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Senate

The Senate met at 2 p.m. and was called to order by the President pro tempore (Mr. BYRD).

PRAYER

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

Almighty God, Your Presence surrounds us, Your love affirms us, Your strength sustains us, Your courage empowers us, Your guidance directs us, and Your joy uplifts us. Thank You for this new day in which we can love You by serving our Nation in the U.S. Senate. Give us a renewed conviction that we are here by Your appointment. As You have placed us in positions of responsibility, You will provide us with exactly what we need in each hour this day. We commit the day to You and look expectantly for Your interventions and inspiration. You are the source of our vision, hope, and perseverance. Bless the Senators and all of us who work with and for them. Remind us that we are all working for You and for Your best for our Nation. You are our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The Honorable ROBERT C. BYRD led the Pledge of Allegiance, as follows:

I pledge allegiance to the Flag of the United States of America, and to the Republic for which it stands, one nation under God, indivisible, with liberty and justice for all.

RESERVATION OF LEADER TIME

The PRESIDENT pro tempore. Under the previous order, the leadership time is reserved.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada, the Democratic whip, is recognized.

SCHEDULE

Mr. REID. Mr. President, the time until 6 p.m. will be divided between the two managers. There will be no rollcall votes today. We will, however, vote tomorrow morning, at 10:45, on a nomination from the White House.

GREATER ACCESS TO AFFORDABLE PHARMACEUTICALS ACT

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 812, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 812) to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals.

Pending:

Reid (for Dorgan) amendment No. 4299, to permit commercial importation of prescription drugs from Canada.

Graham amendment No. 4309, to amend title XVIII of the Social Security Act to provide coverage of outpatient prescription drugs under the Medicare program.

Hatch (for Grassley) amendment No. 4310, to amend title XVIII of the Social Security Act to provide for a Medicare voluntary prescription drug delivery program under the Medicare program, and to modernize the Medicare program.

The PRESIDENT pro tempore. Under the previous order, the time until 6 p.m. shall be equally divided between the two managers or their designees.

NURSE REINVESTMENT ACT

Mr. REID. I ask unanimous consent the Senate proceed to the immediate consideration of Calendar No. 306, H.R. 3487.

The PRESIDENT pro tempore. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

The bill (H.R. 3487) to amend the Public Health Service Act with respect to health professions programs regarding the field of nursing.

There being no objection, the Senate proceeded to consider the bill.

Ms. MIKULSKI. Mr. President, I am proud to rise in support of final passage of the Nurse Reinvestment Act. This bill addresses the critical nursing shortage in our country by getting behind the nurses who take care of us every day. It provides incentives to encourage people to enter the nursing profession and make it a career. This legislation is based on the Nurse Reinvestment Act, S. 1864, that I sponsored with Senators TIM HUTCHINSON, JOHN KERRY, and JIM JEFFORDS.

Since the Senate passed the Nurse Reinvestment Act in December of last year, there is new information showing that the nursing shortage has become even more severe. In Maryland, almost 16 percent of nursing jobs are unfilled, up from 3.3 percent in 1997. There are over 2,000 registered nurse vacancies in Maryland hospitals. Since the average age of a Maryland nurse is 47 years, we face the possibility that the shortage will soon get worse if young nurses do not enter and stay in the profession.

The nursing shortage is not unique to Maryland. It is nationwide. In 2001, the average American hospital vacancy rate was 13 percent for registered nurses. The average age of an American nurse is 44 years, with many retiring in their fifties or working part time due to the physical demands of the job. At the same time, the labor force is shrinking and baby boomers will soon retire and place additional demands on our health care system.

The nursing shortage can have grave consequences on patient care. A recent study published in the New England Journal of Medicine found that nursing shortages in hospitals are associated with a higher risk of complications and even death. It is our duty to take steps to make sure our health care system is staffed with enough qualified nurses.

Nurses care for Americans from the cradle to the grave. We depend on them to care for our parents, our children,

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



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our siblings and sometimes ourselves. We turn to them in hospitals, nursing homes, community health centers, hospices, and for home health. These organizations truly could not exist without nurses.

This bill is a significant step in addressing the nursing shortage. It helps men and women obtain the education they need to become nurses, provides training and career ladder programs to help nurses advance in the profession, and helps ensure that there are enough nursing faculty to teach more nursing students. Highlights of this bill include:

National Nurse Service Corps To Serve in Areas With Critical Nurse Shortages:

The bill creates a scholarship program, which provides scholarships for nursing education in exchange for at least two years of full time service, or the equivalent amount of part time service, in a facility with a critical shortage of nurses; and

The bill extends the Loan Repayment Program for nurses: nurses have their nursing education loans paid back in exchange serving as a nurse for at least two years in a facility with a critical shortage of nurses.

Public Service Announcements To Recruit Nurses and Promote Nursing:

The legislation creates State and national public service announcements to promote nursing, encourage people to enter the nursing profession, and inform the public of financial assistance for nursing education programs.

Building Career Ladders and Retaining Quality Nurses:

The bill provides grants to improve nurse education, practice, and retention including:

Career ladder programs with schools of nursing and health care facilities to encourage individuals to pursue additional education and training to enter and advance within the nursing profession, including certified nurse assistants, CNAs;

Internship and residency programs that encourage mentoring and the development of specialties;

Retention programs that enhance collaboration among nurses and other health care professionals and promote nurse involvement in organizational and clinical decisionmaking.

Geriatric Education To Train Individuals To Care for the Elderly:

The bill creates a program to award grants to train and educate individuals in providing geriatric care to the elderly.

Financial Help to Recruit Faculty To Teach in Nursing Schools:

The legislation provides loans for graduate-level education in nursing—cancels up to 85 percent of the loan and interest, in exchange for teaching at a school of nursing, to help ensure that we have enough faculty at our nursing schools.

This bill is about nursing education, but it is also about empowerment. We can empower people to improve their

lives and go into a career that saves lives.

The bill will empower the single mom stuck in a dead end retail job to get a nursing degree at the local community college to forge a better life for herself and her family. She can receive a scholarship that enables her to work around the needs of her family by going to nursing school either full or part-time. She would also have the opportunity to receive additional training or assistance in getting her bachelor's degree in nursing. A mentoring program could help her advance in her profession and help keep her in the profession. She could even get a master's degree and teach nursing at her local community college, while most of her loans for her advanced degree are cancelled.

This bill also addresses the health care needs of a growing population in our country: the elderly. This bill provides training for individuals involved in caring for the elderly by funding schools of nursing, health care facilities, programs leading to CNA certification, and partnerships of these to provide education and training in geriatric care for the elderly. Our population is aging—more than 70 million Americans will be over age 65 by 2030. Their care will be improved by nurses and other health care professionals who are specifically trained to care for the unique health needs of older Americans.

As a senior member of the Appropriations Committee, I will fight for funding for the Nurse Reinvestment Act. We are putting these important programs on our law books to address the nursing shortage. We must put these same priorities in our federal check-book.

This bill gets behind our Nation's nurses. It will improve patient care by bringing more nurses to communities across the country. I thank my colleagues for their support of this important legislation. I also want to acknowledge and thank Senators KENNEDY, GREGG, HUTCHINSON, KERRY, JEFFORDS, FRIST, and CLINTON for their hard work in moving this legislation. I ask unanimous consent that the accompanying statement of managers be printed in the RECORD.

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

The following is a statement of congressional intent with respect to the Nurse Reinvestment Act.

I. FUNDING METHODOLOGY

During the last reauthorization of Title VIII in 1998, Congress required the Secretary of Health and Human Services to determine a funding methodology to be used for fiscal year 2003 and thereafter to determine the appropriate amounts to be allocated to three important programs within the Nursing Workforce Development activities—advanced nursing education, workforce diversity, and nurse education and practice. In developing this methodology, Congress outlined a series of factors that should be considered and required a report describing the new method-

ology as well as the effects of the new methodology on the current allocations between those three important programs.

Given that the new funding methodology was to take effect in fiscal year 2003, Congress requested that the contract for the funding methodology be completed by February 1, 2002, and that the report to Congress regarding that methodology arrive no later than 30 days after the completion of the development of the methodology. Although Congress has not yet received the report, George Mason University has been working on this contract, and they have described the new funding methodology on their website. This methodology states that advanced nursing education should receive 31.5 percent of the funds (a 46 percent decrease from fiscal year 2001 allocations), workforce diversity should receive 31.5 percent of the funds (a 25% increase over fiscal year 2001 allocations), and nurse education and practice should receive 37 percent of the funds (a 20 percent increase over fiscal year 2001 allocations).

Because Congress expected the funding methodology to be completed by the beginning of fiscal year 2003, current law does not state how the funds should be allocated if no funding methodology was available. Therefore, the discretion is left to the Secretary. Due to that discretion, it is the Congress' intent that the Secretary allocate funds in a manner that would most appropriately address any current or impending nursing shortage while minimizing disruption and report such allocations to the appropriate committees of Congress, along with a justification for those allocations. Further, given that Congress has requested a new funding methodology for fiscal year 2003, the Secretary is now requested to provide an update on the development of that methodology and the expected timeline for implementation.

II. AUTHORIZATIONS UNDER THE NURSE REINVESTMENT ACT

Throughout the bill, the legislation authorizes the appropriation of such sums as may be necessary to accomplish the objective of the legislation. It is Congress' belief that the current nursing shortage is a significant national problem that has a major negative impact on the delivery of high-quality health care in the United States. It is Congress' belief that funds should be appropriated for the initiatives authorized by this legislation at a level that is commensurate with the significance of this problem.

The legislation authorizes the appropriation of such sums as may be necessary in order to accomplish the objectives of the legislation to allow flexibility in providing funding to respond to the ongoing needs of the programs authorized by the legislation. Although the legislation does not authorize the appropriation of specific dollar amounts, it is Congress' belief that the investment of significant new resources, beyond those already provided under Title VIII of the Public Health Service Act, will be required in order to alleviate the current nursing shortage.

III. LOAN REPAYMENT AND SCHOLARSHIPS

The Congress intends that nurses fulfilling their service requirement under the Loan Repayment Program or the Scholarship Program under section 846 be able to fulfill their service requirement in a nurse-managed health center with a critical shortage of nurses.

The Congress further intends that, in determining the placement of nurses under section 103 of the bill, the Health Resources and Services Administration is not expected to follow the placement requirements outlined under the National Health Service Corps.

IV. NURSE EDUCATION, PRACTICE, AND RETENTION GRANTS

A. Intent of Legislation

The legislation adds a number of new programs to section 831, and it is Congress' intent to ensure that these programs are actually funded and implemented. Therefore, Congress expects that the Secretary will seek to fund worthy applications received under the Section 831 authorities that have been added, while assuring the existing priorities indicated under section 831 also continue.

Congress anticipates that the use of funds under 831(c)(2) will directly affect nurses in their workplaces and will be monitored for demonstrable improvement in the areas of nurse retention and patient care.

B. Background

In authorizing section 831(c)(2), Congress did so with the evidence of the efficacy of magnet hospitals in mind. The concept of magnet hospitals dates back to the country's last nursing shortage in the 1980's. At the time, nursing professional organizations and other experts noticed that despite the nationwide nurse shortage, certain hospitals were able to successfully attract and retain professional nurses, behaving as nursing "magnets." A study of these hospitals showed that they shared a number of characteristics, each of which contributed to making these "magnet hospitals" attractive workplaces for nurses. Many of these attributes have been mentioned in section 831(c)(2). Currently hospitals can receive a magnet designation from the American Nurse Credentialing Center, and extensive research on magnet-designated facilities shows that nurses in these hospitals show an average length of employment twice that of nurses in non-magnet hospitals, and magnet hospital nurses consistently report greater job satisfaction. Research has demonstrated that magnet hospitals also show lower mortality rates, shorter lengths of stay, and higher patient satisfaction.

V. NURSE FACULTY LOAN PROGRAM

The purpose of the nurse faculty loan program is to encourage individuals to pursue a master's or doctoral degree to teach at a school of nursing in exchange for cancellation of educational loans to these individuals.

Michael Bilirakis, Lois Capps, Billy J. Tauzin, John D. Dingell, Richard Burr, Sherrod Brown, Ed Whitfield, Eliot L. Engel, Robert L. Ehrlich, Henry A. Waxman, Barbara A. Mikulski, Tim Hutchinson, John F. Kerry, James M. Jeffords, Judd Gregg, Bill Frist, M.D., Edward M. Kennedy, Susan M. Collins, Hillary Rodham Clinton.

Mr. KENNEDY. Mr. President, today the Senate considers long-needed legislation to address the worsening crisis in nursing care across the country. We all know the importance of nurses in delivering good health care. A nurse is often the first person that patients see after waking in the morning and the last person they see at night. Nurses are the backbone of an effective health care system—yet the nation now faces a crisis in nursing due to the shortages of trained nurses. The Nurse Reinvestment Act we are considering today takes significant steps to address the shortage by improving nurse training, reducing the barriers to a nursing education through loan repayment programs and scholarships, and improving working conditions.

The bill we consider today owes much to the skill and dedication of

many of our colleagues on both sides of the aisle and on both sides of the Capitol. The legislation contains major provisions to improve nurse training sponsored by our colleague from Maryland, Senator MIKULSKI, who has been tireless in her support for nurses. Her energy and skill were indispensable in the Senate's approval of this important legislation earlier this year. She is a champion for nurses, and this bill is a fitting tribute to her dedication.

The legislation we consider today also owes a great deal to the commitment of our colleagues, Senator KERRY and Senator JEFFORDS. In the legislation they introduced in the Senate last year, they outlined a vision for a National Nurse Service Corps to serve in areas with a nursing shortage. This proposal is part of the legislation we are considering today. The provisions on the National Nurse Service Corps will provide scholarships and loan repayment agreements for nursing students who agree to practice nursing in areas with a critical shortage of nurses. This corps of nurses can be effective in easing the most critical shortages that exist in so many communities.

The challenge we face is clear. It is becoming increasingly difficult for hospitals and other health facilities to obtain the nurses they need to properly care for patients. Today, about 125,000 nurse positions remain vacant. This shortage will become more severe in the years ahead as nurses reach retirement and as the demand for nursing care increases because of the nation's aging population. A major part of the problem is that nurses often leave the practice of nursing because of poor working conditions.

Senator CLINTON has sponsored important provisions in the bill to improve working conditions for nurses and improve the retention of trained nurses. Her proposals will provide effective incentives for hospitals to involve nurses in clinical decision-making and to improve communication among nurses and other health professionals. A clear example of the benefits of these programs is shown by the success of hospitals designated as "magnets" for quality nurses. These leading institutions provide higher quality patient care because they are successful in retaining trained nurses. The source of their success is very clear—they value the professional role of nurses in patient care.

I also commend the distinguished ranking member of our committee, Senator GREGG, and the distinguished ranking member of our subcommittee, Senator FRIST, as well as many other members of our committee for their contributions to this legislation. This legislation will also attract more students to the practice of nursing through public service announcements, advertisements and outreach programs to demonstrate the value of a career in nursing to young persons in all parts of the country.

Nurses have an indispensable role in our health care system. They are the ones who provide much of the direct care to patients and monitor how patients are recovering. Studies confirm that nursing care is critical to improving patient outcomes, and that a shortage of nurses can hurt patient care.

We cannot have a quality health care system without quality care by nurses. The legislation the Senate considers today will alleviate the severe shortage the nation faces in trained nurses. It will improve the quality of care for millions of patients in communities throughout the Nation. I thank my colleagues for their dedication to this important issue, and I urge the Senate to approve this needed legislation.

Mr. KERRY. Mr. President, I am extremely pleased that the Senate is considering final passage of the Nurse Reinvestment Act, a bill I originally introduced with my colleague, Senator JEFFORDS, in April of 2001. I commend the chairman of the Senate Health, Education, Labor and Pensions Committee, my colleague from Massachusetts, Senator KENNEDY, for his efforts in seeing this legislation through the Senate. In addition, I wish to recognize the invaluable contributions Senators MIKULSKI, HUTCHINSON, FRIST, GREGG and CLINTON made to the final version of the legislation that is before us today. This legislation is important for nurses and patients, and essential to ensuring that our health care system can function at its best. Upon passage, the Nurse Reinvestment Act will increase the number of nurses in our country, and also ensure that every nurse in the field has the skills he or she needs to provide the quality care patients deserve. I congratulate all of my colleagues for their work on this measure and for the contribution it will inevitably make to the health of our nation.

The Nurse Reinvestment Act is long overdue. Our country is facing a severe nursing workforce shortage. Every type of community—urban, suburban and rural—is touched by it. No sector of our health care system is immune to it. Across the country, hospitals, nursing homes, home health care agencies and hospices are struggling to find nurses to care for their patients. Patients seeking care have been denied admission to facilities and told that there were "no beds" for them. Often there are beds, just not the nurses to care for the patients who would occupy them.

Our nation has suffered from nursing shortages in the past. However, this shortage is particularly severe because we are losing nurses at both ends of the pipeline. Over the past five years, enrollment in entry-level nursing programs has declined by 20 percent. Lured to the lucrative jobs of the new economy, high school graduates are not pursuing careers in nursing in the numbers they once had. Consequently, nurses under the age of 30 represent only 10 percent of the current workforce. By 2010, 40 percent of the nursing

workforce will be over the age of 50, and nearing retirement. If these trends are not reversed, we stand to lose vast numbers of nurses at the same time that they will be needed to care for the millions of baby boomers enrolling in Medicare.

The Nurse Reinvestment Act will support the recruitment of new students into America's nursing programs by funding national and local public service announcements to enhance the profile of the nursing profession and encourage students to commit to a career in nursing. In addition to recruiting new nurses, our legislation will reinvest in nurses who are already practicing by providing them with education and training at every step of the career ladder and at every health care facility in which they work. It will ensure that nurses can obtain advanced degrees, from a B.S. in Nursing to a PhD in Nursing. It will place nurses in internships and residencies where they can receive the specialized clinical training they need to respond to the complex health care needs of today's patients. Our bill will also help train nurses in geriatrics to ensure that our health care providers are prepared to care for the needs of our nation's growing senior population.

Finally, the Nurse Reinvestment Act will create, for the first time in history, a National Nurse Service Corps. Like the National Health Service Corps, the NNSC will administer scholarships to and repay the loans of students who commit to working in a health care facility that is experiencing a shortage of nurses. In urban, suburban and rural communities across the country, where facilities turn away patients due to staff shortages, the NNSC will send qualified nurses to serve and provide the care that patients deserve.

Our country boasts the best health care system in the world. But, that health care system is being jeopardized by the shortage plaguing our nursing workforce. Indeed, state-of-the-art medical facilities are no use if their beds go unfilled and their floors remain empty because the nurses needed to staff them are not available. The Nurse Reinvestment Act will not only increase the numbers of new nurses in our country, but also ensure that every nurse has the skills he or she needs to provide the high quality care that makes our health care system the best in the world. I urge my colleagues to join me and the bill's cosponsors in supporting final passage of this important legislation.

I thank the Chair.

Mr. JEFFORDS. Mr. President, I am especially pleased on this day that we are considering final passage of a long-awaited Nurse Reinvestment Act. When we pass this measure, it will represent a good day for the future of the nursing profession in America and an equally good day for the future of quality patient care. I want to take this opportunity to speak about this legisla-

tion, and to congratulate and complement my fellow Members of Congress who worked so hard to see this effort through. Back in April of 2001, together with my good friend from Massachusetts, Senator KERRY, I was proud to sponsor the innovative set of solutions to the nursing shortage set out in our Nurse Reinvestment Act. Since that time, with extraordinary contributions on behalf of Senator HUTCHINSON and Senator MIKULSKI, as well as the cooperative spirit of our colleagues in the House, I believe that we have produced a piece of legislation that we can all be proud of. Today we have before us a measure that represents a truly bipartisan and bicameral effort to address a very serious nursing shortage in the United States.

As I have stated before, we are facing a looming crisis in this country. The size of our nursing workforce remains stagnant, while the average age of the American nurse is on the rise. Over the past 5 years, enrollment in entry-level nursing programs has declined by 20 percent. Nurses under the age of 30 represent only 10 percent of the current workforce. By 2010, 40 percent of the nursing workforce will be over the age of 50, and nearing retirement. In Vermont, we are facing an even greater crisis. Only 28 percent of nurses are under the age of 40 and Vermont schools and colleges are producing 31 percent fewer nurses today than they did just 5 years ago.

We have a compelling need to encourage more Americans to enter the nursing profession and to strengthen it so that more nurses choose to stay in the profession. All facets of the health care system will have a role to play in ensuring a strong nursing workforce. Nurses, physicians, hospitals, nursing homes, academia, community organizations and State and Federal Governments all must accept responsibility and work towards a solution. Part of the responsibility to launch that effort begins with us today as we vote affirmatively for this legislation.

The Nurse Reinvestment Act expands and improves the Federal Government's support of "pipeline" programs, which will maintain a strong talent pool and develop a nursing workforce that can address the increasingly diverse needs of America's population. The Nurse Reinvestment Act provides for a comprehensive public awareness and education campaign on a national, State and local level. The campaign will help to bolster the image of the profession and highlight the advantages and rewards of nursing, attract more nurses to the workforce, and lead current nurses to take advantage of career development opportunities.

This legislation creates a National Nursing Service Corps Scholarship Program that will provide scholarships to individuals to attend schools of nursing in exchange for a commitment to serve 2 years in a health care facility determined to have a critical shortage of nurses. This scholarship program is de-

signed to recruit both full-time and part-time nursing students, and to complement the existing loan repayment program.

The Nurse Reinvestment Act also provides for nurse education, practice, and retention grants. Specifically, the grants will be focused on internship and residency programs that encourage mentoring, development of specialties, and increased education in the area of new technologies like distance learning. It provides for career ladder grants to promote advancement for nursing personnel, including professional nurses, advanced education nurses, licensed practical nurses, certified nurse assistants, and home health aides. In addition, these grants aim to improve retention by enhancing collaboration among nurses and other health care professionals and by promoting nurse involvement in organizational and clinical decision-making.

The legislation before us today goes even further by emphasizing preparation for the aging baby boomer population. With this legislation, we create a new program that provides for grants to train and educate individuals in providing geriatric care for the elderly. We also create a nurse faculty loan program in order to ensure that we have enough faculty to teach the nurses that we will so direly need in the years to come. The faculty loan program will allow for up to 85 percent loan cancellation for students in advanced degree programs who agree to serve as a faculty member at a school of nursing.

Once again, I want to applaud my colleagues Senator KERRY, Senator MIKULSKI and Senator HUTCHINSON for their tireless work on the Nurse Reinvestment Act and for the work of their staffs. In particular, I want to recognize the efforts of Kelly Bovio in Senator KERRY's office, Kate Hull in Senator HUTCHINSON's office and Rhonda Richards with Senator MIKULSKI. This effort was also advanced with the help of Sarah Bianchi, Jackie Gran, Brian Hickey, and David Bowen who are members of Senator KENNEDY's staff, Christina Ho of Senator CLINTON's staff, Steve Irizarry with Senator GREGG and Shana Christrup with Senator FRIST. Finally, in my own office, I want to note the efforts of Philo Hall, Angela Mattie, Eric Silva and Sean Donohue for their work throughout this process.

Adequate health care services cannot survive any further diminishing of the nursing workforce. Today, we are taking a positive step forward to address the problem before us. I urge my colleagues to join me and the bill's cosponsors in support of this measure, and I trust that this Nurse Reinvestment Act will be given top priority when it comes time to adequately fund the programs set out in it.

Thank you, Mr. President.

Mr. HUTCHINSON. Mr. President, today is a day of great significance and a turning point for the future of nursing in our country. We are about to

pass the final version of the Nurse Reinvestment Act, after months of negotiations between the House of Representatives and the Senate. Eighteen months ago, I held the first hearings in the Senate examining the severity of the nursing shortage and its impact on our health care delivery system. I subsequently worked with Senator MIKULSKI to introduce S. 721, the Nurse Education and Employment Development Act, which served as a basis for the legislation the Senate is about to pass today.

Nurses are the foundation of our Nation's health care system. Our nation has one of the best health care systems in the world the quality of health care that we have come to expect is a direct result of the hard work and commitment of nurses. However, the profession as a whole is shrinking. Nurses and nurse faculty are retiring or leaving the profession, perhaps for a better paying job, and fewer new nurses are there to replace them. According to recent surveys, working nurses are on average 45 years old. Less than 10 percent of the nurse workforce is under age 30, and just about 5 percent of the workforce consists of men.

The Bureau of Labor Statistics predicts that over 560,000 new nursing jobs will be created in the next decade due to continued demand for health care services and the retirement of the Baby Boomers. During this same time period, over 440,000 nursing jobs will open due to nurses retiring from the profession. Despite this incredible need, overall enrollments in Registered Nurse programs reached a high of nearly 270,000 in 1993, and have declined by over 50,000 by 1999. In Arkansas, nursing enrollments have declined by over 40 percent over the last decade. Unless this trend is reversed by encouraging more people to enter the field of nursing and developing a diverse workforce, studies indicate that by the year 2020, 20 percent of nursing needs will go unmet.

The provisions of the Nurse Reinvestment Act, all of which reflect those contained in the original legislation introduced by Senator MIKULSKI and myself, aim to attract and retain more nurses and to ensure quality care.

First, the legislation establishes a National Nurse Service Corps, which consists of scholarships and expanded loan repayments for nurses who agree to serve for at least two years in a health care facility with a critical shortage of nurses. Hospitals, nursing homes, home health agencies, and health centers are all experiencing shortages of qualified health care personnel. Up to 168,000 hospital positions are unfilled today, and 75 percent, or 126,000, of those vacancies are Registered Nurse positions. Of the 106,982 direct care nursing positions now vacant in nursing homes, 16,196 are Registered Nurse jobs. The goal of the National Nurse Service Corps is to inspire individuals to obtain nursing education at all levels and to fill the need.

Compassion, intellect and courage are all terms that come to mind when I think of the nursing profession. Unfortunately, negative stereotypes, that nursing is only for women, or that nursing just involves changing bedpans, have invaded our culture. The Nurse Reinvestment Act provides for a national awareness campaign, through public service announcements, to show all Americans, men, women, and young children, how rewarding and noble a career in nursing can be and about opportunities for assistance in obtaining a nursing education.

In the areas of training and recruitment, the Nurse Reinvestment Act compromise retains the Senate provision relating to geriatric training for nurses, a critical provision in light of the growing number of older patients with complex medical histories and multiple chronic conditions. Provisions to encourage mentoring and specialty training through internships and residencies, career ladder programs to encourage nursing professionals of all levels to seek further education and professional development, and grants for nurse retention activities, all have been incorporated into the existing structure of Title VIII in the Public Health Service Act.

With all of the new measures in the Nurse Reinvestment Act to recruit and train nurses, it is essential to have adequate nurse faculty to teach these students. The shortage of nurse faculty is especially evident in my home state of Arkansas and the surrounding southern region. In 1999, 153 eligible nursing students in Arkansas were turned away because of inadequate faculty to teach them. Eighty-six schools of nursing in the southern region have reported insufficient faculty. Compounding this problem is the increasing number of nurse faculty retirements. In the 2000, 2001 academic year, 144 nurse educators retired in the southern region alone, 784 more nurse educators are expected to retire in this region between 2002 and 2006.

Our schools of nursing must have the capacity to teach new nurses in order to overcome the nursing shortage. I am therefore extremely pleased that the Nurse Reinvestment Act final compromise includes a modified nurse faculty development provision which provides loans to nurses pursuing their masters and doctoral degrees and provides for loan cancellation up to 85 percent upon service as a nurse educator at a school of nursing.

In all, the Nurse Reinvestment Act is a solid step forward in addressing the nursing shortage in our country. I urge my colleagues to support this legislation, so we can send it to President Bush for signature.

Mr. FRIST. Mr. President, I rise today to applaud the passage of the "Nurse Reinvestment Act"—the culmination of work to directly address the nursing shortage. This bill, which has combined portions of S. 726—the "Nursing Employment and Education

Development, NEED, Act" and S. 706—the "Nurse Reinvestment Act" outlines a comprehensive approach to the nursing shortage by focusing on recruitment, education and retention of nurses. I want to thank Senators HUTCHINSON, KERRY, JEFFORDS, and MIKULSKI for their leadership in this issue.

This crucial legislation provides for public service announcements at both the State and Federal level to educate the public about the advantages and rewards of nursing. Additionally, this important legislation assists us with training future nurses and future nursing needs by establishing a focus on geriatric nursing, establishing a faculty loan program, and focusing on nursing mobility through the development of career ladders. Finally, this bill focus as new resources on retaining nurses to the profession by establishing a National Nurse Service Corps and by increasing the emphasis on retention within basic nurse education grants.

We are in the midst of a nursing shortage. Not only are fewer people entering and staying in the nursing profession, but we are losing experienced nurses at a time of growing need. Today, nurses are needed in a greater number of settings, such as nursing homes, extended care facilities, community and public health centers, professional education, and ambulatory care centers. Nationwide, health care providers, ranging from hospitals and nursing homes to home health agencies and public health departments, are struggling to find qualified nurses to provide safe, efficient, quality care for their patients.

Though we have faced nursing shortages in the past, this looming shortage is particularly troublesome because it reflects two trends that are occurring simultaneously: (1) a shortage of people entering the profession and (2) the retirement of nurses who have been working in the profession for many years. Over the past 5 years, enrollment in entry-level nursing programs has declined by 20 percent, mirroring the declining awareness of the nursing profession among high school graduates. Consequently, nurses under the age of 30 represent only 10% of the current workforce. By 2010, 40 percent of the nursing workforce will be older than 50 and nearing retirement. If these trends are not reversed, we stand to lose vast numbers of nurses at the very time they will be needed to care for the millions of baby boomers reaching retirement age. Therefore, we need to focus on both recruitment to and retention within the nursing profession.

Further, greater efforts must be made to recruit more men and minorities to this noble profession. Currently, only 10 percent of the registered nurses in the United States are from racial or ethnic minority backgrounds, even though these individuals comprise 28 percent of the total United States population. In 2000, only 5.9 percent of the registered nurses were men. We must

work to promote diversity in the workforce, not only to increase the number of individuals within the profession, but also to promote culturally competent and relevant care.

Even if nursing schools could recruit more students to deal with the shortage, many schools could not accommodate higher enrollments because of faculty shortages. There are nearly 400 faculty vacancies at nursing schools in this country. And, an even greater faculty shortage looms in the next 10-15 years as many current nursing faculty approach retirement and fewer nursing students pursue academic careers. Therefore, the faculty develop piece within this legislation is crucial to dealing with this shortage.

Further, in examining any nursing shortage, we must recognize the potential effects of this looming shortage on patient outcomes. A recent study by Jack Needleman, Peter Buerhaus, and others, found a direct link between nurse staffing levels and five inpatient outcomes—urinary tract infections, pneumonia, length of stay, upper gastrointestinal bleeding, and shock. To provide an appropriate emphasis on patient outcomes, we have increased the emphasis on examining patient outcomes within this legislation.

Additionally, shortages of nurse aides parallel the trends seen in relationship to nurses. Nurse aides are primarily employed in nursing home settings, and some studies have suggested that the average turnover rate for nurse aides is 100 percent. This high turnover rate directly affects both health care costs and patient care quality. Provider costs related to high turnover include recruitment, selection, and training of new staff; use of temporary staff; overtime for current staff; initial reduction of efficiency of new staff; and decrease in nurse aide moral and group productivity. A recent report from the Centers for Medicare and Medicaid Services found a direct relationship between nurse aid staffing levels and quality of resident care. To ensure the appropriate emphasis on nurse aides, we ensured that, where feasible, these facilities and providers were covered within the bill.

It has been an honor and a pleasure to work closely with my distinguished colleagues in both the House and Senate, and I look forward to continuing to working with them as we advocate for funding for these particular provisions and ensure that they are appropriately implemented.

Mrs. CLINTON. Mr. President, I am proud that the House and the Senate have worked out the differences between the two versions of the Nurse Reinvestment Act that we passed last year. I am also proud that today, the Senate will pass this agreed-upon legislation with unanimous support, and I look forward to subsequent action by the House so that this bill can be swiftly signed into law. I thank Senators MIKULSKI, HUTCHINSON, KERRY, JEFFORDS, and KENNEDY for their leader-

ship. Many on the House side have also worked hard on this legislation, including Representatives BILIRAKIS, CAPPS, and others.

We have all heard a great deal about the workforce shortage from nurses in New York and across the Nation. Around the country, nurses are facing an emergency of their own.

The number of undergraduate nursing program graduates in New York State has dropped each academic year since 1996, and this pattern is evident everywhere.

The Nurse Reinvestment Act we are passing today contains scholarships, public service announcements, and other provisions to encourage people to enter the profession, as well as nurse faculty provisions too, so that colleges of nursing have the personnel equipped to help train new nurses entering the pipeline.

But the current nursing shortage problem exists not only because fewer individuals are entering the nursing profession, but also because the healthcare industry is having trouble retaining the nurses already on staff. Fifty percent of nurses say that they have recently considered leaving their jobs for reasons other than retirement, and approximately half a million licenses nurses are not currently practicing nursing. Many of the nurses who have considered leaving the profession cite their low level of overall job satisfaction.

But there are some health care facilities that are taking action and having an effect on retention and nurse satisfaction.

During the last nursing shortage, researchers found some hospitals experienced low turnover and low vacancies. They found these hospitals shared certain characteristics. They were structured along participatory, collaborative, and patient-centered lines and, as a result, act as "magnets" that attract and retain nurses.

The American Nurse Credentialing Center developed a credentialing program to designate facilities as magnet facilities if they met certain criteria. And over the years, these magnet facilities have continued to demonstrate results. The average length of employment for registered nurses in magnet hospitals is 8.35 years, which is twice the length of employment in hospitals generally, and magnet hospital nurses consistently report greater job satisfaction, fewer needlestick injuries, and lower burnout rates than other nurses.

But the beneficiaries of this legislation are not just hospitals and nurses, but patients as well. Magnet hospitals report lower mortality rates, higher patient satisfaction, and greater cost-efficiency, with patients experiencing shorter stays in hospitals and intensive care units.

That is why last year I introduced the bipartisan Nurse Retention and Quality Care Act with my colleague, Senator GORDON SMITH of Oregon, to provides grants to health care organi-

zations to implement these magnet hospital principles that improve nurse retention.

The Nurse Reinvestment Act, which we are passing today, adds for the first time some recognition of the importance of retention in addressing nursing issues, as well, and specifically mentions the magnet principles of collaboration, nurse involvement in decisionmaking, and orientation toward patient outcomes. I look forward to action by the House and the President to assure that this bill becomes law.

On September 11, and since, our nurses have been on the front lines of the battle against terrorism and bioterrorism. Today, they continue to defend America. I am pleased to be celebrating our work together to help hospitals, nurses, and patients, through this bill, which we will work together to fund.

Mr. REID. Senators MIKULSKI, HUTCHINSON of Arkansas, and others have a substitute amendment at the desk, and I ask that the amendment be considered and agreed to; the motion to reconsider be laid upon the table; the bill, as amended, be read the third time and passed; the motion to reconsider be laid upon the table; and that any statements be printed in the RECORD, with no intervening action or debate.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The amendment (No. 4312) was agreed to.

(The amendment is printed in today's RECORD under "Text of Amendments.")

The bill (H.R. 3487), as amended, was read the third time and passed.

CORPORATE AMERICA

Mr. REID. Mr. President, flying back here last night from Nevada, I spoke with two flight attendants. Usually they talk to me about working conditions, air marshals, or something dealing with their job. But they were concerned about corporate America. They talked to me two separate times. In effect, they said: This is a disgrace. I hope, Senator, you are doing something about it.

This morning when I was at the doctor's office, I had another conversation about the problems in corporate America. Because of my light complexion and having been raised in the desert sun, I on occasion have had a dermatologist take little things off my face, and today was one of those occasions. While I was waiting for the physician, a nurse approached me, and said: Senator, I hope you do something about what is going on in America today. These scandals in the corporations are outrageous.

Everyone in America is concerned. I was in Nevada this weekend, and five or six different people came to me on different occasions, talking not about the things I would normally expect upon returning to Nevada, but about corporate America and what is going on.

We are debating a bill that directly deals significantly with corporate America: Pharmaceutical companies. We have been told in the debate the average CEO of a pharmaceutical company in America makes \$27 million a year. Pretty good change.

This debate deals with generics, it deals with prescription drugs, it deals with patents on medicines, but it also deals with corporate America.

In response to the crisis of confidence that has plagued American investors, the Senate has responded forcefully. The majority, the Democrats, have led the way by drafting important legislation to close loopholes and bring about more corporate accountability. The Senate unanimously passed an accounting reform bill that protects investors and punishes corporate criminals. The Republican leadership in the House led an effort to pass a watered-down version that does not go nearly far enough. I am encouraged by reports that many in the House support the stronger policies the Senate passed, and I hope the legislation that comes out of the conference is one that has the Senate's mark on it. I am looking for the President to come forward and support our position.

Over the weekend, again, he said, please, give us a bill before the August recess. What bill does he want? Does he want the nothing bill the House has, or is he willing to come forward and talk about the Sarbanes version of the legislation, which is strong legislation, which would restore confidence, so that flight attendants and nurses are not worried about corporate America?

Nevadans are significantly impacted by the downturn in the financial markets. People in Nevada count on their investments to help meet their current daily expenses and plan for the future. That is the way it is all over America. Nevada's high quality of life has attracted many retirees. But many have seen their life savings evaporate as stock prices fall. As accounts have dwindled in the last 4 or 5 days we have heard people saying they wished they had never gone into the stock market. They are checking out. Nevada workers nearing retirement face uncertainty about their ability to stop working because they no longer can afford to do so.

We have seen the cartoons around the country asking why this person is working so long, and the cartoons indicate: I invested in the stock market, and I have to work until I'm in my nineties.

College plans for students in Nevada are now in jeopardy because family savings have disappeared.

The collapse of Enron—taking just that one scandal, because there are many others—has had a ripple effect that has caused economic difficulties and threatened the health of Nevada generally. The State public employees retirement pension fund lost almost \$23 million invested in Enron. That is a lot of money for a small State such as Ne-

vada. Thousands of Nevada's dedicated public servants who worked hard and saved and invested responsibly have seen their investments erode to satisfy the greed of corporate fat cats.

In addition, look at the trauma center at the University Medical Center in Las Vegas. Las Vegas is now a major metropolitan area. About 1.5 million or 1.6 million people live and work in that area. The one trauma center where they took care of the accident cases and took care of the indigent patients, basically, in Nevada—it serves a huge number of people; it is one of the busiest in the country—has been forced to close temporarily and faces a very unsure future.

Why? Because of corporate America. This is linked to the Enron scandal because the Medical Center's insurer, St. Paul, lost \$108 million invested in Enron. That is five times as much as the total cost for medical malpractice payouts in Nevada. As a result, St. Paul has raised premiums for malpractice insurance to such an extent that many doctors have elected simply to leave the State.

We have one physician who is going into long-haul truck driving. And many doctors have elected not to work at the trauma center.

Going to a little different subject, it is hard to comprehend that these insurance companies get away with as much as they do. There is no other business in America that can meet—not secretly—and fix prices. Because of the McCarran-Fergusson legislation passed during the Depression, insurance companies are not bound by the Sherman Antitrust Act. They can meet to set prices to run people out of business. It is not against the law, civilly or criminally.

I am deeply concerned about the problems caused by scandals in corporate America and their far-reaching effects. I want to make sure the President responds appropriately, or tries to. Unfortunately, the administration so far has not provided the reassurance the public seeks. It fails to demonstrate leadership on this issue.

Let me be clear, the crisis in investor confidence is in danger of spreading. I don't know what is going to happen today, but I saw an hour ago the Dow was down 258 points again today. Maybe it will have a rally in the next hour or 2 and be fine, but that is what I saw.

The crisis in investor confidence is in danger of spreading, potentially crushing consumer confidence and reducing consumer spending, and that is all we have going. If we reduce consumer spending, that would be devastating in the country. The climate of scandal is linked to the administration in this way. I think how the President responds also is important. I do not think he has responded appropriately.

He has given a speech. You could see the stock market dropping as he was speaking. That is what the TV stations did. As he is speaking about consumer

confidence, the stock market is reeling backwards.

Among the steps the President must take to resolve the crisis in the financial markets and to restore confidence is to replace, in my opinion, key members of his administrative team who cannot be effective in bringing about necessary changes. In Government, we not only have to do what is right but what looks right. We have to not only do what is right, but what appears to be right.

The Securities and Exchange Commission is the main regulator of America's financial markets. The President chose Harvey Pitt, who aggressively defended the big accounting firms and corporate America and represented the lobbying group for the big accounting firms, while he being confirmed as Chairman of the SEC, the agency that is charged with investigating the same accounting firms involved in the scandals that rocked the stock market and hurt millions of America's investors. It is trite, but it seems to me it is installing the fox to protect the hen house.

Mr. Pitt set the wrong tone from the beginning, suggesting he would have the SEC be "kinder and gentler." Kinder and gentler? One of his former clients is Arthur Andersen, a firm implicated in so many unfolding scandals that major magazines have reported they no longer have anyone working there.

Is Mr. Pitt really the right person to investigate Andersen, implement charges, oversee them and enforce regulations? Those flight attendants I met last night, and the nurse today, I think would say: He wants a kinder, more gentle SEC? I don't think so.

He has already had to recuse himself from more than two dozen SEC investigations, but he did not see anything wrong with meeting privately with the incoming chairman of KPMG, another former client, when his firm was under investigation for its accounting work with Xerox.

The SEC needs a new leader, somebody free from conflict of interest, who recognizes how damaging even the appearance of conflict of interest is at this sensitive time for America's financial well-being. Neither the American public nor responsible business leaders have confidence in Mr. Pitt's ability to serve effectively.

The Wall Street Journal, among other respected voices in the financial community, has expressed the need for a replacement. You cannot say the Wall Street Journal is some left-leaning, left-wing organization opposed to business. Quite the contrary. But they say he should be replaced.

A growing number of my colleagues in Congress, both Democrats and Republicans, have indicated it is time for him to go. So I join with them in calling on Mr. Pitt to resign or for President Bush to replace him. It would send a strong message to Wall Street, to the people who work for the corporations in Wall Street, the people who

earn a living making that stock as valuable as it is.

I am also troubled by the Secretary of the Army, Thomas White, who testified before the Commerce Committee last week about his role as vice chairman of Enron Energy Services. Those who observed his testimony can only be disturbed by his performance. Memos written by Enron lawyers in the year 2000 suggest that the division of Enron led by Secretary White at the time overstated the demand for power so that another division could benefit from artificially higher prices. As a result, Enron raked in obscene profits while consumers paid billions of dollars in excess.

It was all phony accounting, a manipulation, by an organization led by the Secretary of the Army.

Enron's manipulation of California's energy markets affected the entire western United States. It affected Nevada adversely, driving Nevada's utilities to the brink of bankruptcy and forcing consumers to pay skyrocketing rates.

Secretary White received approximately \$50 million while at Enron—he, personally—and he made an additional \$12 million after he joined the Bush administration by selling Enron stock following 77 phone calls to his former colleagues at the company.

During the questioning by Senator BOXER and others he claimed: Well, I was just seeing how my friends were doing.

He made \$12 million, made 77 phone calls. It just doesn't look right.

The New York Times reported that last December the Army, which of course reports to Secretary White, granted a sweetheart deal to KBR, a division of Vice President CHENEY's former employer Halliburton, "despite being a reputed bill-padder and the target of a criminal investigation."

I don't know what Secretary White's total involvement in these dealings might be. I hope neither he nor any of the administration officials being investigated is guilty of any criminal wrongdoing. But it is obvious that he cannot be an effective leader if he doesn't have the confidence of the American public, the airline steward or stewardess or the nurse. It would be in the best interests of our country and the administration if he resigned.

We in Government not only have to avoid what is wrong but also what looks wrong. With the Secretary of Army it looks wrong. With the head of the SEC, Harvey Pitt, it just doesn't look right.

The PRESIDENT pro tempore. The senior Senator from Utah, Mr. HATCH, is recognized.

THE ECONOMY

Mr. HATCH. Mr. President, I have been listening to the assistant majority leader. I was very interested in his remarks. This President has been in office less than a year and a half. It does seem to me that the problems we have in America are problems for every-

body—not one party and not one President. They are problems for all of us.

I have to say I think this President is doing everything he possibly can to try to stabilize this economy and get us through these difficulties. Certainly the economy is doing well. We have 3-percent productivity growth, which is better than the whole time between 1980 and 1995. There are a number of other things which show that we have a strong economy.

But this underlying illness that afflicts the stock market is hurting everybody. I suspect part of that comes from what has gone on over the last 10 years or so and not just in the last year and a half. There has been a lack of confidence in our business community because of those who have been committing these heinous acts of misrepresentation and fraud in some of these major corporations in America. There have been relatively few. And I see that other corporations are scrupulously going over their books to make sure they are toeing the line in meeting the needs of the American stock market.

I suspect we are going to come through this within the next couple of weeks, and when people start to realize that our economy is good and that we are going to come through this, we will be OK. But I think it may be a little unfair to suggest that it is basically all this President's fault or that it is all one party's fault. We all have things we could have done better. We all have some responsibility.

I believe our current President is doing an excellent job. As everybody knows, I stood up for the prior President when I thought he was right.

GREATER ACCESS TO AFFORDABLE PHARMACEUTICALS ACT—Continued

Mr. HATCH. Mr. President, today we are discussing the Medicare prescription drug bill, which is basically the two bills we will be voting on tomorrow.

I rise this afternoon to take the opportunity to share my thoughts on Medicare drug coverage. Today and tomorrow, we will be debating two Medicare prescription drug bills—the Medicare Outpatient Prescription Drug Act of 2002, introduced by Senators GRAHAM, MILLER, KENNEDY and CORZINE, and the 21st Century Medicare Act introduced by the Senate tripartisan group which includes Senators GRASSLEY, JEFFORDS, BREAUX, SNOWE, and myself.

There is no question that all of us have the same goal in mind—to provide beneficiaries with Medicare prescription drug coverage, this year. But, unfortunately, we do not agree on how this coverage should be provided. Senators GRAHAM and MILLER believe it should be provided through the Federal Government. On the other hand, the Senate tripartisan members believe drug coverage should be provided through the private market.

During the next day and a half, you will hear about the merits of both bills. You will also hear criticisms of both bills. While these matters certainly need to be debated by the Senate, both of these bills, which will impact the lives of millions of Americans, should have been considered by the Senate Finance Committee before being debated on the Senate floor. I have heard my colleagues on the other side of the aisle saying that the Senate Finance Committee has debated this issue for the last 5 years and the American people are tired of waiting for the Senate Finance Committee to act. I take issue with that argument. Actually, we have had 37 years to fix Medicare. We just celebrated its 37th birthday. And don't forget what happened when we passed a Medicare prescription drug benefit the last time. We repealed it the very next year. So we need to proceed with caution and consider any prescription drug bill very carefully before passing such a measure by the U.S. Senate. We do not want to make the same mistake twice.

Let me just say that making any changes to the Medicare program is not an easy task. I have been in the Senate for over 26 years and I find the Medicare program to be one of the most complicated programs in the Federal Government. There was a recent quote by former Secretary of State Madeleine Albright in the Washington Post, July 20, 2002, where she said, "being Secretary of State is the best job in the world. Better than being President, because you don't have to deal with Medicare."

I think she may have hit the nail right on the head.

The point I am trying to make is simple. We need to spend quality time drafting and debating a Medicare prescription drug benefit. We should not be considering such important legislation on the Senate floor without the Senate Finance Committee having a mark-up. That is just not right and it is downright irresponsible.

We should have let the Finance Committee do its job. But as I said all last week, politics is dictating policy. So here we are, debating one of the most important issues of the 107th Congress without even a Finance Committee hearing on the legislation being considered by the Senate today and tomorrow.

I am extremely disappointed in the way this has been handled by the Democratic leadership. I believe that the Finance Committee members could have approved a bill out in the Committee. It just wasn't the bill that the Democratic leadership wanted to have passed out of Committee.

On that point, I truly believe that we could have reached a consensus in the Finance Committee if we had been given a chance. When Senator KENNEDY and I authored the Children's Health Insurance Program in 1997, there were not more different Members of the Congress. But we did it, and we got the bill

through the Congress and had our CHIP bill signed into law in 1997 as part of the Balanced Budget Act.

In fact, it was the glue that held the first balanced budget act in over 40 years. It was the glue that got that CHIP bill signed into law as part of that particular act.

Senator KENNEDY and I reached consensus. Where there is a will, there is a way.

The same thing could happen with the Medicare prescription drug legislation. But there must be a willingness to get something done this year. And I am sensing that there is a lot of political game playing on this issue which says to me that there is not a willingness to get something signed into law this year.

Our tripartisan bill has the votes to pass both the Senate Finance Committee and the Senate. But we will not be given the opportunity to bring our bill before the Senate Finance Committee because, in my opinion, the majority leader does not want our bill to pass the Senate Finance Committee. Again, that is just a shame that we have to resort to such political game playing on an issue so important to our seniors and to our country. We finally have a bill that can be approved by the Committee and the majority leader refuses to have it go through the proper channels. Let me just say that I am extremely disappointed by his decision. I, for one, am still willing to do the work to get a Medicare prescription drug bill signed into law this year. I only hope that the majority leader is willing to work with us.

We have talked a lot about both bills in the last week and, at this time, I would like to talk about the tripartisan Medicare prescription bill. It is the only bill with support of both Democrats and Republicans being considered in the Senate. It provides Medicare beneficiaries three key elements—affordable drug coverage, choice in health coverage, and quality health care. All three elements are important and all three elements are included in this bill.

According to CBO, spending on drugs for seniors over the next decade will grow at an astronomical rate. CBO says that the only way to contain the cost of a drug benefit is to ensure that drugs are delivered efficiently. In turn, CBO says that the only way to have drugs delivered efficiently is to have true competition.

True competition, according to CBO, requires two things:

No. 1. Private plans that assume at least a limited degree of risk—that is, if they are efficient, they will make money, and if not, they will lose money.

No. 2. That those plans be able to compete by varying the premium they charge, and varying the benefits they offer. The tripartisan bill allows plans to vary both premiums and benefits.

CBO says that if all plans offer the same premium and same benefits, as

under the Democratic leadership bill, that is simply not true competition. Accordingly, the CBO score of any such approach will be extraordinarily high.

Some have suggested a dual system, with competitive and non-competitive plans operating side-by-side. Unfortunately, CBO has made it clear that it would give such dual systems the same high score as a totally non-competitive system, because all plans would choose to be non-competitive. A dual system simply doesn't achieve cost containment and is also flawed because it is government run.

Our tripartisan drug plan is a voluntary and permanent program. It does not sunset like the Graham bill. In addition, all Medicare beneficiaries may participate—those in traditional Medicare, Medicare+Choice or the new enhanced Medicare fee-for-service program.

The monthly premiums are \$24 per month, which is the lowest premium amount of any drug plan that has been introduced in the Congress, and one that I think would be more acceptable to our people out there rather than causing us to run into the difficulties we had when we had to repeal the catastrophic bill a number of years ago.

The deductible will be \$250 and the beneficiary coinsurance, except for the low-income seniors, is 50 percent once they reach the deductible and up to \$3450 in drug expenditures. Our drug plans are based on actuarial equivalence, which means that we permit Medicare drug coverage to respond to consumers' demands. These actuarial equivalent plans will meet consumers' needs. The Government will determine which plans are actuarially equivalent, and, CBO has determined that the five standards that the plans must meet in order to be actuarial equivalent reduces a lot of variation between the standard benefit.

The five standards for actuarial equivalence are:

No. 1, the Medicare benefits administrator must approve any actuarially equivalent coverage, and may terminate or disapprove any benefit design intended to discourage enrollment of high risk individuals.

No. 2, the actuarial coverage value of the total alternate coverage for the entire benefit must be equal to the standard benefit.

No. 3, the unsubsidized value of alternate coverage must equal the unsubsidized value—that is, 35 percent which is subsidized—of the standard coverage.

No. 4, the alternate coverage must be based on actuarially representative patterns of utilization to provide payment, with respect to costs incurred that are equal to the initial coverage limit under the standard benefit.

No. 5, catastrophic protection must equal the precise dollar amount, which is \$3,700, the same as the standard benefit package.

So the arguments that our bill allows plans to raise the deductible to \$500 or that our premium would be signifi-

cantly higher than \$24 per month are just wrong.

In 2005, when the drug plan is first established, Medicare beneficiaries have a 7-month open enrollment period from April 1 through November 30.

Every senior would have a choice between two prescription drug plans, and that includes rural areas across the country. This is required by the legislation, and the Congressional Budget Office agrees that there will be two plans in each coverage area. These coverage areas could be nationwide but they must be, at minimum, at least the size of a State. Before being offered to seniors, the drug plans must be certified by the Department of Health and Human Services. Seniors will receive information about the available prescription drug plans each year before selecting their coverage.

The drug benefit begins in January 2005. CBO estimates that 93 percent of Medicare beneficiaries will participate in the Medicare prescription drug program, 6 percent will keep their current prescription drug coverage and 1 percent will not be eligible because they do not participate in Medicare Part A and/or Part B.

An actuarially sound penalty would be imposed on seniors who decide to participate in the drug plan once the enrollment period is over. This is almost identical to Senator BOB GRAHAM's late enrollment penalty.

The Government will be covering 75 percent of the value of the Medicare drug benefit equaling \$340 billion over the next 10 years, providing a tremendous incentive for plans to participate. The tripartisan bill allows private sources of drug coverage to supplement the new Government coverage by providing a strong base benefit—50 percent drug coverage after a \$250 deductible up to \$3,450 and price discounts on all drug purchases. The result is that 80 percent of beneficiaries in 2005 will not have drug spending beyond that basic benefit.

We also include low-income protections in our legislation by providing low-income seniors with additional subsidies so they, too, can afford to pay for their drugs. The tripartisan group's goal was to put an end to people having to choose between buying food and buying their medicine by providing additional help to those seniors who need it.

For example, the 10 million beneficiaries with incomes below 135 percent of poverty will have 80 to 95 percent of their prescription drug costs covered by this plan with no monthly premiums. These seniors are exempt from the deductible and will pay well under \$5 for their brand name prescriptions and/or their generic prescriptions. And beneficiaries at this income level who reach the catastrophic coverage limit will have full protection against all drug costs with no coinsurance.

The 11.7 million lower income beneficiaries with incomes below 150 percent of the poverty level are also exempt from the \$3,450 benefit limit. Those beneficiaries between 135 percent and 150 percent of the Federal poverty level will also receive a more generous Federal subsidy that, on average, lowers their monthly premium to anywhere between zero and \$24 a month on a sliding scale. This also reduces their annual drug expenses by more than half.

All other Medicare beneficiaries will have access to discounted prescriptions after reaching the \$3,450 benefit limit, and the critically important \$3,700 catastrophic benefit, which protects seniors from high, out-of-pocket drug costs.

I now want to take some time to discuss the Medicare coverage provisions in the tripartisan legislation.

Under our bill, we offer two choices for Medicare coverage, traditional Medicare and a new, enhanced fee-for-service plan which offers benefits similar to those provided in private health insurance. Medicare beneficiaries may choose one or the other. If a beneficiary wishes to remain in traditional Medicare, he or she may do so. If a beneficiary opts for the enhanced fee-for-service plan, then changes his or her mind and wants to go back to traditional Medicare, that is fine, too. For the first year, beneficiaries may go back to traditional Medicare without a penalty. Afterward, an actuarially fair penalty will be imposed on them for switching back and forth. This is similar to the penalties for late enrollment into the Medicare Part B program under current law. But no one is stuck in one coverage plan. Beneficiaries may change their minds and switch back to traditional Medicare if they are not happy with the enhanced fee-for-service plan.

Now, I would like to take just a few minutes to discuss the details of the new, enhanced fee-for-service option with my colleagues.

As far as enrollment is concerned, the rules for the enhanced fee-for-service benefit, Medicare Part E, are modeled on current Medicare enrollment policies. Those who are already enrolled in Medicare Part A and Part B as of 2005 will stay in traditional Medicare unless they decide to enroll in the enhanced fee-for-service option. Those who become eligible for Medicare in 2005 or later will automatically be enrolled in the enhanced fee-for-service option unless they indicate that they want to be enrolled in the traditional Medicare program. All beneficiaries will have a 7-month period to make their initial coverage decision. This is similar to Medicare Part B.

In addition, beneficiaries will be given information about the coverage options included under the enhanced fee-for-service option. This information will compare the benefits under the traditional Medicare program to the benefits provided under the enhanced

fee-for-service option. That way, Medicare beneficiaries will be able to make a coverage decision that really is best for them.

Benefits covered under the Medicare enhanced fee-for-service option include better hospital inpatient cost-sharing. Instead of the current extremely high Medicare Part A hospital deductible, which will be \$920 in the year 2005, and high copayments for long hospital stays, the Medicare enhanced fee-for-service option offers a single hospital copayment of \$400 per admission. This is similar to the benefits provided to individuals through private health insurance. In addition, it avoids penalizing those who are ill enough to have long hospital stays. It is also simpler and more rational than the current system and all other plans on the table, including the Graham plan. The enhanced fee-for-service option also replaces the current limits on hospital coverage with 365 days per year, lifetime coverage.

I would like to give you an example of how this would work.

Beneficiaries who are hospitalized have to pay an extraordinarily high Part A deductible of \$812 in 2002, rising to \$920 in 2005. Unlike private health plans, Medicare today imposes its Part A cost-sharing per spell of illness, not per year. As a result, beneficiaries could be exposed to the deductible, copayments and coverage limits repeatedly in a single year. I just don't think that is fair to the beneficiary who is a victim of frequent hospitalizations within a year.

Under current law, after the Part A deductible, \$812 in 2002 per spell of illness, is satisfied, there are copayments for those who have long hospital stays. In 2002, \$0 for days 1 through 60; \$203 per day for days 61–90; \$406 per day for days 91–150 this specific coverage, for days 91 through 150, is available only once per lifetime.

In other words, Medicare provides no coverage at all for inpatient care beyond 150 days per spell of illness. And, for additional hospitalizations after the first one per lifetime, inpatient hospital coverage ends after the 90th day. Our enhanced fee for service option would change that, once and for all. The \$400 copayment per hospital admission would replace both the Part A per spell of illness deductible and the copayments imposed on beneficiaries after being hospitalized longer than 60 days.

As far as preventive benefits are concerned, for those who choose the enhanced fee-for-service option, preventive benefits would not be subject to any deductibles or coinsurance. Currently, Medicare imposes deductibles and coinsurance, usually around 20 percent, on most preventive benefits. We in the tripartisan group believe that the current Medicare policy on preventive benefits makes beneficiaries reluctant to seek out preventive services that may identify health problems and prevent more expensive care later.

Therefore, the enhanced fee-for-service option eliminates all copayments and deductibles on Medicare preventive benefits.

The enhanced fee-for-service option also includes a unified deductible of \$300 per year for all services. Today, in the current Medicare program, the Part A deductible in 2002 is \$812 per spell of illness. In 2005, it will be much higher, \$920 per spell of illness, while the Medicare Part B deductible will still be only \$100 per year.

The enhanced fee-for-service option offers seniors a choice: their current coverage that emphasizes protection against relatively predictable and routine Part B costs, or new coverage that emphasizes protection against unpredictable but potentially devastating Part A costs in the event of serious illness. Seniors would have a choice, which they do not have today.

Medicare's irrational, two-deductible system is unheard of in private insurance. Beneficiaries are used to a single deductible from their prior employer-based plans. It is true that in a given year, relatively few beneficiaries use Part A hospital services.

However, the picture changes if one looks across multiple years. A recent survey found that 17 percent of beneficiaries were hospitalized each year. Over a 6-year period, more than half, 56.4 percent, were hospitalized and 36 percent were hospitalized more than once. These hospitalizations may result in ruinously high out-of-pocket costs for seniors, and the enhanced fee-for-service option offers protection against such costs for those who choose this coverage plan.

In addition, the enhanced fee-for-service option would protect seniors with serious illness. Today, Medicare has no limit on a beneficiary's out-of-pocket expenses in a year, creating the potential for crippling costs in the event of serious illness. Our tripartisan bill would limit beneficiaries' exposure to out-of-pocket costs for Medicare-covered services, other than prescription drugs, to \$6000 per year. Beyond \$6000, Medicare would pay 100 percent of any costs incurred by the beneficiary.

In a given year, it is estimated that 2 to 3 percent of Medicare beneficiaries may have costs that reach \$6000. If beneficiaries want peace of mind that would come from such catastrophic protections included in the enhanced fee-for-service option, they should have that choice.

Contrary to popular belief, Medicare supplemental policies do not offer catastrophic protection. The standardized Medigap plans fill in the cost-sharing in the existing Medicare benefit package, but they do not offer serious illness protection. Since virtually all employer-sponsored health plans offer serious illness protection, it is something that many beneficiaries have come to expect.

In addition to those with serious illnesses, this protection would also benefit those with severe, chronic conditions, which are inadequately covered by Medicare today. All spending by or on behalf of the beneficiary, including by third parties, such as Medicaid, employers, or Medigap plans would count toward the serious illness threshold of \$6000. This differs from the drug benefit stop-loss because CBO indicated that counting only a beneficiary's own spending toward the Part E limit would reduce participation in the enhanced fee for service option a concern that CBO did not have about the drug benefit in the tripartisan bill.

As far as home health benefits and skilled nursing facilities are concerned, those who choose the enhanced fee for service option would have to make home health copayments of \$10 per visit, on only the first five visits of a 60-day episode. A Medicare beneficiary would only have to pay \$300 in home health copayments per year. Home health care is one of the only Medicare benefits for which there is no beneficiary cost-sharing. Medicare's average payment per home health care episode is \$2300, so a maximum total copayment of \$50 per episode would cover only about 2 percent of the program costs, in contrast to the typical 20 percent cost-sharing on Medicare Part B benefits.

Both CBO and Med PAC indicate that even a modest copayment is critical to making beneficiaries consider cost when deciding whether or not to use home health care. CMS projects a 12 percent growth in home health care spending in 2003, even if the 15 percent cut scheduled in current law takes place. Beneficiaries with serious enough conditions to need more than five visits per episode receive those additional visits without additional cost-sharing. Those who cannot afford these modest copayments are protected, because current law includes cost-sharing protections for the low-income beneficiaries, Medicaid eligible and QMBs are maintained.

For skilled nursing facilities, the enhanced fee for service option would include a copayment of \$60 per day for the first 100 days. Under Medicare today, beneficiaries currently pay copayments beginning on day 21 of a skilled nursing facility stay. Medicare imposes no cost-sharing for the early days of a skilled nursing facility stay, days 1 through 20, and then Medicare imposes very high beneficiary cost-sharing for longer stays. In 2005, when our bill goes into effect, those copayments will be \$115 per day for days 21 through 100.

As a result, Medicare's current skilled nursing facility cost-sharing unfairly penalizes those who are sick enough to need a longer stay, while allowing those who aren't as sick to have free days of care, with no incentive to consider costs. Influenced by the 20 days of free care, then prohibitive cost-sharing policy, the average length of

stay in a skilled nursing facility is approximately 24 to 26 days, according to CMS.

We believe that since skilled nursing facilities already collect copayments beginning on day 21 of the beneficiary's stay, these facilities will already have administrative structures for cost sharing in place.

To be honest, I am not enthusiastic about imposing home health or skilled nursing facilities copayments on Medicare beneficiaries. But, as I said earlier, this legislation required a lot of give and take from all of us. If Medicare beneficiaries do not want to make home health or skilled nursing facility copayments, they may stay in the traditional Medicare program. If they go into the enhanced fee for service option and don't like the coverage because they end up having to make copayments for home health care or skilled nursing facilities, they may switch back to traditional Medicare. It is that simple. We are not imposing copayments on anyone who does not want them. The enhanced fee for service option is just that a coverage option.

These are some of the key elements of the new, Medicare enhanced fee for service option that our bill will provide to Medicare beneficiaries. I hope that my explanation cleared up any questions that my colleagues may have had on this component of the tripartisan bill.

Our tripartisan bill also includes provisions concerning the Medicare+Choice program. In 2005, our legislation takes modest steps to improve Medicare+Choice plan participation by introducing a competitive bidding system under which the plans will compete with each other, but not with the government-run, fee-for-service program, for beneficiaries. This competitive approach to Medicare+Choice payments, based on a bipartisan model supported by the Clinton administration, will result in fairer and more accurate payments to plans. Today's bureaucratic pricing system sets arbitrary and inaccurate rates that discourage plan participation.

At this point, I would like to take a few minutes to rebut some of the arguments my friend and colleague Senator KENNEDY made against our bill last week on the Senate floor. He obviously has not read our bill very carefully. I wish he had taken the time to read the tripartisan legislation before making statements that were not completely true on the Senate floor about our bill. Now, there is some confusion about our bill and I would like to set the record straight, once and for all.

First, Senator KENNEDY criticized our plan's assets test for low-income beneficiaries. Our tripartisan plan provides additional subsidies for low-income seniors which everyone agrees is only fair. I believe I am correct in saying that everyone, on both sides of the aisle, believes that additional subsidies for our low-income seniors is completely justified. My good friend is try-

ing to make it appear that we are picking and choosing which seniors would be eligible for this additional assistance. Nothing is further from the truth.

I want to be clear that we have done nothing different on this issue than what has been the accepted practice and policy for many years when it comes to programs that provide assistance to those with lesser means. In fact, the tripartisan bill adopted an assets test similar to the Medicare bill proposed by President Clinton in 1999.

Under current law, Medicaid includes an assets test. States have the flexibility to waive the assets test at their discretion.

Our tripartisan proposal ensures that the flexibility found in current law is retained in the Medicare drug benefit program. The assets test ensures the seniors who need the most assistance are provided with the most protection. We want to provide the most generous assistance to those who truly need it.

Also, let me clarify that current law specifically excludes from the assets test an individual's home and its land; household goods; personal effects, including automobiles; the value of any burial space; and other essential property. So I hope this clarifies any questions that Senators may have had on the tripartisan proposal's assets test. Hopefully, I have made it clear to my colleagues that the tripartisan bill adopted a widely accept and common practice for determining which lower income seniors are eligible for higher subsidy for their prescription drug benefits.

Another issue raised by my good friend, Senator KENNEDY, is the design of the tripartisan proposal's prescription drug benefit. He wanted to know how our prescription drug benefit design permits creation of competitive plans that would provide quality coverage to all Medicare beneficiaries.

Let me explain why we took this approach. First, we believe that Medicare beneficiaries deserve a quality drug benefit that meets their individual needs. The Graham-Miller proposal does not allow any variation in cost-sharing or premiums and is a "one-size-fits-all" plan which, in my opinion, will fail to address the individual prescription drug needs of seniors.

So, with that in mind, it is important that Medicare beneficiaries are provided a quality drug benefit at an affordable price. Our tripartisan plan strikes the right balance to give Medicare beneficiaries access to prescription drugs they need at the lowest possible price. Any plan that wants to offer a Medicare drug benefit will be required to receive the approval of HHS according to strict standards specified in law. This approval process will be an interaction between any prospective plan and the Federal Government to ensure that Medicare enrollees receive the best quality coverage possible at an affordable price.

There are five strict standards of actuarial equivalence in our bill which

the CMS Administrator is required to certify that a plan meets before the plan is offered to Medicare beneficiaries. The plans themselves will not be determining what is actuarially equivalent; only the Federal Government will make that determination. If the Government determines that a plan is not equivalent to the standard benefit, its proposal will be rejected and it will not be permitted to participate in the Medicare drug benefit. End of Story. In fact, CBO has told us that our standards of equivalence are strict enough that Medicare Drug Plans will have little room to vary premiums or cost-sharing. That little room to allow some variation, however, is critical to the success of a Medicare prescription drug benefit.

Under the Graham-Miller bill, Medicare drug plans operating in the same area will be forced to charge the same monthly premium and the same cost-sharing. While Senator GRAHAM claims that his proposal includes competition, I do not understand how Medicare plans will compete if they are required to offer identical premiums and identical cost-sharing across the country. If drug plans wanted to lower their cost-sharing or lower their premium in order to attract Medicare enrollees, Congress would have to pass legislation.

On the other hand, the tripartisan bill ensures that the innovation of the private sector is not stifled by a micro-managed, "one-size-fits-all" drug benefit run by the Federal Government.

Another issue raised by my friend Senator KENNEDY is whether or not the prescription drug benefit under our proposal guarantees that seniors will have access to benefits. Let me assure you that if this were not true, I would not be standing here today, speaking in favor of this legislation.

Let me clarify that the tripartisan bill guarantees two Medicare prescription drug plans to every Medicare beneficiary. If the beneficiary lives in an area where there are Medicare+Choice plans, then even more choice will be available as the presence of drug coverage under Medicare+Choice does not count as one of the two choices that would be guaranteed in law under our plan.

The Medicare prescription drug plans are not determining their own service areas. The Federal Government will make that determination. And let me emphasize that the service areas must be—at a minimum—the size of a state. The government will be covering 75 percent of the value of the Medicare drug benefit equaling \$340 billion over the next 10 years.

The last issue that my good friend from Massachusetts raised is whether or not employers will be encouraged to continue to provide retiree health benefits with prescription drug coverage. I believe that we have worked hard to protect both employers and retirees on this issue. The tripartisan bill provides employers the same full subsidy to

offer drug benefits to their retirees as any other qualified provider of prescription drug benefits.

The Graham-Miller legislation provides a disincentive for employers to continue offering retiree health coverage for prescription drugs by giving employers only two-thirds of the value of the government drug benefit to retain their retiree coverage. So in other words, the Graham-Miller plan would encourage employers to end their coverage of prescription drugs in order to encourage their retirees to enroll in the Government plan and receive the full Government subsidy.

I do not understand how my friend can make the argument that our plan is bad for employers. Currently, employers receive no assistance whatsoever in paying for drug costs for their retirees. Employers today are paying the full price and taking all of the risk for covering retiree prescription drug costs.

The subsidy policy in the tripartisan proposal will allow employers who are offering a drug—benefit at least as generous as the standard benefit—to receive the full value of the standard benefit.

Again, our policy targets dollars where they might do the most good, and our employer subsidies recognize the value of employer-sponsored retiree drug coverage.

I would like to take some time to share my thoughts on the Graham-Miller Medicare outpatient prescription drug amendment which was offered at the end of last week.

As I have said throughout this debate, Senator GRAHAM deserves a lot of credit for his hard work and dedication to this issue. His staff, too, has worked long and hard on this issue. Senator GRAHAM, like those of us in the Senate tripartisan group, has the same goal—to pass Medicare prescription drug legislation into law this year.

I have had a chance to review Senator GRAHAM's amendment over the weekend and I would like to raise some issues regarding his new legislation. I understand that the Congressional Budget Office has scored his legislation as costing close to \$600 billion over 10 years. While GRAHAM says that any potential saving from the underlying legislation should be counted against the cost of his amendment, I disagree. We do not know whether or not the underlying bill will be approved as proposed, amended or defeated altogether. Therefore, we obviously cannot assume any savings from that bill when discussing either Medicare prescription drug amendment—the Graham amendment or the tripartisan amendment.

Quite honestly, I am still extremely worried about the expense of the Graham-Miller legislation. In fact, I believe that the true 10 year cost of the Graham-Miller drug benefit could be closer to \$1 trillion.

Another concern is that this bill is not a permanent program. It sunsets after 2010 and, quite frankly, I believe

that having a sunset in such an important bill just to get a decent score from CBO is fiscally irresponsible. The way I read the Graham-Miller bill, it is a temporary benefit, which lasts for 6 years. On page 78 and 79 of the Graham-Miller amendment, it states that "no obligations shall be incurred . . . and no amounts expended, for expenses incurred for providing coverage of covered outpatient drugs after December 31, 2010." That is a mouthful to read. But the translation from Government-speak is simple: no funding at all, zero, for the Medicare drug benefit after 2010.

I also read in the Graham-Miller bill that there is an attempt to provide prescription drug coverage after the Medicare prescription drug program sunsets. On page 79, the amendment states that "the Secretary shall make payments on or after January 1, 2001, for expenses incurred to the extent such expenses were incurred for providing coverage of covered outpatient drugs prior to such date."

I think what the sponsor of this legislation is attempting to do, although I am really not sure, is say if there is additional, left-over money from the drug benefit, that money may be used to provide drug coverage after December 31, 2010. That language is very confusing to me. Like I said the other night, it seems more like window dressing to me than an actual extension of the sunset.

I am interested in Senator GRAHAM's comments on this specific provision and the broader issue of why he and his bill cosponsors believe that a sunset is necessary in the first place. I just think it is plain wrong to give Medicare beneficiaries a Medicare drug benefit and then take it away six years later. I cannot believe that the AARP would actually tell its members to call their members of Congress to express support for this bill. I cannot figure out how a temporary Medicare drug benefit helps seniors in the long run.

Another serious concern I have about the Graham-Miller legislation is that the drug benefit is run by the Federal Government. I do not think it is a good idea to let the Government set the price for drugs which is exactly what will happen if the Graham-Miller bill becomes law. And that will be catastrophic, in my opinion.

The Graham-Miller bill has a one-size-fits-all drug plan that is offered to Medicare beneficiaries. That approach will lead us down a dangerous path. I have said this more than once but I am going to say it again, before you know it, the Federal Government, not the private market, will be setting drug prices, mark my words. And I do not believe it is a good idea for the federal government to be making coverage decisions for seniors—I trust senior citizens to make their own decisions about their health coverage. Apparently, the authors of the Graham-Miller bill do not agree and that is why they put the Government in charge.

If you do not believe me, read the language on page 41 of the bill. It states that if only one drug plan meets all the conditions set by the Secretary of Health and Human Services, and the Secretary can set any conditions he pleases, then the Secretary can simply decide that Medicare beneficiaries will get coverage through that one prescription drug plan. Period.

And while there are laws to protect Medicare beneficiaries, and in fact all Americans, against the government doing something that arbitrary, the bill waives all of those laws. Let me summarize for my colleagues what is included in the Graham-Miller legislation on this topic.

Page 42, line 18 through 21 reads as follows:

In awarding contracts under this part, the Secretary may waive conflict of interest laws generally applicable to federal acquisitions * * *

In other words, not only is there no judicial or administrative review of the Secretary's decisions allowed at all, but even the Government's conflict of interest laws are waived.

The other primary difference between the Graham-Miller bill and our tripartisan bill is that we include reforms to the Medicare program and they do not. Keep in mind our bill is \$370 billion in contrast to their proposed \$600 billion bill. The current Medicare benefit package was established in 1965. While the benefits package has been modified occasionally, it now differs significantly from the benefits offered to those in private health plans.

We need to give seniors choices concerning their health care coverage. It is extremely unfortunate that the Graham-Miller bill does not recognize that the Medicare program needs to be improved so seniors can have similar benefits offered by private health insurance. There is nothing in the Graham-Miller bill to improve the Medicare program. It just tacks on a prescription drug program and ignores the larger problem—the overall Medicare benefits package which is outdated and inefficient. Medicare beneficiaries, in my opinion, deserve better. We do not shove the larger issue under the rug in our bill.

Another serious concern I have about the Graham-Miller legislation is that only two brand-name drugs are covered in each therapeutic drug class, and, plans are permitted to cover just one drug.

For all other drugs, “the beneficiary shall be responsible for the negotiated price of the treatment” which means in plain English, no coverage at all.

Let me give an example.

Let's say Bob, a Medicare beneficiary in his early 70s, takes Mevacor to lower his cholesterol. His new Government prescription drug plan only covers Lipitor.

Bob's wife, Bev, takes Celebrex for her arthritis. Her Government drug plan only covers prescription strength Advil.

What happens to Bob and Bev? They are both out of luck because their Government drug plan does not cover the prescription drugs that they have been taking for their chronic health conditions.

Even worse, according to CBO, the Graham bill does not lower drug prices for drugs that are not covered. Unless a beneficiary is awfully lucky to be on the one or at most two brand name drugs that the government plan decides to cover, he or she will get nothing.

I think of people suffering from depression. There are a number of antidepressant drugs, and they all work in just a little bit different way. Where Prozac may not work, Zoloft might, or Paxil might work, or some other antidepressant drug. Why should they be limited to only two drugs when the two they are limited to might not be helpful to them? It just does not make sense to me.

If a Medicare beneficiary believes that he or she needs a specific prescription drug, not the one or two drugs that the Government plan decides to cover, the beneficiary may be able to get coverage if the beneficiary and his or her physician go through a “medical necessity” certification process. This certification process is then followed by an internal and external appeals process—and guess what—all run by the Government.

I simply do not believe that Medicare beneficiaries want the Government to make drug coverage decisions for them. Supporters of the Graham-Miller legislation say, “Don't worry, trust the Government, you will have choices of drug coverage.” Tell that to Bob and Bev who will not have their prescriptions covered through this Government-run plan or to somebody suffering from depressive illness where the two drugs that are in the Government plan are not the ones that help them. Or in any number of other illustrations where you have a whole variety of drugs but you are limited to two. When the Government says “trust us,” it is time to pay attention.

In addition, the way I read the Graham-Miller legislation, the Secretary of HHS is given the authority not only to decide what constitutes therapeutic classes but also the ability to determine when such a drug fits into such a class. I do not understand why the sponsors of this legislation believe the Secretary of HHS should be making such important decisions. In addition, why should the Secretary of HHS, instead of physicians and pharmacists, be given authority to decide what constitutes preferred and non-preferred classes of drugs and, on top of that, determine when a particular brand name drug fits into such a class? It does not make any sense.

Because the Graham-Miller amendment now does not cover non-preferred drugs, at all, I am deeply concerned about the impact this could have on Medicare beneficiaries with cancer or AIDS or other chronic illnesses that re-

quire many prescriptions. I have a feeling that people with chronic or terminal illnesses will be getting the short end of the stick if the Graham-Miller bill is signed into law.

Furthermore, how are the doctors, who may know that one drug may be much more beneficial than another drug, protected? How are the doctors protected from medical liability under those circumstances? Already we are finding that obstetricians in Nevada can no longer get insurance coverage for medical malpractice, and that is going to happen all over the country if they do not watch it because litigation is driving these costs higher and higher.

If a doctor cannot prescribe what is necessary for the patient, that doctor is subject to medical liability even though the Government is the one dictating what two drugs should be provided. By the way, that is under the Graham-Miller bill.

These issues that I have raised about the Graham-Miller should have been debated by the Finance Committee. Who knows, maybe we could have come to the same resolution, but I doubt it. We could have come to some resolution and it would be better than what is in the Graham-Miller bill. Maybe the authors of the tripartisan bill and the Graham-Miller bill could have come to the same agreement through the committee markup process. Maybe not. Sadly, we will never know because politics, not policy, is more important.

Last Thursday night, I asked what happened to the bipartisan spirit that we all talked about at the beginning of the Congress. This legislation is not being considered in a bipartisan manner and, in fact, the way this entire debate has been handled has really created some hard feelings, especially among members of the Senate Finance Committee. Why are we on the floor debating a bill that will affect the lives of millions of Medicare beneficiaries and millions of future beneficiaries without a Finance Committee markup? I do not understand why members of the Finance Committee were completely excluded from the process other than whatever little they can do on the Senate floor.

I want to do everything I can to pass a Medicare prescription drug bill into law this year. But it appears that election year politics are more important than passing a well-thought out prescription drug bill.

I stand ready to work with my colleagues, like Senator BOB GRAHAM, so that we pass an affordable prescription drug benefit for our Medicare beneficiaries this year. I think he and Senator MILLER are trying to the best they can, and I have respect for both of them, but I believe their bill falls far short of the tripartisan bill and has a lot less chance of bringing us together than the tripartisan bill does. I truly believe that we can work something out that will be approved by the Senate before we adjourn in the fall. This is an

important issue, too important to politicize so we should stop playing politics, once and for all. Let the Finance Committee do its work so the Senate can pass a Medicare prescription drug bill which can be signed into law this year.

I yield the floor.

THE PRESIDING OFFICER (Mr. JOHNSON). The Senator from Hawaii is recognized.

Mr. AKAKA. I thank the Chair.

(The remarks of Mr. AKAKA pertaining to the introduction of S. 2767 are located in today's RECORD under "Statements on Introduced bills and Joint Resolutions.")

Mr. HATCH. I yield 15 minutes to the Senator from Nevada.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. ENSIGN. Mr. President, I rise today to speak in support of the Medicare Prescription Drug Discount and Security Act of 2002, coauthored by myself and Senator HAGEL with the help of Senator GRAMM. This legislation provides an overdue and much needed prescription drug benefit to the Medicare Program.

We are going to be voting on two different bills tomorrow; following that, we will be taking up our legislation. We bring this legislation to the attention of our colleagues. We need to offer a responsible solution to make medicine more affordable for those seniors who need it the most. This offers immediate help to our Nation's seniors in the form of a bill that is voluntary, reliable, and it gives seniors options. It complements, rather than replaces, the private prescription drug coverage that two-thirds of retirees have now.

Many seniors like their current prescription drug plans and should not be forced to abandon them. The cost of prescription drugs is a major concern for many of my constituents, especially those who rely on only their Social Security benefits for their total income.

Let's look at a typical senior. We will call her Mary. Mary has worked hard her entire life, makes \$55,000 a year, and is about to retire in 2004—coincidentally, the same time our program goes into effect.

Mary has never been much of a saver, so she will be relying almost solely on her monthly Social Security check to make ends meet. She can expect to get about \$1,300 per month in benefits. Mary has diabetes and has to take six different prescription drugs every day to keep her healthy. The total cost of these drugs per month comes to about \$475, about one-third of her income. Considering her other expenses, such as rent, food, and other monthly bills, Mary needs some help paying for her prescription drugs. The bottom line is Mary should never have to compromise her health by having to choose between buying prescription drugs or buying food for her table.

Our legislation provides immediate, affordable, and permanent help so that

seniors like Mary never have to make that choice. This legislation has two parts:

First, all seniors would be protected from unlimited out-of-pocket drug expenses by instituting caps on their private expenditures. Once those caps are reached, the Federal Government would step in and cover the rest of the cost, minus a small copayment.

Second, all non-Medicaid seniors could enroll in a discount drug card program that would give them access to privately negotiated discounts on prescription drugs.

Let me now focus on the heart of our plan which protects seniors from unlimited out-of-pocket expenses, with the greatest protection going to those who need it most. Negotiated discounts on prescription drugs would be worked out through the private market, while Medicare would pay for drug costs after out-of-pocket expenditure caps have been met. This means, to our friend Mary, saving hundreds, possibly thousands, of dollars every year on prescription drug costs.

In this chart, we see how our plan works as far as the various income categories are concerned. Mary fits in the category below 200 percent of poverty. For an individual who makes less than \$17,720 a year, which is about 50 percent of the senior population today, we cap their out-of-pocket expenses at \$1,500. After they have paid \$1,500 out-of-pocket, the Government will then pay for the rest of their prescription drug expenses.

Now remember, before they even start paying toward that cap, they have the prescription drug discount card. That saves them money, as well, on their prescriptions.

Continuing with the catastrophic coverage, if an individual's income is between 200 percent and 400 percent of poverty, they are capped at \$3,500. If their income is between 400 percent and 600 percent of poverty, they are capped at \$5,500. For seniors above 600 percent of poverty, individuals would be covered after they pay what is equal to 20 percent of their annual income.

The Hagel-Ensign plan has no monthly premium. It was said earlier that the tripartisan plan has the lowest monthly premium of any of the plans out there. Well, our plan has no monthly premium. What we do require is a \$25 annual fee which is waived for those below 200 percent of poverty. Our \$25 premium is used strictly for administrative costs.

Additionally, participants would also pay a small copayment of no more than 10% per prescription after they reach their out-of-pocket limit. We believe the copayment system is important because it not only keeps costs low by forcing pharmaceutical benefit managers to compete for business, but more importantly to the consumer, in this case the senior buying prescription drugs, back into the accountability loop.

The second part of our plan, the discount drug card program, works ac-

cording to practical principles. According to a study conducted by the Lewin Group, one of the country's most respected health care actuaries, this approach would achieve significant discounts from full retail price between 30 percent and 39 percent. Here is how it works:

First of all, the card is completely voluntary, for both seniors and drug manufacturers. Drug manufacturers, through pharmacy benefit managers, would compete for business on the basis of their discounts and services, ultimately offering seniors the lowest price for their prescriptions. Seniors could choose from among any number of competing drug card plans. If they became dissatisfied with their plan, they could enroll in a different plan the following year. The Federal Government would not be fixing or negotiating prices for prescription drugs. The program simply allows seniors, such as Mary, to receive the same kind of privately negotiated discounts on drugs that are available to those enrolled in private health insurance plans.

Our plan also encourages the use of generic drugs whenever possible, in a couple of different ways. It requires the drug discount card issuer to include incentives in its program to use generic drugs whenever possible.

Mr. President, could you remind me when there is about 3 minutes to go?

The PRESIDING OFFICER. The Chair will do so.

Mr. ENSIGN. It also requires that each beneficiary who buys a drug through the discount card program be made aware of generic drug alternatives at the time they purchase the drug.

It is crucial to make prescription drugs affordable for seniors, which our program clearly does. However, it is also important to make sure Medicare's prescription drug program is affordable to the American taxpayer, which our plan also does.

According to actuarial analysis, our proposal would cost approximately \$150 billion over ten years. We are waiting for the final score from CBO, but that is where we believe our plan will come in. This is markedly less than any of the other plans out there, even the tripartisan plan. It is less than half of what the tripartisan plan would be.

We must not only enact a responsible outpatient prescription drug program for our seniors, we must also do so without bankrupting the overall Medicare system.

Another reason our program is the best fit for seniors is that it takes effect at the earliest date. Our program takes effect on January 1, 2004, a full year earlier than any of the other plans. Our program is also permanent, unlike some of the other proposals which sunset after a period of time. So, our plan is an immediate step that can be taken to help seniors until comprehensive Medicare reform can be enacted.

I want to now compare our plan to the tripartisan plan and to the major

Democrat plan that Senators MILLER and GRAHAM have proposed. These are real life examples.

James is a 68-year-old, has an income of \$16,000 per year, and is being treated for diabetes. He is taking these six different medications. His total monthly costs for these prescription drugs are around \$478. His total annual costs are more than \$5,700. Under the Graham-Miller approach, James would pay \$2,940 out of his pocket. Under the tripartisan plan, he would pay \$2,341.65 per year. Under the Hagel-Ensign plan, he would pay about \$1,923.65 per year.

As you can see, the Hagel-Ensign proposal would save James over \$1,000 annually when compared to the Graham-Miller proposal, and over \$400 annually when compared to the tripartisan proposal.

Example No. 2: Doris is a 75-year-old, has an income of \$17,000 per year, and is being treated for diabetes, hypertension, and high cholesterol. She takes Lipitor, Glucophage, Insulin, Coumadin, and Monopril every day. Her monthly cost is about \$300, or about \$3,650 per year.

Under the Graham-Miller proposal, her out-of-pocket expenses would be \$2,220.00; under the tripartisan plan, \$2,086.36; and under our plan, about \$1,714.84.

The Hagel-Ensign proposal would save Doris over \$500 annually when compared to the Graham-Miller proposal, and over \$300 annually when compared to the tripartisan proposal. For those who are the sickest, who need the help the most, the Hagel-Ensign plan actually benefits them more than any other plan.

In comparing our plan to others—just to point out what other people may point out as a supposed weakness of our plan—for those who pay \$1,000 or \$1,200 per year for drug costs, the other plans will help them more, and we readily admit that. But for a majority of the senior population who has high drug costs and needs help paying those costs, we think our plan works best.

The PRESIDING OFFICER. The Senator has 3 minutes remaining.

Mr. ENSIGN. Betty is 66 years old, has an annual income of \$15,500, and is being treated for breast cancer. She is still receiving low-dose radiation therapy and taking the following 6 medications: morphine sulfate, Paxil, Dexamethasone, Aciphex, Trimethobenzamide and Nolvadex. Her total monthly cost comes to around \$670 and annually to about \$8,000. Once again, to compare the plans with real life examples: under the Graham-Miller approach, she will pay \$3,180.00 per year; under the tripartisan plan, she will pay \$2,570.00 per year; under our plan, she will pay \$2,152.00. So our plan is less, once again, than either of the other two major competing plans.

Under our bill, those who need it the most will get the most help. For those moderate- and low-income seniors, our plan will benefit them the most, and—we cannot emphasize this enough—our

plan is the most responsible to the taxpayer. We cannot afford to say to the young people in America, you are going to be paying for this huge prescription drug program that probably will not be there for you in the future, but you have to pay for it anyway. We have to think about the next generation, so we must enact a plan that is fiscally responsible.

Our proposal says that we are going to give seniors—those who truly need it—the help that they need and ultimately deserve. But to the taxpayer, we are also saying we are going to be responsible to you.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time—how much time remains between now and 6 o'clock?

The PRESIDING OFFICER. The majority has 92 minutes, the minority has 50 minutes.

Mr. KENNEDY. We have 90 minutes. I thank the Chair.

Mr. President, tomorrow in the early afternoon the Senate will have an opportunity to vote on which vision is the best vision for our seniors and for others who need prescription drugs. This will be the first opportunity we have had in the Senate to take that vote.

The absence of a prescription drug benefit from the Medicare Program is a glaring failure of the Medicare Program that every family understands in America today. It is not the fact that we have not had prescription drug programs that have been advanced to the Senate—we have. But they have been kept bottled up in the committees over the period of recent years.

I introduced, more than 5 years ago, prescription drug coverage into the committee. It was referred to the Committee on Finance, and it never saw the light of day.

We heard last week, and have heard now that somehow the majority leader has circumvented the Finance Committee and now we have the legislation out here. I applaud his efforts. So should all seniors applaud those efforts. We hear now the committee was prepared to move—but we waited and waited.

Our friends on the other side of the aisle had control of the Senate for 4 of the last 5 years. They controlled the Finance Committee for 4 of the last 5 years, and we never had an opportunity to have a debate on the issue of prescription drugs. Now we do. Now we will have a vote.

I think it is important for the American people to understand that we have been denied that opportunity for the past 5 years. Now we will have that opportunity. It is a tribute to leadership of Senator DASCHLE, who understands the importance of this issue to families

in this country. We are enormously grateful to him for his leadership, and we are extremely hopeful that we will have a strong vote tomorrow that will reflect what is in the best interests of our seniors.

I was here in 1965 when we actually passed Medicare. We passed physicians' services and hospitalization but not prescription drugs. Now we all know that if the Medicare Program had been considered on the floor of the U.S. Senate, we would have included prescription drugs. It is as important as physicians' services and hospitalization. It is perhaps even more important in a number of different instances.

The fact remains that this is going to become even more important because we are now in the life sciences century. We are going to see extraordinary breakthroughs. We now see the mapping of the human genome and progress in so many important areas of research. It is virtually unlimited in what we will be able to achieve over a period of years.

It should be important to find ways of taking the progress being made in the labs and getting it to the patients who need it. They need it today. And we have a program that will do it.

I have listened with interest to those who support the Republican proposal, as they outlined at least what they consider to be the advantages of the Republican proposal and the disadvantages of our proposal. I hope in the 50 minutes they have remaining today or in the time prior to the vote tomorrow they will cite at least one, two, three, or four senior citizen groups that support their program. Because there are not any. Do we understand that? There are not any. The senior citizen groups that know the importance of prescription drugs have gone through these various programs in careful detail for those they are representing. And do you know what? They endorse the Graham-Miller proposal. They are behind the Graham-Miller proposal. They support it completely and wholeheartedly.

They appreciate the fact that our Republican friends over here are at least giving lip service to a prescription drug program. But if we are talking about which particular version is best for senior citizens, there is no competition. There is no question about it. You never heard in the earlier claims this afternoon the senior citizen groups that support their program because they are not there. This is one of the key reasons this is so important, and—I am hopeful—what this tomorrow vote is about.

I listened to my friend and colleague from Utah talk about premiums. On page 26 of the Graham-Miller proposal, our premium is listed at \$24; for 2005, \$25. I searched all weekend to find out where the \$24 premium was in their bill that they have been talking about for the past few days. You can't find it in there. It is an estimate.

Ours is printed right here. Every senior citizen knows what that premium is going to be.

Theirs is an estimate. They all say: We have one that is \$24—lower than the Miller program. But that is an estimate of what they are going to charge the insurance companies over a period of time. That is the difference.

I want to take just a few minutes to review with our colleagues what this program does not do and why the seniors have been so distressed about their program.

Actually, between 2005 and 2012 the seniors in this country are going to spend \$1.6 trillion on prescription drugs. Their program is \$330 or \$340 billion. It is a lot of money. But if you figure that out, that is only about 20 cents on the dollar.

They are trying to say they are really going to be able to do something for the seniors. It just doesn't measure up.

I want to take a few moments of the Senate's time to go through the facts of the program itself. This chart over here is the Republican program, and this line is the percent of seniors. The next line is the drug costs; beneficiary payments; Medicare benefits; and then the percent of costs paid by the senior citizen. That is what we are concerned about.

The fact is, to address the extraordinary escalation of the costs of prescription drugs, we have an underlying proposal which will create momentum to get a handle on that escalation of prescription drugs—the excellent proposal introduced by our colleagues, Senators SCHUMER and MCCAIN. It was reported out of our committee with bipartisan support, which we welcome.

But 18 percent of seniors spend \$250; the beneficiary payments will be \$538. That is what they are going to pay in terms of their premium and their deductible in order to sign up for this program. For 18 percent of our senior citizens, they turn out to be losers, because 100 percent is going to be paid by senior citizens.

We take what the premiums are going to be, estimated by the Republicans, and also add the deductibles and the copays. You have another 18 percent that spend \$1,000. Again, you add up the premium, deductibles, and copays. It will be \$913 and beneficiary payments of \$87. The senior citizen, 91 percent—some help and assistance.

Together, 36 percent of all the seniors, and one part of them, are going to pay 100 percent. They are not going to get any help, and the other group will pay 91 percent of the cost.

You come down here to the \$2,000. This is where you really begin to get some help. The seniors are still going to spend 71 percent. If you come into the \$3,000 to \$4,000 range, 23 percent, they are going to be spending 67 percent.

Finally, 7 percent at the very high end. They will still be paying 74 percent.

These are the figures that are the expression of the program advanced by

the Republicans. If you are a senior citizen and are hard-pressed today, you will find that your help and assistance in this program is a lot of rhetoric and very little action. That is what the result will be.

This is why, perhaps more than any other reason, seniors do not support the Republican proposal. And there are features in the Republican proposal that we find absolutely extraordinary.

I have heard a great deal from those on the Republican side talking about how this is going to help really the poorest of the poor of the seniors. We know the extraordinary average income is maybe \$14,000. You can mention the handful of people who we read about who are billionaires. But the fact is, when you are talking about a group of our fellow citizens, the people who fought in the wars and brought us through the Depression, you are talking about this group here—basically, about \$14,000 in income.

What is really in the Republican program are assets tests for the very, very poor. We heard from the other side, well, if they really fall down to 135 percent of poverty, they are going to have their premiums taken care of, and they won't have to worry about anything else. Right? Wrong. Wrong. Wrong. They will get them taken care of, if they don't have anything more than \$4,000 in savings because we have an assets test, a pauperization test, for our seniors.

If they have more than \$2,000 in furniture and personal property—maybe a wedding ring, an heirloom, something that has been passed on—if it is worth more than \$2,000, they are in real trouble. If they have burial assets of more than \$1,500, it counts against them, and if they have a car worth more than \$4,500.

What do we have for \$4,500 for our seniors in our part of the world, the Northeast, where it is cold in the wintertime; or how about in other parts of the country, where it is steaming hot in the summertime? Do we want them to risk their car breaking down, as they are trying to get their prescription drugs?

Go down to most of the car lots and find out what you can get for \$4,500 and how dependable that car would be, whether you would want your mother or grandmother riding around in it in the cold of the winter or the heat of the summer, wondering if they can get to their destination.

If there are any more of those values, it adds up. And when it hits \$4,000, they are excluded from the program.

Think of the demeaning aspects of this for our senior citizens, who are part of the greatest generation, who fought in World War II and lifted this country out of the Depression. They are in their golden years and have a few bucks—not very many—and they have to go down and fill out that form in order to qualify. It seems to me that is such a demeaning requirement.

I am surprised. I am surprised that our Republican friends have included

that—saving the few bucks that it would—in their particular program. I am deeply surprised.

Our seniors deserve much better treatment. There are ways of making an evaluation as to what the assets are. No one is talking about trimming on this. We do not want people to trim—and they should not trim—but there are better ways of doing it than this particular way.

Finally, because of the time, I will mention one other feature that I am very perplexed about. I do not understand why they developed this kind of program. Their program is going to effectively take 3.5 million senior citizens who are now receiving a good drug program through their employers and drop them back to this program, which will provide a lesser benefit than they are now receiving, by and large, from their employers. This aspect of their program is very different from the Graham-Miller which would help and assist the small businesses and the medium-sized businesses continue to fund a good program.

I yield myself 3 more minutes.

The PRESIDING OFFICER. The Senator has that right.

Mr. KENNEDY. According to the CBO—this isn't our estimate; it is a CBO estimate—3.5 million seniors who are getting decent drug coverage through employers will be dropped from the list.

They wonder why the senior groups are not in support of this.

This is an enormously important debate and discussion that we will have. We will have an opportunity to have an expression on the proposal. As Senator GRAHAM and Senator MILLER have pointed out, we have what is called the first-dollar coverage. We do not have the doughnut, the loophole, that exists there. It will be within the ability of our seniors. It will be dependable. It will be affordable. It will be reliable. And it will be built upon existing programs, programs which have the confidence of our seniors and on which they can rely. It will be a very effective program. It will meet the kind of human needs that we believe our seniors need and deserve.

I reserve the remainder of our time.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, before I yield to Senator DOMENICI, let me say, I do not know where he is getting his figures. But we take care of low-income senior citizens. We have 100 percent of subsidy for those under 135 percent of poverty or less. For those up to 150 percent, that subsidy ranges from 100 percent down to 75 percent. And everybody above 150 percent has a subsidy of 75 percent.

On the assets test, they are not quite accurate. I will not go into the differences right now. But we will go into them later.

Mr. KENNEDY. Will the Senator yield on that point?

Mr. HATCH. No. I yield to the distinguished Senator from New Mexico.

Mr. KENNEDY. He does not choose to yield—on my time—to explain it?

Mr. HATCH. I will be happy to.

First of all, let's take the car benefit of \$4,500. If it is necessary for medicine or for daily use or for their job, they could own a Rolls Royce according to our bill. But the fact of the matter is, no car would be taken from them. Now, if it isn't essential for that, then it would be limited to \$4,500.

Mr. KENNEDY. We are not talking about taking the car from them. We are talking about disqualifying them for all of the funds over \$4,500.

Mr. HATCH. They would not be disqualified.

Mr. KENNEDY. Excuse me, Senator. Excuse me, Senator. For money over the \$4,500—up to \$4,000—the value of the car and above that, it works to disqualify them from the coverage.

Mr. HATCH. If the car is necessary for daily use, if it is necessary for their job or if it is necessary for a medical purpose—

Mr. KENNEDY. What about personal property?

Mr. HATCH. For personal property, we have—

Mr. KENNEDY. I will go back. You yielded the time. I will go back. And I hope you have read your book because—

Mr. HATCH. I have read it. And you are misrepresenting what is in our bill.

Mr. KENNEDY. You included the assets test. And it is just as I identified it.

Mr. GRAMM. Will the Senator yield? Senator HATCH, will you yield?

Mr. HATCH. Let me—

Mr. GRAMM. Just 1 minute.

Mr. HATCH. One minute.

Mr. GRAMM. I am a little bit perplexed. Senator KENNEDY is going on and on about the assets test for Medicaid, when he helped write the bill.

I would say, Senator, if you are so unhappy about it, why did you write it that way?

Mr. KENNEDY. Senator, I am trying to get it out.

Mr. GRAMM. Hold it. I am on my 1 minute.

Mr. KENNEDY. OK.

Mr. GRAMM. We are not talking about Medicaid here. The Senator is talking about the assets test under Medicaid. I was not here when all that happened. It seems to me that it is an interesting point to make, but to suggest that has something to do with the Republican plan—it is a wonderful speech, and I am sure everybody enjoyed it, but it has little to do with the subject we are talking about. It has little to do with the Senator's plan. I am not for his plan, but I think to try to say that somehow it is responsible for the assets test in Medicaid just doesn't make any sense.

The PRESIDING OFFICER. The Senator has used 1 minute.

Mr. HATCH. Mr. President, it has everything to do with the Social Security Act, which none of us on the floor, except for Senator KENNEDY, I guess, had anything to do with.

Now, it is nice to moan and grown about these figures, but he is wrong.

Mr. KENNEDY. Will the Senator yield on my time?

Mr. HATCH. On your time, I am happy to.

Mr. KENNEDY. If the Senator would refer to page 71, line 14, and I would ask the Senator from Texas to refer to those as well: "Meets the resource requirements described in 1905." That is the assets test, included in the prescription drug program which we will be voting on tomorrow.

Thankfully, we dropped that from the Graham proposal. It is in the Republican proposal, that provision, on page 71, lines 14 and 15.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. Mr. President, I can see why some seniors would want a trillion-dollar program—no question about it—as long as they think it is free. But it isn't going to be free. Neither is their program going to be free. We have to face some realities around here. Ours is \$370 billion. That is a lot of money. We do more with ours than they do with theirs in their alleged \$600 billion price tag. The fact of the matter is, that 75 percent of everybody's prescription drug coverage will be covered by our bill.

I yield 10 minutes to the distinguished Senator from New Mexico.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. I thank the Senator. If I can get through sooner, I will.

First, I want to make sure everybody knows what bill I am talking about. I hear the word "Republican." I am for a bill that has as cosponsors Senator BREAU, who is a Democrat, Senator JEFFORDS, who is an Independent, and Senators SNOWE, HATCH, and GRASSLEY, who are Republicans. That is the bill I am for, and that is the bill I am going to be talking about.

I rise as a cosponsor of the bill that is being called the 21st Century Medicare Act, a bill which will provide our Nation's seniors with a much needed prescription benefit. I believe this bill is the best hope we have for enacting a prescription drug benefit into law this year.

If there are those who do not want a law, because they do not think they are going to get what they want this year, that is another story. Either of the other two might suffice, but it won't become law.

This bill has a chance because it is similar yet less funding than the House bill, similar in the way it is structured and the like. I believe it could get out of conference, and the seniors could have something that would be worthwhile.

It isn't the highest benefit, and certainly, if you are expressing a wish, you would like the highest benefit. But I would like to discuss with you the fact that the seniors of this country are somewhat worried about the young people who are going to be paying the

bills for a long time. They are somewhat concerned about whether we can afford at this particular time the benefit that one party is talking about versus another.

If we pass the bill I am talking about, I believe it will reach agreement in conference with the House and we can send it to the President. Then finally, after years of talking, our seniors will get a prescription drug benefit they need.

The tripartisan bill provides a generous prescription drug benefit that will help all of our seniors with their drug costs. It does so in a responsible manner. In the budget resolution I put together with other Members of the Senate last year, the only budget resolution currently in effect in the Senate—in other words, that is the budget resolution that assumes we can afford the things that are enumerated in it, Senators GRASSLEY, SNOWE, GORDON SMITH, and others on that committee called the Committee of the Budget—set aside \$300 billion over a 10-year period for Medicare modernization and a prescription drug benefit. This \$300 billion was to cover the period from 2002 until 2011.

The tripartisan bill is estimated to cost about \$370 billion over a 10-year period from 2003 to 2012.

We are debating a prescription drug amendment with costs based on the Congressional Budget Office current projections. Yet we are enforcing points of order from a budget resolution that is based on the Congressional Budget Office projections for last year.

Now, as we are all aware, the budget situation has changed dramatically over the past year. As a matter of fact, when we said it will be prudent and good for America to spend \$300 billion, we were in the black. It was one of those years when we actually had money in the bank, were applying money to the debt, and it looked as if the American economy and our fiscal policy would be sound and strong.

As I stand here and speak, we have gone from that position to a debt in the budget of \$165 billion. It will be there for anywhere from 3 to 5—maximum 8 or 9 years—if we do things right.

The attacks on our Nation, the war on terror, the economic slowdown have all resulted in a reduction of these surplus projections. Yet the Senate leadership has been unwilling or unable to produce a budget resolution for this year; that is, the Democrats will have us operate, including passing a Medicare Program, without a budget.

We don't know, with an official stamp of approval, what the budget is going to look like for the next 8 or 10 years, but here we are passing a Medicare Program that in one instance is two and a half times the amount we said was fiscally prudent for all Americans, not just the seniors, just 2 years ago when we were running a budget that was in the black.

An updated budget resolution could have an update on our spending estimates, and we would be debating these prescription drug amendments to the current Medicare Program in a more honest and transparent way.

Last year during the debate on the budget resolution, every Senator in this Chamber voted for funding of either \$300 billion or \$311 billion over 10 years. Those were the two chances to vote. They voted on them, every single one. They said, with a better American fiscal policy, they were more concerned about the future than they are now with a debt, and they all voted on between 300 and 311. The Democrat proposal, I believe, is up around \$600 billion.

I don't believe, had we been voting on a budget instead of saying we don't need a budget, let's don't vote on one, had we been voting on one, the Senate would have put a budget before us on Medicare that would have been far less than \$600 billion, if you are required to get a majority of the Senators as you would on a budget.

Here again, it has worked to the American people's disadvantage. By not having a budget resolution, we are probably going to overspend or we are going to kill the chance to get a Medicare prescription drug benefit package out of both Houses and before the President to sign.

From my standpoint, we can continue to argue and make like we are going to give the seniors the best program; that is, the most costly one, not the middle of the road one which we can really afford, and then we say, of course, the seniors want it. But if you presented to the seniors of America all the other problems we have in the next decade and asked them which they would want—do you want to say the one just for us or do you want to say one that would be good for everybody, I believe the tripartite one before us will be good for everyone. But most importantly, from the practical, not political standpoint, you will get a prescription drug benefit program this year, effective next year, under the plan that is before you that is called tripartite. You won't, if you proceed with the idea that the Democrats have the best plan and the bipartisan, tripartite one should not be considered because it doesn't provide as much money.

I believe the seniors of this country want a plan that will pass, that can become law now. I believe they want one that is good for America, not just good for them. I believe they want one that is fiscally sound.

We are all worried about the American economy. The man who knows most about it says the one thing we ought to be frightened about is spending too much money while we are in this rather fragile situation. Yet we are here arguing that the plan we ought to vote on is the one that spends the most money. It seems to me that the House will stand in the way of that program. The President won't have to

pass on it, and we will get nothing. We will have a vote. Those who are for the Democratic plan can go home and say: We voted for the most expensive one, the one we think will give the seniors the most. Whether it ever becomes law or not, we voted for it. We will put that up on a television screen. We voted for it.

Somebody is going to be asking: What happened to the law? Well, it never passed. Why didn't it pass? Because the House wouldn't approve it, because many Republicans and some Democrats wouldn't approve it. You got nothing.

That is what I think the end product is going to be—nothing. We ought to sit down and think about which plan would be adequate and which plan might, in fact, become law this coming year for the seniors.

Mr. HATCH. Mr. President, I yield 10 minutes to the distinguished Senator from Texas.

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mr. GRAMM. Mr. President, I thank the Senator for yielding.

I remind my colleagues that the best chance we have had to give prescription drug benefits to seniors occurred on March 16, 1999. We had a Bipartisan Commission on Medicare. JOHN BREAU was the chairman of that Commission. We had set the Commission up by law. The leadership in the House and the Senate appointed members, and President Clinton appointed members. We met that day to vote on a plan that would have reformed Medicare.

One of the incentives to induce people to move out of the current Medicare system, where there are no incentives to contain cost, where Medicare pays for a walker three times as much as the Veterans Administration pays—not an agency especially noted for its efficiency, was to give them prescription drugs.

When the roll was called, the four Clinton appointees—Altman, Tyson, Vladeck, and Watson—all voted no. And while we had a majority, 10 of 17, to make an official recommendation, we had to have 11. On that day, March 16, our chance of modernizing Medicare and providing prescription drugs died on a straight vote, where every Clinton appointee voted no.

Then we started a process of bidding. I really believe much of this is more about the next election than it is about Medicare and the next generation. I want to remind people of this bidding. I say to Senator HATCH that the bill he supports would have outbid the Democrats last year, but it will not outbid them this year.

In 1999, Bill Clinton said that if you gave him \$168 billion, he would provide a Medicare prescription drug program second to none. Then, in the year 2000, Senator Robb's bill bid that up to \$242 billion, and last year, the Baucus amendment to the budget called for \$311 billion. I have quotes that go on for 4 pages, where every member of the

Democrat leadership says: If you will give us \$311 billion, we can provide a fine prescription drug benefit. Now, this year, they are saying that \$370 billion—which we do not have—will not do it and that what is being offered by this tripartisan group is chintzy, when, in fact, it provides more money than the Democrats were asking for last year.

This year, the Democrat's budget proposal provided \$500 billion, and the Graham-Kennedy plan—which doesn't start until 2004 and ends 7 years later to try to hold down costs—costs up to \$600 million. If you funded it for the whole 10 years, it would almost certainly cost a trillion dollars.

How did this cost explode? Well, it exploded because each year the two political parties bid against each other for votes, and the Democrats are never outbid. As Senator KENNEDY said, groups are for his plan because whatever it takes to get them to be for it is what he is going to offer. The current offer, on a 10-year basis, is really about a trillion dollars. There is only one problem: We don't have any money.

Let me say this about the plan that has been offered by the Democrats. Let me make it clear that this is Graham from Florida, not Gramm from Texas. Currently, we are spending about 2 percent of gross domestic product on Medicare. Because we have not reformed and modernized Medicare and because its costs are exploding, by 2030 that number is going to be 4 percent. Under current law, we will have to double the payroll tax, from 15 percent of income to 30 percent of income in 2030, to pay for Medicare and Social Security.

The Graham-Kennedy plan, which Senator KENNEDY was talking about, would raise that to 6 percent of gross domestic product and raise that payroll tax to a figure approaching 45 cents out of every dollar earned by every working American making a moderate income level. Does anybody really believe that people can pay those taxes? I don't think so. But when Senator KENNEDY is touting endorsements, those are not endorsements from people who are going to be paying for the program; they are from organized groups that claim to represent people who are going to be benefitting from the program.

The Kennedy bill, when you have it for 10 years, is a trillion dollars. We don't have a penny, much less a trillion dollars, in terms of funding this new benefit. We are going to have to double the payroll tax to pay for the program we have right now. The tripartisan plan is superior to that program because the Kennedy plan relies on the same inefficient Medicare Program run by a bureaucracy that tries to hold down cost with Government regulation. At least the tripartisan plan tries to bring in competition and efficiency.

The problem is, when you fill up this so-called donut in the tripartisan plan—where the government provides a

benefit up to a point, and then there is a gap where you pay \$1,850 alone, before you get the Government benefit again. When you fill all that up, the tripartisan bill costs somewhere between \$700 billion and \$800 billion over a 10-year period. I think, in the end, that is unaffordable.

I am supporting the Hagel-Ensign bill for two reasons: One, we can afford it. It is within the budget we have, which is \$300 billion. It is the only plan that is going to be offered where a budget point of order cannot be raised against it because it spends too much money. On the other two plans, a budget point of order can and will be raised.

There is another point of order because it didn't come through the Finance Committee, but that was a decision made by the Democrat leadership to not bring it through the Finance Committee.

The second advantage of the Hagel-Ensign plan is it is efficient. It helps the people who need the help most; that is, people with moderate incomes and very high drug bills. What the Hagel-Ensign bill basically says is, after you spend roughly \$100 a month, and you have a moderate income, you are going to get Government help in buying your pharmaceuticals, and you are going to then pay only a very nominal copayment. That is help that people can understand. It doesn't start in 2005; it starts sooner in 2004 and doesn't end in 2012, it goes on forever.

As your income goes up and you are able to pay more for pharmaceuticals, the amount you have to spend before you get Government assistance goes up. That is a perfectly rational policy because what is a crisis to one family is not a crisis to another.

Finally, immediately, under the Hagel-Ensign plan, you have a choice among companies with which you will contract that will go out and try to buy your pharmaceuticals at the lowest possible cost. Estimates have been made by outside groups that this, by itself, could cut prescription drug costs by as much as 40 percent.

So under the Hagel-Ensign plan, you have a plan that, A, is within budget, costing less than \$300 billion; and B, gives a lot of help to low or moderate income people who have high drug bills. If you have higher income and low drug bills, you don't get any help.

Senator KENNEDY would say: But it doesn't help all Americans. That is true, it doesn't; it doesn't help all Americans. It will not help Gates or Perot, but they don't need help. It will help people with moderate incomes and very high drug bills, and those are the people we need to help.

Is the Chair telling me my time is up?

The PRESIDING OFFICER (Mr. KENNEDY). Regrettably.

Mr. GRAMM. We are going to be in session next year, and we can build on this beginning. I urge my colleagues, if the Kennedy bill does not get the budget point of order waived, and if the

tripartisan bill doesn't get the budget point of order waived, please look at the Hagel-Ensign bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from South Dakota.

Mr. JOHNSON. Mr. President, I rise in support of the Graham-Miller legislation that is on the floor today. I note that Senator DASCHLE deserves great credit. For years, many of us have been trying to bring a prescription drug bill to the floor of the Senate, and we have been blocked. We would be blocked year after year if Senator DASCHLE had not become majority leader in the Senate this past year. We have an opportunity for a bipartisan debate and hopefully the successful passage of legislation will at last break the blockade that has been imposed against us for so long relative to providing prescription drugs under Medicare.

I believe the contrast is absolutely stark between what we have an opportunity to pass in the Graham-Miller legislation versus what our friends on the Republican side have been proposing as an alternative.

I think it profoundly says a great deal when we find out who are the supporters of the legislation on our side versus who supports the legislation of the other side of the aisle.

We are talking about an expansion of Medicare. We are not talking on our side about some form of privatization of the Medicare Program, some form of taxpayer subsidy to the insurance industry in the hopes that somehow the insurance industry will come up with stand-alone prescription drug policies which they will then offer and somehow people will find ways, then, to buy those policies.

We are talking about an actual strengthening of the Medicare system, an effort that is supported by AARP, by the National Committee for the Preservation of Social Security and Medicare, and by Families USA. Senior citizen groups across the board are in support of our legislation.

Who supports the alternative? The pharmaceutical industry. What does that tell you? What does that tell you about price control? What does that tell you about who is going to benefit by these alternative pieces of legislation?

On our side, we are talking about a Medicare prescription drug coverage with a defined benefit. Every American of Medicare eligibility age will know precisely what the premium is in a voluntary program. If they choose to undertake this program—they certainly do not have to, but if they choose to take this program, they will know precisely what the premium is, they will know precisely what the benefit is, they will know precisely how the program works, and it will not depend on whether they live in Sioux Falls, SD, or Los Angeles or New York or anywhere else.

Every American will have the same program, and it will not be dependent

upon whether the insurance industry happened to decide to come into their State or into their community. In my home State of South Dakota, the insurance companies increasingly are leaving the State and leaving people in very rural areas with too few options. That is not where we want to be with prescription drugs.

Every American deserves to have a strong Medicare Program, and I know there are those on the other side who have ideological qualms. They do not like the idea of more Government, so they would rather privatize Medicare and rather go in the direction of taxpayer subsidies to the insurance industry to the applause of the pharmaceutical industry but not to the applause of American seniors who want a stronger Medicare Program as the underlying basis for prescription drug coverage.

We talk about whether this would contain prescription drug costs. In our underlying bill, we have the generic incentives and promotion which will be enormously helpful. We have also passed by a large margin a very closely monitored and controlled reimportation provision. Also within the underlying Graham-Miller bill under Medicare, there would be opportunities to negotiate and use the leverage of that huge population base for negotiated prices, keeping in mind that the citizens of no other industrialized nation pay anything close to what American citizens pay for the cost of prescription drugs.

If you go to Canada, Mexico, Britain, France, Scandinavia, or Germany, it does not matter, you pay less than half what American citizens are expected to pay.

It is long overdue that we have a component in this prescription drug bill that not only affords every Medicare-eligible individual a cost-effective, efficient way of gaining prescription drugs, but it holds those costs down and that, in fact, is why the pharmaceutical industry has objected so much to what we are trying to do and is so supportive of what the other side is trying to do because they know that the effective way of cutting costs, which indeed comes from massive profiteering that has been going on in recent years, will take place in our version. It will not take place in the version coming from the other side.

It always stuns me somewhat, I have to say, that those who talk about the cost of these programs and who preach the loudest about fiscal responsibility when it comes time to figure out how we can best serve the Medicare-eligible citizens of our nation in the most effective and efficient way, do not seem to be bothered when it comes time to propose follow-on tax cuts, primarily for the billionaires of this society, to cost in excess of what we are talking about for a Medicare drug coverage program.

It seems to me we have some priorities we need to sort out in this institution. We need to talk about how to effectively make sure that every senior gets the drugs they need.

I talk to many, far too many, people as I go across my State of South Dakota—one of the lowest per capita income States in the America—who literally are choosing between groceries and prescription drugs. They are cutting pills in half and not renewing their prescriptions, and then they show up in emergency rooms with an acute illness and the taxpayer picks up the cost.

How much better for the long-term cost, how much better for the dignity of these people to keep them healthy in the first place with a prescription drug regime that they and their physician have chosen which can be secured through Medicare and not at the whim of the insurance industry and not to the applause of the pharmaceutical industry but to the applause of the senior citizens organizations. How much better would it be to follow that road in terms of the reforms we need to be doing this week.

I know this is going to be a difficult debate because of the parliamentary rules that may require 60 votes to pass legislation. I do not know if we have the 60 votes or not. It is certainly my hope that we will because the problems this Nation faces, the problems that my senior citizens in South Dakota face are not Republican or Democrat problems. They transcend that. They are the problems of our entire society in my State and across this Nation. They deserve to be dealt with aggressively and effectively, and we have that opportunity with the Graham-Miller legislation and the underlying generic legislation before the Senate today.

Mr. President, there will be few more important votes in terms of domestic policy that this Senate will take anytime during the 107th Congress. It is my hope that politics can be laid aside, that ideological qualms about opposition to Medicare and Social Security that some have can be set aside, and recognize that Medicare is, indeed, the commonsense vehicle for trying to address cost containment and access to prescription drugs in a uniform, consistent way across this Nation; that opposition can be set aside, and we will, in fact, have the bipartisan support this legislation deserves to have and that at long last the gridlock, the obstructionism that has gone on for so many years can be broken and we can go home to our respective States at the conclusion of this debate knowing that we have done the right thing; we have done the good thing.

I have always believed the best politics is good government; that is, doing the right thing for people. If this body supports this underlying legislation, it will be a cause of great celebration. Everyone can get whatever credit they choose to have, but it will be the right thing for America and the right thing for our seniors.

I thank the Chair.

The PRESIDING OFFICER. Who yields time? The Senator from Utah.

Mr. HATCH. Mr. President, I have been listening to the comments of the distinguished Senator from Massachusetts earlier and the distinguished Senator from South Dakota. I mentioned in the early debate, on the first day of debating these matters, the book "The System," written by Haynes Johnson and David S. Broder. It is a failure of the Clinton health care program in part.

It is very interesting what they say in this book. Neither Haynes Johnson nor David Broder would be considered leading conservative spokespeople.

The PRESIDING OFFICER. Is the Senator yielding himself time?

Mr. HATCH. Yes, I am.

The PRESIDING OFFICER. Such time as he may consume?

Mr. HATCH. I am.

Neither of them would be considered conservative journalists. This is what they wrote on page 90 of "The System," which was published in 1996:

In the campaign period, Fried recalled, Clinton's political advisers focused mainly on the message that for "the plain folks, it's greed—greedy hospitals, greedy doctors, greedy insurance companies. It was an us-versus-them issue, which Clinton was extremely good at exploiting."

Clinton's political consultants, Carville, Begala, Grunwald, Greenberg, all thought "there had to be villains." Anne Wexler remembered, "It was a very alarming prospect for those of us looking long term at how to deal with this issue. But at that point, the insurance companies and the pharmaceutical companies became the enemy."

That is what is being done here today.

The main difference between the two programs is that ours lives within at least some budget constraints. It is more than what the Democrats would have taken last year, \$311 billion. This is \$370 billion. No. 2, we provide some element of private sector competition so there will be competition in this matter. That is driving costs down. No. 3, we provide there will be a system that will work because one can have more than one program instead of a one-size-fits-all program. No. 4, we are not going to get to price controls by the Federal Government, which would destabilize research and development of pharmaceuticals in this country. To hear some people on the other side, it is the big bad pharmaceutical companies that are causing these problems.

Actually, I think if we look at our system, both the generic and the pioneer companies, the research companies, we have a pretty great system that is producing the greatest therapeutic drugs in the world today. The reason we do is that we do not have price controls.

Where is the pharmaceutical system in Canada? Where is it in many other parts of the world where they have price controls? They do not have it. We do. We have the greatest system in the world.

I think Haynes Johnson and David Broder are right on: "When you cannot win the debate, start knocking the big companies; speak for 'the little people,' as they have said. And this has been the tenor of this debate so far."

I frankly think we ought to talk about living within the budget, doing the best we can, having a system that works, that has some element of competition in it, that does not set price controls over drugs so that it ruins our domestic companies and research and development plans, so we can ultimately get drugs into generic form so that we can save money. That is what is really involved.

I yield such time as she may consume to the distinguished Senator from Maine, Ms. SNOWE.

The PRESIDING OFFICER. The Senator from Maine.

Ms. SNOWE. How much time is remaining, Mr. President, on our side?

The PRESIDING OFFICER. Twenty-two and a half minutes.

Ms. SNOWE. Mr. President, first, I express my appreciation to the Senator from Utah, who has done a yeoman's effort on behalf of this legislation, working in this past year to develop what has been known as the tripartisan legislation to develop a prescription drug benefit program.

I am pleased we are able to finally begin the debate on this most critical issue. It is obviously a significant issue to seniors. I hope everybody understands that we, in attempts to draft this tripartisan legislation, had hoped to avoid developing a polarizing and politicizing of this issue before the Senate. I regret that the regular process of the committee has been bypassed because I think in so doing there was an obvious attempt to try to avoid building the consensus that is essential to passing this kind of legislation.

Obviously, through the disruption of this process, we are here today, and I hope this process does not give anybody the excuse or the rationale to vote against a prescription drug bill because I think in the final analysis each of us will be accountable for our failure to do so in this institution.

We have a chance—just maybe this is our year—to pass a Medicare prescription drug benefit after all. There is only one plan thus far that has bipartisan and tripartisan support. Senator BREAU, Senator JEFFORDS, Senator GRASSLEY, Senator HATCH, members of the Finance Committee, and I began this effort more than a year ago in an attempt to draft a compromise proposal that bridges the differences between two sides in this debate, hoping to avoid the kind of scenario that has now unfolded on the floor. That is why we undertook this effort to craft this tripartisan solution, when partisan differences threaten to undermine any possibility of enacting a prescription drug benefit. We believed then, as we do now, that as seniors cannot afford to put off their illnesses, we cannot put off a solution to this problem. So we

crossed the political divide to develop an innovative program that could become the basis for action.

As I said, we had hoped we could start that process within the committee that could give us the best hope for developing and forging a consensus on this issue. We worked closely with the Congressional Budget Office for forecasting an accurate estimate of the cost of our legislation, working hand in hand with them up until the final days in introducing this legislation, to ensure that we had a stable, efficient, competitive program that would provide choices to the seniors in this country and at the same time give them the maximum benefits under any kind of prescription drug benefit that we could include as part of the Medicare Program.

I have personally been working on this issue for the last 4 or 5 years, exploring Members of this Senate to pass a prescription drug benefit. It has been 4 long years. We have made some progress certainly in terms of estimating the cost and providing the type of appropriations that would be essential to supporting a generous prescription drug benefit.

In 1999, as a member of the Senate Budget Committee, I worked with Senator DOMENICI, Senator WYDEN, and Senator SMITH of Oregon to include a reserve fund. At that time, then-President Clinton provided \$28 billion in his budget. We went further and provided \$40 billion to set aside for a prescription drug benefit over 5 years. Then we decided last year we would go to \$300 billion because the prescription drug costs go up each and every year, as we well know. So on both sides of the political aisle, there was agreement again and the Budget Committee set aside \$300 billion for a reserve fund. It was also acknowledged time and again in floor debate that \$300 billion was where we needed to be to provide strong coverage for seniors in Medicare for a prescription drug benefit.

So now we are at the stage of \$370 billion, the tripartisan proposal, and approximately \$600 billion in the proposal offered by Senator GRAHAM from Florida.

Everybody recognizes we need to enact a prescription drug program as part of Medicare. It is long overdue. Frankly, I do not think there is any difficulty in developing the policy, if there is the political will to do it. That is the big question—whether we have the desire to enact this kind of coverage for seniors in this country.

We have two competing plans. I hope we can avoid a process that is designed to create a political showdown. I hope we are not going to go down that path this week, irrespective of the fact we have two votes tomorrow, one on each plan. Is that where it is going to end or is that where it is going to begin?

I hope this is not about this election. I hope it is for the determination to do what we ought to do, and that is to design a program for prescription drug

benefit coverage. It will not happen without bipartisanship and tripartisanship. That is what we did through the legislation we introduced and have been working on for more than a year.

I would rather not spend my time talking about process. The process becomes important when we bypass the conventional means of consideration: Draft and amend legislation in order to create a consensus on a bill before it reaches the floor; at least it attempts to do what was done on the tax bill last year. No one could have predicted what the outcome would be in the committee, let alone on the floor, but it was through the amendment process, through debate and deliberation that we finally reached a consensus that yielded the 62-38 vote.

We are in danger of not completing prescription drugs because of the process of cloaking political motives. We are looking at the procedural gymnastics that have occurred in this legislation. We could almost write the headlines: The Senate fails to muster 60 votes for a prescription drug plan; issue put off for another year.

Is that what Members want? I do not want the Senate described in those terms. I do not want this issue put off another year. We have been putting it off year after year after year. I want to make headway, not headlines. That is why it is important people understand what is going on. I am the last person who wants to talk about inside the beltway gobbledygook, about the process. I am interested in talking about the truth and what deserves our attention in terms of policy differences, not designing the next political stroke.

It is a disservice to the more than 40 million Medicare beneficiaries that see their prescription drug costs rise every year to the tune of 17 and 18 percent in annual costs just over the last 4 years. That is why we try to work on developing a middle ground approach and analyzing what could be the best plan, under the circumstances, to maximize the benefit, particularly those in the low-income scale, from all ranges of the political spectrum that could offer a comprehensive drug benefit that is affordable, comprehensive and available to all seniors, that provides the most in terms of benefits to low-income seniors and those especially without drug coverage.

It must be a fully funded, permanent part of Medicare that does not threaten the stability or the solvency of the Medicare Program for future generations. We offer in our plan the lowest premium of any plan introduced, \$24 a month. It provides a 75 percent Federal subsidy. That is more than Federal employees have under their current health care coverage. That yields \$340 billion in Federal support over the next 10 years.

People suggest the private sector will not be engaged in this process when the Federal Government provides an overall 75 percent Federal subsidy.

Seniors above 150 percent will see an annual savings on their prescription drugs of more than \$1,600, which is a 53 percent savings. Those below 135 percent will see 98 percent savings on their prescription drugs. Ninety-nine percent of Medicare beneficiaries will be covered under our program; 93 percent estimated by CBO will participate in this program, and 6 percent will remain with their current coverage. That is extraordinary. Eighty percent will not even hit our benefit limit of \$3,450.

We eliminate the so-called doughnut, the gap in coverage between the \$3,450 benefit limit and catastrophic coverage of \$3,700; 11.7 million beneficiaries with incomes below 150 percent are exempt from the benefit limit of \$3,450. There are 10 million Medicare beneficiaries with incomes under 135 percent who will see 80 to 98 percent of prescription drug costs covered by this plan with no monthly premium, no deductible, and have average coinsurance of \$1 to \$2 per prescription and will have no cost beyond the catastrophic level. All other enrollees above 150 percent of the income level will have access to discounted prescription drugs after reaching the \$3,450 benefit limit.

Everybody under Medicare will be protected against catastrophic costs. The drug benefit will be offered by the private drug plans. They accept part of the risk for managing this prescription drug program with the Federal Government accepting most of the risk. Seniors will have clout. They can vote with their feet. If they do not like the plan, they can select another plan. We believe, and CBO agrees, that the real competition will hold down drug costs and make this benefit more affordable for seniors and taxpayers.

Creating a new prescription drug benefit is absolutely essential to be part of our Medicare Program. AARP said in their testimony before the Senate Finance Committee, we need to have a dependable drug plan. That is exactly what we are providing. It is permanent and it is fully funded. That is a big difference from a plan that is sunsetted. I do not know how you explain to seniors in this country that the good news is you will have a prescription drug program starting in 2005, but the bad news is it expires in 2010. That is exactly the scenario established by the Graham-Daschle-Kennedy bill, which simply rides off into the sunset. It certainly will not be a happy new year on December 31, 2010 for any senior citizen who uses prescription drug coverage to learn their benefit has disappeared over the horizon—it is gone.

Is that the kind of stability, certainty, and predictability we want to give our seniors when it comes to one of the most vital benefits we could provide and need to provide?

You might wonder why it sunsets under the Graham legislation in 2010. That is a very good question. The answer is because they ran out of money. They knew if they continued, the sticker shock of their plan and the impact of their program, already facing

serious financial concerns, would cause more than a few to raise strenuous objections because of the ultimate impact it could have on the solvency of the Medicare Program.

Seniors have said they have two major priorities. One, they want to make sure the program is universal; two, it has the lowest monthly premium and at the same time it does not affect the financial stability of the future for Medicare.

That is a question about the choice we have tomorrow. Are we serious about providing a prescription drug benefit to seniors that will be sunsetted in 2010? That is a significant question that each Member must address in casting his or her vote in the Senate with the two competing plans. The plan we have offered was consistent with the priorities of seniors in this country, indeed the priorities of AARP, the major representative of seniors in America, that they wanted a dependable prescription drug benefit as part of Medicare. We offer it. It is fully funded, and it is part of Medicare in perpetuity.

There are other problems we have to address when we are looking at the Graham proposal. One is the issue of the nonpreferred drugs. In the original plan that was offered by Senator GRAHAM, there were the preferred drugs and the nonpreferred drugs. In fact, the copayments are lower under our plan. For the top 50 preferred drugs, we have lower copays under 39.

To put it the other way around the Graham proposal is higher on all but 11 of the top 50 preferred drugs—higher in copayments.

In the original Graham plan, there were the nonpreferred drugs. Again, we were lower in copayments in all categories except 1 out of the top 50.

Now, under the newly revised plan, none of the nonpreferred drugs is even covered—none, not one.

You might ask, what does that mean? That means it won't be available for seniors. That means, by virtue of the fact that the nonpreferred drugs are not covered under the Graham-Daschle-Kennedy plan, they are not going to be available to seniors. They will not have choices in the types of plans that include both the preferred and the nonpreferred. It means if your doctor prescribes a different brand prescription and it is not on the preferred list, you are out of luck because under Senator GRAHAM's proposal they will cover generics and only two brand names in every therapeutic category.

So here are a few examples of how the Government's strict limits on drug coverage under the Graham-Daschle-Kennedy plan would interfere with the drugs your doctor prescribes. The examples are taken from drug classes in the "Physicians Desk Reference" explicitly described in the bill as a model for determining the therapeutic classes in which only one or, at most, two drugs will be covered.

Let's take high cholesterol as an example. If you take Advicor, Baycol,

Colestid, Lipitor, Mevacor, Pravachol, Tricor, WelChol, Zocor, or other drugs to lower cholesterol, and the Government plan says Lescol, you get no coverage at all. And even if you take Lescol XL, the more convenient extended-release form, then you get no coverage at all.

What about treatment for arthritis? Well, if you take Bextra, Cataflam, Celebrex, Clinoril, Feldene, Lodine, Lodine XL, Relafen, Tolectin, Tolectin SR, Trilistate, Vioxx, Voltaren, or Voltaren-SR for your arthritis, and the Government plan covers prescription-strength Advil, then you get no coverage at all, none.

You have high blood pressure? Well, if you take Accupril, Adalat, Aldoclor, Aldomet, Altace, Captopril, Cardizem, Cardura, Catapres, Corzide, Cozaar, Diovan, Diuril, Hyzaar, Lotensin, Maxzide, Minipress, Norvasc, Procardia, Tenormin, Toprol-XL, Univasc, Vasotec, Zebeta, Zestril, or any of dozens of other effective medications for high blood pressure that work best for you, and the Government plan covers Accuretic, then you get no coverage at all.

So it is far more restrictive than what the private sector offers today. Most private sector plans and the Federal employees plan would never consider being so restrictive as to provide no coverage at all for nonpreferred or off-formulary drugs. Moreover, to restrict covered drugs to no more than two in each class of drugs—generally these plans do the opposite, by providing some coverage for off-formulary drugs through tiered copays or off-formulary incentives.

What happens if I really need it? What happens if the doctor thinks that is the only option, the only drug that is going to be best for your treatment? It would require an explicit review and approval from the Secretary of Health and Human Services, right here in the plan that is offered by Senator GRAHAM, in order for the Government plan to offer a lower copayment or to provide coverage on additional drugs. Beyond these strict limits, the Secretary must determine that it will not result in an increase in expenditures by the Government.

Since when do we essentially decide we would rather have the Secretary of Health and Human Services writing prescriptions for American seniors? But that is what this comes down to.

Mr. HATCH. Will the Senator yield on that point?

Ms. SNOWE. I am delighted to yield to the Senator from Utah.

Mr. HATCH. Is the Senator saying that they claim for \$600 billion, even in a bill that is sunsetted so they can keep the cost that low, that all of those drugs indicated on your chart in red letters "not covered" are drugs they do not cover?

Ms. SNOWE. That is correct.

Mr. HATCH. Yet in this \$370 billion program that we have devised, all of those in yellow are covered?

Ms. SNOWE. That is correct. In fact, in our copays, on those that are covered, the top 50, we are lower or, the converse, in Senator GRAHAM's legislation their copays will be higher in 39 out of the 50 categories in terms of copayments. Then in the nonpreferred drugs, they are not even covered, and they are covered under our legislation because plans will be designed to include choices.

Mr. HATCH. I take it they are spending \$600 billion or more—almost double what we spend—and not getting nearly the delivery of the drug as in the system we would give to the seniors. It seems to me it is pretty tough to be for the \$600 billion program under those circumstances.

Ms. SNOWE. I would say to the Senator, that is correct. Obviously, the Government is going to make the determinations in terms of the types of drugs to be used, but the legislation already starts off in a very restrictive fashion. As a result, it will deny seniors their choices—not to mention that the whole program sunsets in 2010.

The PRESIDING OFFICER. The time of the Senator has expired.

Ms. SNOWE. Thank you, Mr. President.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Mr. President, I want to take a moment this afternoon to share a part of a letter I received from an 84-year-old gentleman in my home State of Washington. He writes to me:

My income is limited to Social Security and a small amount of interest generated from the proceeds of the sale of my home. That doesn't leave much for anything but the basics. The highest of my monthly bills is for prescription drugs, the cost of which has skyrocketed for the past few years. Because Medicare provides nothing towards the exorbitant cost of these drugs—which are mostly for my heart—I pay upwards of \$250 a month out of pocket.

If Congress does nothing else this coming session, please let it be relief from the expense of the drugs I have to take to survive.

That is why I rise today in support of Medicare prescription drug benefits. This is an issue that Congress has talked about for years. It is a major challenge for seniors and the disabled every time they have to fill a prescription. And everyone agrees that we need to do something about it.

We have a bill that will address this problem in a responsible way, and I am in the Chamber today to help move it forward. I am very proud to be a cosponsor of the Graham-Miller-Kennedy bill, the Medicare Outpatient Prescription Drug Act of 2002.

This is not a new issue for me or for the people of my home State of Washington. Over the years, I have held many roundtable discussions in my home State where I have listened to doctors, seniors, the disabled, industry leaders, and health care providers. Like many people in my State, I am frustrated that it has taken us this long to finally reach this point in this critical debate.

Unfortunately, as we all know, the attacks of September 11 and the problems in our economy have delayed this critical discussion until now. During my time in the Senate, I have been very proud to work on prescription drug coverage, from helping to draft the MEND Act in the 106th Congress to working on the Budget Committee over the past 3 years to provide funding for prescription drugs.

In this Congress, I have been very proud to work with my Democratic colleagues to help ensure that the Graham-Miller-Kennedy bill meets our priorities of providing an affordable, voluntary, comprehensive, reliable benefit that is part of Medicare.

Health care has changed dramatically since Medicare was created, and it is time we update the Medicare Program to meet today's needs.

Decades ago, there was no big prescription drug issue. Back then, it was because prescription drugs played much less of a role in our health care. Today, prescription drugs are a key part of our health care. They help to prevent disease, and they help patients live longer.

As a result of these changes in health care, seniors now rely on prescription drugs more than ever. The average Medicare beneficiary fills 19 to 24 prescriptions each year.

Clearly, prescription drugs are more effective—and coverage is more needed—than ever before.

Unfortunately, it is getting more expensive—and more difficult—for seniors to get the medicine they need. Some seniors have drug coverage through their employers, but that number is shrinking. As costs rise, employers are cutting back on coverage.

In 1994, 40 percent of firms offered health benefits to their retirees. But by 2001, only 23 percent offered health benefits to their retirees.

Of those on Medicare, 38 percent have no drug coverage throughout the year. And even those seniors who are lucky enough to have coverage have seen increased premiums, deductibles, co-pays and greater restrictions. For those on Medicare, out-of-pocket payments for prescriptions—in just a two-year period from 2000–2002—have grown from an average of \$813 to more than \$1,000.

The lack of coverage—and the growing costs—are impacting health care today. Right now, an estimated 10–13 million seniors not have any prescription drug coverage.

To meet this need it has become critical that we update the program that seniors and the disabled rely on for their medical care. Updating Medicare is something we need to do very carefully. Back in 1997—when I first joined the Senate's HELP Committee—we faced the challenge of reforming and revitalizing the Food and Drug Administration's drug and device approval process. There were several competing demands we had to balance. On one hand, patients want new drugs and devices approved and available as soon as

possible. On the other hand, the FDA has a responsibility to protect the public's health. We had to balance those two competing demands. And I am pleased that in the end—after months of debate—we passed a good bill that struck the right balance.

I mention that example to remind us that there are several competing demands when it comes to prescription drugs for seniors.

The first consideration is affordability. We can have the best prescription drugs in the world, but if seniors can't afford them, they are of little use. So affordability is key. But price is not the only consideration.

A second concern is safety and effectiveness.

We have worked hard over the years to make sure that our drug supply is safe. It is one of the FDA's most important responsibilities. I am proud of the way generic drugs have lowered the cost and improved access for so many Americans. But I also recognize that, if the drug isn't safe, or if it's not the medicine a patient needs, the cost savings are meaningless.

Another concern is innovation. Here in the United States, we have access to the most innovative, cutting-edge medicines. We don't want artificial limits on drug distribution that would delay innovations.

Finally, I believe that a prescription drug benefit must be a seamless part of Medicare. Just like care from a doctor or a hospital visit, prescription drugs are one of the key ways we provide health care today, and it should be treated like that under Medicare.

With all those considerations in mind, I am proud to support the Graham-Miller-Kennedy bill. It is the only plan that strikes the right balance. It is the only plan that delivers on the promise of a real prescription drug benefit for everyone on Medicare. It provides a comprehensive, affordable, and reliable prescription drug benefit. It provides coverage for every prescription without any deductible or coverage gap. It offers predictable, affordable co-payments, and it protects seniors from catastrophic expenses.

Second, it's affordable. It has a fixed monthly premium of just \$25. It covers all drug expenses after a senior has spent \$4,000 in out-of-pocket expenses. And because there is no deductible, it will help seniors with their very first prescription.

I am also proud that this bill goes to great lengths to help those with low incomes. For example, there is no premium or cost-sharing for beneficiaries with incomes below 135 percent of poverty. For those between 135–150 percent of poverty, there are reduced premiums. That will make a difference for the 168,000 Washington seniors who are below 150 percent of poverty.

Finally, this drug benefit is reliable. It will give seniors the security that comes from knowing that they can get the medicine they need. Seniors will know they are getting the same cov-

erage—for the same price—no matter how sick they are, and no matter where they live.

The Graham-Miller-Kennedy bill is comprehensive, affordable and reliable. The other bills would leave a lot of Washington State seniors behind. Low-income seniors would in fact do far worse under the House and Senate Republican bills.

The Senate Republican bill has a \$250 deductible. Our bill has no deductible. Under the Senate Republican bill, there is a big "benefit hole" for seniors who spend—out of their own pocket—between \$3,451 to \$5,300 on prescription drugs.

In Washington State, 212,000 people will fall into that benefit hole—paying premiums and high drug costs—without receiving any benefits. Under the House Republican plan, that benefit hole affects even more people—340,000 in Washington state alone.

There are many other problems with the House and Senate Republican bills—from the very limited stop-loss to the asset tests. And both these plans rely on private insurance companies to provide the benefit. If private insurance companies are not willing to participate, there is no coverage.

Those of us in Washington state have seen the private insurance market shrink in recent years, so that does not give us a lot of confidence in trusting the private sector to solve the problem.

Before I close, I want to mention that we have other parts of Medicare we need to fix. Over the past few months, I have worked with a number of my colleagues to address the regional inequities in Medicare. Even though all seniors pay the same rate into the Medicare system, their access to health care depends on where they live. If they live in Washington state, they have far less access to healthcare. That is because Washington state ranks 42nd in the Nation in Medicare reimbursements per beneficiary. I have been working with leaders in my state on the issue, and I'm continuing to raise the ideas and the MediFair proposal with my colleagues here in the Senate.

I am proud that the Graham-Miller-Kennedy bill does not base benefits on the same flawed formula that has created regional inequities in Medicare reimbursements. I hope we can move forward on both issues—addressing the fairness in Medicare payments and providing prescription drugs.

Today, we have the opportunity to help the more than 700,000 people in Washington state who are enrolled in Medicare. We know that prescription drugs are more effective—and more important for good health care—than ever before. But seniors don't have access to them because of rising costs and shrinking coverage.

The Graham-Miller-Kennedy bill will provide a prescription drug benefit that's part of Medicare and that is comprehensive, affordable and reliable. I urge my colleagues to help us pass this critical legislation.

The PRESIDING OFFICER. The Senator from Rhode Island is recognized.

Mr. REED. Mr. President, I rise this afternoon to join my colleagues and the growing chorus requesting that the Senate move expeditiously to pass a universal, voluntary, and affordable prescription benefit plan under Medicare.

I am a proud cosponsor of the Graham-Miller-Kennedy proposal, which I think is the right approach to provide a voluntary, universal, and affordable prescription drug benefit for our seniors.

In 1964, Congress took the bold step to enact a health insurance program that guaranteed coverage for all seniors and disabled persons in the country. That boldness has been justified over the last decade because it has improved materially the health of seniors, and, indeed, this development has improved their economic standing as well. But it is time for their Congress to bring that Medicare Program into the 21st century.

Back in 1964, the key elements of health care for seniors and for all Americans was access to hospitals and access to doctors. Medicare provided for both.

Today, there is a third critical element. That element is pharmaceutical benefits. Thus, we must bring the Medicare Program that has served us so well over these last several decades into this new century by providing a prescription drug benefit for our seniors.

Today, Medicare beneficiaries account for 14 percent of the population, but they account for 43 percent of the Nation's spending on prescription drugs.

You can see that the population most affected by the use of pharmaceuticals and the rising costs of pharmaceuticals is seniors. Another reason why we have to move quickly and expeditiously to provide assistance under the Medicare Program.

Today, the Medicare Program covers approximately 39 million Americans, about 170,000 of my fellow Rhode Islanders. It is a program that is integral to the health and economic security of our seniors and to all of our families. For this system to go forward, it has to be strengthened by pharmaceutical benefits.

I would like to talk briefly about some of the trends we have seen with respect to prescription drug benefits, to highlight the strengths of the Graham-Miller-Kennedy proposal, and to contrast this proposal with competing proposals: the House version and the tripartite package that is before us in the Senate.

Before I do that, I want to commend majority leader DASCHLE for bringing this matter to the floor. This is an issue which every senior and every family in this country is acutely aware of and who have called for our attention to it for many, many years.

This is not something new. There was at least rhetorical consensus in the

last election when both sides claimed they were for the inclusion of a prescription drug benefit under Medicare. We have reached the point where words have led to action on this floor. I thank the majority leader for forging that action as we debate this issue today.

I think it is also appropriate that this legislation has been brought together with another bill, the Schumer-McCain legislation that was modified in the HELP Committee by Senators COLLINS and EDWARDS, which provides benefits, we hope, to the entire population of this country when they purchase pharmaceuticals, because it will hasten the introduction of generic drugs into the marketplace while preserving the integrity of our intellectual property system.

These two bills together—a prescription drug benefit for seniors from the Medicare system, and strengthening and speeding access to generic drugs in the country—I think are appropriate responses to the legitimate, persistent, and long-standing demands of the American public.

Last year—if we look at the spending on pharmaceuticals—out-of-pocket spending on prescription drugs was estimated to be \$848 a year among Medicare beneficiaries. Nine percent of them, however, spent more than \$2,500 a year. This is an extraordinary amount of money for people who are living on fixed incomes. You do not have to talk to too many seniors before you hear their legitimate complaints, that they often have to choose between buying their prescriptions or paying their rent.

Today, we had an event in Providence, RI, where we had seniors and physicians talk about that issue. A physician who joined us was very eloquent on this subject, pointing out that often his patients will tell him the choice they face is either filling their prescriptions or paying the telephone bill that month. That is a choice many seniors have to make. Frankly, many of them will choose to have the telephone—for an emergency, for a lifeline, for communication with their families—and they will forgo the prescriptions.

The doctor spoke of one case—one among many—where he was treating an elderly person, a woman, for high blood pressure, and she could not afford the full range of drugs he prescribed. So he tried to make do with whatever was in his supply cabinet: the samples he got from pharmaceutical companies. This caused, of course, a situation where they were frequently changing prescriptions; and even then she could not fill all the prescriptions because of her economic circumstances.

The high blood pressure was treated on an ad hoc basis. Sometimes she could take her medicine because she could afford it; sometimes she could not. And what happened? The lady suffered a devastating stroke. Ironically, today that doctor can prescribe and ensure she gets the full complement of

pharmaceuticals because she is disabled and her health care is paid for through the Medicaid Program as a disabled citizen. That is not right, and it does not make any sense. If that woman had been covered by the provisions of the Graham-Miller-Kennedy bill, she could have purchased those medicines that would have, hopefully, prevented her stroke.

That is just one example, but we see it time and time again. Seniors are under tremendous financial and economic strain, as prescription drug costs go up and up and up.

I spoke to another senior this morning: 70 years old, still working, and working primarily to pay for her prescriptions. She said she went back to a druggist the other day and was told her drug cost over \$100. She cannot afford it.

These are the realities that seniors face throughout the country. The bill Senators GRAHAM, MILLER and their colleagues have proposed—and one I proudly support—will address those concerns. They will provide a prescription drug benefit that is voluntary, a benefit that will require a \$25 monthly premium, and no deductible. It will require the senior to pay \$10 for generic prescriptions, \$40 for a preferred brand name prescription, and \$60 for a non-preferred brand name prescription—simple, direct, well defined, the essence of what I believe we should do to help seniors.

The bill sets forth a clearly defined framework for what a Medicare recipient would expect to receive in benefits. The assistance is there from the very first prescription. There is no deductible. There are no gaps or limits in coverage. There is a catastrophic cap on out-of-pocket expenditures above \$4,000. And there are additional subsidies for individuals with incomes below 150 percent of poverty—simple, direct, well defined, the essence of what we should do.

It is a program that will not be administered at the discretion of private health insurance. It will be a Medicare program, available to every American, no matter where they live, something I think should be inherent in any drug proposal we make here on the floor of the Senate.

In contrast, the House bill and other Senate proposals do not provide reliable drug coverage as part of Medicare's defined benefit package. These alternative bills have no defined benefit, no guaranteed premiums, no standard copayments or cost-sharing. And because the plans rely on private insurance companies and HMOs, the actual benefit a person receives could vary, depending on where that person lives.

As we have experienced with the Medigap and the Medicare HMO market, private insurers are not capable, often, of providing stable, predictable coverage that older Americans and the disabled need and deserve. I hear regularly from constituents who are confused and upset by the constant

changes in premiums, copayments, and benefits under these plans. And I suspect the same confusion will result if these pharmaceutical plans are administered exclusively by private insurers.

So I believe we should move forward, very deliberately and very quickly, to adopt the version proposed by my colleague from Florida, Senator GRAHAM.

Again, in contrast to the Graham bill, the House-passed bill would require a monthly premium of \$34, but the first \$250 in drug costs must be assumed entirely by the beneficiary. You would be paying a premium, and yet you would be getting nothing for the first \$250 in costs.

For the next level, from \$251 to \$1,000, you would only pay 20 percent. But then, if you went over \$1,000, you, the beneficiary, would have to pay 50 percent of the cost. And what, to me, is the most astounding aspect of this House proposal is, once a patient spends up above \$2,000, they would have to pay the entire cost of their prescriptions until \$4,800. Just at the point where these pharmaceutical costs were accumulating, a beneficiary would have to pay all of the costs and still the premium.

This bill and its counterpart, the tripartisan bill in the Senate, I think, are not sufficient to meet the task before us. I urge my colleagues—all of my colleagues—to support strenuously the Graham-Miller-Kennedy bill and provide seniors and the disabled with a real pharmaceutical benefit.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I will ask that we have a brief quorum call and that the time not be charged to either side. I suggest the absence of a quorum.

The PRESIDING OFFICER (Mrs. MURRAY). The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. LOTT. Madam 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. Madam President, if I could inquire about the parliamentary situation or the time situation, how much time is left on this side of the aisle on this debate?

The PRESIDING OFFICER. No time remains on that side.

Mr. LOTT. How much time on the other side?

The PRESIDING OFFICER. Forty-two minutes.

Mr. LOTT. Madam President, I yield myself time that I might need under leader time. But for the information of the Senators who are here, I don't believe it will exceed more than about 10 minutes or so.

The PRESIDING OFFICER. The Senator has that right.

Mr. LOTT. Madam President, I know there has already been a good debate

on this very important issue today. I do sincerely hope that we can produce a result that will provide prescription drug coverage for our low-income elderly, sick people who need this help. Certainly, from personal experience, I know of low-income elderly who need the help. My concern, though, is we do it in such a way that the costs are not so extreme that they wind up causing serious problems with our Medicare funds. In short, we don't want to blow a hole in the Medicare fund and cause all kinds of problems as a result of our good intentions. That is my first concern with the Graham-Kennedy proposal.

I know it has been difficult to get a cost analysis. I am still not quite sure exactly what the cost has been estimated on this proposal, although I understand it is in the range of \$600 billion over a 10-year period. I understand the plan perhaps may be defined as only covering 8 years, which doesn't begin until 2004, so it is pretty hard to match apples and apples. But over a 10-year period, I think it would probably wind up being at least \$600 billion.

The cost factor is something we have to be aware of in all these different plans.

The other thing that bothers me is the universal coverage aspects. Regardless of income, you are going to get subsidized prescription drugs if you are, I guess, in a certain age category. That is my understanding. That is one of the fundamental differences. I have always said we should target sick low-income elderly or certainly, low-income elderly. But even using those three words produces a different number of people. We would have to think about that very carefully.

But the idea that we would be providing subsidized prescription drugs to people who have income in retirement of \$50,000, \$60,000, I guess any amount, is a major concern I have.

I am also disturbed about new revelations that I have discovered in the Graham-Kennedy amendment over the weekend. We had an earlier version that has been changed. Everybody is entitled to do that up until the time the different proposals were offered. But there are some critical changes that have been made, I presume, to reduce, at least to some degree, the cost estimates on this proposal. There are some details embedded in this plan that will have critical repercussions on the lives and health of 40 million seniors if the amendment were ever to become law.

There are two critical differences that I want to point out today between the Graham-Kennedy amendment and Senator GRAHAM's original bill, S. 2625. When you look at what those two apparently small changes actually mean in the operation of the prescription drug benefit, I believe you will want to oppose the Graham amendment in its current form.

In the first change, which is on page 30 of the amendment, it has to do with

copayments for brand name drugs that are not on the health plan's approved list. First, it would help if we review the original language in the Graham bill and what it had to say about the copayments. The original Graham bill said if you used a generic drug, you would face a copayment of \$10 per prescription; that is, if you use a generic drug.

If you use a brand name drug that was part of the so-called formulary—I will call it the approved list—you would face a copayment of \$40 per prescription. And if you used, under diagnosis by a doctor, a brand name drug that was not part of your plan's formulary or approved list, you would face a copayment of \$60 per prescription. So we had copayments for prescriptions of \$10, \$40, and \$60.

The current language, which has been changed in the Graham-Kennedy amendment, changes the last part. It changes the copayment for the brand name drug, which is not part of your health plan's approved list. The amendment now says that your prescription drug plan will not cover any brand name drug that is not on your health plan's approved list. In that case, you have to pay the full price of the drug. Here is the key language on page 30 of the amendment. We have it blown up here so Members can see it, even though they don't have it available to them to read out of the bill:

Beneficiary responsible for negotiated price of nonformulary drugs: In the case of a covered outpatient drug that is dispensed to an eligible beneficiary and that is not included in the formulary established by the eligible entity for the plan, the beneficiary shall be responsible for negotiated price for the drug.

Now, you got it right. The new plan does not cover brand name drugs, unless they are on your drug plan's approved list. You, the Medicare recipient, would have to pay for the drug out of your own pocket. Well, you might say that should not be too big a problem. But let's get into it a little deeper and you will see what is a further change in the bill and how the two of them tie together and cause problems.

The other shoe drops on pages 61 and 62 of the Graham-Kennedy amendment. Let's look at the legislative language in this case:

The eligible entity (health plan) shall include at least one, but not more than 2, brand name covered outpatient drugs for each therapeutic class as a preferred brand name drug in the formulary [or the approved list].

That means that under the current plan in the Democrat proposal, your health plan cannot include more than two name brand drugs for arthritis. Your plan cannot include more than two brand name broad antibiotic drugs, or not more than two brand name narcotic pain killers, or antiseizure drugs, or diabetic drugs, or hypertension drugs. In any case, it is no more than two.

So look at what happens when you combine what you see on page 30 with what you see on page 62. If you need a name brand drug and if that brand name drug is not on the list of two on your approved list, then you are out of luck. Your new wonder drug plan here from the Democrats doesn't cover that drug. You would have to pay the full cost out of your pocket. So here is what that would lead to. Suppose you use an antihistamine every day and your health plan chooses to cover Allegra or Zyrtec, but not Claritin because it is limited to only two brand name antihistamine drugs. If you prefer Claritin because it clears up your symptoms better—just today, I was talking to an elderly person who was having problems, and I asked that person what they were taking because it obviously wasn't working. They told me it was one of the two that I mentioned here. I suggested maybe he try a Claritin D, since it seems to work better for me; certain drugs may work differently on different people, and doctors prescribe different brand name drugs. If the one you need the most is Claritin, which is not on the list, but these other two are—and you also have the Claritin reditabs—then you would have to pay \$68 more per prescription to get the drug that has been prescribed to you, which is your choice, or the one you need.

Now, that, of course, is a concern if you are in that category. It gets even worse if you look at other examples. For instance, antiarthritics. Suppose you need Celebrex but your health plan, limited to only two drugs, chooses Vioxx or Enbrel. As many seniors with arthritis know, arthritis drugs are very particular. What works for one senior citizen doesn't necessarily work for another. The Graham amendment limits your health plan to two of these four drugs. So if you need Celebrex, you could be out of luck, and you would then have to pay about \$90 per prescription out of your pocket in order to get this particular arthritis drug.

And then it can go into other areas, too; for instance, antidepressants. Under the Graham amendment, only two antidepressants would be covered. If you needed one not on the list, you would have to pay the cost out of your own pocket. It could be—in the case of Prozac—\$110 to get the particular drug that you might need.

Madam President, that is the plan we have before us. One thing that bothers me about it, too, is who decides exactly what two would be on this approved list? Is it going to be a board? What would be the criteria in deciding what two drugs would be on the list? This is a solution that I think causes a real problem. Some people say just take a generic. Substitute in a different brand name drug, they will argue. But sometimes you just cannot do it. Many times, drugs have specific effects on different people. So I think this is a major flaw that has been created by

limiting or dropping out the \$60 copayment per prescription, and then coming up with the two-drug limit.

I was going over this information this afternoon and I wanted Senators to know about this change. I know that everybody is trying to work toward the right end result and with good intentions. But I do think that what is happening is you have limited choices and you guarantee that many seniors who need these specific drugs—Prozac is as good an example as you are going to find, where you would have to come up with a significant cost—\$110—for the drugs.

Before you vote tomorrow afternoon, I urge my colleagues to look at the changes that have been made. I presume they were made because of the cost impact. But you need to also look at what the medical impact is—the result of the decision that has been made. I urge my colleagues to vote against it on this basis, as well as on many others.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. KENNEDY. Madam President, I yield 30 minutes to the Senator from Florida, and I think I still have 12 minutes or so remaining?

The PRESIDING OFFICER. The Senator is correct.

The Senator from Florida is recognized.

Mr. GRAHAM. Madam President, I hope the minority leader might be able to stay on the floor so he would not run the risk of being unable to sleep to-night, as he tosses and turns, concerned about the fact that we have provided, as almost every private health care plan does provide, for a specific formulary as to what will get the benefit of the preferred \$40 deductibles.

At an appropriate time in my remarks, I am going to go into this in more detail, and I will also direct the Senator's attention to other language in the pages from which he was quoting, which indicates that we are sensitive to exactly the concerns he has expressed; we have, in fact, provided a means by which other drugs that are found to be clinically necessary would be added to the list of those which could be secured at the \$40 copayment level.

I think the Senator from Mississippi will find many of the remarks I am about to make to be informative, insightful, possibly requiring a reassessment of position and hopefully tomorrow at 2:30 p.m. to see him march proudly to the front of the Chamber and cast a vote in favor of the Graham-Miller-Kennedy bill. We would be honored to have that vote and would even keep the list of potential cosponsors open for his possible signature.

One of our colleagues has specifically asked that I request unanimous consent that he be added as a cosponsor: Senator AKAKA. I make such a request on his behalf.

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

Mr. GRAHAM. I thank the Chair.

Last Thursday, the 18th of July, Senators KENNEDY, MILLER, CORZINE, and I offered this amendment to provide affordable, comprehensive, and reliable prescription drug coverage for the 39 million older Americans and disabled citizens who are currently covered by Medicare.

I have an interest in all Americans who will benefit by the adoption of this proposal. I have a particular interest in the 2,750,000 of these Americans who call their home Florida.

I do not wish to repeat the remarks I made last Thursday, so let me just recap some of the principles that we think are important and should be the touchstone in evaluating any plan that is proposed for prescription drugs.

We believe these principles include: a modernization of the Medicare Program; providing beneficiaries with real benefit; giving to the beneficiaries real choices; using a delivery system that seniors can rely upon and is affordable for the beneficiaries; and a program which is fiscally prudent.

I also outlined last Thursday our specific proposal and indicated how it complied with those principles of a prescription drug program for Medicare.

What does our proposal provide? We guarantee a universal benefit to all seniors, no matter where they live; that if they determine it is in their interest to voluntarily elect to participate in the prescription drug plan, they would pay \$25 per month for that participation. Having done so, assistance would begin with the very first prescription. There is no deductible. They would pay a predictable copayment. For the year 2005, the first year that this program would be operational, the seniors would never pay more than \$10 for a generic drug and \$40 for a medically necessary brand-name drug.

Medicare beneficiaries can also rest easy knowing that they would never pay more than \$4,000 in a year for their prescriptions. Seniors with incomes below \$13,290 for an individual and for couples below \$17,910 annual, if that is your income, then you would receive additional assistance, including the waiver of copayments for those who are below 135 percent of poverty.

We would also be able to guarantee that this benefit would be available to all seniors because we use a system to deliver the drug benefit that is as tried and true as the 37-year-old Medicare Program itself. It is the same system that you and I and all Members of the U.S. Congress use to receive their prescription drugs through the Federal Employees Health Benefits Program.

We rely on pharmacy benefit managers, or PBMs, to deliver and manage our drug benefit. PBMs are private commercial companies that negotiate with the pharmaceutical companies to get discounted prices. These companies are currently providing drug benefits through public and private employer plans in every zip code in America, and they would work as well for our seniors

as they do for Federal employees, private sector employees, and Members of Congress.

What I wish to do this afternoon is focus first on what I think are some of the key concerns raised by the Republican plan and then respond to some of the questions which have been raised, such as the questions raised by the Senator from Maine, who is in the Chamber now, and the Senator from Mississippi.

These key problems raised about the Republican plan include its reliance on a yet-to-be-created delivery system, the gaps in coverage, and their test of beneficiaries' assets, which will make it difficult, if not impossible, for many of our low-income seniors to get the drugs they need because even though they will qualify for special assistance based on their income, they will be rejected because they have too many assets.

Let me discuss each of these principal flaws in some detail.

Our Republican colleagues have criticized our proposal for being an integral part of the Medicare Program. Instead, they would use the prescription drug benefit to begin privatizing the Medicare Program; they would give the important task of delivering prescription drugs to private drug HMOs.

I have grave doubts about the private insurance model for prescription drugs for the very basic reason that it has never been done this way. There is no place we can turn to say: How has a private insurance subsidized plan for only prescription drugs worked? If there is such a plan, if there is some place that we can turn to inform our judgment on this, I would ask for the name of the company, its address, and its telephone number so we might call and ask some of the questions that concern us about how such a plan would work.

I am afraid we will find there is no name, there is no address, and there is no telephone number. Private insurance plans have had every opportunity to offer drug-only insurance plans, and yet not one has stepped forward to do so.

Private insurers simply have no interest in providing drug-only benefits. Why are they not interested in drug-only benefits? Let me use an analogy to the private insurance market as it relates to casualty insurance.

Most of us who own a home have insurance on that home to cover risks, such as fire or windstorm damage. You can call State Farm and ask whether it would offer a kitchen-only casualty insurance policy, or would it offer a policy that would only cover that back room which is next door to an old and frail tree that might blow over in a storm and fall on the rear of the house. The answer to that is obviously no. State Farm and any other casualty insurance company would consider insuring your whole house, but they are not going to insure a specific room and particularly a room that is probably more

vulnerable than other parts of the house.

This is exactly what is being asked of insurance companies as it relates to offering a prescription drug-only plan. Prescription drugs happen to be the fastest growing segment of total health care costs in America. When Medicare was established in 1965, the average older American spent \$65 on prescription drugs. I am not talking about \$65 a week or \$65 a month. I am saying \$65 a year was the average amount that seniors spent on prescription drugs.

That number has increased by a factor of 35 in the history of Medicare, the fastest growing segment of health care in America. That is why insurance companies have been unwilling to offer a prescription drug-only private insurance policy.

This is what we are going to require as the model for delivery under the Republican proposal.

About a year ago, I invited a group of chief executive officers of pharmaceutical companies to come into my office to talk about the various plans and specifically the method of distributing prescription drugs. I asked these executives a fairly simple question: How do your employees get their prescription drugs? Do they get them through a drug-only private insurance plan? Do you rely on drug HMOs for your employees, for you and your family to get these drug benefits?

The answer from each of the CEOs was the same. No.

Why not, I asked.

The answer was: No such plan exists.

So I asked this question: Why do we want to impose this untried system on our Nation's seniors? Why should they be the guinea pigs in some vast theoretical laboratory experiment of a plan that has never been tried?

I am particularly concerned about how the Republican HMO drug plan will work in rural areas of which, in my State, in the State of the Presiding Officer, in virtually every State, is a significant amount of our population. We have to look no further than the Medicare+Choice system—these are the full Medicare HMOs—to see how rural areas would likely fair.

According to the Congressional Research Service, 94 percent of Medicare beneficiaries in rural areas have no access to Medicare HMOs. Why is this the case? In significant part, it is because rural beneficiaries on the whole tend to be older and sicker than other senior Americans. Therefore, it is more difficult for a private insurance plan to spread its risk. Most of the beneficiaries served in rural areas are considered high-risk beneficiaries. A likely result of the prescription drug model that relies on drug HMOs is that seniors in rural areas will pay higher premiums than beneficiaries in urban areas, if they are able to get any coverage at all.

In addition to questioning whether a drug benefit would actually be available if we rely on drug HMOs as pro-

posed by our Republican colleagues, I have great doubts about the affordability of any benefit that is offered. Why is that? Because the drug HMOs get all the choices when it comes to the benefit they would offer.

We cannot tell our seniors what the Republican prescription drug benefit is. No place in their bill does it tell us what premium the seniors will be charged. It does not say what the deductibles and coinsurance levels will be. They are only "suggestions."

My Republican colleagues talk about providing choices. What they do not tell us is they give all the choices to the private insurance companies. Under the Republican plan, our seniors will pay different premiums depending on where they live. Under the Republican plan, the drug HMOs determine what the premiums will be, not the Medicare Program.

If it is not troubling enough that the insurance industry would be making these choices about what the premium is, what the deductible is, what the cost sharing will be, consider this: The Republican plan would spend precious resources to lure private insurers into the market. Instead of using these resources, Federal dollars, Federal taxpayer dollars, to ensure an affordable drug benefit for all seniors, they would use them to induce private drug HMOs to participate in the system.

My concerns about the Republican plan are not based on speculation but on lessons learned in Nevada, which began offering seniors a drug benefit. The Nevada plan, while it has significant differences, is the closest example we have to the Republican plan that will be voted on tomorrow. We know from Nevada's experience that what seniors want is an affordable drug benefit, not a requirement that they analyze multiple and confusing plans with different premiums, deductibles, and cost sharing.

Let me give this piece of history: When the State of Nevada originally offered seniors a multiple choice plan of drug benefits, how many seniors in Nevada signed up for the plan? The answer is 124. That was the total number of seniors in a relatively large State in our Nation who wanted to sign up for this multiple benefit plan. When the program was restructured and seniors were given one defined benefit plan, when they knew what they were going to get, how many people enrolled? Over 6,000.

We also know from Nevada's experience that private insurers will not participate in the Republican model unless there are high profits to be made, dollars that could have been used to make the benefit more comprehensive or more affordable. In order to get a private insurer to participate, the State of Nevada had to pay the plan \$106.54 per member per month, even though the member's actual drug cost averaged only \$37.64 per month. That is a difference of nearly \$69 per member per month, \$69 that could have been

used to offer a better benefit, cover more seniors, give an earlier catastrophic benefit.

Even after adjusting for administrative and other costs, the State calculated that the private plan had a profit of \$1 million over a 6-month period to serve a mere 3,000 beneficiaries.

My Republican colleagues would repeat this mistake but on a massive scale. Rather than assuring that the money is spent on a drug benefit and is used to maximize drug coverage for seniors, the Republican bill would allow the money to be siphoned off to induce insurance companies to participate when they have indicated by their past behavior they do not want to participate.

I also have grave doubts that seniors would get the drugs they need if they were to adopt the Republican proposal. Under their approach, the fewer drugs used by seniors, the higher the profits for private insurers.

We hear a lot about the idea of transferring risk, insurance risk, to the private insurance companies, and because they will be responsible for this risk, therefore they will be more aggressive in containing costs. I find it a little disingenuous that this plan, which is supported by almost all the major pharmaceutical companies, has as one of its recommendations to be adopted that it is going to be more effective in containing costs.

We have all heard the argument of the fox in the chicken coup. I think we have an example of that with the pharmaceutical company saying they support the plan with the principal benefit being its capacity to reduce pharmaceutical costs.

Private insurance companies, in my judgment, have exactly the opposite goal. They are likely to want to restrict the drugs that the senior wants and needs because that is the way they can maximize their own profits. We need to listen to what our seniors have to say about privatizing Medicare before we go down this path.

In 2001, a senior lady from Cincinnati, speaking before one of our major senior groups, said the problem with privatizing Medicare is these insurance companies will make the rules and you will live by the rules. You will not have any representative if you go to an insurance company and tell them you do not like the way they are doing something. Do you think they are really going to care?

It is not just the delivery model, however, which worries me. It is also the benefit design in the Republican plan. In fact, the phrase "truth in advertising" should apply. If we are going to pass the Republican bill, we better be prepared to tell the truth. We better be prepared to tell seniors that they will face an enormous gap in the benefit, a gap which some people have referred to as the doughnut hole.

This is Freda and Coleman Moss of Tampa, Florida. Freda is 80 years old. Coleman is 84. Freda has had serious

health problems. She spends, on average, \$7,800 on prescription drugs every year. Under the Republican plan, from about mid-June until the end of September, roughly a third of the year, she will be getting no help at all. The reason is that the Republican plan has this gaping gap in coverage. During that period when she is getting no benefits at all, however, her monthly premiums are not suspended; she continues to write that check out every month for monthly premiums. But while she is in the gap, the doughnut hole, she will get no benefit. How could this be?

The Republicans insist the doughnut hole is so small, they would like to call it a bagel hole. Let's call it what it is: It is a gimmick. It is a gimmick which helps to lower the cost of their bill at the expense of seniors getting the drugs they need.

It is important to understand what is really going on in the gap. They say this little bagel hole of a gap is only between \$3,450 and \$3,700, or \$250. Is that really the size of the gap?

Madam President, we will now talk a little arithmetic. If anyone would like to settle back and relax, this is a good time. Let's look at how the Republican plan works.

Beneficiaries have to reach a point where the total spending—the spending of you, as the beneficiary, the Federal Government, and any other source—reaches a level of \$3,450. Once you reach that point, you receive no assistance for your prescription drugs until you spend, out of your own pocket, \$3,700.

How does the math work? To get to the \$3,450 level, the out-of-pocket expenditures by the beneficiary will be, first, a \$250 deductible. You have to pay that before you get any assistance. Then, between \$250 and \$3,450, you pay half and the Federal Government pays half. You pay \$1,600 and the Federal Government also pays \$1,600. By the time the combined expenditures reach \$3,450, you pay \$1,850 out of your pocket—the deductible plus the \$1,600.

In order to get out of this doughnut hole, you have to have total expenditures out of your pocket of \$3,700 or an additional \$1,850 beyond the \$1,600 you already paid. So you will have to pay a total of \$3,700 before you escape what is not a bagel hole, what is not even a doughnut hole, what is really a Grand Canyon of a gap. That is devastating.

Let us consider the case of Freda. After spending \$250 for the deductible, she would pay 50 percent for each prescription drug prescription until the total drug cost was \$3,450. Freda would spend \$1,600 in addition to the deductible, for a total of \$1,850 from her own pocket. Freda already spent a lot of money. But guess what is coming. While she is in the gap, she pays 100 percent for every prescription to get her from a total of \$1,850 that she has already spent to the \$3,700 she needs to get to cross the Grand Canyon and remove herself from the gap. That means she will have to spend \$1,850.

During this period of time, she is paying for all of her prescription drug costs, paying her monthly premiums. The gap is confusing. But one thing is certain: It is no small amount. Most years, Freda would pay 50 percent of her prescription until about June 15. This is out of the \$7,800 which is her average annual prescription drug cost. Then for 3 months—assuming she could, in fact, afford to pay 100 percent for the drugs she needs and would not have to cut down on prescription drugs in order to afford food, rent, and the other necessities of life—she would be paying that next \$1,850 out of her pocket. It is a big assumption that she will be able to do that.

Freda and Coleman Moss have a monthly income of \$1,038. Freda would have to spend 65 percent of the total income she and her husband share during these 3 months she is in the gap in order to pay for prescription drugs alone. It is not hard to imagine Freda would not be able to get the drugs she needed during the time she was in the gap.

This gap is bad medicine for Freda Moss. It is bad medicine for America's seniors. The gap is a gimmick that lowers the cost of the Republican plan at Freda Moss's expense. I am not going to inflict this gap on Freda Moss, on Coleman Moss, or any of the other 816,000 Floridians who would fall every year into this benefit gap.

To my colleagues on the other side of the aisle, I say, let's be truthful about what we are doing to our seniors. If you think it is too expensive to offer the plan you are offering, be honest. Raise the monthly premiums. Increase the \$250 deductible. Increase the percentage of coinsurance that the senior has to pay. But do not hide it in the middle of the benefit program to tell Freda Moss: From June 15 until the end of September, you have to pay 100 percent of your prescription drug costs. The fact is, she cannot afford to pay 100 percent of her prescription drug costs.

The third key fault in the Republican plan is the assets test.

I ask Senator KENNEDY for an additional 10 minutes.

Mr. KENNEDY. We will do 20 minutes evenly divided.

Mr. GRAHAM. Senator KENNEDY has talked extensively about the assets test, so I mention it briefly.

It is a mirage to tell low-income seniors they are going to get access to the benefits of reduced or, in some cases, no copayments because of their limited income when we then impose, for the first time in the history of Medicare, an assets test that says if you own something as basic as a \$1,500 burial fund, so she might be buried next to your loving spouse, that makes you ineligible to get any of the low-income benefits.

It has been estimated that one-third of the 11 million seniors who would otherwise qualify for some special assistance because of their low income

would be denied that assistance because they would not comply with the assets test.

I will briefly touch on some of the criticisms the Republicans have made about our plan: First, the plan is too costly; that we cannot in our rich society afford to provide to our older citizens what is now a fundamental part of a comprehensive health care program. I do not believe that is the America we live in today.

The Republicans have thrown around some numbers as to what our bill will cost. Let me say that we have a CBO number, a Congressional Budget Office number, which they do not have in their plan. It is that, assuming that the underlying generic drug bill is passed, which will encourage generic drug use, our plan for the first 8 years will cost \$407 billion and for the full 10 years will cost \$576 billion. Is this a cheap proposal? The answer is: No. A cheap proposal means meager benefits, less than universal coverage, less than comprehensive coverage. That will not do for America's seniors.

But rather than looking at the cost of our drug proposal in isolation, let's put it in context. What are we currently paying? What percentage of the cost are we paying for all the other health care benefits that seniors receive through Medicare? The answer is approximately 77 percent. That is what we are paying for doctor care, hospitalization, all the things that Medicare covers. If we were to cover 77 percent of prescription drugs, this plan would not be costing \$594 billion over the next 10 years. It would cost more than \$1 trillion over the next 10 years.

We also maybe should look at ourselves. We are all participants in the Federal Employees Health Benefits Plan. If we were to give seniors the same benefits that we get as Members of the Senate, with an average income that is 10 times what the average income of senior Americans is today, this plan would cost \$750 billion. We are talking about, over 10 years, \$596 billion.

The reality is that the benefits of prescription drugs do not come cheap. The cost of prescription drugs is the fastest growing component of every health care plan, the private sector, the public sector, and it will be a significant part of any decent Medicare prescription drug benefit. That is what the debate that we had last week was all about.

Are we going to pass generic drug, patent reform, reimportation, State group purchasing—all of which are designed to give to all Americans, including senior Americans, greater access and affordability to a very expensive part of our national budget today, prescription drugs? The reality is the plan that our Republican colleagues have offered will cover less than 25 percent of seniors' drug costs. That is based on the latest estimate that their plan will cost, in the range for prescription drugs, of \$330 billion to \$340 billion.

And the total drug expenditures by seniors over the next 10 years will be \$1.3 trillion.

Our plan would provide almost twice the amount of coverage as the Republican proposal. It would provide \$594 billion of the \$1.3 trillion that seniors are going to spend on prescription drugs in the next 10 years.

In my opinion, as costly as this is, it is not an extravagant benefit. It is far less than the 77 percent that we are covering for other medical services, and it will provide critical assistance to our seniors.

It has been argued that seniors would pay more in copayments. The reality is seniors prefer to have their drugs acquired through a known amount per prescription, rather than through the unknown of a percentage of an unknown actual amount.

If seniors go to the doctor and get a prescription, they are unlikely to know what that prescription is going to cost. But they do know if it is a generic drug it is going to cost them \$10, and if it is a brand drug it will cost them \$40. They like that degree of reliability and security.

It has been said that this is a Government-run price control system. This is not a new argument. It is not an argument about prescription drugs through Medicare. This goes to the heart of whether America should have a Medicare Program at all. This debate was ongoing before Medicare was adopted. It was an argument which kept Medicare from being adopted for many years. And it has been an argument that has continued since Medicare was established in 1965. We should not forget that Republicans voted against the creation of the Medicare Program in 1965, and they have made their thoughts about Medicare very clear since then.

Just listen to some quotes by prominent Republican leaders. In 1995, then-majority leader of the Senate, Senator Bob Dole, said:

I was there fighting the fight, voting against Medicare in 1965 because we knew it wouldn't work.

Former Republican Speaker Newt Gingrich, speaking on Medicare in 1995, said:

Now we didn't get rid of it in round 1 because we don't think that it's politically smart and we don't think that's the right way to go through a transition. But we believe it is going to wither on the vine because we think people are voluntarily going to leave it.

Republican House majority leader DICK ARMY said Medicare was "a program I would have no part of in a free world."

He deeply resents the fact that "when I am 65 I must enroll in Medicare."

Somebody should tell him that Part B of Medicare, as well as this drug benefit, are voluntary. If he chooses not to enroll, that is his election.

I have news for my Republican colleagues. The Medicare program, as it is

administered, has worked. Let me tell you a few of the successes.

Since its creation, Medicare has provided health care coverage for more than 93 million elderly and disabled. Medicare has made a dramatic difference in the number of seniors with health insurance. In 1964, the year before Medicare, half the seniors were uninsured.

Today, 97 percent of seniors have health insurance. Medicare has lifted countless seniors out of poverty, has expanded access to high-quality care for minority seniors, has improved the quality of life for seniors by providing access to procedures such as cataract surgery, hip replacement, cardiac bypass surgery, and organ transplant.

We have the Medicare Program in part to thank for increasing the average life expectancy available to Americans. A 65-year-old woman who is entering Medicare today will live 20 percent longer than her counterpart who became 65 in 1960.

It is Medicaid, making the miracles of modern medicine accessible and affordable, not private insurance, that made these advances possible. It wasn't private insurance plans that stepped to the plate in 1965 to provide health insurance coverage for seniors. In fact, they didn't want to cover seniors. That was why Medicare was established.

I wish I had time to go into more detail on some of the reactions of seniors toward these plans and why virtually every major senior group has supported our plan. I wish I had greater opportunity to respond specifically to the concerns of the Senator from Mississippi, and hope I will have such an opportunity before we vote. But let me just conclude.

This debate is not about programs. This is not about charts. This plan is about human beings, our parents and our grandparents. It is about working Americans who are paying the cost for their elderly family members' prescription.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. GRAHAM. Mr. President, I appreciate your indulgence and my colleagues' indulgence. I hope tomorrow we will grasp the rare opportunity we have to give greater security and comfort to our senior citizens by their knowledge that they will now have affordable and accessible opportunities to experience the miracles that prescription drugs make available, and that they will be there for them in a reliable manner, in a manner with which they are familiar—tried, tested, and assured.

The PRESIDING OFFICER (Mr. DAYTON). The Senator from Massachusetts is recognized.

Mr. KENNEDY. Mr. President, I believe I have 12 minutes remaining. I welcome the opportunity to inquire of my friend and colleague. I have a question or two about the legislation and some of the points that were raised earlier this evening.

I believe all of us who have listened to the Senator from Florida commend him for a superb presentation. I particularly welcome the final comments he made with regard to what this debate is really all about: It is about real people. It is about a great generation. It is about seniors who have made a difference in building this Nation, who fought in the wars, who fought in World War II, who brought us out of the Depression, and who really made this country great. The Senator brought us back to that element. I certainly welcome it.

All of us will be voting tomorrow, and hopefully we will keep that in mind.

We heard earlier in the debate and the discussion that the proposal of the Senators from Florida and Georgia misleads the seniors of this country because it is going to sunset in several years. Therefore, we are misleading our seniors by promising them one thing today that after a period of years, by 2010, will not be available to them.

I am wondering if the Senator would agree with me that if we had an authorization on Medicare back in 1965—say it was 6 or 7 years, and we came back to debate that—we certainly would have gotten a prescription drug benefit for seniors in this country much earlier than we are now able to, if we hopefully can get this passed. Does the Senator not agree with me that we would have assured some action? Will the Senator not agree with me that in 7 or 8 years we will have the opportunity to find out what needs to be done with this program to make it fairer and more effective for the seniors, and that this would be a welcome opportunity to do so?

We should embrace this concept rather than retreat from it. I would be interested in the Senator's reaction.

Mr. GRAHAM. Mr. President, one of the enigmas about Medicare and why it has fallen so far behind other major health care plans, such as the one that the Senator and the Senator from Maine and I participate in, along with Federal employees—one of the reasons is the system was established in 1965 and has not been forced to defend itself by making those changes which are required to continue to be a modern health care system.

It is not only the absence of prescription drugs but the whole array of preventive measures. You would be shocked and appalled to know that, for instance, illnesses such as prostate and various forms of cancer for females, as well as colon cancer, have only in the last few years been added to the list of preventive services available through Medicare, and that a long, long list of items continue to be uncovered.

If we had had a requirement that forced us to periodically look at this program as we, for instance, are now looking at Welfare to Work, which in 1996 said after 6 years it had to be reexamined and reauthorized—we are going to do so, and I think it will be a better

program because it wasn't on autopilot. It had some real thoughtful considerations, analyses and improvements.

Mr. KENNEDY. I couldn't agree with the Senator more.

Let me get to the issue of cost of the program. I have listened with great interest to the debate from the other side about their \$24 monthly premium. Yet, I have great difficulty in reviewing their proposal and finding where that \$24 is even mentioned. Of course, it is not mentioned, because it is an estimate, as they indicated. But the premium is written right into the law on page 26 of the Senator's bill. Then on page 28, the cost of generics, \$10, is listed and then the cost for the preferred, \$40, is listed. It is written right into that bill.

Has the Senator, in his examination of the alternative, seen any statement or indication of that kind of precision reflected in the Republican bill?

Mr. GRAHAM. The answer is no. It is because they start from a fundamentally different position. Our bill is what would be described as a "defined benefit." You know what you are going to get, and you can rely on it.

The Republican bill is a defined contribution. The Federal Government will subsidize private insurance companies, if some can be found that would be willing to provide a prescription drug-only benefit. Therefore, it is going to be up to the insurance companies to say what the monthly premium and the deductible will be.

This is a chart which talks about what the costs would be for some of the major brand-name drugs. We can tell you with precision what they will be under our plan. A whole period of question marks are under the Republican plan because the insurance company can say we may cover 50 percent of the cost, or we may only cover 40 percent of the cost, or we may only cover 25 percent of the cost. It is up to the insurance plan.

Mr. KENNEDY. So they have no idea today. It will be left up to the insurance companies. They will make that decision.

This is an estimate—and a favorable estimate—that they are making on this side; whereas under the Graham proposal, it is explicit.

I would like to move on to another area that was talked about by the Senator from Mississippi and others regarding the formulary issue.

Let me see if I understand what is in the Graham proposal. In the Graham proposal, it says that all generics included in the therapeutic class must be on the formulary, and at least one brand-name drug but no more than two in the therapeutic class must be in the formulary. It is designed, obviously, to obtain the deepest discounts. That is obvious. But if you need a drug that is not in the therapeutic class, you can still get it at a formulary price, as I read on page 29 of the Graham bill.

I thought the Senator from Mississippi missed this element. It says:

The eligible entity shall treat a nonformulary drug as a preferred brand-name drug, if such nonformulary drug is determined to be medically necessary. The cost of that drug would then be \$40. If it is medically necessary under the Graham proposal, seniors will be able to get it.

This is what was missing from the debate and discussion with our friend from Mississippi earlier.

Mr. GRAHAM. There are two rates. One is what I would call the retail rate, and the second is the wholesale rate. Insofar as the overall expenditures for individuals, if it is determined that individual requires a specific drug, which is not on the formulary, and it is medically necessary for that individual, then that particular drug will be treated as a preferred drug. Therefore, the maximum amount of copayment would be \$40.

But, on the wholesale level, if you would turn to page 62 of our legislation, it says that at least one but no more than two brand-name drugs shall be included for each therapeutic class unless—this is line 2 through 4—the Secretary of the Department of Health and Human Services determines that such limitation is clinically inappropriate for a given therapeutic class.

If the Secretary of HHS determines that, let us say in the area of antidepressants, there needs to be more than two in order to be clinically appropriate, he or she has the authority to order that there will be whatever number of drugs within that therapeutic class are required.

Let me point out, as the Senator already knows, that because of the defined contribution nature of the Republican plan, there is no assurance that even two drugs in any therapeutic class will be offered under their plan. As I understand it, the insurance companies, rather than the Department of Health and Human Services, will determine what the therapeutic classes will be.

So one insurance company may say, we will use a very broad definition of therapeutic class, another may use a narrower definition, and, therefore, affect the number of drugs that are realistically available.

Mr. KENNEDY. Does the Senator agree with me that there is no requirement for a generic formulary in their proposal whatsoever?

Mr. GRAHAM. Again, it is a leap of faith as to what you are going to have, whereas ours is a defined benefit.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. We had additional time.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. Both times? I had 22 minutes.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. May I have 2 more minutes, just on this point. I ask unanimous consent for that, and the same additional time for the other side.

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

Mr. KENNEDY. Just so we understand this, on page 37 of the tripartisan bill, in the formulary determinations, they say:

An individual who is enrolled in a Medicare Prescription Drug plan offered by an eligible entity may appeal to obtain coverage for a covered drug that is not on a formulary of the eligible entity if the prescribing physician determines that the formulary drug for treatment of the same condition is not as effective for the individual or has adverse effects for the individual.

But there is no price limit on this, as I understand it. There is no price mentioned in here, in contrast to the Senator's provisions that have been included in his legislation.

His legislation provides what is medically necessary and then goes on to indicate what the costs will be, to ensure that they are reasonable. In the other bill, seniors may have the ability to get what is medically necessary, but there is no indication about what the cost would be, as I understand it.

Mr. GRAHAM. That is true, I say to the Senator. What you have just said contributes to a recent poll, done by the Kaiser Family Foundation in May of this year, which asked Americans: Which kind of plan did they want?

For Republicans in America, 58 percent said they wanted a defined benefit plan; only 33 percent wanted the Republican plan as is offered today. Among Democrats, 71 percent wanted a defined benefit and 23 percent preferred the Republican plan. Among Independents, 72 percent—even more than Democrats—wanted to have a defined benefit plan delivered by Medicare as a means by which they would get their prescription drug benefit.

Mr. KENNEDY. I thank the Senator.

That is why I agree with the Senator.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. That is why we have such strong support from seniors and why it is justified.

The PRESIDING OFFICER. The Senator's time has expired.

Mr. KENNEDY. I thank my friend and colleague from Maine.

Mr. President, I ask that she be entitled to whatever additional time she needs.

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

The Senator from Maine.

Ms. SNOWE. Mr. President, I just want to make several comments in response to some of the issues we have discussed today regarding the two competing plans.

What is most important about this debate is that we have the ability to discuss the programmatic differences in policies that each of our approaches have taken with respect to delivering this prescription drug benefit plan.

First and foremost, I should say that the plan we are offering is a tripartisan plan. It was crafted by Senators

BREAUX, JEFFORDS, HATCH, GRASSLEY, and myself as members of the Senate Finance Committee, primarily designed to overcome many of the partisan differences that might exist on this issue and, hopefully, to bridge the gap so that we have the opportunity to pass a prescription drug benefit this year.

I heard mention the issue about a doughnut that exists in our bill; that is, the gap between the benefit limit of \$3,450 and \$3,700.

First of all, 80 percent of those seniors who would be participating in this program—80 percent of the Medicare beneficiaries—would not even reach the benefit limit of \$3,450.

In fact, I recall back in 1999, President Clinton proposed a drug benefit that provided for an initial benefit of \$2,000. We are at \$3,450. He had a much greater gap in coverage between that initial coverage of \$2,000 and a catastrophic benefit, which was about a \$3,000 gap. We are talking about \$3,450, and a catastrophic benefit threshold of \$3,700. But what could be a greater gap than having this most critical benefit to seniors sunset in the year 2010? In 2010 it expires. According to the legislation: No obligation shall be incurred, no amounts shall be appropriated, no amounts expended for expenses incurred for providing coverage of covered outpatient drugs after December 31, 2010.

The legislation goes on to say, provided, of course, the actual spending does not incur, so there is leftover you can use for a prescription drug benefit or the program itself results in lower expenditures. Nevertheless, it would require, in order to extend that most important benefit of prescription drug coverage, additional action by the Congress, obviously, to provide for the funding of that program. So it expires.

The second gap in coverage provided in this legislation offered by Senator GRAHAM is the fact there is a major omission of coverage for brand-name prescription drugs. There are more than 2,400 that exist. The Senator's legislation is limiting to, at most, two brand-name drugs in each therapeutic class.

So it is going to be very limiting at best because it will deny a senior the ability to have access to an alternative medication if it is not called for under this legislation. It either has to be generic or one of the two prescribed brand names.

As I mentioned earlier, there are many alternatives in a brand name category. Whether it is for arthritis or cholesterol or blood pressure, there are many options.

I heard it suggested, if it is defined as medically necessary, then it goes through a major process. It has to go through the Secretary of Health and Human Services. There has to be an internal/external appeals process, so there will be a review process underway.

I can imagine there would be quite a lineup if there were a number of views

that would be required of the Secretary to make exceptions to this legislation.

So there will be a whole process that would be required in order to allow somebody to take a prescribed medication that has not already been stipulated under law, according to this legislation. That is very explicit in this particular proposal. I think we want to provide coverage similar to what Members of Congress and Federal employees currently enjoy: options, choices, competition, variation.

Frankly, the preference of variation is important because it then allows a plan, for example, to use innovation, providing for a certain type of drug or all generics, providing lower premiums than what we stipulate into law.

In our proposal we do have a standard benefit package described.

But what we also say is, we allow flexibility to design plans that can offer even a lower deductible than \$250, even a lower premium than \$24 a month. We want to vest that type of flexibility into the design of a plan that could provide the maximum amount of benefits to those seniors who need this type of coverage. There is no such thing as a one-size-fits-all.

The point is, in the proposal we have crafted, there is a standard benefit. In fact, the Congressional Budget Office has indicated that our standards of equivalence are strict enough that the Medicare drug plans will have very little room to vary from premiums of cost sharing. But they have the flexibility to design an even lower benefit in terms of deductibles or premiums. And don't we want to allow seniors to have the benefit of that reduced price? That is a result of competition.

That is why the Congressional Budget Office has indicated that prices for prescription drugs could actually increase under the Graham proposal, upwards of as much as 8 percent, if not higher, because there is no competition. As a result, there is no drive, no incentive to allowing for lower cost, because there are no competing plans. In a sense, the Government is delivering the plan through a pharmacy benefit manager, so restrictive that it does not allow for competing prices, and there is no incentive for keeping the prices of prescription drugs down. That is a major difference between our two plans. We want to offer the most choices, the most comprehensive, because we have preferred and nonpreferred drugs, lower copays in most all of the categories.

We have the lowest premium per month. We have the maximum amount of benefits to low-income seniors. We cover the donor for under 150 percent of the poverty level or below for seniors. We provide catastrophic at \$3,700 a month. It is a permanent, fully funded part of the Medicare Program.

I hope Members of the Senate will consider very carefully the policy and programmatic differences that do exist between our two plans. They are very distinct.

I know it has been suggested that our system is untried. That is not true. We benefit from a system that is comparable to what we have designed in the tripartisan proposal, and it offers the maximum choices to our seniors. We think it is important to create as a permanent part of the Medicare Program.

To provide for any limitation of that type is doing a disservice to our seniors. It is giving them a false hope to say that your benefit expires in 7 years, unless, of course, future Congresses decide to make a change. So we are predicating their future, their health care, on whether or not a future Congress might decide to extend that program. I really don't think that is the type of precedent we want to take. We have never created a temporary benefit under the Medicare Program—never. We have never created a temporary benefit, and we should not start now.

I know there has been some question about the assets test included in the tripartisan proposal. First of all, this assets test was not something that was newly created. It is included in the Medicaid Program. Yes, this assets test is used for some Medicare beneficiaries, the dual eligibles, the qualified Medicare beneficiaries, QMBs, and specified low-income Medicare beneficiaries. So an assets test was included in our legislation that is the equivalent of the assets test in the Medicaid Program that was supported by this Senate back in 1987 and 1986 with overwhelming support. So this is not unprecedented. It is not unusual. It includes the same type of waivers that are included in the current Medicaid Program.

I welcome the debate that has developed between the two competing proposals regarding prescription drugs. It is my sincere hope that we will have the ability to work through our differences beyond the threshold of tomorrow, the 60 votes. I hope, again, that this system and this process are not designed for failure, that neither side gets the 60 votes and, therefore, we move on to other issues and we defer this to another year. It has happened far too often.

This benefit is long overdue for our Nation's seniors. We negotiated this compromise in good faith, in the hopes that we could have worked through with our colleague from Florida, who I know has worked very hard, who is very genuine in his interest in developing a prescription drug benefit for Medicare beneficiaries—I would have hoped we could have worked through the process in committee, but that was not to be. So we are at a point now of whether we can reconcile our differences to move beyond the 60 votes and be able to work through the various amendments and reach a conclusion.

The seniors of this country deserve that. I honestly don't understand why we can't at this point in time agree to pass a prescription drug benefit pro-

gram for Medicare beneficiaries. Our compromise wasn't designed to be an all or nothing or lines drawn in the sand. It was really an attempt in good faith, in the spirit of consensus building and compromise, because you can't do it without the other side of the aisle; there is no way you can possibly do it. That is why we started more than a year ago to develop this tripartisan proposal with the hope that we could have made this a reality for our Nation's seniors.

I urge my colleagues to give very serious consideration to what we have provided in this particular proposal for our seniors. Hopefully, we can come together and pass this legislation that is such an urgent need for the more than 44 million Medicare beneficiaries.

I yield the floor and suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

MORNING BUSINESS

Mr. REID. Mr. President, I ask unanimous consent that the Senate proceed to a period for morning business, with Senators permitted to speak therein for a period not to exceed 10 minutes each.

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

ADDITIONAL STATEMENTS

THE KETCHIKAN VENEER PLANT

• Mr. MURKOWSKI. Mr. President, today I offer my congratulations and state my full support for the actions taken this week by the Ketchikan Gateway Borough in acquiring the idle veneer plant at Ward Cove. At a time when the regional economy is reeling from a long series of blows that go back to 1993 when the first pulp mill closed, the Ketchikan Borough showed exceptional leadership by stepping to the plate to retain this vital manufacturing facility in the community.

The importance of encouraging an increase in healthy wood products manufacturing facilities in Southeast Alaska cannot be overemphasized. Such plants are vital necessities for Southeast Alaska to have good, year-round, family wage jobs providing the economic backbone to its communities. Proof of this is readily seen in the current jobs picture. As a consequence of the Clinton Administration's actions, Alaska's 2 pulp mills and several sawmills were forced to cease operation, costing the region more than 3,500 direct timber jobs in the last 10 years. Add to that the loss of countless indirect jobs and you have a formula for economic disaster.

With Ketchikan's action, we now enter a new era. Its leadership will help Southeast Alaska embark on a much-needed recovery phase in which real jobs for real people can bring new life back to litigation-weary communities. I congratulate Ketchikan and pledge to help in any way I can.

A critical component of making the veneer plant a viable operation will be economic timber supply. A spate of lawsuits by environmental groups has artificially driven down the supply of timber and has even stopped timber sale planning on the Tongass. As quickly as possible, the Borough needs to conclude an agreement with a company to operate the veneer mill and together we must address the supply issue with the U.S. Forest Service.

To that end, I am calling today for the Alaska Regional Forester, Denny Bschor, to meet in a timely manner with Borough officials to reach an agreement to ensure a stable and sufficient supply of economic timber to enable the veneer plant and the sawmills of Southeast Alaska to succeed. The new Bush Administration owes Ketchikan a commitment to bargain in good faith to help the community succeed in rejuvenating its economy.

The Regional Forester has the statutory authority to offer timber under 10 year contracts, and I urge the Forest Service to conclude agreements using that authority. Furthermore, I call on all Alaskans to join me in supporting a 10 year sale for Ketchikan in recognition of the community's substantial leadership in restoring the regional economy.

The biggest impediment to making timber available is the plethora of lawsuits that have been systematically leveled against the agency. Those lawsuits, if not resolved soon, will result in more mill closures and further unemployment. The recent court injunctions on timber sales that have already passed environmental review highlight the need for longer term agreements.

The Tongass National Forest is fully capable of supporting the level of harvest needed to supply the region's mills without affecting the other legitimate uses of the forest. Less than 400,000 acres, only 2.4 percent of the Tongass, have been harvested since industrial harvest began in the 1950s. Moreover, each year about 800 million board feet of timber is lost to natural tree mortality on the Tongass. That is nearly 4 times the maximum annual harvest under the current management plan and 16 times the amount cut last year.

Under the Tongass plan, an average of less than one-half of 1 percent of the Tongass can be harvested in any given year. If offered in economic packages, that small part of the available resource can be sufficient for the needs of the existing industry. There is simply no reason the Forest Service should not make sufficient economic volume available to run a veneer mill and provide logs to the sawmills of South East Alaska. This action is essential to the

operation of the veneer mill and saw-mills, providing jobs and protecting families.●

RECOGNIZING MONTANA'S LOCAL BROADCASTERS

● Mr. BURNS. Mr. President, I rise today to recognize the important role that Montana's local broadcast stations play in informing and serving their communities.

Local broadcast stations across the country serve their communities in as many different ways as there are communities. A recent study by the National Association of Broadcasters found that American local broadcast stations gave almost 10 billion dollars in community service last year. In Montana, it is estimated that local radio and television stations contributed 78 million dollars. These impressive numbers represented stations' Public Service Announcements, donated airtime, money raised for local and national charities and non-profits, and other community work. Montanans are fortunate to be served by stations that are so dedicated to their communities.

Today, I would like to recognize two of those stations for their outstanding service.

In Helena, KMTX-FM provided more than \$15,000 to the Federal Emergency Management Agency's "Project Impact." This program works to promote local, grassroots initiatives that make American communities more disaster resistant. KMTX was so supportive that the station's general manager, Kevin Shaalure, was awarded the Outstanding Project Impact Media Individual. The local manager for Project Impact said, and I quote: "Kevin and KMTX embraced Project Impact from the start, working to give preparedness a high profile."

Montanans have a long tradition of helping those who are less fortunate and Montana broadcast stations exemplify this effort. KDBM-AM in Dillon, MT, collected 600 coats for area students in 2001 through its annual Coats for Kids drive. With collection boxes placed throughout Dillon and in neighboring Twin Bridges, the station encouraged its listeners to drop off coats, gloves, hats, and anything else to help keep local children warm. The coats were then distributed by school teachers to students and by the local Women's Resource Center, the Pioneer Youth Home and the food pantry.

I am proud of my local Montana stations. The United States system of free, over-the-air local broadcasting is the envy of the world and these stations show why. To them I offer my sincere congratulations.●

TRIBUTE TO COL. GERARD W. SCHWARTZ

● Mr. HATCH. Mr. President, I wish to recognize and pay tribute to Col. Gerard W. Schwartz, former Chief of Staff

of the Army Review Board Agency, who will retire on October 1. Colonel Schwartz's career spans three decades in which he distinguished himself as an outstanding soldier and leader.

A Utah native, Colonel Schwartz graduated from Weber State College and began his career in the Army as an enlisted soldier. Working his way up through the ranks, he earned his commission as a lieutenant of the Ordnance Corps through Officer Candidate School. During his career, he served in positions of increasingly greater responsibility, from battalion level through the Secretary of the Army. He has successfully trained and led America's soldiers at home and overseas.

Colonel Schwartz served in the Army during our operations in Grenada, Panama, Somalia, Haiti, Iraq and Afghanistan. His contributions during this period contributed immeasurably to the successes achieved by our forces and will have a lasting effect on the Army in the years to come. Most recently, he served the Secretary of the Army as the Director of the Military Review Board that administers a number of boards available to current and former members of the Army. He made sure that each board was administered with justice, equity and compassion as expected by the Congress. His character, mature judgment, wisdom, and amiable demeanor have earned him the respect and confidence of his subordinates, fellow officers and the General Officers he served with during his illustrious career.

Throughout his career, Col. Gerard Schwartz has demonstrated his profound commitment to our nation, his selfless service to the Army, a deep concern for soldiers and their families, and a relentless commitment to excellence. Colonel Schwartz is a consummate professional whose performance, in over three decades of service, has exemplified the courage, competency, and integrity that our nation expects from its Army officers.

I ask my Colleagues to join me in thanking Colonel Schwartz for his honorable service to the people and the U.S. Army. We wish the Colonel and his family Godspeed and all the best in the future.●

CONGRATULATIONS ODYSSEY OF THE MIND FROM YARDLEY, PA

● Mr. SANTORUM. Mr. President, I rise today to recognize the accomplishments of a very bright and focused group of students: the William Penn Middle School Odyssey of the Mind Team from Yardley, PA. This team of seven children has returned from competition boasting first place out of nearly 700 teams from across the country and around the world. Their perfect score reflects their top performance in all categories of competition, and their exhibition of exceptional creativity has earned them the Ranatra Fusca Award for which the team's name will be placed on a trophy at the Smithsonian Institute.

Odyssey of the Mind is a creative problem-solving program for children of all ages, from kindergarten through college. Through regional, State, country, and international competition, participant groups spend the better part of a year working on a solution to one of five problems as devised by the program. Contestants compete with students of similar age and must meet a number of criteria which include: limiting expenses to a strict budget, building mechanical creations to accomplish specific tasks, writing and staging an original performance, and earning points from the judges based on their solution to the problem they have chosen, style in solving the problem, and their ability to spontaneously answer a problem on the day of competition.

Recycling trash and other discarded materials to build a set and costumes for their performance and to engineer a vacuuming contraption and a water quality enhancer, the Yardley team focused on the issue of environmental preservation. With a theme based on "The Wizard of Oz," the characters of the team's sketch worked on cleaning up an imaginary environment found under a child's bed. The vision of Katie Barberides, Colleen Considine, Andrew Ettenger, Jamie Hale, Greg Plumb, Brianna Pollock, and Evan Verdini was awarded a perfect score from the judges on the three scored fronts. These seven critical thinkers clinched first place at the World Finals in their division, participants under 15 years of age.

I invite my Senate colleagues to join me in congratulating these young intellectuals on their enthusiasm for creative learning and the hard work they put into this problem-solving program. They represent the American spirit of ingenuity and should be very proud of their individual and team accomplishments. I wish them the best of luck in their future endeavors, and I hope they continue to enjoy learning skills through other innovative opportunities.●

LOCAL LAW ENFORCEMENT ACT OF 2001

● Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred August 23, 1993 in Brooklyn, NY. An Irish Gay and Lesbian Organization leader was stabbed. The assailant, a minor, yelled an anti-gay slur during the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe

that by passing this legislation and changing current law, we can change hearts and minds as well.●

CYPRUS 28 YEARS OF OCCUPATION

● Mr. REED. Mr. President, I rise to call attention to the 28th anniversary of the Turkish invasion and occupation in the Republic of Cyprus.

In 1974, the Turkish Government sent 35,000 Turkish troops in two separate actions into Cyprus, ostensibly to put down a coup attempt against Cyprus President Makarios and to protect Turkish Cypriots. However, after taking over 36 percent of the northern part of the island, Turkish troops remained. This led to the Turkish Cypriots declaring their own government, the Turkish Republic of Northern Cyprus; a government only Turkey recognizes.

Since then, the United Nations has maintained a buffer zone between the two land areas. The U.N. Secretary General has called Cyprus "one of the most militarized regions of the world." Despite the U.N.'s presence and numerous attempts at settlement, there have been many tragic results of the Turkish intervention: nearly 200,000 Greek Cypriots have been displaced, over 1,000 Greek Cypriots and 4 Americans remain unaccounted for, over 400 Greek Cypriots remain enclaved in the occupied area, and the Turkish troop presence continues. For this and other reasons, I was proud to cosponsor S.C.R. 28, calling for a U.S. effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

We should be heartened that it appears that the settlement process may be making some progress. Talks between Cyprus President Clerides and Turkish Cypriot Leader Denktash began in January of 2002 under the auspices of the U.N., and although they missed the June deadline for settlement, they have continued their dialog.

The U.S. must remain committed to the settlement process. A durable, comprehensive settlement that addresses the legitimate concerns of both sides and promotes regional stability would benefit Cypress, the region, and U.S. interests. Cypress is an important partner and friend of the U.S. Most recently Cypress has cooperated in the fight against terrorism since September 11 and was of enormous help when it agreed to allow the 13 Palestinians in Bethlehem to stopover temporarily on their final destination in the EU.

On the anniversary of the day Cyprus was divided we must renew our efforts to promote measures aimed at reunification and designed to reduce tensions and promote peace between the two communities.●

TRIBUTE TO ALPHA COMPANY, 1ST BATTALION, 141ST INFANTRY

● Mr. HUTCHINSON. Mr. President, it is my distinct honor and privilege to

recognize the Texans from San Antonio. Alpha Company, 1st Battalion, 141st Infantry, commanded by CPT Scott M. Mac Leod, distinguished themselves as a premier force protection unit in providing flawless security for one of the U.S. Army's chemical munitions stockpiles. Captain Mac Leod's Texas Army National Guard Unit was federalized in October 2001 and has provided force protection to a homeland security mission at Pine Bluff Arsenal, the only active Army installation within the State of Arkansas.

Soldiers of Alpha Company, 1st Battalion, 141st Infantry headquartered in San Antonio, TX, along with other elements of the 141st Infantry Brigade were mobilized as part of President Bush's homeland defense initiative and the war on terrorism. Under the professional and effective leadership of CPT Scott Mac Leod, First Lieutenant Joaquin Campos and First Sergeant Jose Villarreal, the Chemical Site Defense Force surpassed their mission requirements from predeployment, through deployment, to postdeployment. During predeployment, these citizens quickly and selflessly assumed their role as full-time soldiers, and while deployed these soldiers braved the elements 24 hours a day, 7 days a week. All the while, the unit's morale remained high, and after 1 year, several soldiers volunteered for another year. This impressive accomplishment is particularly noteworthy since these citizen-soldiers were given a critical and extremely grueling assignment that kept them away from home for an entire year. When called on by their Commander in Chief, this proud group of Texans came to Arkansas, carved out defensive positions in the Arkansas wilderness, and put forth an inexhaustible effort toward the defense of our homeland. They literally have lived up to their motto, "Remember the Alamo."

It is with great pride that I have risen today to pay tribute to the more than 130 soldiers who make up the Texans from the Alamo. They have selflessly put their private lives on hold to answer the call of duty. Their presence at the Pine Bluff Arsenal has been a powerful deterrent to domestic terrorism and contributed immeasurably toward the domestic assurance of peace. The people of Arkansas are grateful for each soldier's dedication, and we are extremely proud to have had these great Americans as guests in our State over the last year. Alpha Company's remarkable performance in this critically important mission reflects great credit on the State of Texas and the U.S. Army.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the PRESIDING OFFICER laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the Committee on Armed Services.

(The nominations received today are printed at the end of the Senate proceedings.)

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO SIERRA LEONE AND LIBERIA FROM JANUARY 18, THROUGH JULY 17, 2002—PM 105

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Banking, Housing, and Urban Affairs:

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c), and section 204(c) of the International Emergency Economic Powers Act, 50 U.S.C. 1703(c), I am providing herewith a 6-month periodic report prepared by my Administration on the national emergency with respect to Sierra Leone and Liberia that was declared in Executive Order 13194 of January 18, 2001, and expanded in scope in Executive Order 13213 of May 22, 2001.

GEORGE W. BUSH.
THE WHITE HOUSE, July 22, 2002.

MESSAGE FROM THE HOUSE

At 4:31 p.m. a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House agrees to the amendment of the Senate to the bill (H.R. 1209) to amend the Immigration and Nationality Act to determine whether an alien is a child, for purposes of classification as an immediate relative, based on the age of the alien on the date the classification petition with respect to the alien is filed, and for other purposes.

MEASURES READ THE FIRST TIME

The following bill was read the first time:

H.R. 4687. An act to provide for the establishment of investigative teams to assess building performance and emergency response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life.

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-8070. A communication from the General Counsel, General Accounting Office, transmitting, pursuant to law, the Counsel's opinion of July 10, 2002 concluding that the Office of Management and Budget and the Air Transportation Safety Board violated the Antideficiency Act in January 2002 relative to apportionment of Budget Authority for America West Airlines; to the Committee on Appropriations.

EC-8071. A communication from the Acting Chief of Staff, National Indian Gaming Commission, transmitting, pursuant to law, the report of a rule entitled "Minimum Internal Control Standards" (RIN3141-AA24) received on July 18, 2002; to the Committee on Indian Affairs.

EC-8072. A communication from the Director, Minerals Management Service, Department of the Interior, transmitting, pursuant to law, the Proposed Final Outer Continental Shelf Oil and Gas Leasing Program for 2002-2007; to the Committee on Energy and Natural Resources.

EC-8073. A communication from the Deputy Assistant Administrator, Office of Diversion Control, Drug Enforcement Administration, Department of Justice, transmitting, pursuant to law, the report of a rule entitled "Registration and Reregistration Application Fees" (RIN117-AA34) received on July 18, 2002; to the Committee on the Judiciary.

EC-8074. A communication from the President, American Academy of Arts and Letters, transmitting, pursuant to law, the report of activities during calendar year 2001; to the Committee on the Judiciary.

EC-8075. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Untreated Citrus from Mexico Transiting the United States" (Doc. No. 01-073-2) received on July 18, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-8076. A communication from the Congressional Review Coordinator, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Change in Disease Status of Israel Because of BSE" (Doc. No. 02-072-1) received on July 18, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-8077. A communication from the Under Secretary, Food, Nutrition, and Consumer Services, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Food Stamp Program: Work Provisions of the Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 and Food Stamp Provisions of the Balanced Budget Act of 1997" (RIN0584-AC45) received on July 18, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-8078. 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 "Obstetric and Gynecology Devices; Effective Date of Requirement for Premarket Approval for Glans Sheath Devices" (Doc. No. 99N-0922).

EC-8079. A communication from the Director, Office of Safety Standards, Office of Maritime Safety Standards, Occupational Safety and Health Administration, Department of Labor, transmitting, pursuant to law, the report of a rule entitled "Occupational Safety and Health Standards for Shipyard Employment, Technical Amendments" received on July 17, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-8080. A communication from the Acting Assistant General Counsel for Regulations,

Office of the General Counsel, Office of Special Education and Rehabilitative Services, Department of Education, transmitting, pursuant to law, the report of a rule entitled "Persons Aging with Hearing and Vision Loss and Evaluation for the Changing Universe of Disability and Systems Change Activities" received on July 18, 2002; to the Committee on Health, Education, Labor, and Pensions.

EC-8081. A communication from the Associate General Counsel, Central Intelligence Agency, transmitting, pursuant to law, the report of a nomination and a nomination confirmed for the position of Inspector General, received on July 16, 2002; to the Select Committee on Intelligence.

EC-8082. A communication from the Associate General Counsel, Central Intelligence Agency, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Acting General Counsel, received on July 16, 2002; to the Select Committee on Intelligence.

EC-8083. A communication from the Director, Defense Procurement, Department of Defense, transmitting, pursuant to law, the report of a rule entitled "Subcontract Commerciality Determinations" (DFARS Case 2000-D028) received on July 7, 2002; to the Committee on Armed Services.

EC-8084. A communication from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, pursuant to law, a report relative to a cost comparison to reduce the cost of the Aircraft Maintenance and Supply function at Eglin Air Force Base (AFB), Florida; to the Committee on Armed Services.

EC-8085. A communication from the Chairman and Chief Executive Officer, Farm Credit Administration, transmitting, pursuant to law, the Board's report under the Government in the Sunshine Act for calendar year 2001; to the Committee on Governmental Affairs.

EC-8086. A communication from the Chairman of the Tennessee Valley Authority, transmitting, pursuant to law, the report under the Government in the Sunshine Act for calendar year 2001; to the Committee on Governmental Affairs.

EC-8087. A communication from the Secretary of Veterans' Affairs, transmitting, pursuant to law, the report of the Office of the Inspector General for the period October 1, 2001, through March 31, 2002; to the Committee on Governmental Affairs.

EC-8088. A communication from the Secretary of Education, transmitting, pursuant to law, the report of the Office of the Inspector General for the period October 1, 2001 through March 31, 2002; to the Committee on Governmental Affairs.

EC-8089. A communication from the Chairman of the Counsel of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-412, "Cable Television Reform Amendment Act of 2002"; to the Committee on Governmental Affairs.

EC-8090. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, a report on D.C. Act 14-411, "Approval of the Franchise of Comcast Cablevision of the District to Provide Cable Service in the District of Columbia Act of 2002"; to the Committee on Governmental Affairs.

EC-8091. A communication from the Chairman of the Nuclear Regulatory Commission, transmitting, pursuant to law, a report relative to the rule entitled "10 CFR Parts 20, 32, and 35, RIN 3150-AF74, Medical Use of By-product Material"; to the Committee on Environment and Public Works.

EC-8092. A communication from the Principal Deputy Associate Administrator of the

Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval of Section 112(l) Program of Delegation; Minnesota" (FRL7248-9) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8093. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; New Hampshire; VOC RACT Order and Regulation" (FRL7243-2) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8094. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; Arizona—Maricopa County PM-10 Nonattainment Areas; Serious Area Plan for Attainment of the PM-10 Standards" (FRL7141-3) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8095. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Beach Guidance and Required Performance Criteria for Grants" received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8096. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Protection of Stratospheric Ozone: Listing of Substitutes in the Foam Sector" (FRL7247-5) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8097. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Underground Injection Control Program Revision; Aquifer Exemption Determination for Portions of the Lance Formation Aquifer in Wyoming" (FRL7247-7) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8098. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revisions to the California State Implementation Plan, San Joaquin Valley Unified Air Pollution Control District" (FRL7247-8) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8099. A communication from the Principal Deputy Associate Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Zinc Fertilizers Made from Recycled Hazardous Secondary Materials" (FRL8248-3) received on July 17, 2002; to the Committee on Environment and Public Works.

EC-8100. A communication from the Inspector General of the Environmental Protection Agency, transmitting, pursuant to law, the Annual Superfund Report for Fiscal Year 2001; to the Committee on Environment and Public Works.

EC-8101. A communication from the Chairman of the Medicare Payment Advisory Commission, transmitting, pursuant to law, a report on conducting Medicare demonstrations relative to Medicare's potential use of consumer coalitions—community-based, non-profit coalitions that provide information or negotiate on behalf of Medicare beneficiaries; to the Committee on Finance.

EC-8102. A communication from the Chief of the Regulations Unit, Internal Revenue

Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Real Estate Mortgage Investment Conduits" (RIN1545-AW98; TD9004) received on July 18, 2002; to the Committee on Finance.

EC-8103. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Appeals Settlement Guidelines: Utilities—Investment Credit on Transition Property" (UIL 49.05-10) received on July 18, 2002; to the Committee on Finance.

EC-8104. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Internet Corporation and Subs. v. Commissioner" received on July 18, 2002; to the Committee on Finance.

EC-8105. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Applicable Federal Rates—August 2002" (Rev. Rul. 2002-48) received on July 18, 2002; to the Committee on Finance.

EC-8106. A communication from the Chief of the Regulations Unit, Internal Revenue Service, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Relief from Joint and Several Liability" (RIN1545-AW64) received on July 18, 2002; to the Committee on Finance.

EC-8107. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8108. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed Manufacturing License Agreement with Germany and Turkey; to the Committee on Foreign Relations.

EC-8109. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8110. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8111. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8112. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8113. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for India; to the Committee on Foreign Relations.

EC-8114. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to

the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8115. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8116. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8117. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8118. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8119. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8120. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to Pakistan; to the Committee on Foreign Relations.

EC-8121. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8122. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, the report of the certification of a proposed license for the export of defense articles to India; to the Committee on Foreign Relations.

EC-8123. A communication from the Assistant Legal Adviser for Treaty Affairs, Department of State, transmitting, pursuant to law, the report of the texts and background statements of international agreements, other than treaties; to the Committee on Foreign Relations.

EC-8124. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; North Pacific Ocean, Gulf of the Farallones, Offshore of San Francisco, CA" ((RIN2115-AA97)(2002-0126)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8125. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Captain of the Port Houston-Galveston Zone" ((RIN2115-AA97)(2002-0128)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8126. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lower Mississippi River, Southwest Pass Sea Buoy to Mile Marker 96.0, New Orleans, LA" ((RIN2115-AA97)(2002-0129)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8127. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Passaic River, NJ" ((RIN2115-AE47)(2002-0062)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8128. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Three Mile Creek, Alabama" ((RIN2115-AE47)(2002-0060)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8129. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Right to Appeal; Director, Great Lakes Pilotage" ((RIN2115-AG11)(2002-0002)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8130. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Hampton River, NH" ((RIN2115-AE47)(2002-0064)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8131. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Atlantic Intracoastal Waterway, Mile 1074.0 at Hallandale Beach, Broward County, FL" ((RIN2115-AE47)(2002-0063)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8132. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Eastchester Greek, NY" ((RIN2115-AE47)(2002-0065)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8133. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Temporary Requirements for Notification of Arrival in U.S. Port" ((RIN2115-AG24)(2002-0002)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8134. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Lake Erie, Perry, Ohio" ((RIN2115-AA97)(2002-0130)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8135. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of

Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Carquinez Strait, Vallejo and Crockett, CA" ((RIN2115-AA97)(2002-0123)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8136. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Portland Harbor, Oilrig Construction Project" ((RIN2115-AA97)(2002-0122)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8137. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Safety/Security Zone Regulations; Swimming Across San Juan Harbor, San Juan, Puerto Rico" ((RIN2115-AA97)(2002-0120)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8138. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Drawbridge Regulations; Bonfouca Bayou, LA" ((RIN2115-AE47)(2002-0061)) received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8139. A communication from the Chairman, Commission on the Future of the United States Aerospace Industry, transmitting, pursuant to law, an interim report that provides preliminary findings and recommendations on three issues the Commission believes require immediate Administration and Congressional attention; to the Committee on Commerce, Science, and Transportation.

EC-8140. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, Office of Sustainable Fisheries, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; Western Pacific Pelagic Fisheries; Pelagic Longline Gear Restrictions, Seasonal Area Closure, and Other Sea Turtle Take Mitigation Measures" (RIN0648-AN75) received on July 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8141. A communication from the Assistant Administrator, Office of Oceanic and Atmospheric Research, National Oceanic and Atmospheric Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Notice of Open Meeting; Science Advisory Board (SAB) July 9, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8142. A communication from the Chief for Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Fisheries of the Northeastern United States; Atlantic Mackerel, Squid, and Butterfish Fisheries; Closure of Fishery for Loligo Squid" received on July 11, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8143. A communication from the Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Atlantic Highly Migratory Species Fisheries; Atlantic Bluefin Tuna; Retention Limit Adjustments" (I.D. 053102B) received on July 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8144. A communication from the Assistant Administrator for Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Final Rule to Implement a Charter Vessel/Headboat Permit Moratorium Amending the Reef Fish Fishery Management Plan of the Gulf of Mexico (Amendment 20) and Coastal Migratory Pelagic Fishery Management Plan of the South Atlantic and Gulf of Mexico (Amendment 14)" (RIN0648-AO62) received on July 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8145. A communication from the Attorney/Adviser, National Highway Traffic Safety Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Fifth Percentile Female Test Dummy; Response to Petitions for Reconsideration" (RIN2127-AI01) received on July 16, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8146. A communication from the Administrator, Federal Aviation Administration, Department of Transportation, transmitting, pursuant to the Wendell H. Ford Aviation and Investment Reform Act for the 21st Century, the report of a study of recent changes in flight patterns of aircraft using the Sky Harbor Airport in Phoenix, Arizona; to the Committee on Commerce, Science, and Transportation.

EC-8147. 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 Groundfishery; Pacific Coast Groundfish Fishery; Annual Specifications and Management Measures; Trip Limit Adjustment; Pacific Halibut Fisheries; CORRECTION" received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8148. A communication from the Chairman, Federal Maritime Commission, Bureau of Consumer Complaints and Licensing, transmitting, pursuant to law, the report of a rule entitled "Financial Responsibility Requirements for Nonperformance of Transportation—Discontinuance of Self-Insurance and the Sliding Scale, and Guarantor Limitations" (FMC Doc. No. 02-07) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8149. A communication from the Acting Director, Office of Sustainable Fisheries, National Marine Fisheries Service, Office of Sustainable Fisheries, Domestic Fisheries Division, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Fisheries Off West Coast States and in the Western Pacific; West Coast Salmon Fisheries; Inseason Adjustment #1-Commercial and Recreational Inseason Adjustment From Cape Falcon to Humug Mountain, OR" (I.D. 040902H) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8150. A communication from the Deputy Assistant Administrator for Operations, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Financial Assistance for Research and Development Projects to Assess the Potential Suitability of Non-native Oysters in Chesapeake Bay" (RIN0648-ZB19) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8151. A communication from the 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 Pa-

cific; Pacific Coast Groundfish Fishery; Whiting Closure for the Motherhip Sector" received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8152. A communication from the Deputy Assistant Administrator for Regulatory Programs, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled "Magnuson Act Provisions; Foreign Fishing; Fisheries off West Coast States and in the Western Pacific; Pacific Coast Groundfish Fishery; Annual Specifications and Management Measures" (RIN0648-AN82) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8153. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Protection of Naval Vessels" (RIN2115-AG33) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8154. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Frequency of Inspection, Hull Examination Alternative for Certain Passenger Vessels, and Underwater Surveys for Passenger Vessels" ((RIN2115-AF73)(2002-0001)) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8155. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Basic Rates and Charges on Lake Erie and the Navigable Waters from Southeast Shoal to Port Huron, MI" (RIN2115-AG46) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8156. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Regulated Navigation Areas; Savannah River, GA" ((RIN2115-AE84)(2002-0010)) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8157. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Temporary Requirements for Notification of Arrival in U.S. Port" ((RIN2115-AG24)(2002-0003)) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8158. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Limited Service Domestic Voyage Load Lines for River Barges on Lake Michigan" ((RIN2115-AF38)(2002-0002)) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8159. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Commercial Driver's License Standards, Requirements and Penalties; Commercial Driver's License Program Improvements and Noncommercial Motor Vehicle Violations" (RIN2126-AA60) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

EC-8160. A communication from the Chief, Regulations and Administrative Law, United States Coast Guard, Department of Transportation, transmitting, pursuant to law, the

report of a rule entitled "Hybrid III Type 6-Year-Old Size Test Dummy; Final Rule; Response to Petitions for Reconsideration" (RIN2127-AI00) received on July 18, 2002; to the Committee on Commerce, Science, and Transportation.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. INOUE, from the Committee on Indian Affairs, with amendments:

S. 434: A bill to provide equitable compensation to the Yankton Sioux Tribe of South Dakota and the Santee Sioux Tribe of Nebraska for the loss of value of certain lands. (Rept. No. 107-214).

By Mr. ROCKEFELLER, from the Committee on Veterans' Affairs, with amendments:

S. 2074: A bill to increase, effective as of December 1, 2002, the rates of compensation for veterans with service-connected disabilities and the rates of dependency and indemnity compensation for the survivors of certain disabled veterans. (Rept. No. 107-215).

By Mr. HARKIN, from the Committee on Appropriations, without amendment:

S. 2766: An original bill making appropriations for the Departments of Labor, Health and Human Services, and Education and related agencies for the fiscal year ending September 30, 2003, and for other purposes. (Rept. No. 107-216).

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

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

By Mr. VOINOVICH:

S. 2765: A bill to amend chapter 55 of title 5, United States Code, to exclude availability pay for certain Federal law enforcement officers from the limitation on premium pay, and for other purposes; to the Committee on Governmental Affairs.

By Mr. HARKIN:

S. 2766: An original bill making appropriations for the Departments of Labor, Health and Human Services, and Education and related agencies for the fiscal year ending September 30, 2003, and for other purposes; from the Committee on Appropriations; placed on the calendar.

By Mr. AKAKA:

S. 2767: A bill to enhance agricultural biosecurity in the United States through increased prevention, preparation, and response planning; to the Committee on Agriculture, Nutrition, and Forestry.

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

S. 2768: A bill to provide to agricultural producers emergency livestock assistance and assistance for control of grasshoppers and Mormon crickets, with offsets; to the Committee on Agriculture, Nutrition, and Forestry.

By Mr. HARKIN (for himself and Ms. STABENOW):

S. 2769: A bill to amend the Internal Revenue Code of 1986 to prevent the continued use of renouncing United States citizenship as a device for avoiding United States taxes; to the Committee on Finance.

By Mr. DODD (for himself, Mr. WARNER, Mr. LIEBERMAN, Mr. SCHUMER, Mr. BIDEN, Mr. TORRICELLI, Mr. GRASSLEY, Mr. DAYTON, Mr. DURBIN, and Mrs. CLINTON):

S. 2770: A bill to amend the Federal Law Enforcement Pay Reform Act of 1990 to ad-

just the percentage differentials payable to Federal law enforcement officers in certain high-cost areas; to the Committee on Governmental Affairs.

By Mr. JEFFORDS:

S. 2771: A bill to amend the John F. Kennedy Center Act to authorize the Secretary of Transportation to carry out a project for construction of a plaza adjacent to the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. CRAPO:

S. Con. Res. 129: A concurrent resolution expressing the sense of Congress regarding the establishment of the month of November each year as "Chronic Obstructive Pulmonary Disease Awareness Month"; to the Committee on the Judiciary.

ADDITIONAL COSPONSORS

S. 233

At the request of Mr. FEINGOLD, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 233, a bill to place a moratorium on executions by the Federal Government and urge the States to do the same, while a National Commission on the Death Penalty reviews the fairness of the imposition of the death penalty.

S. 486

At the request of Mr. LEAHY, the names of the Senator from Delaware (Mr. BIDEN) and the Senator from Pennsylvania (Mr. SPECTER) were added as cosponsors of S. 486, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 611

At the request of Ms. MIKULSKI, the name of the Senator from Minnesota (Mr. WELLSTONE) was added as a cosponsor of S. 611, a bill to amend title II of the Social Security Act to provide that the reduction in social security benefits which are required in the case of spouses and surviving spouses who are also receiving certain Government pensions shall be equal to the amount by which two-thirds of the total amount of the combined monthly benefit (before reduction) and monthly pension exceeds \$1,200, adjusted for inflation.

S. 999

At the request of Mr. BINGAMAN, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Wisconsin (Mr. FEINGOLD) were added as cosponsors of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. 1339

At the request of Mr. HOLLINGS, his name was added as a cosponsor of S.

1339, a bill to amend the Bring Them Home Alive Act of 2000 to provide an asylum program with regard to American Persian Gulf War POW/MIAs, and for other purposes.

S. 1377

At the request of Mr. SMITH of Oregon, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1377, a bill to require the Attorney General to establish an office in the Department of Justice to monitor acts of inter-national terrorism alleged to have been committed by Palestinian individuals or individuals acting on behalf of Palestinian organizations and to carry out certain other related activities.

S. 1785

At the request of Mr. CLELAND, the names of the Senator from Wyoming (Mr. ENZI), the Senator from Alabama (Mr. SESSIONS), the Senator from North Dakota (Mr. CONRAD), and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 1785, a bill to urge the President to establish the White House Commission on National Military Appreciation Month, and for other purposes.

S. 1806

At the request of Mr. REED, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 1806, a bill to amend the Public Health Service Act with respect to health professions programs regarding the practice of pharmacy.

S. 2059

At the request of Ms. MIKULSKI, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2059, a bill to amend the Public Health Service Act to provide for Alzheimer's disease research and demonstration grants.

S. 2215

At the request of Mrs. BOXER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2215, a bill to halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal importation of Iraqi oil, and by so doing hold Syria accountable for its role in the Middle East, and for other purposes.

S. 2480

At the request of Mr. LEAHY, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2480, a bill to amend title 18, United States Code, to exempt qualified current and former law enforcement officers from state laws prohibiting the carrying of concealed handguns.

S. 2490

At the request of Mr. TORRICELLI, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2490, a bill to amend title XVIII of the Social Security Act to ensure the quality of, and access to, skilled nursing facility services under the medicare program.

S. 2528

At the request of Mr. DOMENICI, the names of the Senator from North Carolina (Mr. EDWARDS) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2528, a bill to establish a National Drought Council within the Federal Emergency Management Agency, to improve national drought preparedness, mitigation, and response efforts, and for other purposes.

S. 2544

At the request of Mr. LEVIN, the names of the Senator from Michigan (Ms. STABENOW) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 2544, a bill to amend the Federal Water Pollution Control Act to authorize the Administrator of the Environmental Protection Agency to make grants for remediation of sediment contamination in areas of concern, to authorize assistance for research and development of innovative technologies for such remediation, and for other purposes.

S. 2554

At the request of Mr. SMITH of New Hampshire, the names of the Senator from Arkansas (Mrs. LINCOLN) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 2554, a bill to amend title 49, United States Code, to establish a program for Federal flight deck officers, and for other purposes.

S. 2602

At the request of Mrs. CLINTON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2602, a bill to amend title 38, United States Code, to provide that remarriage of the surviving spouse of a veteran after age 55 shall not result in termination of dependency and indemnity compensation.

S. 2613

At the request of Mr. LIEBERMAN, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 2613, a bill to amend section 507 of the Omnibus Parks and Public Lands Management Act of 1996 to authorize additional appropriations for historically black colleges and universities, to decrease the cost-sharing requirement relating to the additional appropriations, and for other purposes.

S. 2672

At the request of Mr. BINGAMAN, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2672, a bill to provide opportunities for collaborative restoration projects on National Forest System and other public domain lands, and for other purposes.

S. 2712

At the request of Mr. HAGEL, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2712, a bill to authorize economic and democratic development assistance for Afghanistan and to authorize military assistance for Afghanistan and certain other foreign countries.

S. 2727

At the request of Mr. AKAKA, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 2727, a bill to provide for the protection of paleontological resources on Federal lands, and for other purposes.

S. 2729

At the request of Mr. GRASSLEY, the name of the Senator from Ohio (Mr. VOINOVICH) was added as a cosponsor of S. 2729, a bill to amend title XVIII of the Social Security Act to provide for a medicare voluntary prescription drug delivery program under the medicare program, to modernize the medicare program, and for other purposes.

S. 2734

At the request of Mr. KERRY, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 2734, a bill to provide emergency assistance to non-farm small business concerns that have suffered economic harm from the devastating effects of drought.

S. 2742

At the request of Mrs. HUTCHISON, the name of the Senator from New York (Mr. SCHUMER) was added as a cosponsor of S. 2742, a bill to establish new nonimmigrant classes for border commuter students.

S. RES. 242

At the request of Mr. THURMOND, the names of the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Georgia (Mr. CLELAND), the Senator from South Carolina (Mr. HOLLINGS), the Senator from North Carolina (Mr. EDWARDS), the Senator from New Mexico (Mr. DOMENICI), the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Wisconsin (Mr. KOHL), the Senator from West Virginia (Mr. BYRD), the Senator from Maryland (Mr. SARBANES), the Senator from Arkansas (Mrs. LINCOLN), the Senator from Georgia (Mr. MILLER), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Mississippi (Mr. COCHRAN), the Senator from Louisiana (Ms. LANDRIEU), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. Res. 242, a resolution designating August 16, 2002, as "National Airborne Day".

AMENDMENT NO. 4308

At the request of Mr. TORRICELLI, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of amendment No. 4308 intended to be proposed to S. 812, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals.

AMENDMENT NO. 4309

At the request of Mr. GRAHAM, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of amendment No. 4309 proposed to S. 812, a bill to amend the Federal Food, Drug, and Cosmetic Act to provide greater access to affordable pharmaceuticals.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. SPECTER (for himself and Mr. HARKIN):

S.J. RES. 41. A joint resolution calling for Congress to consider and vote on a resolution for the use of force by the United States Armed Forces against Iraq before such force is deployed; to the Committee on Foreign Relations.

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

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

JOINT RESOLUTION

CALLING FOR CONGRESS TO CONSIDER AND VOTE ON A RESOLUTION FOR THE USE OF FORCE BY THE UNITED STATES ARMED FORCES AGAINST IRAQ BEFORE SUCH FORCE IS DEPLOYED

Whereas Iraq has consistently breached its cease-fire agreement between Iraq and the United States, entered into on March 3, 1991, by failing to dismantle its weapons of mass destruction program, and refusing to permit monitoring and verification by United Nations inspections;

Whereas Iraq has developed weapons of mass destruction, including chemical and biological capabilities, and has made positive progress toward developing nuclear weapons capabilities;

Whereas in his January 29, 2002 "State of the Union" address the President characterized Iraq, Iran and North Korea as an "axis of evil";

Whereas the Secretary of State distinguished Iraq from Iran and North Korea in his testimony before the Senate Budget Committee on February 12, 2002, stating that "for several years now [it has been] a policy of the United States government that a regime change would be in the best interest of the region, [and] the best interest of the Iraqi people";

Whereas in his February 12, 2002 testimony, the Secretary of State specifically stated, "With respect to Iran and with respect to North Korea, there is no plan to start a war with these nations", raising the implication that the United States had a plan to start a war with Iraq;

Whereas, there have been repeated reports in the news media on U.S. plans to use force against Iraq and statements by the President and the Vice President on the intention of the United States to use force against Iraq:

(a) The *New York Times* February 16, 2002, quoting Vice President Cheney saying, "The President is determined to press on and stop Iraq . . . from continuing to develop weapons of mass destruction" and intends to use "the means at our disposal—including military, diplomatic and intelligence to address these concerns";

(b) *New York Times* on July 9, 2002 quoting President Bush on Iraq: "It's the stated policy of this government to have regime change and it hasn't changed. And we'll use all tools at our disposal to do so."

Whereas Congress has the exclusive authority to declare war under Article I, Section 8 of the United States Constitution;

Whereas, the President has authority under Article II, Section 2, of the United States Constitution as Commander-in-Chief, which authorizes him to take military action in an emergency when Congress does not have time to deliberate and decide on a declaration of war or the equivalent authorization for the use of force;

Whereas, within the past half century, Presidents have unilaterally initiated military actions in Korea, Vietnam, Grenada, Lebanon, Panama, Somalia and Kosovo;

Whereas, President George H.W. Bush, although initially stating publicly that he did not need congressional action, ultimately requested authorization from Congress, which was granted in January 1991, to use force against Iraq under circumstances similar to the present situation;

Whereas, there is adequate time for the Congress to deliberate and decide on the authorization to initiate military action against Iraq;

Whereas, if Congress takes no action in the current situation where there is adequate time to deliberate and decide, there will be a significant further, if not virtually complete, erosion of congressional authority under Article I, Section 8 of the United States Constitution.

Whereas, this resolution takes no position on whether such authorization should or should not be granted by Congress;

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That Congress consider and vote on a Resolution authorizing the use of force by the United States Armed Forces against Iraq before such force is deployed against Iraq.

By Mr. VOINOVICH:

S. 2765. A bill to amend chapter 55 of title 5, United States Code, to exclude availability pay for certain Federal law enforcement officers from the limitation on premium pay, and for other purposes; to the Committee on Governmental Affairs.

Mr. VOINOVICH. 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. 2765

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 "Federal Law Enforcement Officers Pay Equity and Reform Act of 2002".

SEC. 2. LIMITATION ON PREMIUM PAY.

(a) IN GENERAL.—Section 5547 of title 5, United States Code, is amended—

(1) in subsection (a), by striking "5545a,";

(2) in subsection (c), by striking "or 5545a"; and

(3) in subsection (d), by striking the period and inserting "or a criminal investigator who is paid availability pay under section 5545a."

SEC. 3. SEPARATE PAY, EVALUATION, AND PROMOTION SYSTEM FOR FEDERAL LAW ENFORCEMENT OFFICERS.

(a) STUDY.—Not later than 6 months after the date of the enactment of this Act, the Office of Personnel Management shall study and submit to Congress a report which shall contain its findings and recommendations regarding the need for, and the potential benefits to be derived from, the establishment of a separate pay, evaluation, and promotion system for Federal law enforcement officers. In carrying out this subsection, the Office of Personnel Management shall take

into account the findings and recommendations contained in the September 1993 report of the Office entitled "A Plan to Establish a New Pay and Job Evaluation System for Federal Law Enforcement Officers".

(b) DEMONSTRATION PROJECT.—

(1) IN GENERAL.—If, after completing its report under subsection (a), the Office of Personnel Management considers it to be appropriate, the Office shall implement, within 12 months after the date of the enactment of this Act, a demonstration project to determine whether a separate system for Federal law enforcement officers (as described in subsection (a)) would result in improved Federal personnel management.

(2) APPLICABLE PROVISIONS.—Any demonstration project under this subsection shall be conducted in accordance with the provisions of chapter 47 of title 5, United States Code, except that a project under this subsection shall not be taken into account for purposes of the numerical limitation under section 4703(d)(2) of such title.

(3) PERMANENT CHANGES.—Not later than 6 months before the demonstration project's scheduled termination date, the Office of Personnel Management shall submit to Congress—

(A) its evaluation of the system tested under the demonstration project; and

(B) recommendations as to whether or not that system (or any aspects of that system) should be continued or extended to other Federal law enforcement officers.

(c) FEDERAL LAW ENFORCEMENT OFFICER DEFINED.—For purposes of this section, the term "Federal law enforcement officer" means a law enforcement officer as defined by section 8331 or 8401 of title 5, United States Code.

SEC. 4. REPORT ON FEDERAL LAW ENFORCEMENT OFFICERS.

(a) IN GENERAL.—Not later than 6 months after the date of enactment of this Act, the Office of Personnel Management shall submit a report to Congress on the definition of a Federal law enforcement officer for purposes of pay and benefits under the provisions of title 5, United States Code.

(b) RECOMMENDATIONS.—The report under subsection (a) shall include recommendations of applying pay and benefit provisions (including retirement under chapters 83 and 84 of title 5, United States Code, and premium pay under subchapter V of chapter 55 of that title) to Federal employees who are not defined as law enforcement officers under those provisions.

SEC. 5. EMPLOYEE EXCHANGE PROGRAM BETWEEN DEPARTMENT EMPLOYEES AND EMPLOYEES OF STATE AND LOCAL GOVERNMENTS.

(a) DEFINITIONS.—In this section:

(1) EMPLOYING AGENCY.—The term "employing agency" means the Federal, State, or local government agency with which the participating employee was employed before an assignment under the Program.

(2) PARTICIPATING EMPLOYEE.—The term "participating employee" means an employee who is participating in the Program.

(3) PROGRAM.—The term "Program" means the employee exchange program established under subsection (b).

(b) ESTABLISHMENT.—The President shall establish an employee exchange program between Federal agencies that perform law enforcement functions and agencies of State and local governments that perform law enforcement functions.

(c) CONDUCT OF PROGRAM.—The Program shall be conducted in accordance with subchapter VI of chapter 33 of title 5, United States Code.

(d) QUALIFICATIONS.—An employee of an employing agency who performs law enforcement functions may be selected to participate in the Program if the employee—

(1) has been employed by that employing agency for a period of more than 3 years;

(2) has had appropriate training or experience to perform the work required by the assignment;

(3) has had an overall rating of satisfactory or higher on performance appraisals from the employing agency during the 3-year period before being assigned to another agency under this section; and

(4) agrees to return to the employing agency after completing the assignment for a period not less than the length of the assignment.

(d) WRITTEN AGREEMENT.—An employee shall enter into a written agreement regarding the terms and conditions of the assignment before beginning the assignment with another agency.

By Mr. AKAKA:

S. 2767. A bill to enhance agricultural biosecurity in the United States through increased prevention, preparation, and response planning; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. AKAKA. Mr. President, I rise today to address the threat of bioterrorist attacks on American agriculture. Agricultural activity accounts for approximately 13 percent of the U.S. gross domestic product and nearly 17 percent of domestic employment.

Agriculture is vital to the health and well-being of citizens in Hawaii and every State of the Union. Hawaii generates more than \$1.9 billion in agricultural sales, and agriculture directly or indirectly employs 38,000 people who provide Hawaiian agricultural products to domestic and foreign markets, especially to our trading partners in Canada and Japan.

While Hawaii's agricultural economy was once dominated by sugarcane and pineapple, Hawaiian exports now include specialty exotic fruits, coffee macadamia nuts, vegetables, flowers, and nursery products. Virtually all of these crops are vulnerable to pests and diseases that are difficult to control when they are accidentally introduced to the islands.

I am no stranger to the need to protect American agriculture from the menace of alien pests and diseases. Throughout my tenure on the House Agriculture Appropriations Subcommittee, I was proud to support important U.S. Department of Agriculture, USDA, programs such as the Animal and Plant Health Inspection Service, APHIS. APHIS serves as an agricultural disease watchdog at our borders and around our farms and plays a vital role in preventing the introduction of agricultural pests and diseases to Hawaii. As a Member of the Senate, my appreciation of these programs continues.

A single outbreak of a highly contagious livestock illness such as foot and mouth disease, FMD, could cost the U.S. economy over \$10 billion. The 2001 FMD outbreak in Great Britain cost over \$7 billion. In 2000, the Banana Bunchy Top Virus threatened the Island of Hawaii's \$10 million banana industry. More recently, the state has

seen an outbreak of the Papaya Ringspot Virus, which threatens a commodity that earned \$16 million in 2000. An outbreak of FMD in Hawaii would threaten a \$28 million milk industry and nearly \$25 million worth of cattle and hogs.

These figures do not take into account the indirect effects on Hawaii's economy if harsh restrictions were placed on travel in rural areas. During the 2001 outbreak of FMD in the United Kingdom, such travel restrictions were imposed to stop the spread of the disease. The cost to businesses directly affected by tourism was nearly as high as the cost to agriculture and the food chain. Clearly, the potential for disruption of our food supply and our economy would be devastating.

My concerns are not unique to Hawaii. We must protect all of American agriculture, which is why I am introducing the Agriculture Security Preparedness Act of 2002. Federal agencies today are not as well prepared as they should be to respond to an agricultural disease emergency.

My bill provides the USDA with the resource and the response mechanisms to protect American farmers, ranchers, and consumers from agroterrorism. An agricultural disease outbreak, whether of natural or deliberate origin, will require coordinated efforts by the USDA, the Federal Emergency Management Agency, FEMA, the Environmental Protection Agency, EPA, and the Departments of Health and Human Services, HHS, Transportation, DOT, and Justice, DOJ. This measure would give the USDA the needed authority and resources to cooperate and coordinate efforts with other federal agencies that have a stake in a rapid and effective response to agricultural disease events.

My legislation improves the government's preparedness and response to outbreaks of foreign and emerging agricultural diseases by: Improving coordination between USDA and FEMA on preparedness and mitigation planning for agricultural disease emergencies; improving coordination between the USDA and the DOJ to review whether state and local laws might impede the rapid and effective implementation of emergency response measures; improving coordination between the USDA, and EPA, and regional and local disaster preparedness officials, to consider the potential environmental impacts of agricultural emergency response measures; establishing a public health liaison within the HHS to coordinate emergency response efforts with the USDA and the animal health and emergency management communities; and establishing clear guidelines for the DOT and USDA to enforce restrictions on interstate transportation in the event of an agricultural disease outbreak.

The National Research Council report "Making the Nation Safer: the Role of Science and Technology in Countering Terrorism," released in June, mirrors several other key provisions in my legislation. It calls for:

Stronger ties to the intelligence community to identify specific threats to American agriculture; increased laboratory capacity for rapidly processing large volumes of clinical samples; development of rapid and sensitive disease diagnostic tools; development of improved livestock vaccines; the use of statisticians and computer models to understand the transmission of agricultural diseases during outbreaks; addressing environmental concerns for the disposal of contaminated crops and livestock; methods and standards for decontaminating areas where agricultural disease outbreaks occur; and communication and public awareness campaigns about the importance of research for protecting American agriculture.

My legislation complements P.L. 107-188, the Public Health Security and Bioterrorism Preparedness and Response Act of 2002, which was signed into law on June 12, by increasing the USDA's ability to develop the resources and response mechanisms to contain and eradicate agricultural diseases when they are discovered on U.S. soil.

By enacting this bill, we can help safeguard American consumers and American agriculture against threats to our food supply and economy. The money and effort spent on protection from agroterrorism should be viewed as a general investment against the routine threats of disease agents and pests that infest crops and livestock. I urge my colleagues to support this important legislation.

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. 2767

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 "Agriculture Security Preparedness Act".

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

Sec. 1. Short title; table of contents.
Sec. 2. Definitions.

TITLE I—PREVENTION

Sec. 101. Inclusion of agroterrorism in terrorist acts involving weapons of mass destruction.
Sec. 102. Legal framework for agroterrorism.
Sec. 103. Study on feasibility of establishing a national agroterrorism and ecoterrorism incident clearinghouse.
Sec. 104. International agricultural disease surveillance.
Sec. 105. Agricultural inspections.
Sec. 106. On-farm and on-ranch biosecurity.

TITLE II—PREPAREDNESS AND MITIGATION

Sec. 201. Interagency coordination.
Sec. 202. Planning.
Sec. 203. Exercises and training.
Sec. 204. Communication with the public.

Sec. 205. Vaccine development and disease research.

Sec. 206. Diagnostic and laboratory capacity.

TITLE III—RESPONSE AND RECOVERY

Sec. 301. Implementation of Federal, State, and local response plans.

SEC. 2. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term "Administrator" means the Administrator of the Environmental Protection Agency.

(2) AGRICULTURAL DISEASE EMERGENCY.—The term "agricultural disease emergency" means a plant or animal disease outbreak that requires prompt action in order to prevent injury or damage to people, plants, livestock, property, the economy, or the environment, as determined by the Secretary pursuant to section 415 of the Plant Protection Act (7 U.S.C. 7715) or section 10407(b) of the Animal Health Protection Act (7 U.S.C. 8306(b)).

(3) AGRICULTURE.—The term "agriculture" includes the science and practice of activity relating to food, feed, and fiber production, processing, marketing, distribution, use, and trade, and also includes family and consumer sciences, nutrition, food science and engineering, agricultural economics and other social sciences, forestry, wildlife, fisheries, aquaculture, floraculture, veterinary medicine, and other environmental and natural resource sciences.

(4) AGROTERRORISM.—The term "agroterrorism" means the commission of an agroterrorist act.

(5) AGROTERRORIST ACT.—The term "agroterrorist act" means a criminal act to cause or attempt to cause damage to or destruction or contamination of a crop, livestock, farm or ranch equipment, material, or other property, or a person engaged in agricultural activity, committed with the intent to intimidate or coerce a civilian population or to influence the policy of a government by intimidation or coercion.

(6) BIOSECURITY.—The term "biosecurity" means protection from the risks posed by biological, chemical, or radiological agents to plant and animal health, the agricultural economy, the environment, and human health, including the exclusion, eradication, and control of biological agents that cause agricultural diseases.

(7) DEPARTMENT.—The term "Department" means the Department of Agriculture.

(8) ECOTERRORISM.—The term "ecoterrorism" means the use of force or violence against a person or property to intimidate or coerce all or part of a government or the civilian population, in furtherance of a social goal in the name of an environmental cause.

(9) SECRETARY.—The term "Secretary" means the Secretary of Agriculture.

(10) ZOONOTIC AGENT.—The term "zoonotic agent" means any bacterium, virus, parasite, or other biological entity that is naturally transmissible from animals to humans.

TITLE I—PREVENTION

SEC. 101. INCLUSION OF AGROTERRORISM IN TERRORIST ACTS INVOLVING WEAPONS OF MASS DESTRUCTION.

It is the sense of Congress that, to formulate and encourage international consensus regarding intentional acts against agriculture and to facilitate disarmament negotiations and international sanctions against weapons of mass destruction, the United Nations Security Council should include agroterrorism in the definition of a terrorist act involving a weapon of mass destruction.

SEC. 102. LEGAL FRAMEWORK FOR AGROTERRORISM.

Section 2332a(a) of title 18, United States Code, is amended—

(1) in paragraph (2), by striking “or” at the end;

(2) in paragraph (3), by striking the comma at the end and inserting “; or”; and

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

“(4) against private property, including property used for agricultural or livestock operations.”.

SEC. 103. STUDY ON FEASIBILITY OF ESTABLISHING A NATIONAL AGROTERRORISM AND ECOTERRORISM INCIDENT CLEARINGHOUSE.

Not later than 240 days after the date of enactment of this Act, the Attorney General, in conjunction with the Secretary, shall submit to Congress a report on the feasibility and estimated cost of establishing and maintaining a national agroterrorism incident clearinghouse to gather information for use in coordinating and assisting investigations on incidents of—

(1) agroterrorism committed against or directed at—

(A) any animal or plant enterprise; or

(B) any person, because of any actual or perceived connection of the person with, or support by the person of, agriculture; and

(2) ecoterrorism.

SEC. 104. INTERNATIONAL AGRICULTURAL DISEASE SURVEILLANCE.

Not later than 1 year after the date of enactment of this Act, the Secretary, in consultation with the Secretary of State and the Administrator of the United States Agency for International Development, shall submit to the appropriate committees of Congress a report on measures taken by the Secretary to—

(1) streamline the process of notification by the Secretary to Federal agencies in the event of outbreaks of agricultural diseases in foreign countries; and

(2) cooperate with representatives of foreign countries, international organizations, and industry to devise and implement methods of sharing information on international plant and animal disease outbreaks and unusual agricultural activities.

SEC. 105. AGRICULTURAL INSPECTIONS.

The Secretary shall—

(1) cooperate with appropriate Federal intelligence officials to improve the ability of the Department to identify agricultural products, livestock, and other goods imported from suspect locations recognized by the intelligence community as having—

(A) experienced agricultural terrorist activities or unusual agricultural disease outbreaks; or

(B) harbored agroterrorists;

(2) use the information collected under paragraph (1) to establish inspection priorities;

(3) not later than 240 days after the date of enactment of this Act, develop a plan to increase the laboratory capacity of the Department and the effectiveness of the Department in detecting the presence of pathogens and disease in agricultural products; and

(4) not later than 1 year after the date of enactment of this Act, submit to the appropriate committees of Congress a report that provides a description, and an estimate of the costs, of the plan developed under paragraph (3).

SEC. 106. ON-FARM AND ON-RANCH BIOSECURITY.

(a) BIOSECURITY GUIDELINES.—

(1) IN GENERAL.—Not later than 240 days after the date of enactment of this Act, in consultation with associations of agricultural producers and taking into consideration the research conducted under subtitle N of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3351 et seq.), the Secretary shall—

(A) develop guidelines—

(i) to improve monitoring of vehicles and materials entering or departing farm or ranch operations; and

(ii) to control human traffic onto farm or ranch operations; and

(B) disseminate the guidelines to agricultural producers through agricultural educational seminars and biosecurity training sessions.

(2) AUTHORIZATION OF APPROPRIATIONS.—

(A) IN GENERAL.—There are authorized to be appropriated to carry out this subsection—

(i) \$5,000,000 for fiscal year 2003; and

(ii) such sums as are necessary for each fiscal year thereafter.

(B) EDUCATION PROGRAM.—Of the amounts made available under subparagraph (A), the Secretary may use such sums as are necessary to establish in each State an education program to distribute the biosecurity guidelines developed under paragraph (1).

(b) BIOSECURITY GRANT PILOT PROGRAM.—

(1) IN GENERAL.—Not later than 240 days after the date of enactment of this Act, the Secretary shall develop a pilot program to provide incentives, in the form of grants or low-interest loans, in an amount not to exceed \$10,000, for agricultural producers to restructure farm and ranch operations (based on the biosecurity guidelines developed under subsection (a)(1)) to—

(A) control access to farms or ranch property by persons intending to commit an agroterrorist act;

(B) prevent the introduction and spread of agricultural diseases; and

(C) take other measures to ensure biosecurity.

(2) REPORT.—Not later than 3 years after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report that—

(A) describes the implementation of the program; and

(B) makes recommendations on expansion of the program.

(3) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection—

(A) \$5,000,000 for fiscal year 2003; and

(B) such sums as are necessary for each of fiscal years 2004 through 2007.

TITLE II—PREPAREDNESS AND MITIGATION

SEC. 201. INTERAGENCY COORDINATION.

(a) AGRICULTURAL DISEASE EMERGENCY MANAGEMENT LIAISON.—The Director of the Federal Emergency Management Agency shall establish a senior level position to serve, as a primary responsibility, as a liaison for agricultural disease emergency management between—

(1) the Federal Emergency Management Agency;

(2) the Department;

(3) the emergency management community; and

(4) the affected industries.

(b) TRANSPORTATION.—The Secretary of Transportation, in consultation with the Secretary of Agriculture and the Director of the Federal Emergency Management Agency, shall—

(1) publish in the Federal Register proposed guidelines for restrictions on interstate transportation of an agricultural commodity or product in response to an agricultural disease emergency created by a foreign or emerging disease affecting the agricultural commodity or product;

(2) provide for a comment period for the proposed guidelines of not less than 90 days;

(3) establish the final guidelines, taking into consideration any comments received under paragraph (2); and

(4) provide the guidelines to officers and employees of—

(A) the Department;

(B) the Department of Transportation; and

(C) the Federal Emergency Management Agency.

(c) ANIMAL HEALTH CARE LIAISON.—The Secretary of Health and Human Services shall establish within the Department of Health and Human Services a senior level position to serve, as a primary responsibility, as a liaison between the Department of Health and Human Services, the Department of Agriculture, the animal health community, the emergency management community, and industry.

(d) REGIONAL, STATE, AND COUNTY PREPARATION.—The Administrator, in consultation with the Secretary, shall cooperate with regional, State, and local disaster preparedness officials to include consideration of potential environmental impacts of response activities when planning responses to agricultural disease emergencies.

SEC. 202. PLANNING.

(a) FEDERAL RESPONSE PLAN.—Not later than 180 days after the date of enactment of this Act, the Director of the Federal Emergency Management Agency, in consultation with the Secretary, shall examine, and revise as necessary, the Emergency Support Functions of the Federal Response Plan, to include the economic, environmental, and medical impacts of naturally-occurring agricultural disease outbreaks and agroterrorist acts in emergency response planning activities.

(b) LOCAL RESPONSE PLANNING.—The Secretary shall cooperate with State agriculture officials, State and local emergency managers, representatives from State land grant colleges, research universities, agricultural producers, and agricultural trade associations to establish local response plans for foreign or emerging agricultural disease emergencies.

(c) ANIMAL CARE.—

(1) IN GENERAL.—The Director of the Federal Emergency Management Agency, in consultation with the Secretary, shall establish a program to provide grants to small communities to facilitate the participation of State and local animal health care officials in community emergency planning efforts.

(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection \$5,000,000 for fiscal year 2003.

(d) MODELING AND STATISTICAL ANALYSES.—

(1) IN GENERAL.—In consultation with the Steering Committee of the National Animal Health Emergency Management Systems and other stakeholders, the Secretary shall conduct a study—

(A) to determine the best use of epidemiologists, computer modelers, and statisticians as members of the emergency response task forces that handle foreign or emerging agricultural disease emergencies; and

(B) to identify the types of data that are not collected but that would be necessary for proper modeling and analysis of agricultural disease emergencies.

(2) REPORT.—Not later than 180 days after the date of enactment of this Act, the Secretary shall submit a report that describes the results of the study to—

(A) the Director of the Federal Emergency Management Agency; and

(B) the heads of other appropriate governmental agencies involved in agricultural disease emergency response planning.

(e) GEOGRAPHIC INFORMATION SYSTEM GRANTS.—

(1) IN GENERAL.—The Secretary shall establish a program to provide grants to States to

develop capabilities to use geographic information systems and statistical models for epidemiological assessments in the event of agricultural disease emergencies.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this subsection—

- (A) \$2,500,000 for fiscal year 2003; and
- (B) such sums as are necessary for each fiscal year thereafter.

SEC. 203. EXERCISES AND TRAINING.

(a) **BEST PRACTICES.**—The Director of the Federal Emergency Management Agency, in consultation with the Secretary, shall—

- (1) establish a task force, consisting of agricultural producers and State and local emergency response officials, to identify best practices for State regional agricultural disaster exercise programs; and
- (2) distribute to States and localities a report that describes the best practices.

(b) **EXERCISES.**—On the basis of the identified best practices, the Secretary shall design and distribute packages of exercises for training, in the form of printed materials and electronic media, for distribution to State and local emergency managers and State agriculture officials.

SEC. 204. COMMUNICATION WITH THE PUBLIC.

(a) **EDUCATION.**—The Secretary, in consultation with agricultural producers and trade associations, shall develop a national education campaign—

- (1) to demonstrate the contribution of agriculture to the well-being of people and economic prosperity of the United States;
- (2) to improve the public image of agriculture in the United States;

(3) to increase public awareness about the potential for negative economic and social effects that could result from foreign or emerging agricultural diseases; and

(4) to increase public awareness of the benefits of animal and plant health research for preventing and responding to agroterrorism.

(b) **OUTREACH.**—The Secretary, in consultation with the Director of the Federal Emergency Management Agency and the Secretary of Health and Human Services, shall establish, as part of agroterrorism preparedness efforts, a program to encourage regional emergency management planners to—

- (1) develop cooperative relationships with agricultural producers, trade associations, and local groups that promote plant and animal health issues to explain to the public the nature of potential agroterrorist threats and the reasons why certain response measures need to be taken; and
- (2) prepare information in the form of brochures, pamphlets, literature packets, CD ROMs, or other similar forms, for distribution to the public in the event of a foreign or emerging agricultural disease emergency.

(c) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated such sums as are necessary for fiscal year 2004 and each fiscal year thereafter to carry out this section.

SEC. 205. VACCINE DEVELOPMENT AND DISEASE RESEARCH.

(a) **IN GENERAL.**—In carrying out the foreign or emerging diseases and pests program of the Department, the Secretary shall establish a program to provide grants to colleges and universities to identify and develop—

- (1) rapid diagnostic tests to identify plant and animal diseases;
- (2) improved vaccines for animal diseases;
- (3) new diagnostic techniques to be used in distinguishing between animals that test positive for exposure to an infectious foreign or emerging animal disease as a result of vaccination and those that test positive as a result of having contracted the disease; and
- (4) techniques to disinfect areas where outbreaks of plant or animal diseases occur.

(b) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this section—

- (1) \$20,000,000 for fiscal year 2003; and
- (2) such sums as are necessary for each fiscal year thereafter.

SEC. 206. DIAGNOSTIC AND LABORATORY CAPACITY.

(a) **RESEARCH ON DISEASE DIAGNOSTIC KITS.**—

(1) **IN GENERAL.**—The Secretary, in consultation with the Secretary of State, the Administrator of the United States Agency for International Development, and representatives of foreign countries, shall seek collaborative agricultural research opportunities in foreign countries in which foreign or emerging agricultural diseases are endemic, to test the performance of disease diagnostic kits and disinfection techniques that, because of low or no known incidence of those agricultural diseases in the United States, have not been adequately tested.

(2) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to expand overseas research collaboration activities of the Department, including research on foreign and emerging plant and animal diseases—

- (A) \$25,000,000 for fiscal year 2003; and
- (B) such sums as are necessary for each fiscal year thereafter.

(b) **ANIMAL DISEASE DIAGNOSTIC LABORATORIES.**—The Secretary of Health and Human Services shall include animal disease diagnostic laboratories in the Laboratory Response Network of the Centers for Disease Control and Prevention.

(c) **CLINICAL SAMPLE SCREENING.**—Not later than 180 days after the date of enactment of this Act, the Secretary and the Secretary of Health and Human Services shall jointly—

- (1) conduct a study to identify means of expanding laboratory capabilities to screen and handle large quantities of veterinary and human clinical samples for foreign or emerging zoonotic agents in the event of an agricultural emergency; and
- (2) submit to the appropriate committees of Congress a report on the results of the study.

(d) **STUDY ON FEASIBILITY OF ESTABLISHING A NATIONAL PLANT DISEASE LABORATORY.**—

Not later than 270 days after the date of enactment of this Act, the Secretary shall submit to the appropriate committees of Congress a report on the feasibility of establishing a national plant disease laboratory, based on the model of the Centers for Disease Control and Prevention, with the primary task of—

- (1) integrating and coordinating a nationwide system of independent plant disease diagnostic laboratories, including existing plant clinics maintained by land grant colleges and universities; and
- (2) increasing the capacity, technical infrastructure, and information sharing capabilities of laboratories described in paragraph (1).

TITLE III—RESPONSE AND RECOVERY

SEC. 301. IMPLEMENTATION OF FEDERAL, STATE, AND LOCAL RESPONSE PLANS.

(a) **GRANT PROGRAM.**—

(1) **IN GENERAL.**—Not later than 240 days after the date of enactment of this Act, the Secretary, in consultation with the Director of the Federal Emergency Management Agency, shall establish a grant program to facilitate the establishment of regional agricultural emergency response networks.

(2) **DUTIES.**—The regional networks established under paragraph (1) shall serve as the basis for coordination by Federal, State, and local officials and industry representatives in the event of a foreign or emerging agricultural disease emergency.

(3) **AUTHORIZATION OF APPROPRIATIONS.**—There are authorized to be appropriated to carry out this subsection—

- (A) \$50,000,000 for fiscal year 2003; and
- (B) such sums as are necessary for each fiscal year thereafter.

(b) **REVIEW OF LEGAL AUTHORITY.**—

(1) **IN GENERAL.**—The Attorney General, in consultation with the Secretary, shall conduct a review of State and local laws relating to agroterrorism and biosecurity to determine—

- (A) the extent to which those laws facilitate or impede the implementation of current or proposed response plans with respect to agricultural emergencies;
- (B) whether an injunction issued by a State court could—

(i) delay the implementation of a Federal response plan; or

- (ii) affect the extent to which an infectious plant or animal disease spreads; and

(C) the types and extent of legal evidence that may be required by State courts before a response plan may be implemented.

(2) **REPORT.**—Not later than 1 year after the date of enactment of this Act, the Attorney General shall submit to the appropriate committees of Congress a report that describes the results of the review conducted under paragraph (1) (including any recommendations of the Attorney General).

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

S. 2788. A bill to provide to agricultural producers emergency livestock assistance and assistance for control of grasshoppers and Mormon crickets, with offsets; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. HAGEL. 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. 2768

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 “Emergency Livestock Assistance Act of 2002”.

SEC. 2. ASSISTANCE FOR LIVESTOCK PRODUCERS.

(a) **IN GENERAL.**—Subject to subsection (b), the Secretary shall use the funds, facilities, and authorities of the Commodity Credit Corporation in an amount equal to \$620,000,000 to make and administer payments for livestock losses using the criteria established to carry out the 1999 Livestock Assistance Program (except for application of the national percentage reduction factor) to producers for 2001 and 2002 losses in a county that has received an emergency designation by the President or the Secretary in calendar year 2001 or 2002.

(b) **PREVENTION OF DOUBLE PAYMENTS.**—If a producer is on a farm located in a county that received an emergency designation described in subsection (a) in each of calendar years 2001 and 2002, the producer may receive payments under this section for losses associated with the declaration in either calendar year 2001 or calendar year 2002, but not both.

SEC. 3. CONTROL OF GRASSHOPPERS AND MORMON CRICKETS.

(a) **IN GENERAL.**—The Secretary shall use \$14,000,000 of the funds of the Commodity Credit Corporation to control grasshoppers and Mormon crickets on Federal, State, and private land during fiscal years 2002 and 2003,

in accordance with section 417 of the Plant Protection Act (7 U.S.C. 7717).

(b) **FEDERAL COST SHARE OF TREATMENT.**—Section 417(d) of the Plant Protection Act (7 U.S.C. 7717(d)) is amended—

(1) in paragraph (2), by inserting “(or, in the case of costs incurred during fiscal years 2002 and 2003, 66.67 percent)” after “50 percent”; and

(2) in paragraph (3), by inserting “(or, in the case of costs incurred during fiscal years 2002 and 2003, 66.67 percent)” after “33.3 percent”.

SEC. 4. OFFSETS.

(a) **LOAN RATES.**—Section 1202 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 7932) is amended—

(1) in subsection (a), by striking “2002 AND 2003 CROP YEARS.—For purposes of the 2002 and 2003 crop years,” and inserting “2002 CROP YEAR.—For purposes of the 2002 crop year,”; and

(2) in subsection (b), by striking “2004 THROUGH 2007 CROP YEARS.—For purposes of the 2004 through 2007 crop years,” and inserting “2003 THROUGH 2007 CROP YEARS.—For purposes of the 2003 through 2007 crop years.”.

(b) **ENVIRONMENTAL QUALITY INCENTIVES PROGRAM.**—

(1) **ALLOCATION OF FUNDING.**—Section 1240B(g) of the Food Security Act of 1985 (16 U.S.C. 3839aa-2(g)) is amended by striking “For each of fiscal years 2002 through 2007, 60 percent” and inserting “For fiscal year 2002 and each of fiscal years 2004 through 2007, 60 percent, and for fiscal year 2003, 100 percent.”.

(2) **FISCAL YEAR 2003 FUNDING.**—Section 1241(a)(6)(B) of the Food Security Act of 1985 (16 U.S.C. 3841(a)(6)(B)) is amended by striking “\$700,000,000” and inserting “\$420,000,000”.

(c) **DESERT TERMINAL LAKES.**—

(1) **IN GENERAL.**—Section 2507 of the Farm Security and Rural Investment Act of 2002 (43 U.S.C. 2211 note; Public Law 107-171) is repealed.

(2) **RESCISSION.**—Funds transferred under that section (as in effect before the amendment made by paragraph (1)) are rescinded.

SEC. 5. REGULATIONS.

(a) **IN GENERAL.**—The Secretary may promulgate such regulations as are necessary to implement this Act and the amendments made by this Act.

(b) **PROCEDURE.**—The promulgation of the regulations and administration of this Act and the amendments made by this Act shall be made without regard to—

(1) the notice and comment provisions of section 553 of title 5, United States Code;

(2) the Statement of Policy of the Secretary of Agriculture effective July 24, 1971 (36 Fed. Reg. 13804), relating to notices of proposed rulemaking and public participation in rulemaking; and

(3) chapter 35 of title 44, United States Code (commonly known as the “Paperwork Reduction Act”).

(c) **CONGRESSIONAL REVIEW OF AGENCY RULEMAKING.**—In carrying out this section, the Secretary shall use the authority provided under section 808 of title 5, United States Code.

By Mr. DODD (for himself, Mr. WARNER, Mr. LIEBERMAN, Mr. SCHUMER, Mr. BIDEN, Mr. TORRICELLI, Mr. GRASSLEY, Mr. DAYTON, Mr. DURBIN, and Mrs. CLINTON):

S. 2770. A bill to amend the Federal Law Enforcement Pay Reform Act of 1990 to adjust the percentage differentials payable to Federal law enforce-

ment officers in certain high-cost areas; to the Committee on Governmental Affairs.

Mr. DODD. Mr. President, I rise today to introduce legislation that is important to Federal law enforcement officers and the people they protect across America. I am joined today by Senator WARNER, Senator LIEBERMAN, Senator SCHUMER, Senator BIDEN, Senator TORRICELLI, Senator GRASSLEY, Senator DAYTON, Senator DURBIN, and Senator CLINTON.

The legislation that we are offering will amend the Federal Law Enforcement Pay Reform Act of 1990 to ensure that the government treats Federal law enforcement officers fairly. This bill will partially increase the locality pay adjustments paid to Federal agents in certain high cost areas. These areas have pay disparities so high they are negatively affecting our Federal law enforcement officers, since locality pay adjustments have either not been increased since 1990, or have been increased negligibly.

All over America, Federal law enforcement personnel are enduring tremendous stress associated with our Nation's effort to protect citizens from the threat of terrorism. Unfortunately, that stress has been compounded by ongoing pressing concerns among many such personnel about their pay. I have heard from officers who have described long commutes, high personal debts, and in some cases, almost all-consuming concerns about financial insecurity. Many of these problems occur when agents or officers are transferred from low-cost parts of the country to high-cost areas. I have been told that some federal officers are forced to separate from their families and rent rooms in the cities to which they have been transferred because they cannot afford to rent or buy homes large enough for a family.

An agent in the San Francisco area recently wrote to me to explain how hard it is to live on the wages currently paid to federal officers in that area. This agent, a military veteran who continues to serve the public, wrote: “I have been with the federal government for 15 years now and never thought that I would be forced to live in a trailer park.” This agent further explained that she and her husband, who is still in the military, cannot afford to buy even a small condominium on their government salaries. They can only barely afford to pay the mortgage on the trailer they purchased for \$255,000.

Unfortunately, the raise in the cost of living in many cities across America has outstripped our Federal pay system. I recognize that this is a problem for other Federal employees and I am prepared to work with my colleagues to address this larger issue. The cost of living has also had a very negative impact on non-federal employees as well and I have consistently worked to ensure that all working Americans enjoy a truly livable wage. The legislation

that we are introducing today in no way suggests that the needs of other workers should be ignored, but it acknowledges that as we continue to ask federal law enforcement personnel to put in long hours and remain on heightened alert, we must provide them with a salary sufficient to allow them to focus on their vital work without nagging worries about how to provide their families with the essentials of food, clothing, and shelter.

The Federal Law Enforcement Officers Association, representing more than 19,000 Federal agents, along with the Fraternal Order of Police, National Association of Police Organizations, National Troopers Coalition, National Organization of Black Law Enforcement Executives, International Brotherhood of Police Organization, and the Police Executive Research Forum have endorsed this legislative proposal. The proposed legislation will increase the pay of federal law enforcement personnel in the following metropolitan areas by the following percentages:

	Percentage
San Francisco—Oakland—San Jose	14.02
San Diego, CA	9.58
Houston—Galveston—Brazoria	12.94
Miami—Ft. Lauderdale	9.34
LA—Riverside—Orange Cty	11.14
Cincinnati—NO KY—IN	8.76
NYC—NO NJ—SO CT	10.44
Seattle—Tacoma—Bremerton	8.90
Chicago—Gary—Kenosha	10.76
Philadelphia—Wilmington—SO NJ	9.03
Detroit—Ann Arbor—Flint	10.57
Portland—Salem	9.26
Hartford, CT	9.67
Minneapolis—St. Paul	8.65
Boston (MA—NJ—ME—CT—RI)	8.43
Sacramento—Yolo	8.42
Denver—Boulder—Greeley	9.74
Washington—Baltimore	8.53

In these difficult time we must remain committed to recruiting, hiring, and retaining law enforcement officers of the highest caliber. However, we must also recognize that the federal government is in competition with State and local police departments that often pay more and provide better standards of living.

I urge all of my colleagues to join us in this effort. I hope that we can quickly pass this important legislation because it will improve the lives of the men and women who are dedicated to protecting and in so doing it will improve the nation's domestic security.

By Mr. JEFFORDS:

S. 2771. A bill to amend the John F. Kennedy Center Act to authorize the Secretary of Transportation to carry out a project for construction of a plaza adjacent to the John F. Kennedy Center for the Performing Arts, and for other purposes; to the Committee on Environment and Public Works.

Mr. JEFFORDS. 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. 2771

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 “John F. Kennedy Center Plaza Authorization Act of 2002”.

SEC. 2. JOHN F. KENNEDY CENTER PLAZA.

The John F. Kennedy Center Act (20 U.S.C. 76h et seq.) is amended—

(1) by redesignating sections 12 and 13 as sections 13 and 14, respectively; and

(2) by inserting after section 11 the following:

“SEC. 12. JOHN F. KENNEDY CENTER PLAZA.

“(a) DEFINITIONS.—In this section:

“(1) AIR RIGHT.—The term ‘air right’ means a real property interest conveyed by deed, lease, or permit for the use of space between streets and alleys within the boundaries of the Project.

“(2) CENTER.—The term ‘Center’ means the John F. Kennedy Center for the Performing Arts.

“(3) GREEN SPACE.—The term ‘green space’ means an area within the boundaries of the Project or affected by the Project that is covered by grass, trees, or other vegetation.

“(4) PLAZA.—The term ‘Plaza’ means improvements to the area surrounding the John F. Kennedy Center building that are—

“(A) carried out under the Project; and

“(B) comprised of—

“(i) transportation elements (including roadways, sidewalks, and bicycle lanes); and

“(ii) nontransportation elements (including landscaping, green space, open public space, and water, sewer, and utility connections).

“(5) PROJECT.—

“(A) IN GENERAL.—The term ‘Project’ means the Plaza project, as described in the TEA-21 report, providing for—

“(i) construction of the Plaza; and

“(ii) improved bicycle, pedestrian, and vehicular access to and around the Center.

“(B) INCLUSIONS.—The term ‘Project’—

“(i) includes—

“(I) planning, design, engineering, and construction of the Plaza;

“(II) buildings to be constructed on the Plaza; and

“(III) related transportation improvements; and

“(ii) may include any other element of the Project identified in the TEA-21 report.

“(6) SECRETARY.—The term ‘Secretary’ means the Secretary of Transportation.

“(7) TEA-21 REPORT.—The term ‘TEA-21 report’ means the report of the Secretary submitted to Congress under section 1214 of the Transportation Equity Act for the 21st Century (20 U.S.C. 76j note; 112 Stat. 204).

“(b) RESPONSIBILITIES OF THE SECRETARY.—

“(1) IN GENERAL.—The Secretary shall be responsible for the Project and may carry out such activities as are necessary to construct the Project, other than buildings to be constructed on the Plaza, substantially as described in the TEA-21 report.

“(2) PLANNING, DESIGN, ENGINEERING, AND CONSTRUCTION.—The Secretary shall be responsible for the planning, design, engineering, and construction of the Project, other than buildings to be constructed on the Plaza.

“(3) AGREEMENTS WITH THE BOARD AND OTHER AGENCIES.—The Secretary shall enter into memoranda of agreement with the Board and any appropriate Federal or other governmental agency to facilitate the planning, design, engineering, and construction of the Project.

“(4) CONSULTATION WITH THE BOARD.—The Secretary shall consult with the Board to maximize efficiencies in planning and exe-

cuting the Project, including the construction of any buildings on the Plaza.

“(5) CONTRACTS.—Subject to the approval of the Board, the Secretary may enter into contracts on behalf of the Center relating to the planning, design, engineering, and construction of the Project.

“(c) RESPONSIBILITIES OF THE BOARD.—

“(1) IN GENERAL.—The Board may carry out such activities as are necessary to construct buildings on the Plaza for the Project.

“(2) RECEIPT OF TRANSFERS OF AIR RIGHTS.—The Board may receive from the District of Columbia such transfers of air rights as are necessary for the planning, design, engineering, and construction of the Project.

“(3) CONSTRUCTION OF BUILDINGS.—The Board—

“(A) may construct, with nonappropriated funds, buildings on the Plaza for the Project; and

“(B) shall be responsible for the planning, design, engineering, and construction of the buildings.

“(4) ACKNOWLEDGMENT OF CONTRIBUTIONS.—

“(A) IN GENERAL.—The Board may acknowledge private contributions used in the construction of buildings on the Plaza for the Project in the interior of the buildings, but may not acknowledge private contributions on the exterior of the buildings.

“(B) APPLICABILITY OF OTHER REQUIREMENTS.—Any acknowledgement of private contributions under this paragraph shall be consistent with the requirements of section 4(b).

“(d) RESPONSIBILITIES OF THE DISTRICT OF COLUMBIA.—

“(1) MODIFICATION OF HIGHWAY SYSTEM.—Notwithstanding any State or local law, the Mayor of the District of Columbia, in consultation with the National Capital Planning Commission and the Secretary, shall have exclusive authority, as necessary to meet the requirements and needs of the Project, to amend or modify the permanent system of highways of the District of Columbia.

“(2) CONVEYANCES.—

“(A) AUTHORITY.—Notwithstanding any State or local law, the Mayor of the District of Columbia shall have exclusive authority, as necessary to meet the requirements and needs of the Project, to convey or dispose of any interests in real estate (including air rights and air space (as that term is defined by District of Columbia law)) owned or controlled by the District of Columbia.

“(B) CONVEYANCE TO THE BOARD.—Not later than 90 days after the date of receipt of notification from the Secretary of the requirements and needs of the Project, the Mayor of the District of Columbia shall convey or dispose of to the Board, without compensation, interests in real estate described in subparagraph (A).

“(3) AGREEMENTS WITH THE BOARD.—The Mayor of the District of Columbia shall have the authority to enter into memoranda of agreement with the Board and any Federal or other governmental agency to facilitate the planning, design, engineering, and construction of the Project.

“(e) OWNERSHIP.—

“(1) ROADWAYS AND SIDEWALKS.—Upon completion of the Project, responsibility for maintenance and oversight of roadways and sidewalks modified or improved for the Project shall remain with the owner of the affected roadways and sidewalks.

“(2) MAINTENANCE OF GREEN SPACES.—Subject to paragraph (3), upon completion of the Project, responsibility for maintenance and oversight of any green spaces modified or improved for the Project shall remain with the owner of the affected green spaces.

“(3) BUILDINGS AND GREEN SPACES ON THE PLAZA.—Upon completion of the Project, the Board shall own, operate, and maintain the

buildings and green spaces established on the Plaza for the Project.

“(f) NATIONAL HIGHWAY BOUNDARIES.—

“(1) REALIGNMENT OF BOUNDARIES.—The Secretary may realign national highways related to proposed changes to the North and South Interchanges and the E Street approach recommended in the TEA-21 report in order to facilitate the flow of traffic in the vicinity of the Center.

“(2) ACCESS TO CENTER FROM I-66.—The Secretary may improve direct access and egress between Interstate Route 66 and the Center, including the garages of the Center.”.

SEC. 3. AUTHORIZATION OF APPROPRIATIONS.

Section 13 of the John F. Kennedy Center Act (as redesignated by section 2) is amended—

(1) by redesignating subsection (c) as subsection (d); and

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

“(c) JOHN F. KENNEDY CENTER PLAZA.—There is authorized to be appropriated to the Secretary of Transportation for capital costs incurred in the planning, design, engineering, and construction of the project authorized by section 12 (including roadway improvements related to the North and South Interchanges and construction of the John F. Kennedy Center Plaza, but not including construction of any buildings on the plaza) \$400,000,000 for the period of fiscal years 2003 through 2010, to remain available until expended.”.

SEC. 4. CONFORMING AMENDMENTS.

(a) SELECTION OF CONTRACTORS.—Section 4(a)(2) of the John F. Kennedy Center Act (20 U.S.C. 76j(a)(2)) is amended by striking subparagraph (D) and inserting the following:

“(D) SELECTION OF CONTRACTORS.—In carrying out the duties of the Board under this Act, the Board may—

“(i) negotiate, with selected contractors, any contract—

“(I) for planning, design, engineering, or construction of buildings to be erected on the John F. Kennedy Center Plaza under section 12 and for landscaping and other improvements to the Plaza; or

“(II) for an environmental system for, a protection system for, or a repair to, maintenance of, or restoration of the John F. Kennedy Center for the Performing Arts; and

“(ii) award the contract on the basis of contractor qualifications as well as price.”.

(b) ADMINISTRATION.—Section 6(d) of the John F. Kennedy Center Act (20 U.S.C. 76l(d)) is amended in the first sentence by striking “section 12” and inserting “section 14”.

(c) DEFINITIONS.—Section 14 of the John F. Kennedy Center Act (as redesignated by section 2) is amended by adding at the end the following: “Upon completion of the project for establishment of the John F. Kennedy Center Plaza authorized by section 12, the Board, in consultation with the Secretary of Transportation, shall amend the map that is on file and available for public inspection under the preceding sentence.”.

SUBMITTED RESOLUTIONS

SENATE CONCURRENT RESOLUTION 129—EXPRESSING THE SENSE OF CONGRESS REGARDING THE ESTABLISHMENT OF THE MONTH OF NOVEMBER EACH YEAR AS “CHRONIC OBSTRUCTIVE PULMONARY DISEASE AWARENESS MONTH”

Mr. CRAPO submitted the following concurrent resolution; which was referred to the Committee on the Judiciary:

S. Con. Res. 129

Whereas chronic obstructive pulmonary disease (referred to in this concurrent resolution as "COPD") is primarily associated with emphysema and chronic bronchitis, conditions with which 3,000,000 and 9,000,000 people in the United States, respectively, have been diagnosed;

Whereas COPD is progressive and irreversible;

Whereas as COPD progresses, the airways and alveoli in the lungs lose elasticity and the airway walls collapse, closing off smaller airways and narrowing larger ones;

Whereas symptoms of COPD include chronic coughing, chest tightness, shortness of breath, increased effort to breathe, increased mucus production, and frequent clearing of the throat;

Whereas risk factors for COPD include long-term smoking, a family history of COPD, exposure to air pollution or second-hand smoke, and a history of childhood respiratory infections;

Whereas more than half of all people who suffer from COPD report that their condition limits their ability to work, sleep, and participate in social and physical activities;

Whereas more than half of all people who suffer from COPD feel they are not in control of their breathing, panic when they cannot catch their breath, and expect their condition to worsen;

Whereas 16,000,000 people in the United States have been diagnosed with some form of COPD and an estimated 16,000,000 people in the United States with COPD are undiagnosed;

Whereas nearly 107,000 people died in the United States of COPD in 1998, making COPD the fourth leading cause of death in the United States;

Whereas COPD accounted for 13,400,000 office visits to doctors in 1997 and 668,362 hospitalizations in 1998;

Whereas COPD costs the economy of the United States an estimated \$30,400,000,000 a year;

Whereas in 1997, 24 States experienced death rates from COPD which were between 41 and 61 deaths per 100,000 people; and

Whereas too many people with COPD are not diagnosed or are not receiving adequate treatment: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That it is the sense of Congress that—

(1) November of each year should be established as "Chronic Obstructive Pulmonary Disease Awareness Month" to raise public awareness about the prevalence of chronic obstructive pulmonary disease and the serious problems associated with the disease; and

(2) the President should issue a proclamation calling on the people of the United States to observe the month with appropriate programs and activities.

AMENDMENTS SUBMITTED AND PROPOSED

SA 4312. Mr. REID (for Ms. MIKULSKI (for himself, Mr. HUTCHINSON, Mr. KERRY, Mr. JEFFORDS, Mr. GREGG, Mr. FRIST, Mr. KENNEDY, Ms. COLLINS, Mrs. CLINTON, Mr. ROBERTS, Mr. WELLSTONE, Mr. ENZI, Mr. BIDEN, Mr. WARNER, Mr. CORZINE, Mr. LUGAR, Mr. LEAHY, Mr. GRAHAM, Ms. CANTWELL, Mrs. LINCOLN, Mr. BAUCUS, Mr. JOHNSON, Mr. HARKIN, Mr. LEVIN, Mr. INOUE, Mr. TORRICELLI, Mr. DOMENICI, Mrs. MURRAY, Mr. DODD, Mr. DASCHLE, Mrs. CARNAHAN, Mr. SMITH of Oregon, Mr. REED, Mr. BREAUX, Mr. BOND, Mr. DAYTON, Mr. DEWINE, Mr. SARBANES, Mr. ALLEN, Mr. CHAFEE, Mr. HAGEL, Mr. SANTORUM, Mr. BAYH, Mr. ROCKEFELLER, Mr.

CLELAND, Mr. SMITH, of New Hampshire, and Mr. INHOFE)) proposed an amendment to the bill H.R. 3487, to amend the Public Health Service Act with respect to health professions programs regarding the field of nursing.

TEXT OF AMENDMENTS

SA 4312. Mr. REID (for Ms. MIKULSKI (for himself, Mr. HUTCHINSON, Mr. KERRY, Mr. JEFFORDS, Mr. GREGG, Mr. FRIST, Mr. KENNEDY, Ms. COLLINS, Mrs. CLINTON, Mr. ROBERTS, Mr. WELLSTONE, Mr. ENZI, Mr. BIDEN, Mr. WARNER, Mr. CORZINE, Mr. LUGAR, Mr. LEAHY, Mr. GRAHAM, Ms. CANTWELL, Mrs. LINCOLN, Mr. BAUCUS, Mr. JOHNSON, Mr. HARKIN, Mr. LEVIN, Mr. INOUE, Mr. TORRICELLI, Mr. DOMENICI, Mrs. MURRAY, Mr. DODD, Mr. DASCHLE, Mrs. CARNAHAN, Mr. SMITH of Oregon, Mr. REED, Mr. BREAUX, Mr. BOND, Mr. DAYTON, Mr. DEWINE, Mr. SARBANES, Mr. ALLEN, Mr. CHAFEE, Mr. HAGEL, Mr. SANTORUM, Mr. BAYH, Mr. ROCKEFELLER, Mr. CLELAND, Mr. SMITH of New Hampshire, and Mr. INHOFE)) proposed an amendment to the bill H.R. 3487, to amend the Public Health Service Act with respect to health professions program.

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the "Nurse Reinvestment Act".

SEC. 2. TABLE OF CONTENTS.

The table of contents for this Act is as follows:

Sec. 1. Short title.

Sec. 2. Table of contents.

TITLE I—NURSE RECRUITMENT

Sec. 101. Definitions.

Sec. 102. Public service announcements regarding the nursing profession.

Sec. 103. National Nurse Service Corps.

TITLE II—NURSE RETENTION

Sec. 201. Building career ladders and retaining quality nurses.

Sec. 202. Comprehensive geriatric education.

Sec. 203. Nurse faculty loan program.

Sec. 204. Reports by General Accounting Office.

TITLE I—NURSE RECRUITMENT

SEC. 101. DEFINITIONS.

Section 801 of the Public Health Service Act (42 U.S.C. 296) is amended by adding at the end the following:

"(9) AMBULATORY SURGICAL CENTER.—The term 'ambulatory surgical center' has the meaning applicable to such term under title XVIII of the Social Security Act.

"(10) FEDERALLY QUALIFIED HEALTH CENTER.—The term 'Federally qualified health center' has the meaning given such term under section 1861(aa)(4) of the Social Security Act.

"(11) HEALTH CARE FACILITY.—The term 'health care facility' means an Indian Health Service health center, a Native Hawaiian health center, a hospital, a Federally qualified health center, a rural health clinic, a nursing home, a home health agency, a hospice program, a public health clinic, a State or local department of public health, a skilled nursing facility, an ambulatory surgical center, or any other facility designated by the Secretary.

"(12) HOME HEALTH AGENCY.—The term 'home health agency' has the meaning given such term in section 1861(o) of the Social Security Act.

"(13) HOSPICE PROGRAM.—The term 'hospice program' has the meaning given such term in section 1861(dd)(2) of the Social Security Act.

"(14) RURAL HEALTH CLINIC.—The term 'rural health clinic' has the meaning given such term in section 1861(aa)(2) of the Social Security Act.

"(15) SKILLED NURSING FACILITY.—The term 'skilled nursing facility' has the meaning given such term in section 1819(a) of the Social Security Act."

SEC. 102. PUBLIC SERVICE ANNOUNCEMENTS REGARDING THE NURSING PROFESSION.

Title VIII of the Public Health Service Act (42 U.S.C. 296 et seq.) is amended by adding at the end the following:

"PART H—PUBLIC SERVICE ANNOUNCEMENTS

"SEC. 851. PUBLIC SERVICE ANNOUNCEMENTS.

"(a) IN GENERAL.—The Secretary shall develop and issue public service announcements that advertise and promote the nursing profession, highlight the advantages and rewards of nursing, and encourage individuals to enter the nursing profession.

"(b) METHOD.—The public service announcements described in subsection (a) shall be broadcast through appropriate media outlets, including television or radio, in a manner intended to reach as wide and diverse an audience as possible.

"(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2003 through 2007.

"SEC. 852. STATE AND LOCAL PUBLIC SERVICE ANNOUNCEMENTS.

"(a) IN GENERAL.—The Secretary may award grants to eligible entities to support State and local advertising campaigns through appropriate media outlets to promote the nursing profession, highlight the advantages and rewards of nursing, and encourage individuals from disadvantaged backgrounds to enter the nursing profession.

"(b) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use funds received through such grant to acquire local television and radio time, place advertisements in local newspapers, or post information on billboards or on the Internet in a manner intended to reach as wide and diverse an audience as possible, in order to—

"(1) advertise and promote the nursing profession;

"(2) promote nursing education programs;

"(3) inform the public of financial assistance regarding such education programs;

"(4) highlight individuals in the community who are practicing nursing in order to recruit new nurses; or

"(5) provide any other information to recruit individuals for the nursing profession.

"(c) LIMITATION.—An eligible entity that receives a grant under subsection (a) shall not use funds received through such grant to advertise particular employment opportunities.

"(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2003 through 2007."

SEC. 103. NATIONAL NURSE SERVICE CORPS.

(a) LOAN REPAYMENT PROGRAM.—Section 846(a) of the Public Health Service Act (42 U.S.C. 297n(a)) is amended—

(1) in paragraph (3), by striking "in an Indian Health Service health center" and all that follows to the semicolon and inserting "at a health care facility with a critical shortage of nurses"; and

(2) by adding at the end the following: "After fiscal year 2007, the Secretary may

not, pursuant to any agreement entered into under this subsection, assign a nurse to any private entity unless that entity is non-profit.”.

(b) ESTABLISHMENT OF SCHOLARSHIP PROGRAM.—Section 846 of the Public Health Service Act (42 U.S.C. 297n) is amended—

(1) in the heading for the section, by striking “LOAN REPAYMENT PROGRAM” and inserting “LOAN REPAYMENT AND SCHOLARSHIP PROGRAMS”;

(2) by redesignating subsections (d), (f), (g), and (h) as subsections (f), (h), (i), and (g), respectively;

(3) by transferring subsections (f) and (g) (as so redesignated) from their current placements, by inserting subsection (f) after subsection (e), and by inserting subsection (g) after subsection (f) (as so inserted); and

(4) by inserting after subsection (c) the following subsection:

“(d) SCHOLARSHIP PROGRAM.—

“(1) IN GENERAL.—The Secretary shall (for fiscal years 2003 and 2004) and may (for fiscal years thereafter) carry out a program of entering into contracts with eligible individuals under which such individuals agree to serve as nurses for a period of not less than 2 years at a health care facility with a critical shortage of nurses, in consideration of the Federal Government agreeing to provide to the individuals scholarships for attendance at schools of nursing.

“(2) ELIGIBLE INDIVIDUALS.—In this subsection, the term ‘eligible individual’ means an individual who is enrolled or accepted for enrollment as a full-time or part-time student in a school of nursing.

“(3) SERVICE REQUIREMENT.—

“(A) IN GENERAL.—The Secretary may not enter into a contract with an eligible individual under this subsection unless the individual agrees to serve as a nurse at a health care facility with a critical shortage of nurses for a period of full-time service of not less than 2 years, or for a period of part-time service in accordance with subparagraph (B).

“(B) PART-TIME SERVICE.—An individual may complete the period of service described in subparagraph (A) on a part-time basis if the individual has a written agreement that—

“(i) is entered into by the facility and the individual and is approved by the Secretary; and

“(ii) provides that the period of obligated service will be extended so that the aggregate amount of service performed will equal the amount of service that would be performed through a period of full-time service of not less than 2 years.

“(4) APPLICABILITY OF CERTAIN PROVISIONS.—The provisions of subpart III of part D of title III shall, except as inconsistent with this section, apply to the program established in paragraph (1) in the same manner and to the same extent as such provisions apply to the National Health Service Corps Scholarship Program established in such subpart.”.

(c) PREFERENCE.—Section 846(e) of the Public Health Service Act (42 U.S.C. 297n(e)) is amended by striking “under subsection (a)” and all that follows through the period and inserting “under subsection (a) or (d), the Secretary shall give preference to qualified applicants with the greatest financial need.”.

(d) REPORTS.—Subsection (h) of section 846 of the Public Health Service Act (42 U.S.C. 297n) (as redesignated by subsection (b)(2)) is amended to read as follows:

“(h) REPORTS.—Not later than 18 months after the date of enactment of the Nurse Reinvestment Act, and annually thereafter, the Secretary shall prepare and submit to the Congress a report describing the programs carried out under this section, including statements regarding—

“(1) the number of enrollees, scholarships, loan repayments, and grant recipients;

“(2) the number of graduates;

“(3) the amount of scholarship payments and loan repayments made;

“(4) which educational institution the recipients attended;

“(5) the number and placement location of the scholarship and loan repayment recipients at health care facilities with a critical shortage of nurses;

“(6) the default rate and actions required;

“(7) the amount of outstanding default funds of both the scholarship and loan repayment programs;

“(8) to the extent that it can be determined, the reason for the default;

“(9) the demographics of the individuals participating in the scholarship and loan repayment programs;

“(10) justification for the allocation of funds between the scholarship and loan repayment programs; and

“(11) an evaluation of the overall costs and benefits of the programs.”.

(e) FUNDING.—Subsection (i) of section 846 of the Public Health Service Act (42 U.S.C. 297n) (as redesignated by subsection (b)(2)) is amended to read as follows:

“(i) FUNDING.—

“(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of payments under agreements entered into under subsection (a) or (d), there are authorized to be appropriated such sums as may be necessary for each of fiscal years 2003 through 2007.

“(2) ALLOCATIONS.—Of the amounts appropriated under paragraph (1), the Secretary may, as determined appropriate by the Secretary, allocate amounts between the program under subsection (a) and the program under subsection (d).”.

TITLE II—NURSE RETENTION

SEC. 201. BUILDING CAREER LADDERS AND RETAINING QUALITY NURSES.

Section 831 of the Public Health Service Act (42 U.S.C. 296p) is amended to read as follows:

“SEC. 831. NURSE EDUCATION, PRACTICE, AND RETENTION GRANTS.

“(a) EDUCATION PRIORITY AREAS.—The Secretary may award grants to or enter into contracts with eligible entities for—

“(1) expanding the enrollment in baccalaureate nursing programs;

“(2) developing and implementing internship and residency programs to encourage mentoring and the development of specialties; or

“(3) providing education in new technologies, including distance learning methodologies.

“(b) PRACTICE PRIORITY AREAS.—The Secretary may award grants to or enter into contracts with eligible entities for—

“(1) establishing or expanding nursing practice arrangements in noninstitutional settings to demonstrate methods to improve access to primary health care in medically underserved communities;

“(2) providing care for underserved populations and other high-risk groups such as the elderly, individuals with HIV-AIDS, substance abusers, the homeless, and victims of domestic violence;

“(3) providing managed care, quality improvement, and other skills needed to practice in existing and emerging organized health care systems; or

“(4) developing cultural competencies among nurses.

“(c) RETENTION PRIORITY AREAS.—The Secretary may award grants to and enter into contracts with eligible entities to enhance the nursing workforce by initiating and maintaining nurse retention programs pursuant to paragraph (1) or (2).

“(1) GRANTS FOR CAREER LADDER PROGRAMS.—The Secretary may award grants to and enter into contracts with eligible entities for programs—

“(A) to promote career advancement for nursing personnel in a variety of training settings, cross training or specialty training among diverse population groups, and the advancement of individuals including to become professional nurses, advanced education nurses, licensed practical nurses, certified nurse assistants, and home health aides; and

“(B) to assist individuals in obtaining education and training required to enter the nursing profession and advance within such profession, such as by providing career counseling and mentoring.

“(2) ENHANCING PATIENT CARE DELIVERY SYSTEMS.—

“(A) GRANTS.—The Secretary may award grants to eligible entities to improve the retention of nurses and enhance patient care that is directly related to nursing activities by enhancing collaboration and communication among nurses and other health care professionals, and by promoting nurse involvement in the organizational and clinical decisionmaking processes of a health care facility.

“(B) PREFERENCE.—In making awards of grants under this paragraph, the Secretary shall give a preference to applicants that have not previously received an award under this paragraph.

“(C) CONTINUATION OF AN AWARD.—The Secretary shall make continuation of any award under this paragraph beyond the second year of such award contingent on the recipient of such award having demonstrated to the Secretary measurable and substantive improvement in nurse retention or patient care.

“(d) OTHER PRIORITY AREAS.—The Secretary may award grants to or enter into contracts with eligible entities to address other areas that are of high priority to nurse education, practice, and retention, as determined by the Secretary.

“(e) PREFERENCE.—For purposes of any amount of funds appropriated to carry out this section for fiscal year 2003, 2004, or 2005 that is in excess of the amount of funds appropriated to carry out this section for fiscal year 2002, the Secretary shall give preference to awarding grants or entering into contracts under subsections (a)(2) and (c).

“(f) REPORT.—The Secretary shall submit to the Congress before the end of each fiscal year a report on the grants awarded and the contracts entered into under this section. Each such report shall identify the overall number of such grants and contracts and provide an explanation of why each such grant or contract will meet the priority need of the nursing workforce.

“(g) ELIGIBLE ENTITY.—For purposes of this section, the term ‘eligible entity’ includes a school of nursing, a health care facility, or a partnership of such a school and facility.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2003 through 2007.”.

SEC. 202. COMPREHENSIVE GERIATRIC EDUCATION.

(a) COMPREHENSIVE GERIATRIC EDUCATION.—Title VIII of the Public Health Service Act (42 U.S.C. 296 et seq.) (as amended by section 102) is amended by adding at the end the following:

“PART I—COMPREHENSIVE GERIATRIC EDUCATION

“SEC. 855. COMPREHENSIVE GERIATRIC EDUCATION.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to develop and implement, in coordination with

programs under section 753, programs and initiatives to train and educate individuals in providing geriatric care for the elderly.

“(b) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use funds under such grant to—

“(1) provide training to individuals who will provide geriatric care for the elderly;

“(2) develop and disseminate curricula relating to the treatment of the health problems of elderly individuals;

“(3) train faculty members in geriatrics; or

“(4) provide continuing education to individuals who provide geriatric care.

“(c) APPLICATION.—An eligible entity desiring a grant under subsection (a) shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(d) ELIGIBLE ENTITY.—For purposes of this section, the term ‘eligible entity’ includes a school of nursing, a health care facility, a program leading to certification as a certified nurse assistant, a partnership of such a school and facility, or a partnership of such a program and facility.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2003 through 2007.”

(b) TECHNICAL AMENDMENT.—Section 753(a)(1) of the Public Health Service Act (42 U.S.C. 294c) is amended by striking “, and section 853(2),” and inserting “, and section 801(2).”

SEC. 203. NURSE FACULTY LOAN PROGRAM.

Part E of title VIII of the Public Health Service Act (42 U.S.C. 297a et seq.) is amended by inserting after section 846 the following:

“NURSE FACULTY LOAN PROGRAM

“SEC. 846A. (a) ESTABLISHMENT.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may enter into an agreement with any school of nursing for the establishment and operation of a student loan fund in accordance with this section, to increase the number of qualified nursing faculty.

“(b) AGREEMENTS.—Each agreement entered into under subsection (a) shall—

“(1) provide for the establishment of a student loan fund by the school involved;

“(2) provide for deposit in the fund of—

“(A) the Federal capital contributions to the fund;

“(B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such school;

“(C) collections of principal and interest on loans made from the fund; and

“(D) any other earnings of the fund;

“(3) provide that the fund will be used only for loans to students of the school in accordance with subsection (c) and for costs of collection of such loans and interest thereon;

“(4) provide that loans may be made from such fund only to students pursuing a full-time course of study or, at the discretion of the Secretary, a part-time course of study in an advanced degree program described in section 811(b); and

“(5) contain such other provisions as are necessary to protect the financial interests of the United States.

“(c) LOAN PROVISIONS.—Loans from any student loan fund established by a school pursuant to an agreement under subsection (a) shall be made to an individual on such terms and conditions as the school may determine, except that—

“(1) such terms and conditions are subject to any conditions, limitations, and requirements prescribed by the Secretary;

“(2) in the case of any individual, the total of the loans for any academic year made by

schools of nursing from loan funds established pursuant to agreements under subsection (a) may not exceed \$30,000, plus any amount determined by the Secretary on an annual basis to reflect inflation;

“(3) an amount up to 85 percent of any such loan (plus interest thereon) shall be canceled by the school as follows:

“(A) upon completion by the individual of each of the first, second, and third year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in a school of nursing, the school shall cancel 20 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment; and

“(B) upon completion by the individual of the fourth year of full-time employment, required by the loan agreement entered into under this subsection, as a faculty member in a school of nursing, the school shall cancel 25 percent of the principle of, and the interest on, the amount of such loan unpaid on the first day of such employment;

“(4) such a loan may be used to pay the cost of tuition, fees, books, laboratory expenses, and other reasonable education expenses;

“(5) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the 10-year period that begins 9 months after the individual ceases to pursue a course of study at a school of nursing; and

“(6) such a loan shall—

“(A) beginning on the date that is 3 months after the individual ceases to pursue a course of study at a school of nursing, bear interest on the unpaid balance of the loan at the rate of 3 percent per annum; or

“(B) subject to subsection (e), if the school of nursing determines that the individual will not complete such course of study or serve as a faculty member as required under the loan agreement under this subsection, bear interest on the unpaid balance of the loan at the prevailing market rate.

“(d) PAYMENT OF PROPORTIONATE SHARE.—Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

“(e) REVIEW BY SECRETARY.—At the request of the individual involved, the Secretary may review any determination by a school of nursing under subsection (c)(6)(B).

“(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2003 through 2007.”

SEC. 204. REPORTS BY GENERAL ACCOUNTING OFFICE.

(a) NATIONAL VARIATIONS.—Not later than 4 years after the date of the enactment of this Act, the Comptroller General of the United States shall conduct a survey to determine national variations in the nursing shortage at hospitals, nursing homes, and other health care providers, and submit a report, including recommendations, to the Congress on Federal remedies to ease nursing shortages. The Comptroller General shall submit to the Congress this report describing the findings relating to ownership status and associated remedies.

(b) HIRING DIFFERENCES AMONG CERTAIN PRIVATE ENTITIES.—The Comptroller General of the United States shall conduct a study to determine differences in the hiring of nurses by nonprofit private entities as compared to the hiring of nurses by private entities that are not nonprofit. In carrying out the study, the Comptroller General shall determine the effect of the inclusion of private entities

that are not nonprofit in the program under section 846 of the Public Health Service Act. Not later than 4 years after the date of the enactment of this Act, the Comptroller General shall submit to the Congress a report describing the findings of the study.

(c) NURSING SCHOLARSHIPS.—The Comptroller General of the United States shall conduct an evaluation of whether the program carried out under section 846(d) of the Public Health Service Act has demonstrably increased the number of applicants to schools of nursing and, not later than 4 years after the date of the enactment of this Act, submit a report to the Congress on the results of such evaluation.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Wednesday, July 24, 2002, at 10 a.m. in room 485 of the Russell Senate Office Building to conduct a hearing on S. 1344, a bill to Encourage Training to Native Americans Interested in Commercial Vehicle Driving Careers.

Those wishing additional information may contact the Indian Affairs Committee at 224-2251.

COMMITTEE ON INDIAN AFFAIRS

Mr. INOUE. Mr. President, I would like to announce that the Committee on Indian Affairs will meet on Thursday, July 25, 2002, at 10 a.m. in room 485 of the Russell Senate Office Building to conduct a hearing on the July 2, 2002 Report of the U.S. Department of the Interior to the Congress on the Historical Accounting of Individual Indian Money Accounts.

Those wishing additional information may contact the Indian Affairs Committee at 224-2251.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Public Lands and Forests of the Committee on Energy and Natural Resources.

The hearing will take place on Tuesday, July 30, 2002, at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, D.C.

The purpose of the hearing is to receive testimony on the following bills:

S. 2016, to authorize an exchange of lands between an Alaska Native Village Corporation and the Department of the Interior, and for other purposes;

S. 2565, to enhance ecosystem protection and the range of outdoor opportunities protected by statute in the Skykomish River Valley of the State of Washington by designating certain lower-elevation Federal lands as wilderness, and for other purposes;

S. 2587, to establish the Joint Federal and State Navigable Waters Commission for Alaska;

S. 2612, to establish wilderness areas, promote conservation, improve public land, and provide for high quality development in Clark County, Nevada, and for other purposes; and

S. Con. Res. 107, expressing the sense of Congress that Federal land management agencies should fully support the Western Governors Association "Collaborative 10-year Strategy for Reducing Wildland Fire Risks to Communities and the Environment", as signed August 2001, to reduce the overabundance of forest fuels that place national resources at high risk of catastrophic wildfire, and prepare a National Prescribed Fire Strategy that minimizes risks of escape.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, 312 Dirksen Senate Office building, Washington, DC 20510.

For further information, please contact David Brooks or Kira Finkler of the Committee staff at (202) 224-4103.

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. BINGAMAN. Mr. President, I would like to announce for the information of the Senate and the public that a hearing has been scheduled before the Subcommittee on Water and Power of the Committee on Energy and Natural Resources.

The hearing will take place on Wednesday, July 31, 2002, at 2:30 p.m. in room 366 of the Dirksen Senate Office Building in Washington, DC.

The purpose of the hearing is to receive testimony on the following bills:

S. 934, to require the Secretary of the Interior to construct the Rocky Boy's North Central Montana Regional Water System in the State of Montana, to offer to enter into an agreement with the Chippewa Cree Tribe to plan, design, construct, operate, maintain and replace the Rocky Boy's Rural Water System, and to provide assistance to the North Central Montana Regional Water Authority for the planning, design, and construction of the noncore system, and for other purposes;

S. 1577, to amend the Lower Rio Grande Valley Water Resources Conservation and Improvement Act of 2000 to authorize additional projects under that Act, and for other purposes;

S. 1882, to amend the Small Reclamation Projects Act of 1956, and for other purposes;

S. 2556, to authorize the Secretary of the Interior to convey certain facilities to the Fremont-Madison Irrigation District in the State of Idaho; and

S. 2696, to clear title to certain real property in New Mexico associated with the Middle Rio Grande Project, and for other purposes.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, 312

Dirksen Senate Office Building, Washington, DC 20510.

For further information, please contact Patty Beneke at (202) 224-5451 or Mike Connor at (202) 224-5479 of the Committee staff.

PRIVILEGE OF THE FLOOR

Mr. AKAKA. Mr. President, I ask unanimous consent that privilege of the floor be granted to Peter Dees and Brett Freedman, congressional fellows in my subcommittee office, throughout the duration of my comments on the introduction of the Agriculture Security Preparedness Act.

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

UNANIMOUS CONSENT REQUEST— H.R. 3210

Mr. REID. Mr. President, I indicated last Thursday that I would return with a unanimous consent request dealing with appointing conferees to the terrorism insurance bill. We fought for weeks to get to the bill. We finally got to the bill, and we passed it. Now we have been working for weeks to try to get a conference.

The President said this bill is important. He said: You have to do something on this bill. We finally passed something. Now we cannot get a conference. This all appears foolish.

Some will remember that Senator DASCHLE said he wanted the ratio on the conference committee to be 3 to 2. The minority said make it 4 to 3. Senator DASCHLE said, OK, we will make it 4 to 3—so we could get it to conference. Still no conference. The last I heard, there were two people who wanted the third slot, so they are fighting over that. I don't know what the reason is. It is very important that we move on with this legislation.

I ask unanimous consent that the Senate proceed to the immediate consideration of Calendar No. 252, H.R. 3210, the terrorism insurance bill; that all after the enacting clause be stricken and the text of S. 2600, as passed in the Senate, be inserted in lieu thereof; the bill, as amended, be read the third time and passed, and the motion to reconsider be laid upon the table; that the Senate insist on its amendment, request a conference with the House on the disagreeing votes of the two Houses, and the Chair be authorized to appoint conferees on the part of the Senate, with a ratio of 4 to 3, all without intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Ms. SNOWE. Mr. President, I object on behalf of the leadership.

The PRESIDING OFFICER. Objection is heard.

Mr. REID. Mr. President, as I said, I will place this in my desk, and I will be back tomorrow to do it again.

This legislation is not good for the country. I hope that we can have cooler heads prevail and that we can go ahead

with the conference. I understand the House is going out for the summer recess this Friday. If the President wants this by the August recess, he had better get to it and ask those folks to allow us to proceed with a conference.

MEASURE READ THE FIRST TIME—H.R. 4687

Mr. REID. Mr. President, it is my understanding that H.R. 4687, just received from the House, is at the desk, and I ask for its first reading.

The PRESIDING OFFICER. The clerk will read the bill for the first time.

The assistant legislative clerk read as follows:

A bill (H.R. 4687) to provide for the establishment of investigative teams to assess building performance and emergency measured response and evacuation procedures in the wake of any building failure that has resulted in substantial loss of life or that posed significant potential of substantial loss of life.

Mr. REID. Mr. President, I now ask for its second reading but object to my own request on behalf of a number of colleagues.

The PRESIDING OFFICER. Objection is heard.

ORDERS FOR TUESDAY, JULY 23, 2002

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it stand in adjournment until tomorrow at 9:45 a.m., Tuesday, July 23; that following the prayer and the pledge, the morning hour be deemed to have expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate be in a period of morning business until 10:45 a.m., with Senators permitted to speak therein for up to 10 minutes each, with the first half of the time under the control of the Republican leader or his designee, and the second half of the time under the majority leader or his designees; that following the disposition of the nomination, the Senate resume legislative session and the time until 12:30 p.m. be equally divided between the two leaders or their designees; further, that the Senate recess from 12:30 until 2:15 p.m. for the weekly party conferences.

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

PROGRAM

Mr. REID. Mr. President, the Senate will vote on cloture on the Surgeon General nomination at 10:45 tomorrow morning. We expect to complete consideration of the nomination shortly after that vote, and we expect to resume consideration of the prescription drug bill, with the time until 12:30 p.m. equally divided between the managers of the bill.

The Senate will vote in relation to the two pending prescription drug

amendments at approximately 2:45 to-morrow afternoon.

ADJOURNMENT UNTIL 9:45 A.M. TOMORROW

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

There being no objection, the Senate, at 6:58 p.m., recessed until Tuesday, July 23, 2002, at 9:45 a.m.

NOMINATIONS

Executive nominations received by the Senate July 22, 2002:

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. ROBERT R. DIERKER, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. PAUL T. MIKOLASHEK, 0000

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES MARINE CORPS TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be general

GEN. JAMES L. JONES JR., 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT AS CHIEF OF NAVAL PERSONNEL, UNITED STATES NAVY, AND APPOINTMENT TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5141:

To be vice admiral

REAR ADM. GERALD L. HOEWING, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED OFFICER FOR A REGULAR APPOINTMENT IN THE GRADE INDICATED IN THE UNITED STATES AIR FORCE UNDER TITLE 10, U.S.C., SECTION 531:

To be lieutenant colonel

KURT R.L. PETERS, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be captain

WILLIAM W. CROW, 0000

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S. CODE, SECTION 531:

To be lieutenant

JOEL C. SMITH, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

JOSEPH R. BECKHAM, 0000

THE FOLLOWING NAMED OFFICER FOR REGULAR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 1211:

To be lieutenant commander

MICHAEL E. MOORE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

CHARLES W. BROWN, 0000
BRAUNA R. CARL, 0000

JOHN M. DANIELS, 0000
AMY E. DERRICK, 0000
TERRENCE L. DUDLEY, 0000
BRADLEY A. FAGAN, 0000
CHRISTINA S. HAGEN, 0000
KENNETH C. MARSHALL, 0000
PATRICK W. MCNALLY, 0000
JOHN F. SHARPE, 0000
TANYA L. WALLACE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

TODD E. BARNHILL, 0000
DAVID S. BROWN, 0000
JAMES A. BUCHANAN, 0000
MARK D. BUTLER, 0000
BRUCE W. FORD, 0000
CHRISTOPHER L. GABRIEL, 0000
PAULA E. HILDEBRAND, 0000
JIMMY D. HORNE JR., 0000
MATTHEW J. MOORE, 0000
TIMOTHY M. RAGLIN, 0000
JUSTIN M. REEVES, 0000
JOHN W. SIMMS, 0000
NEIL T. SMITH, 0000
TIMOTHY B. SMITH, 0000
VICTORIA L. TABER, 0000
DOMINICK A. VINCENT, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

COLLEEN M. BARIBEAU, 0000
STEPHANE C. BLAIS, 0000
ROSETTA BUTLER, 0000
SHARON L. GRAHAM, 0000
MOLLY A. HARRINGTON, 0000
AUDREY HERVEY, 0000
WILLIAM K. JAMES, 0000
JOANNE L. KINS, 0000
MARY K. KORTZ, 0000
HEATHER P. MAY, 0000
HELEN L. MILLER, 0000
MANUEL C. MONTEHERMOSO, 0000
RICHARD OBREGON, 0000
STEVEN R. SORCE, 0000
LYNDA M. WHITTLE, 0000
KIM C. WILLIAMS, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

VINCENT A. AUGELLI, 0000
WILLIAM M. CARTER, 0000
KEVIN P. CHRISTIE, 0000
VITTERIO J. CRISP, 0000
MARISA A. DECILLIS, 0000
CATHERINE W. DONALDSON, 0000
MICHELLE L. GLENN, 0000
BARBARA J. GUTSCH, 0000
WILLIAM K. HAM, 0000
WYATTE B. JONESCOLEMAN, 0000
GARY C. KYTE, 0000
STEVEN M. LEDOUX, 0000
ADAM C. LYONS, 0000
BRADLEY F. MAAS, 0000
SUSAN C. MCGOVERN, 0000
RHONDA T. ONIANWA, 0000
BRYAN T. SCHLOTMAN, 0000
JULIE R. SCHUCHMANN, 0000
SATISH SKARIAH, 0000
PETER J. SZCZEPANKIEWICZ, 0000
WILLIAM R. WAGGONER, 0000
WARREN YU, 0000
REESE K. ZOMAR, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

ANGEL BELLIDO, 0000
JOSEPH R. BLANK, 0000
ALLEN C. BLAXTON, 0000
KENNETH J. BROWN JR., 0000
JEFFREY J. CHOWN, 0000
WILLIAM F. CONROY, 0000
GERALD A. COOK, 0000
CHRISTOPHER J. COUCH, 0000
DUANE L. DECKER, 0000
ALLEN R. FORD, 0000
LOUIS P. GONCALVES, 0000
TYRONE W. GORRICK, 0000
CHRISTOPHER HAMMOND, 0000
JOSEPH A. HENRY, 0000
BRIAN J. LAUER, 0000
RODOLFO E. MARTINEZ, 0000
MICHAEL H. MCCURDY, 0000
MARK E. NIETO, 0000
JEFFREY J. PRONESTI, 0000
DAVID R. SCALF, 0000
TIMOTHY G. SHINN, 0000
JOEL R. TESSIER, 0000
WALTER J. WINTERS, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

MICHAEL P. BANASZEWSKI, 0000

CLAUDIO C. BILTOC, 0000
BENJAMIN T. BURING, 0000
EUGENE F. BUSTAMANTE, 0000
PHILIP N. CAMPBELL, 0000
ANTHONY J. CHERRY, 0000
ANDREW N. COREY, 0000
MATTHEW G. DISCH, 0000
ROBERT S. FAGAN, 0000
JEFFREY S. FREELAND, 0000
VINCENT C. GIAMPIETRO, 0000
MELVIN GRIFFIN, 0000
EMILY P. HAMPTON, 0000
JASON D. HANEY, 0000
BRIAN D. HOFFER, 0000
KYLE I. HOLSTINE, 0000
MATTHEW F. HOPSON, 0000
TRACY E. JARVIS, 0000
DONALD R. JONES JR., 0000
OTIS L. LEAKE, 0000
KEITH W. MALY, 0000
PATTI J. MOYER, 0000
ELIAS OXENDINE, 0000
EDWARD J. PADINSKE, 0000
WILLIAM D. J. PHARIS, 0000
CHAD E. PIACENTI, 0000
ADAM D. PORTER, 0000
STEVEN G. PRENTISS, 0000
TODD PRUETT, 0000
PAUL P. RYNNNE, 0000
TROY A. SHOULDERS, 0000
MIRIAM K. SMYTH, 0000
BENJAMIN A. SNELL, 0000
OSCAR TEQUIDA, 0000
MATTHEW A. VERICH, 0000
DARREN S. WILLIAMS, 0000
THOMAS P. WYPYSKI, 0000
BRIAN S. ZITO, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

STUART R. BLAIR, 0000
ALEXANDER BULLOCK III, 0000
WILLIAM D. CARROLL, 0000
KATHERINE M. DOLLOFF, 0000
KEVIN R. GALLAGHER, 0000
ANDREW S. GIBBONS, 0000
LYNN A. GISH, 0000
TRENT R. GOODING, 0000
CHRISTOPHER J. HANSON, 0000
WILLIAM L. HARDMAN, 0000
JAMES W. HARRELL, 0000
LAURA M. HARTMAN, 0000
ANDREW P. JOHNSON, 0000
JAY H. JOHNSON, 0000
BRIAN L. KELLY, 0000
JAMES A. KNOLL, 0000
RYAN J. KUHLER, 0000
DANIEL L. LANNAMANN, 0000
BRIAN D. LAWRENCE, 0000
DAVID W. LIDDY, 0000
JOHN L. LOWERY, 0000
PETER M. LUDWIG, 0000
CHARLES R. MARSHALL, 0000
RICHARD J. MCCONNELL, 0000
PATRICK M. MCDERMOTT, 0000
STEPHEN R. MEADE, 0000
BRIAN A. METCALF, 0000
RONNIE L. MOON, 0000
ELIZABETH S. OKANO, 0000
ERIK D. OLLER, 0000
JOSEPH R. PRISELLA, 0000
JOSEPH PROBST, 0000
JACK S. RAMSEY JR., 0000
CHRISTOPHER G. RILEY, 0000
JOHN P. ROBINSON II, 0000
MICHAEL J. ROBISON, 0000
MARIA E. SILSDORF, 0000
KEVIN R. SMITH, 0000
TIMOTHY C. SPICER, 0000
SCOTT W. STETSON, 0000
JOHN D. STEVENS, 0000
DOUGLAS L. SWISHER, 0000
MICHAEL E. TAYLOR, 0000
STEPHEN D. TOMLIN, 0000
CRAIG A. WILGENBUSCH, 0000
JON E. WITHEE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be lieutenant commander

WILLIAM L. ABBOTT, 0000
ALLEN D. BALABIS, 0000
DAVID R. BALLANCE, 0000
ROBERT L. BARKSDALE, 0000
DONALD L. BARNHART, 0000
DAVID W. BIBBS, 0000
MICAL L. BINDSCHATEL, 0000
JAMES B. BLEAKLEY, 0000
BRIAN L. BODOH, 0000
DANNY E. BOUCHARD, 0000
ROGER J. BROUILLET, 0000
ALEX S. BROWN, 0000
DAVID W. BROWNELL, 0000
RODNEY J. BURLEY, 0000
ROBERT G. BYRD, 0000
LAWRENCE C. CALLAHAN, 0000
DENNIS L. CAMERON, 0000
ROBERT A. CARMAN, 0000
TERRY V. CARROLL, 0000
COLIN M. CASWELL, 0000
DOUGLAS B. CHANDLER, 0000
JERRY D. CHASE, 0000

DAVID A CHRISTOPHERSON, 0000
CRAIG T COLEMAN, 0000
JON T CORSON, 0000
JAMES D DANNELS JR., 0000
JAMES D DARBY, 0000
GEORGE D DAVIS III, 0000
DAVID A DEARMAN, 0000
JOHN F DEDITIUS, 0000
MARK P DITTIG, 0000
JOHN M DOGGETT, 0000
MATHIS DORF, 0000
ELLEN H DUFFY, 0000
ROBERT A DUNCAN, 0000
DAVID A DYMARCIK, 0000
GREGORY T ECKERT, 0000
WILLIAM C ECKES, 0000
DION J EDON, 0000
ROBERT R FARMER, 0000
ROBIN J FARRIS, 0000
GLENN W FORD, 0000
VINCENT W FRESCHI, 0000
DONALD R GATEWOOD, 0000
RICKY L GILBERT, 0000
CLAY K GLASHEEN, 0000
MICHAEL J GLENN, 0000
HILTON J GLYNN, 0000
HENRY K GREEN, 0000
JEFFERY N HANSON, 0000
WILLIAM B HAYS JR., 0000
DENNIS L HENDRIX, 0000
DENNIS J HENMAN, 0000
EDISON L HENRY, 0000
CARL E HOILMAN, 0000
JOSEF S HORAK, 0000
JEFFREY M HORTON, 0000
BILLY R HYLES, 0000
DERRICK L JACKSON, 0000
WILLIAM R JOHNSON, 0000
BRIAN W JONES, 0000
MICHAEL J JONES, 0000
MARK H JORDEN, 0000
HERBERT G KAATZ, 0000
ARLEN D KEMP, 0000
JAMES E KENNEY JR., 0000
DONALD J KOBEC, 0000
ERICH F LAH, 0000

MICHAEL D LANTHORN, 0000
MICHAEL LAPRADE, 0000
BRIAN R LEE, 0000
ERIC C LEWIS, 0000
GREGORY P LIED, 0000
ANNE E MACFARLANE, 0000
CRAIG T MAJOR, 0000
ANTHONY J MARINELLI, 0000
GARY D MARTIN, 0000
MARTIN P MCCABE, 0000
DANIEL MCGUINNESS, 0000
ROSARIO D MCWHORTER, 0000
DARRELL E MERON, 0000
MARK A MESKIMEN, 0000
MARK E MILLER, 0000
PHILLIP G MILLER, 0000
WILLIAM F MILLER, 0000
RICHARD J MORAWSKI, 0000
JOHN B MORRISON, 0000
STEVEN B MULESKI, 0000
JIMMIE B NEWTON JR., 0000
STEVEN M NICKERSON, 0000
MARK C NISBETT, 0000
SCOTT E NORR, 0000
KEVIN R OLSON, 0000
VINCENT ORTIZ, 0000
BOBBY W OZLEY, 0000
WILLIAM A PAETZ, 0000
DAVID J PARKS, 0000
JAMES M PARTICKA, 0000
RALPH G PAYTON, 0000
RUSSELL L PEACOCK, 0000
LEONARD J PERRIER JR., 0000
JEFFERY D POST, 0000
DAVID L POWELL, 0000
IAKOPO POYER, 0000
WILLIAM M PRESCOTT, 0000
DUNCAN L PRESTON, 0000
THOMAS PRUSINOWSKI, 0000
HARRY S PUTNAM, 0000
ANTONIO C RAMOS, 0000
KEITH W RANSOM, 0000
LEITH E REGAN, 0000
JAMES D RHOADS, 0000
JAMES A ROBERTS, 0000
MARK H ROBERTSON, 0000

STEPHEN P RODES, 0000
JAMES N ROSENTHAL, 0000
DANIEL M ROSSLER, 0000
DOCE D SALAZAR, 0000
CAROL J SCHRADER, 0000
WILLIAM J SCOGGIN, 0000
MICHAEL A SCOTT, 0000
RICHARD W SHARP, 0000
JAMES D SHAW, 0000
GERALD A SHEALEY, 0000
RICHARD T SHELAR, 0000
SCOTT D SILK, 0000
MICHAEL A SIMMONS, 0000
CAREY J SIMS, 0000
REMBRANDT V SMITH, 0000
ROBERT E SMITHBERGER, 0000
THOMAS G SPANGLER, 0000
CLETUS STRAUSBAUGH, 0000
HILARY STROSE, 0000
MARK G SUCHSLAND, 0000
TIMOTHY J SULLIVAN, 0000
CHARLES D SWILLEY, 0000
GREGORY A TESCHNER, 0000
MCDONALD THOMAS, 0000
EDWARD S THOMPSON, 0000
DENNIS B TROUT, 0000
LAUREN L TROYAN, 0000
JAMES P TURNER, 0000
MATTHEW W VINCENT, 0000
MARY M WADSWORTH, 0000
SCOTT A WALKER, 0000
JOHN A WARDEAN, 0000
DAVID S WARNER, 0000
BRYAN F WATTS, 0000
CARVILLE C WEBB, 0000
CHARLES W WEBB, 0000
RAY R WETMORE JR., 0000
SHAWN T WHALEN, 0000
DONALDSON E WICKENS, 0000
JURGEN H WIESE, 0000
WILLIAM A WILLIAMS, 0000
JEFFREY N WOOD, 0000
ALLEN W WOOTEN, 0000
RYSZARD W ZBIKOWSKI, 0000