manner that affords the beneficiary the opportunity to exercise informed choice in selecting an employment goal and specific services needed to achieve that employment goal;

''(C) ensure that each individual work plan includes at least—

''(i) a statement of the vocational goal developed with the beneficiary;

''(ii) a statement of the services and supports that have been deemed necessary for the beneficiary to accomplish that goal;

''(iii) a statement of any terms and conditions related to the provision of such services and supports; and

''(iv) a statement of understanding regarding the beneficiary's rights under the Program (such as the right to retrieve the ticket to work and self-sufficiency if the beneficiary is dissatisfied with the services being provided by the employment network) and remedies available to the individual, including information on the availability of advocacy services and assistance in resolving disputes through the State grant program authorized under section 1150;

''(D) provide a beneficiary the opportunity to amend the individual work plan if a change in circumstances necessitates a change in the plan; and

''(E) make each beneficiary's individual work plan available to the beneficiary in, as appropriate, an accessible format chosen by the beneficiary.

''(2) EFFECTIVE UPON WRITTEN APPROVAL.—A beneficiary's individual work plan shall take effect upon written approval by the beneficiary or a representative of the beneficiary and a representative of the employment network that, in providing such written approval, acknowledges assignment of the beneficiary's ticket to work and self-sufficiency.

''(h) EMPLOYMENT NETWORK PAYMENT SYSTEMS.—

''(1) ELECTION OF PAYMENT SYSTEM BY EMPLOYMENT NETWORKS.—

''(A) IN GENERAL.—The Program shall provide for payment authorized by the Commissioner to employment networks under either an outcome payment system or an outcome-milestone payment system. Each employment network shall elect which payment system will be utilized by the employment network, and, for such period of time as such election remains in effect, the payment system so elected shall be utilized exclusively in connection with such employment network (except as provided in subparagraph (B)).

''(B) NO CHANGE IN METHOD OF PAYMENT FOR BENEFICIARIES WITH TICKETS ALREADY ASSIGNED TO THE EMPLOYMENT NETWORKS.—Any election of a payment system by an employment network that would result in a change in the method of payment to the employment network for services provided to a beneficiary who is receiving services from the employment network at the time of the election shall not be effective with respect to payment for services provided to that beneficiary and the method of payment previously selected shall continue to apply with respect to such services.

''(2) OUTCOME PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) PAYMENTS MADE DURING OUTCOME PAYMENT PERIOD.—The outcome payment system shall provide for a schedule of payments to an employment network in connection with each individual who is a beneficiary for each month during the individual's outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual because of work or earnings.

''(C) COMPUTATION OF PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome payment system shall be designed so that—

''(i) the payment for each of the 60 months during the outcome payment period for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable is equal to a fixed percentage of the payment calculation base for the calendar year in which such month occurs; and

''(ii) such fixed percentage is set at a percentage which does not exceed 40 percent.

''(3) OUTCOME-MILESTONE PAYMENT SYSTEM.—

''(A) IN GENERAL.—The outcome-milestone payment system shall consist of a payment structure governing employment networks electing such system under paragraph (1)(A) which meets the requirements of this paragraph.

''(B) EARLY PAYMENTS UPON ATTAINMENT OF MILESTONES IN ADVANCE OF OUTCOME PAYMENT PERIODS.—The outcome-milestone payment system shall provide for 1 or more milestones with respect to beneficiaries receiving services from an employment network under the Program that are directed toward the goal of permanent employment. Such milestones shall form a part of a payment structure that provides, in addition to payments made during outcome payment periods, payments made prior to outcome payment periods in amounts based on the attainment of such milestones.

''(C) LIMITATION ON TOTAL PAYMENTS TO EMPLOYMENT NETWORK.—The payment schedule of the outcome-milestone payment system shall be designed so that the total of the payments to the employment network with respect to each beneficiary is less than, on a net present value basis (using an interest rate determined by the Commissioner that appropriately reflects the cost of funds faced by providers), the total amount to which payments to the employment network with respect to the beneficiary would be limited if the employment network were paid under the outcome payment system.

''(4) DEFINITIONS.—In this subsection:

''(A) PAYMENT CALCULATION BASE.—The term 'payment calculation base' means, for any calendar year—

''(i) in connection with a title II disability beneficiary, the average disability insurance benefit payable under section 223 for all beneficiaries for months during the preceding calendar year; and

''(ii) in connection with a title XVI disability beneficiary (who is not concurrently a title II disability beneficiary), the average payment of supplemental security income benefits based on disability payable under title XVI (excluding State supplementation) for months during the preceding calendar year to all beneficiaries who have attained age 18 but have not attained age 65.

''(B) OUTCOME PAYMENT PERIOD.—The term 'outcome payment period' means, in connection with any individual who had assigned a ticket to work and self-sufficiency to an employment network under the Program, a period—

''(i) beginning with the first month, ending after the date on which such ticket was assigned to the employment network, for which benefits (described in paragraphs (3) and (4) of subsection (k)) are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity; and

''(ii) ending with the 60th month (consecutive or otherwise), ending after such date, for which such benefits are not payable to such individual by reason of engagement in substantial gainful activity or by reason of earnings from work activity.

''(5) PERIODIC REVIEW AND ALTERATIONS OF PRESCRIBED SCHEDULES.—

''(A) PERCENTAGES AND PERIODS.—The Commissioner shall periodically review the percentage specified in paragraph (2)(C), the total payments permissible under paragraph (3)(C), and the period of time specified in paragraph (4)(B) to determine whether such percentages, such permissible payments, and such period provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, while providing for appropriate economies. The Commissioner may alter such percentage, such total permissible payments, or such period of time to the extent that the Commissioner determines, on the basis of the Commissioner's review under this paragraph, that such an alteration would better provide the incentive and economies described in the preceding sentence.

''(B) NUMBER AND AMOUNTS OF MILESTONE PAYMENTS.—The Commissioner shall periodically review the number and amounts of milestone payments established by the Commissioner pursuant to this section to determine whether they provide an adequate incentive for employment networks to assist beneficiaries to enter the workforce, taking into account information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, and other reliable sources. The Commissioner may from time to time alter the number and amounts of milestone payments initially established by the Commissioner pursuant to this section to the extent that the Commissioner determines that such an alteration would allow an adequate incentive for employment networks to assist beneficiaries to enter the workforce. Such alteration shall be based on information provided to the Commissioner by program managers, the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, or other reliable sources.

''(i) SUSPENSION OF DISABILITY REVIEWS.—During any period for which an individual is using, as defined by the Commissioner, a ticket to work and self-sufficiency issued under this section, the Commissioner (and any applicable State agency) may not initiate a continuing disability review or other review under section 221 of whether the individual is or is not under a disability or a review under title XVI similar to any such review under section 221.

''(j) ALLOCATION OF COSTS.—

''(1) PAYMENTS TO EMPLOYMENT NETWORKS.—Payments to employment networks (including State agencies that elect to participate in the Program as an employment network) shall be made from the Federal Old-Age and Survivors Insurance Trust Fund or the Federal Disability Insurance Trust Fund, as appropriate, in the case of ticketed title II disability beneficiaries who return to work, or from the appropriation made available for making supplemental security income payments under title XVI, in the case of title XVI disability beneficiaries who return to work. With respect to ticketed beneficiaries who concurrently are entitled to benefits under title II and eligible for payments under title XVI who return to work, the Commissioner shall allocate the cost of payments to employment networks to which the tickets of such beneficiaries have been assigned among such Trust Funds and appropriation, as appropriate.

''(2) ADMINISTRATIVE EXPENSES.—The costs of administering this section (other than payments to employment networks) shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(k) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' means a title II disability beneficiary or a title XVI disability beneficiary.

''(3) TITLE II DISABILITY BENEFICIARY.—The term 'title II disability beneficiary' means an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)). An individual is a title II disability beneficiary for each month for which such individual is entitled to such benefits.

''(4) TITLE XVI DISABILITY BENEFICIARY.—The term 'title XVI disability beneficiary' means an individual eligible for supplemental security income benefits under title XVI on the basis of blindness (within the meaning of section 1614(a)(2)) or disability (within the meaning of section 1614(a)(3)). An individual is a title XVI disability beneficiary for each month for which such individual is eligible for such benefits.

''(5) SUPPLEMENTAL SECURITY INCOME BENEFIT UNDER TITLE XVI.—The term 'supplemental security income benefit under title XVI' means a cash benefit under section 1611 or 1619(a), and does not include a State supplementary payment, administered federally or otherwise.

''(l) REGULATIONS.—Not later than 1 year after the date of enactment of this section, the Commissioner shall prescribe such regulations as are necessary to carry out the provisions of this section.''.

(b) CONFORMING AMENDMENTS.—

(1) AMENDMENTS TO TITLE II.—

(A) Section 221(i) of the Social Security Act (42 U.S.C. 421(i)) is amended by adding at the end the following:

''(5) For suspension of reviews under this subsection in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(B) Section 222(a) of the Social Security Act (42 U.S.C. 422(a)) is repealed.

(C) Section 222(b) of the Social Security Act (42 U.S.C. 422(b)) is repealed.

(D) Section 225(b)(1) of the Social Security Act (42 U.S.C. 425(b)(1)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(2) AMENDMENTS TO TITLE XVI.—

(A) Section 1615(a) of the Social Security Act (42 U.S.C. 1382d(a)) is amended to read as follows:

''SEC. 1615. (a) In the case of any blind or disabled individual who—

''(1) has not attained age 16, and

''(2) with respect to whom benefits are paid under this title,

the Commissioner of Social Security shall make provision for referral of such individual to the appropriate State agency administering the State program under title V.''.

(B) Section 1615(c) of the Social Security Act (42 U.S.C. 1382d(c)) is repealed.

(C) Section 1631(a)(6)(A) of the Social Security Act (42 U.S.C. 1383(a)(6)(A)) is amended by striking ''a program of vocational rehabilitation services'' and inserting ''a program consisting of the Ticket to Work and Self-Sufficiency Program under section 1148 or another program of vocational rehabilitation services, employment services, or other support services''.

(D) Section 1633(c) of the Social Security Act (42 U.S.C. 1383b(c)) is amended—

(i) by inserting ''(1)'' after ''(c)''; and

(ii) by adding at the end the following:

''(2) For suspension of continuing disability reviews and other reviews under this title similar to reviews under section 221 in the case of an individual using a ticket to work and self-sufficiency, see section 1148(i).''.

(c) EFFECTIVE DATE.—Subject to subsection (d), the amendments made by subsections (a) and (b) shall take effect with the first month following 1 year after the date of enactment of this Act.

(d) GRADUATED IMPLEMENTATION OF PROGRAM.—

(1) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Commissioner of Social Security shall commence implementation of the amendments made by this section (other than paragraphs (1)(C) and (2)(B) of subsection (b)) in graduated phases at phase-in sites selected by the Commissioner. Such phase-in sites shall be selected so as to ensure, prior to full implementation of the Ticket to Work and Self-Sufficiency Program, the development and refinement of referral processes, payment systems, computer linkages, management information systems, and administrative processes necessary to provide for full implementation of such amendments. Subsection (c) shall apply with respect to paragraphs (1)(C) and (2)(B) of subsection (b) without regard to this subsection.

(2) REQUIREMENTS.—Implementation of the Program at each phase-in site shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration, so as to ensure that the most efficacious methods are determined and in place for full implementation of the Program on a timely basis.

(3) FULL IMPLEMENTATION.—The Commissioner shall ensure that the ability to provide tickets and services to individuals under the Program exists in every State as soon as practicable on or after the effective date specified in subsection (c) but not later than 3 years after such date.

(4) ONGOING EVALUATION OF PROGRAM.—

(A) IN GENERAL.—The Commissioner shall design and conduct a series of evaluations to assess the cost-effectiveness of activities carried out under this section and the amendments made thereby, as well as the effects of this section and the amendments made thereby on work outcomes for beneficiaries receiving tickets to work and self-sufficiency under the Program.

(B) CONSULTATION.—The Commissioner shall design and carry out the series of evaluations after receiving relevant advice from experts in the fields of disability, vocational rehabilitation, and program evaluation and individuals using tickets to work and self-sufficiency under the Program and consulting with the Work Incentives Advisory Panel established under section 201(f), the Comptroller General of the United States, other agencies of the Federal Government, and private organizations with appropriate expertise.

(C) METHODOLOGY.—

(i) IMPLEMENTATION.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f), shall ensure that plans for evaluations and data collection methods under the Program are appropriately designed to obtain detailed employment information.

(ii) SPECIFIC MATTERS TO BE ADDRESSED.—Each such evaluation shall address (but is not limited to)—

(I) the annual cost (including net cost) of the Program and the annual cost (including net cost) that would have been incurred in the absence of the Program;

(II) the determinants of return to work, including the characteristics of beneficiaries in receipt of tickets under the Program;

(III) the types of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and to those who do not return to work;

(IV) the duration of employment services, vocational rehabilitation services, and other support services furnished to beneficiaries in receipt of tickets under the Program who return to work and the duration of such services furnished to those who do not return to work and the cost to employment networks of furnishing such services;

(V) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work after receiving tickets under the Program and those who return to work without receiving such tickets;

(VI) the characteristics of providers whose services are provided within an employment network under the Program;

(VII) the extent (if any) to which employment networks display a greater willingness to provide services to beneficiaries with a range of disabilities;

(VIII) the characteristics (including employment outcomes) of those beneficiaries who receive services under the outcome payment system and of those beneficiaries who receive services under the outcome-milestone payment system;

(IX) measures of satisfaction among beneficiaries in receipt of tickets under the Program; and

(X) reasons for (including comments solicited from beneficiaries regarding) their choice not to use their tickets or their inability to return to work despite the use of their tickets.

(D) PERIODIC EVALUATION REPORTS.—Following the close of the third and fifth fiscal years ending after the effective date under subsection (c), and prior to the close of the seventh fiscal year ending after such date, the Commissioner shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report containing the Commissioner's evaluation of the progress of activities conducted under the provisions of this section and the amendments made thereby. Each such report shall set forth the Commissioner's evaluation of the extent to which the Program has been successful and the Commissioner's conclusions on whether or how the Program should be modified. Each such report shall include such data, findings, materials, and recommendations as the Commissioner may consider appropriate.

(5) EXTENT OF STATE'S RIGHT OF FIRST REFUSAL IN ADVANCE OF FULL IMPLEMENTATION OF AMENDMENTS IN SUCH STATE.—

(A) IN GENERAL.—In the case of any State in which the amendments made by subsection (a) have not been fully implemented pursuant to this subsection, the Commissioner shall determine by regulation the extent to which—

(i) the requirement under section 222(a) of the Social Security Act for prompt referrals to a State agency, and

(ii) the authority of the Commissioner under section 222(d)(2) of the Social Security Act to provide vocational rehabilitation services in such State by agreement or contract with other public or private agencies, organizations, institutions, or individuals,

shall apply in such State.

(B) EXISTING AGREEMENTS.—Nothing in subparagraph (A) or the amendments made by subsection (a) shall be construed to limit, impede, or otherwise affect any agreement entered into pursuant to section 222(d)(2) of the Social Security Act before the date of enactment of this Act with respect to services provided pursuant to such agreement to beneficiaries receiving services under such agreement as of such date, except with respect to services (if any) to be provided after 3 years after the effective date provided in subsection (c).

(e) SPECIFIC REGULATIONS REQUIRED.—

(1) IN GENERAL.—The Commissioner of Social Security shall prescribe such regulations as are necessary to implement the amendments made by this section.

(2) SPECIFIC MATTERS TO BE INCLUDED IN REGULATIONS.—The matters which shall be addressed in such regulations shall include—

(A) the form and manner in which tickets to work and self-sufficiency may be distributed to beneficiaries pursuant to section 1148(b)(1) of the Social Security Act;

(B) the format and wording of such tickets, which shall incorporate by reference any contractual terms governing service by employment networks under the Program;

(C) the form and manner in which State agencies may elect participation in the Ticket to Work and Self-Sufficiency Program (and revoke such an election) pursuant to

section 1148(c)(1) of the Social Security Act and provision for periodic opportunities for exercising such elections (and revocations);

(D) the status of State agencies under section 1148(c)(1) at the time that State agencies exercise elections (and revocations) under that section;

(E) the terms of agreements to be entered into with program managers pursuant to section 1148(d) of the Social Security Act, including—

(i) the terms by which program managers are precluded from direct participation in the delivery of services pursuant to section 1148(d)(3) of the Social Security Act;

(ii) standards which must be met by quality assurance measures referred to in paragraph (6) of section 1148(d) and methods of recruitment of employment networks utilized pursuant to paragraph (2) of section 1148(e); and

(iii) the format under which dispute resolution will operate under section 1148(d)(7);

(F) the terms of agreements to be entered into with employment networks pursuant to section 1148(d)(4) of the Social Security Act, including—

(i) the manner in which service areas are specified pursuant to section 1148(f)(2)(A) of the Social Security Act;

(ii) the general selection criteria and the specific selection criteria which are applicable to employment networks under section 1148(f)(1)(C) of the Social Security Act in selecting service providers;

(iii) specific requirements relating to annual financial reporting by employment networks pursuant to section 1148(f)(3) of the Social Security Act; and

(iv) the national model to which periodic outcomes reporting by employment networks must conform under section 1148(f)(4) of the Social Security Act;

(G) standards which must be met by individual work plans pursuant to section 1148(g) of the Social Security Act;

(H) standards which must be met by payment systems required under section 1148(h) of the Social Security Act, including—

(i) the form and manner in which elections by employment networks of payment systems are to be exercised pursuant to section 1148(h)(1)(A);

(ii) the terms which must be met by an outcome payment system under section 1148(h)(2);

(iii) the terms which must be met by an outcome-milestone payment system under section 1148(h)(3);

(iv) any revision of the percentage specified in paragraph (2)(C) of section 1148(h) of the Social Security Act or the period of time specified in paragraph (4)(B) of such section 1148(h); and

(v) annual oversight procedures for such systems; and

(I) procedures for effective oversight of the Program by the Commissioner of Social Security, including periodic reviews and reporting requirements.

(f) WORK INCENTIVES ADVISORY PANEL.—

(1) ESTABLISHMENT.—There is established within the Social Security Administration a panel to be known as the ''Work Incentives Advisory Panel'' (in this subsection referred to as the ''Panel'').

(2) DUTIES OF PANEL.—It shall be the duty of the Panel to—

(A) advise the President, Congress, and the Commissioner of Social Security on issues related to work incentives programs, planning, and assistance for individuals with disabilities, including work incentive provisions under titles II, XI, XVI, XVIII, and XIX of the Social Security Act (42 U.S.C. 401 et seq., 1301 et seq., 1381 et seq., 1395 et seq., 1396 et seq.); and

(B) with respect to the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act—

(i) advise the Commissioner of Social Security with respect to establishing phase-in sites for such Program and fully implementing the Program thereafter, the refinement of access of disabled beneficiaries to employment networks, payment systems, and management information systems, and advise the Commissioner whether such measures are being taken to the extent necessary to ensure the success of the Program;

(ii) advise the Commissioner regarding the most effective designs for research and demonstration projects associated with the Program or conducted pursuant to section 302;

(iii) advise the Commissioner on the development of performance measurements relating to quality assurance under section 1148(d)(6) of the Social Security Act; and

(iv) furnish progress reports on the Program to the Commissioner and each House of Congress.

(3) MEMBERSHIP.—

(A) NUMBER AND APPOINTMENT.—The Panel shall be composed of 12 members appointed as follows:

(i) 4 members appointed by the President.

(ii) 2 members appointed by the Speaker of the House of Representatives, in consultation with the chairman of the Committee on Ways and Means of the House of Representatives.

(iii) 2 members appointed by the Minority Leader of the House of Representatives, in consultation with the ranking member of the Committee on Ways and Means of the House of Representatives.

(iv) 2 members appointed by the Majority Leader of the Senate, in consultation with the chairman of the Committee on Finance of the Senate.

(v) 2 members appointed by the Minority Leader of the Senate, in consultation with the ranking member of the Committee on Finance of the Senate.

(B) REPRESENTATION.—All members appointed to the Panel shall have experience or expert knowledge in the fields of, or related to, work incentive programs, employment services, vocational rehabilitation services, health care services, and other support services for individuals with disabilities. At least one-half of the members described in each clause of subparagraph (A) shall be individuals with disabilities, or representatives of individuals with disabilities, with consideration to current or former title II disability beneficiaries or title XVI disability beneficiaries (as such terms are defined in section 1148(k) of the Social Security Act (as added by subsection (a)).

(C) TERMS.—

(i) IN GENERAL.—Each member shall be appointed for a term of 4 years (or, if less, for the remaining life of the Panel), except as provided in clauses (ii) and (iii). The initial members shall be appointed not later than 90 days after the date of enactment of this Act.

(ii) TERMS OF INITIAL APPOINTEES.—As designated by the Commissioner at the time of appointment, of the members first appointed—

(I) one-half of the members appointed under each clause of subparagraph (A) shall be appointed for a term of 2 years; and

(II) the remaining members appointed under each such clause shall be appointed for a term of 4 years.

(iii) VACANCIES.—Any member appointed to fill a vacancy occurring before the expiration of the term for which the member's predecessor was appointed shall be appointed only for the remainder of that term. A member may serve after the expiration of that member's term until a successor has taken office. A vacancy in the Panel shall be filled in the manner in which the original appointment was made.

(D) BASIC PAY.—Members shall each be paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(E) TRAVEL EXPENSES.—Each member shall receive travel expenses, including per diem in lieu of subsistence, in accordance with sections 5702 and 5703 of title 5, United States Code.

(F) QUORUM.—Eight members of the Panel shall constitute a quorum but a lesser number may hold hearings.

(G) CHAIRPERSON.—The Chairperson of the Panel shall be designated by the President. The term of office of the Chairperson shall be 4 years.

(H) MEETINGS.—The Panel shall meet at least quarterly and at other times at the call of the Chairperson or a majority of its members.

(4) DIRECTOR AND STAFF OF PANEL; EXPERTS AND CONSULTANTS.—

(A) DIRECTOR.—The Panel shall have a Director who shall be appointed by the Commissioner and paid at a rate, and in a manner, that is consistent with guidelines established under section 7 of the Federal Advisory Committee Act (5 U.S.C. App.).

(B) STAFF.—Subject to rules prescribed by the Commissioner, the Director may appoint and fix the pay of additional personnel as the Director considers appropriate.

(C) EXPERTS AND CONSULTANTS.—Subject to rules prescribed by the Commissioner, the Director may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

(D) STAFF OF FEDERAL AGENCIES.—Upon request of the Panel, the head of any Federal department or agency may detail, on a reimbursable basis, any of the personnel of that department or agency to the Panel to assist it in carrying out its duties under this subsection.

(5) POWERS OF PANEL.—

(A) HEARINGS AND SESSIONS.—The Panel may, for the purpose of carrying out its duties under this subsection, hold such hearings, sit and act at such times and places, and take such testimony and evidence as the Panel considers appropriate.

(B) POWERS OF MEMBERS AND AGENTS.—Any member or agent of the Panel may, if authorized by the Panel, take any action which the Panel is authorized to take by this subsection.

(C) MAILS.—The Panel may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

(6) REPORTS.—

(A) INTERIM REPORTS.—The Panel shall submit directly to the President and Congress interim reports at least annually.

(B) FINAL REPORT.—The Panel shall transmit a final report directly to the President and Congress not later than 8 years after the date of enactment of this Act. The final report shall contain a detailed statement of the findings and conclusions of the Panel, together with its recommendations for legislation and administrative actions which the Panel considers appropriate.

(7) TERMINATION.—The Panel shall terminate 30 days after the date of the submission of its final report under paragraph (6)(B).

(8) ALLOCATION OF COSTS.—The costs of carrying out this subsection shall be paid from amounts made available for the administration of title II of the Social Security Act (42 U.S.C. 401 et seq.) and amounts made available for the administration of title XVI of that Act (42 U.S.C. 1381 et seq.), and shall be allocated among those amounts as appropriate.

Subtitle B—Elimination of Work Disincentives

SEC. 211. WORK ACTIVITY STANDARD AS A BASIS FOR REVIEW OF AN INDIVIDUAL'S DISABLED STATUS.

Section 221 of the Social Security Act (42 U.S.C. 421) is amended by adding at the end the following:

''(m)(1) In any case where an individual entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's disability (as defined in section 223(d)) has received such benefits for at least 24 months—

''(A) no continuing disability review conducted by the Commissioner may be scheduled for the individual solely as a result of the individual's work activity;

''(B) no work activity engaged in by the individual may be used as evidence that the individual is no longer disabled; and

''(C) no cessation of work activity by the individual may give rise to a presumption that the individual is unable to engage in work.

''(2) An individual to which paragraph (1) applies shall continue to be subject to—

''(A) continuing disability reviews on a regularly scheduled basis that is not triggered by work; and

''(B) termination of benefits under this title in the event that the individual has earnings that exceed the level of earnings established by the Commissioner to represent substantial gainful activity.''.

SEC. 212. EXPEDITED REINSTATEMENT OF DISABILITY BENEFITS.

(a) OASDI BENEFITS.—Section 223 of the Social Security Act (42 U.S.C. 423) is amended—

(1) by redesignating subsection (i) as subsection (j); and

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

''Reinstatement of Entitlement

''(i)(1)(A) Entitlement to benefits described in subparagraph (B)(i)(I) shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of such entitlement shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was entitled to benefits under this section or section 202 on the basis of disability pursuant to an application filed therefore; and

''(II) such entitlement terminated due to the performance of substantial gainful activity;

''(ii) the individual is under a disability and the physical or mental impairment that is the basis for the finding of disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of disability that gave rise to the entitlement described in clause (i); and

''(iii) the individual's disability renders the individual unable to perform substantial gainful activity.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was entitled to a benefit described in subparagraph (B)(i)(I) prior to the entitlement termination described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) and (iii) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not entitled to reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of subsection (f) shall apply.

''(4)(A)(i) Subject to clause (ii), entitlement to benefits reinstated under this subsection shall commence with the benefit payable for the month in which a request for reinstatement is filed.

''(ii) An individual whose entitlement to a benefit for any month would have been reinstated under this subsection had the individual filed a request for reinstatement before the end of such month shall be entitled to such benefit for such month if such request for reinstatement is filed before the end of the twelfth month immediately succeeding such month.

''(B)(i) Subject to clauses (ii) and (iii), the amount of the benefit payable for any month pursuant to the reinstatement of entitlement under this subsection shall be determined in accordance with the provisions of this title.

''(ii) For purposes of computing the primary insurance amount of an individual whose entitlement to benefits under this section is reinstated under this subsection, the date of onset of the individual's disability shall be the date of onset used in determining the individual's most recent period of disability arising in connection with such benefits payable on the basis of an application.

''(iii) Benefits under this section or section 202 payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) No benefit shall be payable pursuant to an entitlement reinstated under this subsection to an individual for any month in which the individual engages in substantial gainful activity.

''(D) The entitlement of any individual that is reinstated under this subsection shall end with the benefits payable for the month preceding whichever of the following months is the earliest:

''(i) The month in which the individual dies.

''(ii) The month in which the individual attains retirement age.

''(iii) The third month following the month in which the individual's disability ceases.

''(5) Whenever an individual's entitlement to benefits under this section is reinstated under this subsection, entitlement to benefits payable on the basis of such individual's wages and self-employment income may be reinstated with respect to any person previously entitled to such benefits on the basis of an application if the Commissioner determines that such person satisfies all the requirements for entitlement to such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated entitlement of any such person to the same extent that they apply to the reinstated entitlement of such individual.

''(6) An individual to whom benefits are payable under this section or section 202 pursuant to a reinstatement of entitlement under this subsection for 24 months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) and the determination, if appropriate, of the termination month in accordance with subsection (a)(1) of this section, or subsection (d)(1), (e)(1), or (f)(1) of section 202, to be entitled to such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be entitled to provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under subsection (b) or (g) of section 205.

''(B) The amount of a provisional benefit for a month shall equal the amount of the last monthly benefit payable to the individual under this title on the basis of an application increased by an amount equal to the amount, if any, by which such last monthly benefit would have been increased as a result of the operation of section 215(i).

''(C)(i) Provisional benefits shall begin with the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's entitlement to reinstated benefits;

''(II) the fifth month following the month described in clause (i);

''(III) the month in which the individual performs substantial gainful activity; or

''(IV) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not entitled to reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).''.

(b) SSI BENEFITS.—

(1) IN GENERAL.—Section 1631 of the Social Security Act (42 U.S.C. 1383) is amended by adding at the end the following:

''Reinstatement of Eligibility on the Basis of Blindness or Disability

''(p)(1)(A) Eligibility for benefits under this title shall be reinstated in any case where the Commissioner determines that an individual described in subparagraph (B) has filed a request for reinstatement meeting the requirements of paragraph (2)(A) during the period prescribed in subparagraph (C). Reinstatement of eligibility shall be in accordance with the terms of this subsection.

''(B) An individual is described in this subparagraph if—

''(i) prior to the month in which the individual files a request for reinstatement—

''(I) the individual was eligible for benefits under this title on the basis of blindness or

disability pursuant to an application filed therefore; and

''(II) the individual thereafter was ineligible for such benefits due to earned income (or earned and unearned income) for a period of 12 or more consecutive months;

''(ii) the individual is blind or disabled and the physical or mental impairment that is the basis for the finding of blindness or disability is the same as (or related to) the physical or mental impairment that was the basis for the finding of blindness or disability that gave rise to the eligibility described in clause (i);

''(iii) the individual's blindness or disability renders the individual unable to perform substantial gainful activity; and

''(iv) the individual satisfies the nonmedical requirements for eligibility for benefits under this title.

''(C)(i) Except as provided in clause (ii), the period prescribed in this subparagraph with respect to an individual is 60 consecutive months beginning with the month following the most recent month for which the individual was eligible for a benefit under this title (including section 1619) prior to the period of ineligibility described in subparagraph (B)(i)(II).

''(ii) In the case of an individual who fails to file a reinstatement request within the period prescribed in clause (i), the Commissioner may extend the period if the Commissioner determines that the individual had good cause for the failure to so file.

''(2)(A)(i) A request for reinstatement shall be filed in such form, and containing such information, as the Commissioner may prescribe.

''(ii) A request for reinstatement shall include express declarations by the individual that the individual meets the requirements specified in clauses (ii) through (iv) of paragraph (1)(B).

''(B) A request for reinstatement filed in accordance with subparagraph (A) may constitute an application for benefits in the case of any individual who the Commissioner determines is not eligible for reinstated benefits under this subsection.

''(3) In determining whether an individual meets the requirements of paragraph (1)(B)(ii), the provisions of section 1614(a)(4) shall apply.

''(4)(A) Eligibility for benefits reinstated under this subsection shall commence with the benefit payable for the month following the month in which a request for reinstatement is filed.

''(B)(i) Subject to clause (ii), the amount of the benefit payable for any month pursuant to the reinstatement of eligibility under this subsection shall be determined in accordance with the provisions of this title.

''(ii) The benefit under this title payable for any month pursuant to a request for reinstatement filed in accordance with paragraph (2) shall be reduced by the amount of any provisional benefit paid to such individual for such month under paragraph (7).

''(C) Except as otherwise provided in this subsection, eligibility for benefits under this title reinstated pursuant to a request filed under paragraph (2) shall be subject to the same terms and conditions as eligibility established pursuant to an application filed therefore.

''(5) Whenever an individual's eligibility for benefits under this title is reinstated under this subsection, eligibility for such benefits shall be reinstated with respect to the individual's spouse if such spouse was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements for eligibility for such benefits except requirements related to the filing of an application. The provisions of paragraph (4) shall apply to the reinstated eligibility of the spouse to the same extent that they apply to the reinstated eligibility of such individual.

''(6) An individual to whom benefits are payable under this title pursuant to a reinstatement of eligibility under this subsection for twenty-four months (whether or not consecutive) shall, with respect to benefits so payable after such twenty-fourth month, be deemed for purposes of paragraph (1)(B)(i)(I) to be eligible for such benefits on the basis of an application filed therefore.

''(7)(A) An individual described in paragraph (1)(B) who files a request for reinstatement in accordance with the provisions of paragraph (2)(A) shall be eligible for provisional benefits payable in accordance with this paragraph, unless the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration under paragraph (2)(A)(ii) is false. Any such determination by the Commissioner shall be final and not subject to review under paragraph (1) or (3) of subsection (c).

''(B)(i) Except as otherwise provided in clause (ii), the amount of a provisional benefit for a month shall equal the amount of the monthly benefit that would be payable to an eligible individual under this title with the same kind and amount of income.

''(ii) If the individual has a spouse who was previously an eligible spouse of the individual under this title and the Commissioner determines that such spouse satisfies all the requirements of section 1614(b) except requirements related to the filing of an application, the amount of a provisional benefit for a month shall equal the amount of the month benefit that would be payable to an eligible individual and eligible spouse under this title with the same kind and amount of income.

''(C)(i) Provisional benefits shall begin with the month following the month in which a request for reinstatement is filed in accordance with paragraph (2)(A).

''(ii) Provisional benefits shall end with the earliest of—

''(I) the month in which the Commissioner makes a determination regarding the individual's eligibility for reinstated benefits;

''(II) the fifth month following the month for which provisional benefits are first payable under clause (i); or

''(III) the month in which the Commissioner determines that the individual does not meet the requirements of paragraph (1)(B)(i) or that the individual's declaration made in accordance with paragraph (2)(A)(ii) is false.

''(D) In any case in which the Commissioner determines that an individual is not eligible for reinstated benefits, any provisional benefits paid to the individual under this paragraph shall not be subject to recovery as an overpayment unless the Commissioner determines that the individual knew or should have known that the individual did not meet the requirements of paragraph (1)(B).

''(8) For purposes of this subsection other than paragraph (7), the term 'benefits under this title' includes State supplementary payments made pursuant to an agreement under section 1616(a) or section 212(b) of Public Law 93–66.''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1631(j)(1) of such Act (42 U.S.C. 1383(j)(1)) is amended by striking the period and inserting '', or has filed a request for reinstatement of eligibility under subsection (p)(2) and been determined to be eligible for reinstatement.''.

(B) Section 1631(j)(2)(A)(i)(I) of such Act (42 U.S.C. 1383(j)(2)(A)(i)(I)) is amended by inserting ''(other than pursuant to a request for reinstatement under subsection (p))'' after ''eligible''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by this section shall take effect on the first day of the thirteenth month beginning after the date of enactment of this Act.

(2) LIMITATION.—No benefit shall be payable under title II or XVI of the Social Security Act on the basis of a request for reinstatement filed under section 223(i) or 1631(p) of such Act before the effective date described in paragraph (1).

Subtitle C—Work Incentives Planning, Assistance, and Outreach

SEC. 221. WORK INCENTIVES OUTREACH PROGRAM.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 201, is amended by adding after section 1148 the following:

''WORK INCENTIVES OUTREACH PROGRAM

''SEC. 1149. (a) ESTABLISHMENT.—

''(1) IN GENERAL.—The Commissioner, in consultation with the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999, shall establish a community-based work incentives planning and assistance program for the purpose of disseminating accurate information to disabled beneficiaries on work incentives programs and issues related to such programs.

''(2) GRANTS, COOPERATIVE AGREEMENTS, CONTRACTS, AND OUTREACH.—Under the program established under this section, the Commissioner shall—

''(A) establish a competitive program of grants, cooperative agreements, or contracts to provide benefits planning and assistance, including information on the availability of protection and advocacy services, to disabled beneficiaries, including individuals participating in the Ticket to Work and Self-Sufficiency Program established under section 1148, the program established under section 1619, and other programs that are designed to encourage disabled beneficiaries to work;

''(B) conduct directly, or through grants, cooperative agreements, or contracts, ongoing outreach efforts to disabled beneficiaries (and to the families of such beneficiaries) who are potentially eligible to participate in Federal or State work incentive programs that are designed to assist disabled beneficiaries to work, including—

''(i) preparing and disseminating information explaining such programs; and

''(ii) working in cooperation with other Federal, State, and private agencies and nonprofit organizations that serve disabled beneficiaries, and with agencies and organizations that focus on vocational rehabilitation and work-related training and counseling;

''(C) establish a corps of trained, accessible, and responsive work incentives specialists within the Social Security Administration who will specialize in disability work incentives under titles II and XVI for the purpose of disseminating accurate information with respect to inquiries and issues relating to work incentives to—

''(i) disabled beneficiaries;

''(ii) benefit applicants under titles II and XVI; and

''(iii) individuals or entities awarded grants under subparagraphs (A) or (B); and

''(D) provide—

''(i) training for work incentives specialists and individuals providing planning assistance described in subparagraph (C); and

''(ii) technical assistance to organizations and entities that are designed to encourage disabled beneficiaries to return to work.

''(3) COORDINATION WITH OTHER PROGRAMS.—The responsibilities of the Commissioner established under this section shall be coordinated with other public and private programs that provide information and assistance regarding rehabilitation services and independent living supports and benefits planning for disabled beneficiaries including the program under section 1619, the plans for achieving self-support program (PASS), and any other Federal or State work incentives programs that are designed to assist disabled beneficiaries, including educational agencies that provide information and assistance regarding rehabilitation, school-to-work programs, transition services (as defined in, and provided in accordance with, the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.)), a one-stop delivery system established under subtitle B of title I of the Workforce Investment Act of 1998, and other services.

''(b) CONDITIONS.—

''(1) SELECTION OF ENTITIES.—

''(A) APPLICATION.—An entity shall submit an application for a grant, cooperative agreement, or contract to provide benefits planning and assistance to the Commissioner at such time, in such manner, and containing such information as the Commissioner may determine is necessary to meet the requirements of this section.

''(B) STATEWIDENESS.—The Commissioner shall ensure that the planning, assistance, and information described in paragraph (2) shall be available on a statewide basis.

''(C) ELIGIBILITY OF STATES AND PRIVATE ORGANIZATIONS.—

''(i) IN GENERAL.—The Commissioner may award a grant, cooperative agreement, or contract under this section to a State or a private agency or organization (other than Social Security Administration Field Offices and the State agency administering the State medicaid program under title XIX, including any agency or entity described in clause (ii), that the Commissioner determines is qualified to provide the planning, assistance, and information described in paragraph (2)).

''(ii) AGENCIES AND ENTITIES DESCRIBED.—The agencies and entities described in this clause are the following:

''(I) Any public or private agency or organization (including Centers for Independent Living established under title VII of the Rehabilitation Act of 1973, protection and advocacy organizations, client assistance programs established in accordance with section 112 of the Rehabilitation Act of 1973,and State Developmental Disabilities Councils established in accordance with section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)) that the Commissioner determines satisfies the requirements of this section.

''(II) The State agency administering the State program funded under part A of title IV.

''(D) EXCLUSION FOR CONFLICT OF INTEREST.—The Commissioner may not award a grant, cooperative agreement, or contract under this section to any entity that the Commissioner determines would have a conflict of interest if the entity were to receive a grant, cooperative agreement, or contract under this section.

''(2) SERVICES PROVIDED.—A recipient of a grant, cooperative agreement, or contract to provide benefits planning and assistance shall select individuals who will act as planners and provide information, guidance, and planning to disabled beneficiaries on the—

''(A) availability and interrelation of any Federal or State work incentives programs designed to assist disabled beneficiaries that the individual may be eligible to participate in;

''(B) adequacy of any health benefits coverage that may be offered by an employer of the individual and the extent to which other health benefits coverage may be available to the individual; and

''(C) availability of protection and advocacy services for disabled beneficiaries and how to access such services.

''(3) AMOUNT OF GRANTS, COOPERATIVE AGREEMENTS, OR CONTRACTS.—

''(A) BASED ON POPULATION OF DISABLED BENEFICIARIES.—Subject to subparagraph (B), the Commissioner shall award a grant, cooperative agreement, or contract under this section to an entity based on the percentage of the population of the State where the entity is located who are disabled beneficiaries.

''(B) LIMITATION PER GRANT.—No entity shall receive a grant, cooperative agreement, or contract under this section for a fiscal year that is less than $50,000 or more than $300,000.

''(ii) TOTAL AMOUNT FOR ALL GRANTS, COOPERATIVE AGREEMENTS, AND CONTRACTS.—The total amount of all grants, cooperative agreements, and contracts awarded under this section for a fiscal year may not exceed $23,000,000.

''(4) ALLOCATION OF COSTS.—The costs of carrying out this section shall be paid from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(c) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $23,000,000 for each of fiscal years 2000 through 2004.''.

SEC. 222. STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES.

Part A of title XI of the Social Security Act (42 U.S.C. 1301 et seq.), as amended by section 221, is amended by adding after section 1149 the following:

''STATE GRANTS FOR WORK INCENTIVES ASSISTANCE TO DISABLED BENEFICIARIES

''SEC. 1150. (a) IN GENERAL.—Subject to subsection (c), the Commissioner may make payments in each State to the protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.) for the purpose of providing services to disabled beneficiaries.

''(b) SERVICES PROVIDED.—Services provided to disabled beneficiaries pursuant to a payment made under this section may include—

''(1) information and advice about obtaining vocational rehabilitation and employment services; and

''(2) advocacy or other services that a disabled beneficiary may need to secure or regain gainful employment.

''(c) APPLICATION.—In order to receive payments under this section, a protection and advocacy system shall submit an application to the Commissioner, at such time, in such form and manner, and accompanied by such information and assurances as the Commissioner may require.

''(d) AMOUNT OF PAYMENTS.—

''(1) IN GENERAL.—Subject to the amount appropriated for a fiscal year for making payments under this section, a protection and advocacy system shall not be paid an amount that is less than—

''(A) in the case of a protection and advocacy system located in a State (including the District of Columbia and Puerto Rico) other than Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, the greater of—

''(i) $100,000; or

''(ii) ⅓ of 1 percent of the amount available for payments under this section; and

''(B) in the case of a protection and advocacy system located in Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, $50,000.

''(2) INFLATION ADJUSTMENT.—For each fiscal year in which the total amount appropriated to carry out this section exceeds the total amount appropriated to carry out this section in the preceding fiscal year, the Commissioner shall increase each minimum payment under subparagraphs (A) and (B) of paragraph (1) by a percentage equal to the percentage increase in the total amount appropriated to carry out this section between the preceding fiscal year and the fiscal year involved.

''(e) ANNUAL REPORT.—Each protection and advocacy system that receives a payment under this section shall submit an annual report to the Commissioner and the Work Incentives Advisory Panel established under section 201(f) of the Work Incentives Improvement Act of 1999 on the services provided to individuals by the system.

''(f) FUNDING.—

''(1) ALLOCATION OF PAYMENTS.—Payments under this section shall be made from amounts made available for the administration of title II and amounts made available for the administration of title XVI, and shall be allocated among those amounts as appropriate.

''(2) CARRYOVER.—Any amounts allotted for payment to a protection and advocacy system under this section for a fiscal year shall remain available for payment to or on behalf of the protection and advocacy system until the end of the succeeding fiscal year.

''(g) DEFINITIONS.—In this section:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Social Security.

''(2) DISABLED BENEFICIARY.—The term 'disabled beneficiary' has the meaning given that term in section 1148(k)(2).

''(3) PROTECTION AND ADVOCACY SYSTEM.—The term 'protection and advocacy system' means a protection and advocacy system established pursuant to part C of title I of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.).

''(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $7,000,000 for each of fiscal years 2000 through 2004.''.

TITLE III—DEMONSTRATION PROJECTS AND STUDIES

SEC. 301. PERMANENT EXTENSION OF DISABILITY INSURANCE PROGRAM DEMONSTRATION PROJECT AUTHORITY.

(a) PERMANENT EXTENSION OF AUTHORITY.—Title II of the Social Security Act (42 U.S.C. 401 et seq.) is amended by adding at the end the following:

''DEMONSTRATION PROJECT AUTHORITY

''SEC. 234. (a) AUTHORITY.—

''(1) IN GENERAL.—The Commissioner of Social Security (in this section referred to as the 'Commissioner') shall develop and carry out experiments and demonstration projects designed to determine the relative advantages and disadvantages of—

''(A) various alternative methods of treating the work activity of individuals entitled to disability insurance benefits under section 223 or to monthly insurance benefits under section 202 based on such individual's

disability (as defined in section 223(d)), including such methods as a reduction in benefits based on earnings, designed to encourage the return to work of such individuals;

''(B) altering other limitations and conditions applicable to such individuals (including lengthening the trial work period (as defined in section 222(c)), altering the 24-month waiting period for hospital insurance benefits under section 226, altering the manner in which the program under this title is administered, earlier referral of such individuals for rehabilitation, and greater use of employers and others to develop, perform, and otherwise stimulate new forms of rehabilitation); and

''(C) implementing sliding scale benefit offsets using variations in—

''(i) the amount of the offset as a proportion of earned income;

''(ii) the duration of the offset period; and

''(iii) the method of determining the amount of income earned by such individuals,

to the end that savings will accrue to the Trust Funds, or to otherwise promote the objectives or facilitate the administration of this title.

''(2) AUTHORITY FOR EXPANSION OF SCOPE.—The Commissioner may expand the scope of any such experiment or demonstration project to include any group of applicants for benefits under the program established under this title with impairments that reasonably may be presumed to be disabling for purposes of such demonstration project, and may limit any such demonstration project to any such group of applicants, subject to the terms of such demonstration project which shall define the extent of any such presumption.

''(b) REQUIREMENTS.—The experiments and demonstration projects developed under subsection (a) shall be of sufficient scope and shall be carried out on a wide enough scale to permit a thorough evaluation of the alternative methods under consideration while giving assurance that the results derived from the experiments and projects will obtain generally in the operation of the disability insurance program under this title without committing such program to the adoption of any particular system either locally or nationally.

''(c) AUTHORITY TO WAIVE COMPLIANCE WITH BENEFITS REQUIREMENTS.—In the case of any experiment or demonstration project conducted under subsection (a), the Commissioner may waive compliance with the benefit requirements of this title, and the Secretary may (upon the request of the Commissioner) waive compliance with the benefits requirements of title XVIII, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such experiment or project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such experiments and demonstration projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

''(d) REPORTS.—

''(1) INTERIM REPORTS.—On or before June 9 of each year, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate an interim report on the progress of the experiments and demonstration projects carried out under this subsection together with any related data and materials that the Commissioner may consider appropriate.

''(2) FINAL REPORTS.—Not later than 90 days after the termination of any experiment or demonstration project carried out under this section, the Commissioner shall submit to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate a final report with respect to that experiment and demonstration project.''.

(b) CONFORMING AMENDMENTS; TRANSFER OF PRIOR AUTHORITY.—

(1) CONFORMING AMENDMENTS.—

(A) REPEAL OF PRIOR AUTHORITY.—Paragraphs (1) through (4) of subsection (a) and subsection (c) of section 505 of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) are repealed.

(B) CONFORMING AMENDMENT REGARDING FUNDING.—Section 201(k) of the Social Security Act (42 U.S.C. 401(k)) is amended by striking ''section 505(a) of the Social Security Disability Amendments of 1980'' and inserting ''section 234''.

(2) TRANSFER OF PRIOR AUTHORITY.—With respect to any experiment or demonstration project being conducted under section 505(a) of the Social Security Disability Amendments of 1980 (42 U.S.C. 1310 note) as of the date of enactment of this Act, the authority to conduct such experiment or demonstration project (including the terms and conditions applicable to the experiment or demonstration project) shall be treated as if that authority (and such terms and conditions) had been established under section 234 of the Social Security Act, as added by subsection (a).

SEC. 302. DEMONSTRATION PROJECTS PROVIDING FOR REDUCTIONS IN DISABILITY INSURANCE BENEFITS BASED ON EARNINGS.

(a) AUTHORITY.—The Commissioner of Social Security shall conduct demonstration projects for the purpose of evaluating, through the collection of data, a program for title II disability beneficiaries (as defined in section 1148(k)(3) of the Social Security Act) under which each $1 of benefits payable under section 223, or under section 202 based on the beneficiary's disability, is reduced for each $2 of such beneficiary's earnings that is above a level to be determined by the Commissioner. Such projects shall be conducted at a number of localities which the Commissioner shall determine is sufficient to adequately evaluate the appropriateness of national implementation of such a program. Such projects shall identify reductions in Federal expenditures that may result from the permanent implementation of such a program.

(b) SCOPE AND SCALE AND MATTERS TO BE DETERMINED.—

(1) IN GENERAL.—The demonstration projects developed under subsection (a) shall be of sufficient duration, shall be of sufficient scope, and shall be carried out on a wide enough scale to permit a thorough evaluation of the project to determine—

(A) the effects, if any, of induced entry into the project and reduced exit from the project;

(B) the extent, if any, to which the project being tested is affected by whether it is in operation in a locality within an area under the administration of the Ticket to Work and Self-Sufficiency Program established under section 1148 of the Social Security Act; and

(C) the savings that accrue to the Federal Old-Age and Survivors Insurance Trust Fund, the Federal Disability Insurance Trust Fund, and other Federal programs under the project being tested.

The Commissioner shall take into account advice provided by the Work Incentives Advisory Panel pursuant to section 201(f)(2)(B)(ii).

(2) ADDITIONAL MATTERS.—The Commissioner shall also determine with respect to each project—

(A) the annual cost (including net cost) of the project and the annual cost (including net cost) that would have been incurred in the absence of the project;

(B) the determinants of return to work, including the characteristics of the beneficiaries who participate in the project; and

(C) the employment outcomes, including wages, occupations, benefits, and hours worked, of beneficiaries who return to work as a result of participation in the project.

The Commissioner may include within the matters evaluated under the project the merits of trial work periods and periods of extended eligibility.

(c) WAIVERS.—The Commissioner may waive compliance with the benefit provisions of title II of the Social Security Act, and the Secretary of Health and Human Services may waive compliance with the benefit requirements of title XVIII of that Act, insofar as is necessary for a thorough evaluation of the alternative methods under consideration. No such project shall be actually placed in operation unless at least 90 days prior thereto a written report, prepared for purposes of notification and information only and containing a full and complete description thereof, has been transmitted by the Commissioner to the Committee on Ways and Means of the House of Representatives and to the Committee on Finance of the Senate. Periodic reports on the progress of such projects shall be submitted by the Commissioner to such committees. When appropriate, such reports shall include detailed recommendations for changes in administration or law, or both, to carry out the objectives stated in subsection (a).

(d) INTERIM REPORTS.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, the Commissioner of Social Security shall submit to Congress an interim report on the progress of the demonstration projects carried out under this subsection together with any related data and materials that the Commissioner of Social Security may consider appropriate.

(e) FINAL REPORT.—The Commissioner of Social Security shall submit to Congress a final report with respect to all demonstration projects carried out under this section not later than 1 year after their completion.

(f) EXPENDITURES.—Expenditures made for demonstration projects under this section shall be made from the Federal Disability Insurance Trust Fund and the Federal Old-Age and Survivors Insurance Trust Fund, as determined appropriate by the Commissioner of Social Security, and from the Federal Hospital Insurance Trust Fund and the Federal Supplementary Medical Insurance Trust Fund, as determined appropriate by the Secretary of Health and Human Services, to the extent provided in advance in appropriation Acts.

SEC. 303. STUDIES AND REPORTS.

(a) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING DISABILITY-RELATED EMPLOYMENT INCENTIVES.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to assess existing tax credits and other disability-related employment incentives under the Americans with Disabilities Act of 1990 and other Federal laws. In such study, the Comptroller General shall specifically address the extent to which such

credits and other incentives would encourage employers to hire and retain individuals with disabilities.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(b) STUDY BY GENERAL ACCOUNTING OFFICE OF EXISTING COORDINATION OF THE DI AND SSI PROGRAMS AS THEY RELATE TO INDIVIDUALS ENTERING OR LEAVING CONCURRENT ENTITLEMENT.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study to evaluate the coordination under current law of the disability insurance program under title II of the Social Security Act and the supplemental security income program under title XVI of that Act, as such programs relate to individuals entering or leaving concurrent entitlement under such programs. In such study, the Comptroller General shall specifically address the effectiveness of work incentives under such programs with respect to such individuals and the effectiveness of coverage of such individuals under titles XVIII and XIX of the Social Security Act.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(c) STUDY BY GENERAL ACCOUNTING OFFICE OF THE IMPACT OF THE SUBSTANTIAL GAINFUL ACTIVITY LIMIT ON RETURN TO WORK.—

(1) STUDY.—As soon as practicable after the date of enactment of this Act, the Comptroller General of the United States shall undertake a study of the substantial gainful activity level applicable as of that date to recipients of benefits under section 223 of the Social Security Act (42 U.S.C. 423) and under section 202 of that Act (42 U.S.C. 402) on the basis of a recipient having a disability, and the effect of such level as a disincentive for those recipients to return to work. In the study, the Comptroller General also shall address the merits of increasing the substantial gainful activity level applicable to such recipients of benefits and the rationale for not yearly indexing that level to inflation.

(2) REPORT.—Not later than 2 years after the date of enactment of this Act, the Comptroller General shall transmit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a written report presenting the results of the Comptroller General's study conducted pursuant to this subsection, together with such recommendations for legislative or administrative changes as the Comptroller General determines are appropriate.

(d) REPORT ON DISREGARDS UNDER THE DI AND SSI PROGRAMS.—Not later than 90 days after the date of enactment of this Act, the Commissioner of Social Security shall submit to the Committee on Ways and Means of the House of Representatives and the Committee on Finance of the Senate a report that—

(1) identifies all income, assets, and resource disregards (imposed under statutory or regulatory authority) that are applicable to individuals receiving benefits under title II or XVI of the Social Security Act (42 U.S.C. 401 et seq., 1381 et seq.);

(2) with respect to each such disregard—

(A) specifies the most recent statutory or regulatory modification of the disregard; and

(B) recommends whether further statutory or regulatory modification of the disregard would be appropriate; and

(3) with respect to the disregard described in section 1612(b)(7) of the Social Security Act (42 U.S.C. 1382a(b)(7)) (relating to grants, scholarships, or fellowships received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution)—

(A) identifies the number of individuals receiving benefits under title XVI of such Act (42 U.S.C. 1381 et seq.) who have attained age 22 and have not had any portion of any grant, scholarship, or fellowship received for use in paying the cost of tuition and fees at any educational (including technical or vocational education) institution excluded from their income in accordance with that section;

(B) recommends whether the age at which such grants, scholarships, or fellowships are excluded from income for purposes of determining eligibility under title XVI of the Social Security Act should be increased to age 25; and

(C) recommends whether such disregard should be expanded to include any such grant, scholarship, or fellowship received for use in paying the cost of room and board at any such institution.

TITLE IV—MISCELLANEOUS AND TECHNICAL AMENDMENTS

SEC. 401. TECHNICAL AMENDMENTS RELATING TO DRUG ADDICTS AND ALCOHOLICS.

(a) CLARIFICATION RELATING TO THE EFFECTIVE DATE OF THE DENIAL OF SOCIAL SECURITY DISABILITY BENEFITS TO DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5) of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 853) is amended—

(1) in subparagraph (A), by striking ''by the Commissioner of Social Security'' and ''by the Commissioner''; and

(2) by adding at the end the following:

''(D) For purposes of this paragraph, an individual's claim, with respect to benefits under title II of the Social Security Act based on disability, which has been denied in whole before the date of enactment of this Act, may not be considered to be finally adjudicated before such date if, on or after such date—

''(i) there is pending a request for either administrative or judicial review with respect to such claim, or

''(ii) there is pending, with respect to such claim, a readjudication by the Commissioner of Social Security pursuant to relief in a class action or implementation by the Commissioner of a court remand order.

''(E) Notwithstanding the provisions of this paragraph, with respect to any individual for whom the Commissioner of Social Security does not perform the entitlement redetermination before the date prescribed in subparagraph (C), the Commissioner shall perform such entitlement redetermination in lieu of a continuing disability review whenever the Commissioner determines that the individual's entitlement is subject to redetermination based on the preceding provisions of this paragraph, and the provisions of section 223(f) of the Social Security Act shall not apply to such redetermination.''.

(b) CORRECTION TO EFFECTIVE DATE OF PROVISIONS CONCERNING REPRESENTATIVE PAYEES AND TREATMENT REFERRALS OF SOCIAL SECURITY BENEFICIARIES WHO ARE DRUG ADDICTS AND ALCOHOLICS.—Section 105(a)(5)(B) of the Contract with America Advancement Act of 1996 (42 U.S.C. 405 note) is amended to read as follows:

''(B) The amendments made by paragraphs (2) and (3) shall take effect on July 1, 1996, with respect to any individual—

''(i) whose claim for benefits is finally adjudicated on or after the date of enactment of this Act; or

''(ii) whose entitlement to benefits is based on an entitlement redetermination made pursuant to subparagraph (C).''.

(c) EFFECTIVE DATES.—The amendments made by this section shall take effect as if included in the enactment of section 105 of the Contract with America Advancement Act of 1996 (Public Law 104–121; 110 Stat. 852 et seq.).

SEC. 402. TREATMENT OF PRISONERS.

(a) IMPLEMENTATION OF PROHIBITION AGAINST PAYMENT OF TITLE II BENEFITS TO PRISONERS.—

(1) IN GENERAL.—Section 202(x)(3) of the Social Security Act (42 U.S.C. 402(x)(3)) is amended—

(A) by inserting ''(A)'' after ''(3)''; and

(B) by adding at the end the following:

''(B)(i) The Commissioner shall enter into an agreement under this subparagraph with any interested State or local institution comprising a jail, prison, penal institution, or correctional facility, or comprising any other institution a purpose of which is to confine individuals as described in paragraph (1)(A)(ii). Under such agreement—

''(I) the institution shall provide to the Commissioner, on a monthly basis and in a manner specified by the Commissioner, the names, Social Security account numbers, dates of birth, confinement commencement dates, and, to the extent available to the institution, such other identifying information concerning the individuals confined in the institution as the Commissioner may require for the purpose of carrying out paragraph (1); and

''(II) the Commissioner shall pay to the institution, with respect to information described in subclause (I) concerning each individual who is confined therein as described in paragraph (1)(A), who receives a benefit under this title for the month preceding the first month of such confinement, and whose benefit under this title is determined by the Commissioner to be not payable by reason of confinement based on the information provided by the institution, $400 (subject to reduction under clause (ii)) if the institution furnishes the information to the Commissioner within 30 days after the date such individual's confinement in such institution begins, or $200 (subject to reduction under clause (ii)) if the institution furnishes the information after 30 days after such date but within 90 days after such date.

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 1611(e)(1)(I).

''(iii) There is authorized to be transferred from the Federal Old-Age and Survivors Insurance Trust Fund and the Federal Disability Insurance Trust Fund, as appropriate, such sums as may be necessary to enable the Commissioner to make payments to institutions required by clause (i)(II).

''(iv) The Commissioner is authorized to provide, on a reimbursable basis, information obtained pursuant to agreements entered into under clause (i) to any agency administering a Federal or federally assisted cash, food, or medical assistance program for eligibility purposes.''.

(2) CONFORMING AMENDMENT TO THE PRIVACY ACT.—Section 552a(a)(8)(B) of title 5, United States Code, is amended—

(A) in clause (vi), by striking ''or'' at the end;

(B) in clause (vii), by adding ''or'' at the end; and

(C) by adding at the end the following:

''(viii) matches performed pursuant to section 202(x)(3)(B) or 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 402(x)(3)(B), 1382(e)(1)(I));''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(b) ELIMINATION OF TITLE II REQUIREMENT THAT CONFINEMENT STEM FROM CRIME PUNISHABLE BY IMPRISONMENT FOR MORE THAN 1 YEAR.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in the matter preceding clause (i), by striking ''during'' and inserting ''throughout'';

(B) in clause (i), by striking ''an offense punishable by imprisonment for more than 1 year (regardless of the actual sentence imposed)'' and inserting ''a criminal offense''; and

(C) in clause (ii)(I), by striking ''an offense punishable by imprisonment for more than 1 year'' and inserting ''a criminal offense''.

(2) EFFECTIVE DATE.—The amendments made by this subsection shall apply to individuals whose period of confinement in an institution commences on or after the first day of the fourth month beginning after the month in which this Act is enacted.

(c) CONFORMING TITLE XVI AMENDMENTS.—

(1) FIFTY PERCENT REDUCTION IN TITLE XVI PAYMENT IN CASE INVOLVING COMPARABLE TITLE II PAYMENT.—Section 1611(e)(1)(I) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)) is amended—

(A) in clause (i)(II), by inserting ''(subject to reduction under clause (ii))'' after ''$400'' and after ''$200'';

(B) by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively; and

(C) by inserting after clause (i) the following:

''(ii) The dollar amounts specified in clause (i)(II) shall be reduced by 50 percent if the Commissioner is also required to make a payment to the institution with respect to the same individual under an agreement entered into under section 202(x)(3)(B).''.

(2) EXPANSION OF CATEGORIES OF INSTITUTIONS ELIGIBLE TO ENTER INTO AGREEMENTS WITH THE COMMISSIONER.—Section 1611(e)(1)(I)(i) of the Social Security Act (42 U.S.C. 1382(e)(1)(I)(i)) is amended in the matter preceding subclause (I) by striking ''institution'' and all that follows through ''section 202(x)(1)(A),'' and inserting ''institution comprising a jail, prison, penal institution, or correctional facility, or with any other interested State or local institution a purpose of which is to confine individuals as described in section 202(x)(1)(A)(ii),''.

(3) ELIMINATION OF OVERLY BROAD EXEMPTION.—Section 1611(e)(1)(I)(iii) of such Act (42 U.S.C. 1382(e)(1)(I)(iii)) (as redesignated by paragraph (1)(B), is amended by striking ''(I) The provisions'' and all that follows through ''(II)''.

(4) EFFECTIVE DATE.—The amendments made by this subsection shall take effect as if included in the enactment of section 203(a) of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (Public Law 104–193; 110 Stat. 2186). The reference to section 202(x)(1)(A)(ii) of the Social Security Act in section 1611(e)(1)(I)(i) of the Social Security Act as amended by paragraph (2) shall be deemed a reference to such section 202(x)(1)(A)(ii) as amended by subsection (b)(1)(C).

(d) CONTINUED DENIAL OF BENEFITS TO SEX OFFENDERS REMAINING CONFINED TO PUBLIC INSTITUTIONS UPON COMPLETION OF PRISON TERM.—

(1) IN GENERAL.—Section 202(x)(1)(A) of the Social Security Act (42 U.S.C. 402(x)(1)(A)) is amended—

(A) in clause (i), by striking ''or'' at the end;

(B) in clause (ii)(IV), by striking the period and inserting '', or''; and

(C) by adding at the end the following:

''(iii) immediately upon completion of confinement as described in clause (i) pursuant to conviction of a criminal offense an element of which is sexual activity, is confined by court order in an institution at public expense pursuant to a finding that the individual is a sexually dangerous person or a sexual predator or a similar finding.''.

(2) CONFORMING AMENDMENT.—Section 202(x)(1)(B)(ii) of the Social Security Act (42 U.S.C. 402(x)(1)(B)(ii)) is amended by striking ''clause (ii)'' and inserting ''clauses (ii) and (iii)''.

(3) EFFECTIVE DATE.—The amendments made by this subsection shall apply with respect to benefits for months ending after the date of enactment of this Act.

SEC. 403. REVOCATION BY MEMBERS OF THE CLERGY OF EXEMPTION FROM SOCIAL SECURITY COVERAGE.

(a) IN GENERAL.—Notwithstanding section 1402(e)(4) of the Internal Revenue Code of 1986, any exemption which has been received under section 1402(e)(1) of such Code by a duly ordained, commissioned, or licensed minister of a church, a member of a religious order, or a Christian Science practitioner, and which is effective for the taxable year in which this Act is enacted, may be revoked by filing an application therefore (in such form and manner, and with such official, as may be prescribed by the Commissioner of the Internal Revenue Service), if such application is filed no later than the due date of the Federal income tax return (including any extension thereof) for the applicant's second taxable year beginning after December 31, 1999. Any such revocation shall be effective (for purposes of chapter 2 of the Internal Revenue Code of 1986 and title II of the Social Security Act), as specified in the application, either with respect to the applicant's first taxable year beginning after December 31, 1999, or with respect to the applicant's second taxable year beginning after such date, and for all succeeding taxable years; and the applicant for any such revocation may not thereafter again file application for an exemption under such section 1402(e)(1). If the application is filed after the due date of the applicant's Federal income tax return for a taxable year and is effective with respect to that taxable year, it shall include or be accompanied by payment in full of an amount equal to the total of the taxes that would have been imposed by section 1401 of the Internal Revenue Code of 1986 with respect to all of the applicant's income derived in that taxable year which would have constituted net earnings from self-employment for purposes of chapter 2 of such Code (notwithstanding paragraph (4) or (5) of section 1402(c) of such Code) except for the exemption under section 1402(e)(1) of such Code.

(b) EFFECTIVE DATE.—Subsection (a) shall apply with respect to service performed (to the extent specified in such subsection) in taxable years beginning after December 31, 1999, and with respect to monthly insurance benefits payable under title II of the Social Security Act on the basis of the wages and self-employment income of any individual for months in or after the calendar year in which such individual's application for revocation (as described in such subsection) is effective (and lump-sum death payments payable under such title on the basis of such wages and self-employment income in the case of deaths occurring in or after such calendar year).

SEC. 404. ADDITIONAL TECHNICAL AMENDMENT RELATING TO COOPERATIVE RESEARCH OR DEMONSTRATION PROJECTS UNDER TITLES II AND XVI.

(a) IN GENERAL.—Section 1110(a)(3) of the Social Security Act (42 U.S.C. 1310(a)(3)) is amended by striking ''title XVI'' and inserting ''title II or XVI''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall take effect as if included in the enactment of the Social Security Independence and Program Improvements Act of 1994 (Public Law 103–296; 108 Stat. 1464).

SEC. 405. AUTHORIZATION FOR STATE TO PERMIT ANNUAL WAGE REPORTS.

(a) IN GENERAL.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended by inserting before the semicolon the following: '', and except that in the case of wage reports with respect to domestic service employment, a State may permit employers (as so defined) that make returns with respect to such employment on a calendar year basis pursuant to section 3510 of the Internal Revenue Code of 1986 to make such reports on an annual basis''.

(b) TECHNICAL AMENDMENTS.—Section 1137(a)(3) of the Social Security Act (42 U.S.C. 1320b–7(a)(3)) is amended—

(1) by striking ''(as defined in section 453A(a)(2)(B)(iii))''; and

(2) by inserting ''(as defined in section 453A(a)(2)(B))'' after ''employers'' .

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to wage reports required to be submitted on and after the date of enactment of this Act.

REID AMENDMENT NO. 672

Mr. REID proposed an amendment to amendment No. 629 proposed by Mr. BOND to the bill, S. 1186, supra; as follows:

On line 2, strike '', of which $8,100,000'' and insert: '', of which $3,000,000 shall be used for Boston College research in high temperature superconductivity and of which $5,000,000''.

REID AMENDMENT NO. 673

Mr. REID proposed an amendment to amendment No. 631 proposed by Mr. TORRICELLI to the bill, S. 1186, supra; as follows:

On line 4, strike ''$4,000,000'' and insert: ''$1,500,000''.

DOMENICI AMENDMENT NO. 674

Mr. DOMENICI proposed an amendment to amendment No. 634 proposed by Mr. ABRAHAM to the bill, S. 1186, supra; as follows:

Strike: ''Metro Beach, Michigan, $422,500 for aquatic ecosystem restoration.''

And insert: ''Lake St. Clair, Metro Beach, Michigan, section 206 project, $100,000:''.

REID AMENDMENT NO. 675

Mr. REID proposed an amendment to amendment No. 642 proposed by Mrs. BOXER to the bill, S. 1186, supra; as follows:

Strike ''line 16, strike all that follows ''expended:'' to the end of line 24.'', and insert the following: ''line 23, strike all that follows ''tious'' through ''Act'' on line 24.''.

DOMENICI AMENDMENT NO. 676

Mr. DOMENICI proposed an amendment to amendment No. 642 proposed by Mr. DORGAN to the bill, S. 1186, supra; as follows:

On line 4 strike: ''may use funding previously appropriated'' and insert: ''may use Construction, General funding as directed in Public Law 105–62 and Public Law 105–245''.

GORTON AMENDMENT NO. 677

Mr. DOMENICI (for Mr. GORTON) proposed an amendment to the bill, S. 1186, supra; as follows:

Strike line 2 and all thereafter, and insert the following:

SEC. 3 . LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.

Section 7 of the Pacific Northwest Electric Power Planning and Conservation Act (16 U.S.C. 839e) is amended by adding at the end the following:

''(n) LIMITING THE INCLUSION OF COSTS OF PROTECTION OF, MITIGATION OF DAMAGE TO, AND ENHANCEMENT OF FISH, WITHIN RATES CHARGED BY THE BONNEVILLE POWER ADMINISTRATION, TO THE RATE PERIOD IN WHICH THE COSTS ARE INCURRED.—Notwithstanding any other provision of this section, rates established by the Administrator, in accordance with established fish funding principles, under this section shall recover costs for protection, mitigation and enhancement of fish, whether under the Pacific Northwest Electric Power Planning and Conservation Act or any other act, not to exceed such amounts the Administrator forecasts will be expended during the period for which such rates are established.''.

DASCHLE AMENDMENTS NOS. 678–679

Mr. REID (for Mr. DASCHLE) proposed two amendments to the bill, S. 1186, supra; as follows:

AMENDMENT NO. 678

On page 13, between lines 15 and 16, insert the following:

SEC. 1 . CHEYENNE RIVER SIOUX TRIBE, LOWER BRULE SIOUX TRIBE, AND STATE OF SOUTH DAKOTA TERRESTRIAL WILDLIFE HABITAT RESTORATION.

(a) IN GENERAL.—The Secretary of the Army shall continue to fund wildlife habitat mitigation work for the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota at levels previously funded through the Pick-Sloan operations and maintenance account.

(b) CONTRACTS.—With $3,000,000 made available under the heading ''CONSTRUCTION, GENERAL'', the Secretary of the Army shall fund activities authorized under title VI of division C of Public Law 105–277 (112 Stat. 2681–660) through contracts with the Cheyenne River Sioux Tribe, Lower Brule Sioux Tribe, and State of South Dakota.

AMENDMENT NO. 679

On page 15, line 1, after ''expended,'' insert ''of which $150,000 shall be available for the Lake Andes-Wagner/Marty II demonstration program authorized by the Lake Andes-Wagner/Marty II Act of 1992 (106 Stat. 4677),''.

REID AMENDMENT NO. 680

Mr. REID proposed an amendment to the bill, S. 1186, supra; as follows:

On page 2, between line 20 and 21 insert the following after the colon: ''Yellowstone River at Glendive, Montana Study, $150,000; and''.

DOMENICI AMENDMENT NO. 681

Mr. DOMENICI proposed an amendment to the bill, S. 1186, supra; as follows:

On page 3, line 14, strike ''$1,113,227,000'' and insert ''$1,086,586,000''.

JEFFORDS AMENDMENT NO. 682

Mr. JEFFORDS proposed an amendment to the motion to recommit proposed by him to the bill, S. 1186, supra; as follows:

On page 20, strike lines 21 through 24 and insert ''$791,233,000, of which $821,000 shall be derived by transfer from the Geothermal Resources Development Fund and $5,000,000 shall be derived by transfer from the United States Enrichment Corporation Fund, and of which $75,000,000 shall be derived from accounts for which this Act makes funds available Department of Energy contractor travel expenses (of which not less than $4,450,000 shall be available for solar building technology research, not less than $82,135,000 shall be available for photovoltaic energy systems, not less than $17,600,000 shall be available for concentrating solar systems, not less than $37,700,000 shall be available for power systems in biomass/biofuels energy systems, not less than $48,000,000 shall be available for transportation in biomass/biofuels energy systems (of which not less than $1,500,000 shall be available for the Consortium for Plant Biotechnology Research), not less than $42,265,000 shall be available for wind energy systems, not less than $4,000,000 shall be available for the renewable energy production incentive program, not less than $7,600,000 shall be available for support of solar programs, not less than $5,100,000 shall be available for the international solar energy program, not less than $5,000,000 shall be available for the National Renewable Energy Laboratory, not less than $27,850,000 shall be available for geothermal technology development, not less than $27,700,000 shall be available for hydrogen research, not less than $6,400,000 shall be available for hydropower research, not less than $32,000,000 shall be available for high temperature superconducting research and development, not less than $3,000,000 shall be available for energy storage systems, and not less than $18,500,000 shall be available for direction of programs).''.

LEGISLATIVE BRANCH APPROPRIATIONS

DODD AMENDMENT NO. 683

Mr. BENNETT (for Mr. DODD) proposed an amendment to the bill (S. 1206) making appropriations for the legislative branch excluing House items for fiscal year ending September 30, 2000, and for other purposes; as follows:

On page 38, insert between lines 21 and 22 the following:

SEC. 313. CREDITABLE SERVICE WITH CONGRESSIONAL CAMPAIGN COMMITTEES.

Section 8332(m)(1)(A) of title 5, United States Code, is amended to read as follows:

''(A) such employee has at least 4 years and 6 months of service on such committees as of December 12, 1980; and''.

FEINGOLD AMENDMENT NO. 684

Mr. BENNETT (for Mr. FEINGOLD) proposed an amendment to the bill S. 1206, supra; as follows:

At the appropriate place in the bill, insert the following:

SEC. ____. Section 207(e) of title 18, United States Code, is amended—

(1) by striking paragraphs (1), (2), (3), and (4) and inserting the following:

''(1) MEMBERS OF CONGRESS AND ELECTED OFFICERS.—Any person who is a Member of Congress or an elected officer of either House of Congress and who, within 2 years after that person leaves office, knowingly makes, with the intent to influence, any communication to or appearance before any Member, officer, or employee of either House of Congress, or any employee of any other legislative office of Congress, on behalf of any other person (except the United States) in connection with any matter on which such former Member of Congress or elected officer seeks action by a Member, officer, or employee of either House of Congress, in his or her official capacity, shall be punished as provided in section 216 of this title.

''(2) CONGRESSIONAL EMPLOYEES.—(A) Any person who is an employee of the Senate or an employee of the House of Representatives who, within 2 years after termination of such employment, knowingly makes, with the intent to influence, any communication to or appearance before any person described under subparagraph (B), on behalf of any other person (except the United States) in connection with any matter on which such former employee seeks action by a Member, officer, or employee of either House of Congress, in his or her official capacity, shall be punished as provided in section 216 of this title.

''(B) The persons referred to under subparagraph (A) with respect to appearances or communications by a former employee are any Member, officer, or employee of the House of Congress in which such former employee served.'';

(2) in paragraph (6)—

(A) in subparagraph (A), by striking ''paragraphs (2), (3), and (4)'' and inserting ''paragraph (2)''; and

(B) in subparagraph (B), by striking ''paragraph (5)'' and inserting ''paragraph (3)'';

(3) in paragraph (7)(G), by striking '', (2), (3), or (4)'' and inserting ''or (2)''; and

(4) by redesignating paragraphs (5), (6), and (7) as paragraphs (3), (4), and (5), respectively.

NOTICE OF HEARING

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public that a hearing has been scheduled before the Subcommittee on Forests and Public Land Management of the Senate Committee on Energy and Natural Resources.

The hearing will take place Wednesday, June 23, 1999 at 2:15 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of this hearing is to receive testimony on S. 503, the Spanish Peaks Wilderness Act of 1999; S. 953, the Terry Peaks Land Conveyance Act

of 1999; S. 977, the Miwaleta Park Expansion Act; and S. 1088, the Arizona National Forest Improvement Act of 1999.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224–6170.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I would like to announce for the public the addition of two bills to the hearing which has been scheduled for Wednesday, June 23, 1999 at 2:15 p.m. in room SD–366 of the Dirksen Senate Office Building in Washington, DC, before the Subcommittee on Forests and Public Land Management.

The bills are H.R. 15, The Otay Mountain Wilderness Act of 1999, and S. 848, Otay Mountain Wilderness Act of 1999.

Those who wish to submit written statements should write to the Committee on Energy and Natural Resources, U.S. Senate, Washington, DC 20510. For further information, please call Mark Rey at (202) 224–6170.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be granted permission to meet during the session of the Senate on Wednesday, June 16, for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:30 a.m. The purpose of this business meeting is to consider pending calendar business.

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

COMMITTEE ON FINANCE

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on Finance be permitted to meet Wednesday, June 16, 1999 beginning at 9:30 a.m. until 1 p.m. in room SD–215, to conduct a markup.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, June 16, 1999 at 2:30 p.m. to hold a hearing.

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

COMMITTEE ON INDIAN AFFAIRS.

Mr. CRAIG. Mr. President, I ask unanimous consent that the Senate Committee on Indian Affairs be authorized to meet during the session of the Senate on Wednesday, June 16, 1999 at 2:30 p.m. to mark up the following: S. 28, the Four Corners Interpretive Act, S. 400, to amend the Native American Housing Assistance and Self-Determination Act (NAHASDA); S. 401, Business Development and Trade Promotion for Native Americans, S. 613, to encourage Indian Economic Development, S. 614, Indian Regulatory Reform and Business Development Act, and S. 944, Oklahoma Mineral Leasing. The Committee will meet in Room 485, Russell Senate Building.

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

COMMITTEE ON THE JUDICIARY

Mr. CRAIG. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet for a hearing re Judicial Nominations, during the session of the Senate on Wednesday, June 16, 1999, at 3 p.m. in SD226.

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

JOINT ECONOMIC COMMITTEE

Mr. CRAIG. Mr. President, I ask unanimous consent to conduct a hearing of the Joint Economic Committee in Hart 216 beginning at 9:35 on June 16.

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

SELECT COMMITTEE ON INTELLIGENCE

Mr. CRAIG. Mr. President, I ask unanimous consent that the Select Committee on Intelligence be authorized to meet during the session of the Senate on Wednesday, June 16, 1999 at 2 p.m. to hold a closed hearing on intelligence matters.

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

ADDITIONAL STATEMENTS

TAIWANESE AID TO KOSOVO

● Mr. ROCKEFELLER. Mr. President, last week, President Lee Teng-hui of Taiwan announced that Taiwan would be giving $300 million in an aid package to the Kosovars. I want to rise today and pay tribute and thank the Government of the Republic of China on Taiwan for this very generous gift of economic assistance. This aid includes emergency support for food, shelters, and medical care which is so desperately needed to return a sense of normalcy to the Albanian Kosovars. Also included in the aid package is funds for job-training and rehabilitation programs to help promote the reconstruction of Kosovo in the long run.

This is just another remarkable example of the thoughtfulness and generosity of the people in Taiwan and should serve as a model for the entire international community. I would like to ask my colleagues to join me in expressing our deep appreciation to President Lee and the people of Taiwan for this compassionate offer. Hopefully, this act will encourage other nations to aid in rebuilding the Balkans so that the people there can move past the horrible atrocities that have been committed over the past few months and begin rebuilding their lives and families in peace.●

TRIBUTE TO CLARENCE LIEN, PURPLE HEART RECIPIENT

● Mr. GRAMS. Mr. President, I rise today to pay tribute to Clarence Lien of Forest Lake, Minnesota. On June 7, 1999, I had the great honor of presenting a belated Purple heart to Clarence. He is most deserving of this long overdue recognition. I take this opportunity to congratulate Clarence and thank him for his service and sacrifice.

Mr. President, I ask to have printed in the RECORD remarks by Clarence Lien made at his award presentation.

The remarks follow:

REMARKS BY CLARENCE LIEN

I am a bit overwhelmed. I honestly didn't think this would ever happen, but I'm glad it did. And I'm really amazed that all of you would take time to come here today to be part of this. I feel lucky, I feel honored.

And you know that I'm not a speech maker, or a big talker for that matter. But there is one thing that I would talk about, and that one thing is ''freedom''.

Next to family, freedom is the most precious thing that you have. When I was in Stalag 17, I had a lot of time to think. And when you are in a situation where everything is taken away from you, you quickly realize where your priorities are. I can tell you, as if it was yesterday, that the things that I missed the most were my family and my freedom.

Freedom is a word we all know and to many of us, take for granted. But, boy, if you don't have it for a year or so, you realize what a gift it is. Imagine, if you can, being told when or if you can eat, and what you can eat. Imagine someone else dictating when you can speak, and what you can say. Try to visualize being afraid for your life every waking moment.

Freedom gives you the ability to make decisions, right and wrong ones. When you have that taken away, it makes you feel like an animal, a caged animal at that.

Freedom to me is a treasure.

There is something odd to me about the word ''free''. In every day living, we think free means ''At no cost.'' But that is so far from the truth. There is a huge cost associated with being free. And we should never forget that.

I will always remember a certain moment back in 1945. I was being shipped home after the war ended, and we entered New York harbor. In the distance I could see the Statue of Liberty. I tell you, I was so happy and so thankful to be coming home, and Lady Liberty was the symbol that I had arrived. And that I was once again free.

Yep, Stalag 17 taught me a lot about freedom.

So I'd like to challenge you today to appreciate every decision you are allowed to make—even the hard ones. And to appreciate the veterans of today and tomorrow for protecting the freedom we all enjoy. And to never forget that this country we live in is truly ''the land of the free.'' Thank you.●

TRIBUTE TO SHIRLEY COCHRAN

● Mr. DURBIN. Mr. President, it is my pleasure to recognize Ms. Shirley Cochran, a person who has made a significant contribution to the education of our children.

Ms. Cochran's outstanding efforts during her 28 years as a special educator have helped countless individuals live productive, successful lives. In her

current position at the Camelot Care Center in Palatine, IL, she continues to assist students who have enrolled to get the special attention they need. Ms. Cochran's kindness and commitment are commendable.

As an educator with an undergraduate degree in psychology and a master's degree in special education, Ms. Cochran is well-equipped to serve as a teacher and administrator. But it is her genuine kindness, sincerity, and devotion to her students that make her the remarkable educator she has proven to be throughout the past 28 years.

Ms. Cochran is an example of professional dedication for all teachers in the state of Illinois and the nation. I congratulate her on her years of educational achievement, and wish her the best of luck in the years to come.●

HONORABLE ULYSSES WHITTAKER BOYKIN INVESTITURE

● Mr. ABRAHAM. Mr. President, I rise today to congratulate the Honorable Ulysses Whittaker Boykin on his appointment as a new judge of the 3rd Judicial Circuit Court of Michigan. On Friday, June 18 he will be invested and begin his official duties.

Judge Boykin is very deserving of this appointment. Throughout his career, he has maintained the strongest of commitments to the highest legal standards. From his early days as an associate attorney in some of Michigan's finest law firms to his most recent position as a Partner and Shareholder in the firm of Lewis, White & Clay, Judge Boykin has always distinguished himself and received recognition by his peers for his excellent knowledge of the law and his legal ability.

Additionally, Judge Boykin is very involved with his community. From his role with the Detroit Civil Service Commission to his work in mentoring high school and college students, his involvement in these activities and so many more have well prepared him for this appointment.

It gives me great pleasure to welcome Judge Boykin to the bench. His reputation as being fair-minded precedes him, and I am confident the 3rd Judicial Circuit Court and the State of Michigan will benefit from his tenure.●

TRIBUTE TO PHILIP SIMMONS

● Mr. HOLLINGS. Mr. President, today it is my great privilege and honor to salute one of my home state's legendary craftsmen, Philip Simmons, on his 87th birthday. Mr. Simmons retired in 1990 after more than 60 years as a master blacksmith in Charleston, SC. Despite his retirement, Mr. Simmons takes great pride in checking in on his shop each day, saying hello to the many workers he trained, some of them for more than 30 years, as they carry on the craft.

Philip Simmons' renowned ironwork is on display throughout South Carolina, including the symbolic gates to the city outside the Meeting Street Visitors Center in Charleston, at the S.C. State Museum in Columbia, and he has been inducted into the S.C. Hall of Fame in Myrtle Beach. I am also proud to say that Mr. Simmons work can be viewed here in our nation's capitol at the Smithsonian Museum.

The dedication, love and pride in craftsmanship displayed by Philip Simmons and passed on to his apprentices is to be saluted. Mr. Simmons is an appropriately admired member of the South Carolina family and I join his relatives, friends and admirers in wishing him a happy birthday and health and happiness in the years to come.●

TRIBUTE TO THE CABOT CREAMERY COOPERATIVE ON THE OCCASION OF ITS 80TH ANNIVERSARY

● Mr. JEFFORDS. Mr. President, I am pleased that this weekend I will be helping to celebrate the eightieth anniversary of Vermont's farmer owned Cabot Creamery Cooperative.

The Cabot Creamery Cooperative was founded in 1919 by 94 farmers, who came together with a vision of a better way to operate a dairy. The original farmers each pledged $5 per cow and a cord of firewood to fire the boiler. The total investment was $3,700. Today, over 1,600 farm families from all of the New England States and upstate New York belong to the cooperative. The creamery and the Cabot brand name are internationally known, having been named ''World's Best Cheddar'' in 1997 and ''Best Cheddar in the USA'' in 1998. Their outstanding products can be found in stores across the country.

The cooperative is a shining example of farmers working together for a common good. Together they control their own financial destiny by owning a brand name, the facilities to produce a high quality product and a cooperative to supply the needed milk. Their way of doing business continues to secure a sound future for their family farms and the unique rural way of life of their communities. Just as the original 94 farmers were visionary in the early part of the century, 80 years later their cooperative has taken the leading role in working for the Northeast Dairy Compact, ensuring a bright future for the dairy industry in the Northeast.

During its history, the profits, size and scope of Cabot Creamery Cooperative may have grown, but its small town values and sense of community have continued to dictate the way it does business. These values have kept the original purpose and intent of the cooperative intact over the years and have allowed it to remain a locally owned creamery.

For all of these reasons, I couldn't think of a more appropriate way to celebrate Cabot's eightieth anniversary than through the upcoming ''Cabot Creamery Heritage Festival,'' in conjunction with the Vermont Heritage Weekend. I am delighted that the Vermont Historical Society, along with thirty-six community historical societies, will be helping Cabot celebrate by showcasing Vermont's community treasures. These communities will provide examples of the best of Vermont's history, traditions and scenery, ranging from granite artisans, Morgan horses, agricultural exhibits, small town museums, covered bridges, and the beautiful Green Mountains.

I want to extend my heartfelt congratulations to the Cabot Creamery Cooperative on its eightieth anniversary and commend it for its positive influence on the past, present, and future of Vermont.●

TRIBUTE TO KELO-TV, SIOUX FALLS, SOUTH DAKOTA, FOR ITS OUTSTANDING RESPONSE TO THE SPENCER TORNADO

● Mr. JOHNSON. Mr. President, I rise today to pay tribute to KELO television in Sioux Falls, which has earned the ''Friend in Need'' Service to America Award from The National Association of Broadcasters (NAB). The station is being recognized for its outstanding efforts before, during, and after the devastating tornado which struck the town of Spencer, South Dakota last spring.

As weather conditions deteriorated on May 30, 1998, KELO provided quick, expert warnings to the Spencer area, giving viewers 20 minutes of advance warning. While we lost six citizens in the tornado, the losses could have been much worse if not for the advance warning that gave the community the critical time needed to take cover. KELO provided continual coverage throughout the night of the storm, without regard to the advertising revenues that would surely be lost.

KELO did not stop there. After the tornado ripped through Spencer, KELO documented the widespread destruction of homes, businesses, and infrastructure. The community desperately needed help, and KELO turned their cameras on themselves to host a telethon which raised more than $750,000 to assist victims as they struggled to rebuild their homes and lives. During the rebuilding efforts, KELO continued extended coverage that helped bring closure to the tragedy.

Our broadcast stations provide many important community services, but none as important as tracking severe weather and providing warnings. KELO has proven it is a true community partner, and South Dakota will be forever grateful to KELO and our other broadcasters who often put themselves in harm's way to serve others. I congratulate KELO on this very special recognition from the National Association of Broadcasters and extend my personal thanks for a job well done.●

KANSAS RECIPIENTS OF THE 1999 SCHOLASTIC ART AND WRITING AWARDS

• Mr. BROWNBACK. Mr. President, it gives me extreme pleasure to have the honor of recognizing the Kansas recipients of the Scholastic Art & Writing Award. These nineteen students have excelled in the use of visual arts and the written word. This year's recipients are Matt Anderson, Ebony Blackmon, Mathew Calcara, Martha Clifford, Lisa Coogias, Audrey Dennis, Josephine Herr, Amy Kleinschmidt, Paris Levin, Angela Mai, Curtis Mourn, Nathan Novack, Cody Palmer, Hank Peltzer, Joanna Spaulding, Mattew Stewart, Adriene Swisher, Andrew Tanner, Sarah Wertzberger.

To earn a Scholastic Art & Writing Award, these 19 students were chosen out of 250,000 applicants from across the United States, Canada, U.S. Territories, and U.S. sponsored schools abroad. Their talent illustrates some of the best work in student art and writing. These students should be commended, as should all those responsible for inspiring them and fostering their success.

I congratulate all of the students on their success. As outstanding representatives of Kansas, their work well represents the youth of our State.

Again, congratulations on your outstanding work and I wish you the best in all of your future endeavors.•

NORWICH NATIVE SON, DR. WILLIAM R. WILSON JR.

• Mr. DODD. Mr. President, few touch the lives of others in so personal a manner as doctors, and this relationship takes on an even more special meaning when the patients are children. Dr. William Wilson Jr. has worked to ensure that young children with severe heart ailments receive the very finest medical care available. He has been instrumental in advancing many of the recent breakthroughs in heart surgery, and it gives me great pleasure to recognize the achievements of this remarkable man as he is awarded the 1999 Norwich Native Son award for his work within the medical profession.

The Norwich Native Son award is presented to that native of Norwich, Connecticut who has made significant contributions to his or her field outside of the state of Connecticut. As a pediatric cardiovascular surgeon in Missouri, Dr. Wilson has established himself as a leader within the medical profession and continues to enlighten the field with his knowledge and expertise. His innovative procedures are used throughout the country to educate new generations of doctors helping to ensure that this country remains a leader in medical advances.

Born, raised, and educated in Norwich, Dr. Wilson ventured beyond Connecticut's borders to earn his bachelor's degree in biology from Kenyon College. He soon returned to the state to attend the University of Connecticut where he received his doctorate in anatomy and cell biology and, eventually, his medical degree in 1983.

Currently making his home in Missouri, he is the Chief of Pediatric Cardiovascular Surgery at the Children's Hospital, University Hospital and Clinics in Columbia. It is at the University Hospital and Clinics that Dr. Wilson has changed hundreds of children's lives. Dr. Wilson performs delicate procedures on infants and young children with severe heart defects giving countless children an opportunity for healthy normal lives.

Dr. Wilson began performing his advanced heart procedures while serving as the Chief of the Pediatric Cardiac Surgery Division of the Medical College of Ohio in Toledo. Dr. Wilson's breakthrough techniques helped to transform the Medical College of Ohio into the regional leader in performing these surgeries. He has also expanded his work to include heart transplantation, and to date, he has performed this procedure on over 125 adults and children.

Dr. Wilson has also distinguished himself internationally through several outreach programs. Twice he has organized mobile surgical teams and traveled to countries where these vital procedures are unavailable to those in need.

In 1996, Dr. Wilson journeyed to Peru where he performed surgery on 15 local children. He most recently led a medical mission to the children's hospital in Tbilisi in the Republic of Georgia, where he operated on 11 children. Moreover, he has brought children from other countries to medical facilities in the United States to undergo surgery in modern hospitals. His humanitarian efforts have helped shed light on the over one million children worldwide who suffer from heart ailments and on the desperate need for these procedures in other countries.

Mr. President, I take special pride, along with the Wilson family, in recognizing the wonderful accomplishments of Dr. William Wilson. While he may no longer live in Norwich, he has never forgotten the lessons learned from this close-knit community. Dr. William Wilson is being honored for his noble efforts within the medical field by friends and neighbors who fondly remember the spirited young boy who grew up in Norwich and who are so proud of the caring healer he has become. I wish him much success as he continues to leave his mark on the medical community, and I congratulate him for being honored with this most deserved award.•

TRIBUTE TO CHAPLAIN (MG) DONALD W. SHEA

• Mr. WARNER. Mr. President, I wish to take this opportunity to recognize and say farewell to an outstanding military officer, Chaplain Donald W. Shea, upon his retirement from the Army after more than 33 years of dedicated service. Throughout his career, Chaplain Shea has served with distinction, and it is my privilege to recognize his many accomplishments and to commend him for the superb service he has provided the United States Army and our nation.

Chaplain Shea's retirement on 30 June 1999 will bring to a close over three decades of dedicated service to the United States Army. Born and raised in Butte, Montana, Chaplain Shea attended Carroll College in Helena, Montana and graduated from The Saint Paul Seminary in St. Paul, Minnesota. He was ordained a Roman Catholic priest in 1962 for the Diocese of Helena and commissioned as a U.S. Army chaplain and entered active duty in August 1966.

During his career Chaplain Shea has contributed to every available facet of religious ministry in our armed forces. Entering active duty during a very difficult period for our military and Nation, he provided the leadership and ministering that was invaluable to our forces in the Vietnam conflict. Following this conflict, during which he distinguished himself to seniors and peers alike, Chaplain Shea went on to serve in a variety of positions through his career. He was nominated on May 20, 1994 by President Clinton for promotion to Major General and following his Senate confirmation was appointed Chief of Army Chaplains on September 1, 1994.

As Chief of Chaplains he held the Army staff responsible for the religious, moral, and spiritual welfare for the total Army. He focused and advised the Army leadership in dealing with and resolving a number of difficult issues facing today's force. Of note was his establishment of a Chaplain Recruiting Program within the US Army Recruiting Command to aggressively recruit the best-qualified candidates from all denominations, the successful relocation of the Army Chaplain Center and School from Fort Monmouth, NJ to Fort Jackson, SC and as President of the Armed Forces Chaplain Board, he shaped joint methodologies by which Service Chiefs of Chaplain and their staffs approached common issues.

Chaplain Shea has been awarded the Distinguished Service Medal, Defense Superior Service Medal, Legion of Merit, Bronze Star with ''V'' device and two Oak Leaf Clusters, Meritorious Service Medal with two Oak Leaf Clusters, Army Commendation Medal with two Oak Leaf Clusters, Purple Heart, Vietnam Service Medal with six Campaign Stars, Vietnam Civil Actions Medal (First Class), Armed Forces Expeditionary Medal, National Defense Service Medal, Vietnam Campaign Medal, Army Service Ribbon, Army Overseas Medal (with ''3'' device), Senior Parachute Badge, Special Forces Tab, Bundeswehr Parachute Badge, and the Vietnamese Parachute Badge.

Chaplain Shea will retire from the Department of the Army June 30, 1999, after thirty-three years of dedicated service. On behalf of my colleagues I wish Chaplain Shea fair winds and following seas. Congratulations on an outstanding career.●

IN RECOGNITION OF JOE BEYRLE

● Mr. LEVIN. Mr. President, I rise to recognize Joe Beyrle, a World War II veteran and long-time friend from Norton Shores, Michigan. Joe Beyrle's service during the war was truly extraordinary.

As an eighteen-year-old in 1942, Joe Beyrle enlisted in the Army, later volunteering for the parachute infantry. Joe quickly distinguished himself as a member of the 101st Airborne Division stationed in England. Early in his service Joe was twice chosen to make dangerous jumps into Nazi-occupied France while fitted with bandoliers filled with gold for the French Resistance. Joe's last jump into France was on the night before D-Day with the objective of destroying two wooden bridges behind Utah Beach. However, while on his way to accomplish this mission, Joe was captured by the Germans.

On June 10, 1944, the parents of Joe Beryle received a letter from the United States Government informing them that their son had perished while serving his country in France. On September 17, 1944, family and friends held a funeral mass for Joe at St. Joseph's Church in Muskegon, Michigan. However, Joe was still alive and being held in a POW camp. A dead German soldier wearing an American uniform and Joe's dog tags had been mistakenly identified as Joe.

Joe was eventually able to escape from his captors and later joined a Russian tank unit to continue the fight against the Germans. Joe fought with the Russians until an injury forced him to be sent to a Moscow hospital. When he finally regained his strength, Joe went to the American Embassy in Moscow and was eventually sent back to the United States. On September 14, 1946, almost two years after the funeral mass in his honor, Joe Beyrle married his wife, JoAnne, in the very same church.

I ask to have printed in the CONGRESSIONAL RECORD an article which appeared recently in the Detroit Free Press regarding Joe Beyrle. The article highlights in greater detail the extraordinary experience of Joe Beryle during World War II. I know my Senate Colleagues will join me in honoring Joe Beyrle on his tremendous sacrifice and service to our nation.

The article follows:

WORLD WAR II VET HOLDS ON TO A SPECIAL APPRECIATION OF LIFE

(By Ron Dzwonkowski)

Memorial Day has to be a little strange for Joe Beyrle, even after all these years. He pays tribute to the nation's war dead knowing that, for a time, he was among them. Even had a funeral with full honors.

''Oh, what parents went through,'' says Beyrle, (pronounced buy early.) ''My mother would never talk about it. My dad wouldn't at first. But I finally talked to him at some length. The emotions . . . well, it was quite a talk.''

Beyrle, who will turn 76 this summer and lives in Norton Shores, south of Muskegon, was among the hundreds of thousands of young Americans who enlisted in the Armed Forces to fight World War II. A strapping 18-year-old, he passed up a scholarship to the University of Notre Dame and volunteered in June 1942 for what was then called the parachute infantry.

By September of '43, Beyrle was in England with the 101st Airborne Division.

His commanders must have seen something of the rough-and-ready in the young man from western Michigan, for Beyrle was twice chosen to parachute into Nazi-occupied France wearing bandoliers laden with gold for the French Resistance. After each jump, he had to hide for more than a week until he could be returned to his unit in England.

Then came D-Day. Beyrle's unit jumped into France on the night before the invasion, assigned to disrupt Nazi defenses for the huge frontal assault.

The going was rough. Beyrle saw several planes full of his comrades go down in flames before he hit the silk from 400 feet up, landing on the roof of a church. Under fire from the steeple, he slid down into a cemetery and set out for his demolition objective, two wooden bridges behind Utah Beach.

Beyrle never made it. He was on the loose for about 20 hours while the battle raged on the beaches, and he did manage to blow up a power station and some trucks, slash the tires on the other Nazi vehicles and lob some grenades into clusters of Hitler's finest. But then he crawled over a hedgerow, fell into a German machine gun nest and was captured.

What followed was a long ordeal of brutality and terror as the Germans herded the American POWs inland while being hammered by Allied bombs and artillery. Beyrle was hit by shrapnel, but had to shake it off so he could apply tourniquets to two men whose legs were blown off. He escaped once for about 16 hours, but ran back into a German patrol.

Somewhere in all this chaos, Beyrle lost his dog tags, those little metal necklaces that identify military personnel. They ended up around the neck of a German soldier who was killed in France on June 10, wearing an American uniform, probably an infiltrator.

In early September, the dreaded telegram arrived for Beyrle's parents in Muskegon, the one that includes the nation's ''deep sympathy for your loss.''

The body believed to be Joe Beyrle was buried in France under a grave marker bearing his name. A funeral mass was held on Sept. 17, 1994, at St. Joseph's Church in Muskegon. Beyrle's name was inscribed on a plaque honoring the community's war dead.

Joe Beyrle, meantime, was being hauled by train all over Europe, locked in about a half-dozen POW camps, beaten, interrogated and nearly starved. But he never quit trying to escape, and finally managed it in January 1945, as the Nazi war machine was starting to crumble under the onslaught of Americans on the west and Russians from the east. Beyrle hooked up with a Russian tank unit and fought with them for a month before he was wounded and shipped to a hospital outside Moscow.

When he was able, Beyrle made his way to the U.S. embassy in the Russian capital, but he had a terrible time convincing officials of his identity, especially since he was listed as dead. He was actually arrested and grew so frustrated that he jumped one of his guards in an attempt to escape.

Fingerprints finally proved that Joe Beyrle was alive and well.

The next telegram to Muskegon carried a much happier message.

On Sept. 14, 1946, Joe Beyrle married his wife, JoAnne, in the same church where his funeral mass was held two years earlier. The same priest presided at both. Almost 53 years later, JoAnne says with a smile that her husband's war stories ''get better every year.''

This weekend, Beyrle will rejoin the 101st for ceremonies honoring its war dead at Arlington National Cemetery. Then he's off to Europe to walk once again over the ground where he fought and bled for freedom. He will even visit the grave that for months was thought to hold his body.

''Some of them aren't's even sure what war I'm talking about,'' he said. ''They really don't understand that I felt it was my duty to volunteer, and what went on and what it was like. I tell them that if it wasn't for what we did, they would all be marching the goose-step today, and the first question is, 'what's the goose-step?'

''I grew up real fast. We all had to,'' Beyrle said. ''You just learn to believe that somebody up there is looking out for you. . . . I came home with such an appreciation of life, and I don't think I've ever lost it.''

He came home with a handful of medals, too, but doesn't consider himself a hero.

''There were 200 guys in my unit that jumped into Normandy, and 50 or 60 were killed in action right there, maybe 40 were wounded; five or six were captured,'' Beryle says. ''I'm just one of the lucky ones. The heroes are the guys who didn't make it back.''●

RETIREMENT OF JOHN P. REZENDES, PRINCIPAL OF EDWARD R. MARTIN JUNIOR HIGH SCHOOL

● Mr. CHAFEE. Mr. President, on June 21st, family, friends and colleagues will gather to honor John P. Rezendes, who has served East Providence public schools for 30 years, and is retiring as Principal of Edward R. Martin Junior High School.

John Rezendes built his career in Rhode Island, just as he received his education in our state. He graduated from East Providence Senior High School in 1965, received a bachelor's and a master's degree from Providence College, and later pursued additional studies at Rhode Island College.

Over the years, John Rezendes has amassed an impressive record of public service. During his tenure in the East Providence public school system, John has worked with students in a variety of capacities, including as a classroom teacher, a ''House Leader,'' and a principal.

Early in his career, John served as a history and civics teacher at Central Junior High School. In 1977, when a new facility was constructed to replace Central Junior High School, John was one of the first faculty members to occupy this new ''four house facility.'' That same year, he was promoted to House Leader where he continued a close relationship with his students and built a strong working relationship with the teachers he supervised.

In 1983, John was appointed Principal of Riverside Junior High School. In this capacity, he brought many personal touches to the school. His work

on revamping student schedules and creating ''teaching teams'' within individual grades are just a couple of the positive marks he left on the Riverside community.

However, John Rezendes did not stop there. In 1986, Principal Rezendes was transferred to Martin Junior High School where he remained for the next thirteen years. During this time, John worked diligently on the educational needs of his students. In fact, in 1998, he began molding the East Providence Educational Development Center. This Center serves as an alternative high school for non-traditional students and focuses on the development of academic schedules to meet their individual needs.

John Rezendes' work in the East Providence public school system certainly is well known. For over thirty years, John has made a lasting impact on thousands of students. He has treated his job as both a challenge and a privilege.

As John prepares for his private life away from the duties of his terribly demanding job, I want to congratulate and thank him for all that he has given to his community.●

TRIBUTE TO DR. JOHN F. MCCARTHY

● Mr. ROBERTS. Mr. President, I rise today to bring to the attention of the Senate the retirement of Dr. John F. McCarthy, Vice President, Global Scientific and Regulatory Affairs, for the American Crop Protection Association. He is retiring after 13 years of service with ACPA where he served as the chief advisor on scientific and technical matters. He was named Vice President in 1988.

Prior to joining the American Crop Protection Association, Dr. McCarthy spent 23 years with the Agricultural Chemicals Group of FMC Corporation. At FMC he was involved in all aspects of agricultural chemicals research and development, starting as a synthesis chemist and rising to the position of Director of Product Development and Registrations.

John testified many times before the House Agriculture Committee when I served as chairman. He was always available to provide technical expertise when our Committee was considering amendments to FIFRA. He also testified in the Senate answering endless questions about difficult scientific and policy issues. John was always able to put the issues in perspective and kept the protection of public health at the forefront of his presentation. His retirement will leave a void in the agricultural crop protection community which can not be easily filled.

He received his B.S. degree in Pharmacy from the Albany College of Pharmacy in 1958 and his Ph.D in Medicinal Chemistry from the University of Wisconsin in 1962. Previous to joining FMC, he did research at Roswell Park Memorial Institute in Buffalo, N.Y.

John is very family oriented and his wife, Ann, should also be recognized for her willingness to loan John to us for all these years. Without her commitment and understanding, those long hours and late evenings would not have been possible. Please join me in wishing John the best for a well deserved and fulfilling retirement.●

TRIBUTE TO GARY ARRUDA

● Mr. SMITH of New Hampshire. Mr. President I rise today to pay tribute to Gary Arruda of Hollis, NH for the critical assistance he provided with the aid of a wireless phone to save another individual's life. Gary, along with individuals from each state across America, the District of Columbia and Puerto Rico, received the ''VITA Wireless Samaritan Award.''

This award, which is awarded by the Cellular Telecommunications Industry Association (CTIA) is presented to honor the contributions heroic individuals make to their communities. Gary, who is an emergency medical technician (EMT), responded to a page to assist an injured mountain biker, who was too deep in the woods for an ambulance to reach. The biker, who had been stung by bees and was having a severe allergic reaction, was unable to make it out of the woods on her own, Gary went in the woods with his four-wheel drive vehicle, emergency medical equipment and his wireless phone. He and two other EMTs were able to stabilize the biker while maintaining contact with emergency dispatch and the ambulance that was waiting at the edge of the woods. Gary kept both dispatchers and ambulance attendants apprised of the victim's condition, enabling them to prepare to take over the rescue as soon as he got the woman out of the woods.

I commend Gary for his excellent reaction in a situation that called for immediate attention. He is a true hero. I am proud to represent him in the Senate.●

CONCURRENT RESOLUTION COMMENDING THE PRESIDENT AND THE ARMED FORCES FOR THE SUCCESS OF OPERATION ALLIED FORCE

Mr. REID. Mr. President, we have been working with the leadership on the other side of the aisle for the last several days on a resolution dealing with the operation in Kosovo. The negotiations—that is too harsh a word. We have been working together, as you know, in negotiating; working together to come up with language that both sides would approve on a concurrent resolution. We have one printed in the RECORD as of last Thursday. I ask unanimous consent this concurrent resolution that we submitted today be printed in the RECORD, just for the sake of continuity.

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

S. CON. RES. —

Whereas United States and North Atlantic Treaty Organization (NATO) military forces succeeded in forcing the Federal Republic of Yugoslavia to accept NATO's conditions to halt the air campaign;

Whereas this accomplishment has been achieved at a minimal loss of life and number of casualties among American and NATO forces;

Whereas to date two Americans have been killed in the line of duty;

Whereas hundreds of thousands of Kosovar civilians have been ethnically cleansed, deported, detained, or killed by Serb security forces: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That:

(1) The Congress expresses the appreciation of the Nation to:

(A) President Clinton, Commander in Chief of all American Armed Forces, for his leadership during Operation Allied Force.

(B) Secretary of Defense William Cohen, Chairman of the Joint Chief of Staff Henry Shelton and Supreme Allied Commander-Europe Wesley Clark, for their planning and implementation of Operation Allied Force.

(C) Secretary Albright, National Security Adviser Berger and other Administration officials engaged in diplomatic efforts to resolve the Kosovo conflict.

(D) The United States Armed Forces who participated in Operation Allied Force and served and succeeded in the highest traditions of the Armed Forces of the United States.

(E) All of the forces from our NATO allies, who served with distinction and success.

(F) The families of American service men and women participating in Operation Allied Force, who have bravely borne the burden of separation from their loved ones, and staunchly supported them during the conflict.

(2) The Congress notes with deep sadness the loss of life on all sides in Operation Allied Force.

(3) The Congress demands from Slobodan Milosevic:

(A) The withdrawal of all Yugoslav and Serb forces from Kosovo according to relevant provisions of the Military-Technical Agreement between NATO and the Federal Republic of Yugoslavia.

(B) A permanent end to the hostilities in Kosovo by Yugoslav and Serb forces.

(C) The unconditional return to their homes of all Kosovar citizens displaced by Serb aggression.

(D) Unimpeded access for humanitarian relief operations in Kosovo.

(4) The Congress urges the leadership of the Kosovo Liberation Army (KLA) to ensure KLA compliance with the ceasefire and demilitarization obligations.

(5) The Congress urges and expects all nations to cooperate fully with the International Criminal Tribunal for the Former Yugoslavia and to assist in bringing indicted war criminals, including Slobodan Milosevic and other Serb military and political leaders, to justice.

ADDITIONAL COSPONSORS—S. 386

Mr. GORTON. Mr. President, I ask unanimous consent that Mr. KERRY of Massachusetts, Mrs. BOXER, Mr. BUNNING, Mr. THOMPSON, and Mr. MCCONNELL be added as cosponsors of S. 386, the Bond Fairness and Protection Act of 1999.

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

ADDITIONAL COSPONSOR—S. 1167

Mr. GORTON. Mr. President, I ask unanimous consent that Mr. CRAPO of Idaho be added as a cosponsor of S. 1167, a bill to amend the Pacific Northwest Electric Power and Conservation Act to provide for expanding the scope of the Independent Scientific Review Panel.

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

Mr. WARNER. Mr. President, seeing no Senator seeking recognition, I make a point of order a quorum is not present.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

J.J. ''JAKE'' PICKLE FEDERAL BUILDING

Mr. WARNER. Mr. President, I ask unanimous consent the Senate now proceed to the consideration of Calendar No. 111, S. 559.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

A bill (S. 559) to designate the Federal building located at 300 East 8th Street in Austin, Texas, as the ''J.J. 'Jake' Pickle Federal Building.''

There being no objection, the Senate proceeded to consider the bill.

Mr. WARNER. Mr. President, I ask unanimous consent the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

Mr. REID. Reserving the right to object, and I will not object, it is a pleasure for me to not object in this matter. I had the pleasure of serving in the House of Representatives with Congressman Pickle. He was a senior Member at the time. He was one of the ranking members, one of the senior members of the Ways and Means Committee; a very fine Texan and a great American.

Mr. WARNER. Mr. President, I associate myself with the remarks of my distinguished good friend and colleague, the assistant Democratic leader. I also knew the Congressman. I think this is a most fitting tribute to a long and dedicated public servant.

Mr. REID. Again reserving the right to object, which I will not, he came here as an aide to President Johnson when President Johnson was a Member of the Senate, a staff member.

Mr. WARNER. Very interesting.

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

The bill (S. 559) was ordered to be engrossed for a third reading, was read the third time, and passed; as follows:

S. 559

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

SECTION 1. DESIGNATION.

The Federal Building located at 300 East 8th Street in Austin, Texas, shall be known and designated as the ''J.J. 'Jake' Pickle Federal Building''.

SEC. 2. REFERENCES.

Any reference in a law, map, regulation, document, paper, or other record of the United States to the Federal building referred to in section 1 shall be deemed to be a reference to the ''J.J. 'Jake' Pickle Federal Building''.

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. WARNER. Mr. President, I ask unanimous consent the Senate immediately proceed to executive session to consider the following nominations on the Executive Calendar, Calendar Nos. 92, 93, and 94.

I finally ask unanimous consent that the nominations be confirmed, the motion to reconsider be laid upon the table, any statements relating to the nominations be printed in the RECORD, the President be immediately notified of the Senate's action, and the Senate then return to legislative session

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

The nominations considered and confirmed en bloc are as follows:

COMMODITY FUTURES TRADING COMMISSION

Thomas J. Erickson, of the District of Columbia, to be a Commissioner of the Commodity Futures Trading Commission for the term expiring April 13, 2003.

ARMY

The following named officer for appointment as the Chief of Staff United States Army, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 3033:

To be general

Gen. Eric K. Shinseki, 0000.

MARINE CORPS

The following named officer for appointment as Commandant of the Marine Corps, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 5043:

To be general

Lt. Gen. James L. Jones, Jr., 0000.

NOMINATION OF GEN. ERIC K. SHINSEKI

Mr. WARNER. Mr. President, the Senate Armed Services Committee reviewed the qualifications of General Shinseki. It was a memorable day. One of our most distinguished and revered colleagues, the senior Senator from Hawaii, introduced General Shinseki. I have said previously that it was one of the most moving statements I have ever heard by a Senator in my 21 years. I placed the statement of Senator INOUYE in the RECORD of Wednesday, June 9, 1999, at Page S6813, and I urge all Senators to look at that. It was, indeed, one of the most extraordinary statements on behalf of another individual that I have ever witnessed.

Basically, Senator INOUYE referred back to 1942, the year in which General Shinseki was born. At that time, Senator INOUYE was volunteering to serve in the U.S. Army. It was a very personal and moving statement, and I urge all Senators to look at it.

As chairman, I asked Senator CLELAND to note his signature on the nomination of the Chief of Staff of the U.S. Army, given his most distinguished career as a soldier serving this Nation in the cause of freedom.

NOMINATION OF LT. GEN. JAMES L. JONES, JR.

Mr. WARNER. Mr. President, I had the privilege of introducing on the same day General Jones to become the next Commandant of the Marine Corps, succeeding General Krulak who discharged the responsibilities of the Office of Commandant with great credit to the Nation and to himself. He is a most distinguished officer. His father served in World War II in the Marine Corps. His father served in the Pacific as a senior three-star Marine officer just before I became Under Secretary of the Navy. The Krulak family is a proud family, and they have done much for our Nation and, indeed, for the Marine Corps.

General Jones served in the Senate in the Marine Corps liaison office. Thereafter, he continued a most distinguished career. His last post as a lieutenant general was the principal military adviser—of course, the Chairman of the Joint Chiefs is the principal military adviser—but General Jones on the immediate staff of the Secretary of Defense, our former colleague, Mr. Cohen, was the principal adviser on his personal staff.

This is recognition, again, of a distinguished marine who likewise had a family member, an uncle, who was a highly decorated marine in World War II. It is continuity in the Corps for those like myself, I say with great humility, who had the opportunity to serve at one time in the Marine Corps. It is a proud day today for the U.S. Marine Corps, for the soon retirement of the most distinguished Commandant and succession of General Jones whose potential equals any Commandant who ever served in that office in the history of this country.

I asked that Senator ROBERTS pen his signature on the nomination of General Jones to be Commandant. Again, Senator ROBERTS is a former marine.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will now return to legislative session.

APPOINTMENT OF CONFEREES—S. 96

Mr. WARNER. Mr. President, I ask unanimous consent that with respect to the Y2K legislation, the Senate insist on its amendment, request a conference with the House, and the Chair be authorized to appoint conferees on the part of the Senate.

There being no objection, the Presiding Officer appointed, from the Committee on Commerce, Science, and Transportation, Mr. MCCAIN, Mr. STEVENS, Mr. BURNS, Mr. GORTON, Mr. HOLLINGS, Mr. KERRY, and Mr. WYDEN; from the Committee on the Judiciary, Mr. HATCH, Mr. THURMOND, and Mr. LEAHY; from the Special Committee on the Year 2000 Technology Problems, Mr. BENNETT and Mr. DODD conferees on the part of the Senate.

ORDERS FOR THURSDAY, JUNE 17, 1999

Mr. WARNER. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until 10 a.m. Thursday, June 17. I further ask that on Thursday, immediately following the prayer, the Journal of proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and that the Senate stand in a period of morning business until 11 a.m., with Senators speaking for up to 10 minutes each, with the following exceptions: Senator GREGG, 30 minutes; Senator DASCHLE or his designee, 30 minutes.

The PRESIDING OFFICER. Is there objection?

Mr. REID. Mr. President, I am wondering if it would be possible for the acting leader today to—while I have been standing here, I have had a couple phone calls. We have 30 minutes per side. Would it be possible to raise that to 40 minutes per side?

Mr. WARNER. Mr. President, I have no objection.

The PRESIDING OFFICER. Without objection, the proposal is modified. Is there objection to the unanimous consent request?

Without objection, it is so ordered.

PROGRAM

Mr. WARNER. For the information of all Senators, tomorrow the Senate will convene at 10 a.m. and be in a period of morning business until 11 a.m, as adjusted by the unanimous consent request just agreed to. Following morning business, the Senate will resume debate on H.R. 1664, the steel, oil, and gas appropriations legislation. Amendments will be offered to that bill. Therefore, Senators can expect votes throughout the day. As a reminder, it is the intention of the leader to begin consideration of the State Department authorization bill on Friday. Therefore, votes will take place during Friday's session.

Now I yield to my distinguished friend and colleague, the assistant Democratic leader, if he has anything further.

Mr. REID. I have nothing further.

ADJOURNMENT UNTIL 10 A.M. TOMORROW

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

There being no objection, the Senate, at 5:47 p.m., adjourned until Thursday, June 17, 1999, at 10 a.m.

CONFIRMATIONS

Executive nominations confirmed by the Senate June 16, 1999:

COMMODITY FUTURES TRADING COMMISSION

THOMAS J. ERICKSON, OF THE DISTRICT OF COLUMBIA, TO BE A COMMISSIONER OF THE COMMODITY FUTURES TRADING COMMISSION FOR THE TERM EXPIRING APRIL 13, 2003.

THE ABOVE NOMINATION WAS APPROVED SUBJECT TO THE NOMINEE'S COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS THE CHIEF OF STAFF, UNITED STATES ARMY, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 3033:

To be general

GEN. ERIC K. SHINSEKI, 0000.

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS COMMANDANT OF THE MARINE CORPS, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5043:

To be general

LT. GEN. JAMES L. JONES, JR., 0000.