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Senate

The Senate met at 9 a.m. and was called to order by the Presiding Officer, the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York.

PRAYER

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

God of Hope, fill us with Your Spirit of hope so that we may be positive communicators of hope to the people around us and in the ongoing business of the Senate. Bless the Senators with a fresh draught of dynamic hope. May their hope be more than wishing, yearning, or surface optimism but hope that has its source and strength in Your faithfulness. You gave birth to the American dream, You watched over our growth as a nation with Your providential care, and You intervened in crises and strife to turn our struggles into stepping stones toward Your vision of a nation of righteousness, justice, and opportunity. We have every reason to be hopeful as we deal with the momentous and mundane issues this day will dish out. Give the Senators the zest, verve, and vitality of authentic hope today. For them and all of us who work with or for them, we pray that You will hope through us, God of Hope. Only then can we experience the deep wells and living streams of true hope for everyone and every problem, every circumstance and every situation. With vibrant hope we press on with expectation and enthusiasm. Amen.

PLEDGE OF ALLEGIANCE

The Honorable HILLARY RODHAM CLINTON 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.

APPOINTMENT OF ACTING PRESIDENT PRO TEMPORE

The PRESIDING OFFICER. The clerk will read a communication to the Senate from the President pro tempore (Mr. BYRD).

The assistant legislative clerk read the following letter:

U.S. SENATE,
PRESIDENT PRO TEMPORE,
Washington, DC, July 25, 2001.

To the Senate:

Under the provisions of rule I, paragraph 3, of the Standing Rules of the Senate, I hereby appoint the Honorable HILLARY RODHAM CLINTON, a Senator from the State of New York, to perform the duties of the Chair.

ROBERT C. BYRD,
President pro tempore.

Mrs. CLINTON thereupon assumed the chair as Acting President pro tempore.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The ACTING PRESIDENT pro tempore. Under the previous order, there will now be a period for the transaction of morning business not to extend beyond the hour of 10 a.m., with Senators permitted to speak therein for up to 10 minutes each.

RECOGNITION OF THE ACTING MAJORITY LEADER

The Senator from Nevada is recognized.

ORDER OF PROCEDURE

Mr. REID. Madam President, I ask unanimous consent that the minority have their full 30 minutes this morning and that the majority also have their full 30 minutes.

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

SCHEDULE

Mr. REID. Madam President, there will be 1 hour of morning business today, with the first 30 minutes under the control of Senator HUTCHISON. For the second 30 minutes, Senator DURBIN will speak from 9:30 to approximately 9:45. The final 15 minutes of the majority's time will be consumed by Senator WELLSTONE.

Shortly after 10 a.m., the Senate will resume consideration of the Transportation Appropriations Act. The majority leader has indicated there will be rollcall votes on amendments or other matters throughout the day.

In addition, as the leader announced last night, the Senate will likely consider several Executive Calendar nominations and S. 1218, the Iran-Libya sanctions bill. As a foundation from the prayer of the Chaplain where he said we should go forward with zest, verve, and vitality, I am not sure I can define each of those, but they sound really good. I hope we can move forward expeditiously and complete our work prior to the target adjournment next Friday—a week from this Friday.

The ACTING PRESIDENT pro tempore. The Senator from Texas is recognized for 30 minutes.

TAX REBATES

Mrs. HUTCHISON. Madam President, I rise today to talk about the tax rebate checks that started going in the mail this very week. In fact, I have already talked to someone who has received a tax rebate. It made me feel so good to know that something we have worked so long to do and so hard to do is now beginning to reach the American people.

I think it is a very timely opportunity for the American people to have

a little extra money in their pocketbooks, to be able to do some of the things that maybe they weren't going to be able to do, and also, hopefully, to help spur this economy that is certainly in a stagnant phase.

We are very excited that July 23 is the week that the first set of checks go out. They will be going out between now and the end of September. And everyone who paid taxes last year will receive a rebate. If you paid taxes and you are a single person, you will receive $300. If you paid $300, you will receive $300 back. If you are a single person who is the head of a household—a single mom or dad—you will receive $500 in the mail. If you are a married couple, you will receive $600 in the mail if you paid taxes and if you filed your taxes for 2000. Starting July 23, those checks will be in the mail during the course of the next 2 months.

Now, we are very hopeful that people will be able to take this money and do something that they might not have been able to do otherwise. It might be just helping buy the children back-to-school supplies or clothes or shoes; it might be a little added something for a vacation—if you are getting your check in time for vacation, or maybe you are planning on doing it. It could be investing for your pension. It could be that little added bonus of $300 or $600 that you would put into retirement. Whatever a person does with their money will help the economy because it will be an investment—an investment in something for use today or an investment in something for use over the next few years. All of that will be helpful. We are looking at layoffs being advertised in the newspaper now, so people are needing that little extra boost in many ways.

I think it is just a great opportunity to say that we do have a surplus in our Government. We are doing the job that we were elected to do in a responsible way by covering the expenses that we know we must cover—expenses such as a strong national defense, expenses for Medicare and Social Security, expenses for the welfare needs for our country. A lot of money is going into education. We are increasing education spending by 14 percent.

But there is still money left over because we have been careful with our taxpayer dollars, and we thought that the people should share in that surplus. They created that surplus and they should share in it. They pay for it. The taxpayers of our country fund the Government, and when we are efficient, we think the taxpayers who pay the bills should get the return.

We are very proud of the fact that the checks are starting to come in the mail today and people will start seeing they have money coming.

I am proud all of us in Congress have come together to do this, and I am very pleased this rebate is just the beginning. In fact, we are going to see rate cuts. Many people who have taxes withheld will see their withholding has gone down 1 percent. So less is being taken out of their paycheck. They will be paying fewer taxes next year and every year for the next 10 years.

Over the next 10 years, we will gradually decrease the marriage tax penalty. This is a tax that hits married couples where there are two working spouses and they pay more in taxes because of a quirk in the Tax Code, and we are eliminating that quirk or at least we are whittling it away. We have not totally eliminated it, but hopefully we will get to do that someday as well.

We are lowering the marriage tax penalty. We are going to eliminate the death tax, a tax that I think is the wrong approach. If one is seeking the American dream, we want them to keep the money they earn and we want them to be able to pass it to their children if they choose to do that. We certainly do not think Uncle Sam should tax a person's death, and we especially do not want people to have to sell assets—small business assets or property—in order to pay the death tax.

There is more coming. The downpayment is in the mail today, and we are very proud to be able to talk about it.

I thank the Chair. I yield the floor to the Senator from Missouri.

Mr. BOND. Madam President, my sincere thanks to my colleague from Texas for giving us that fine overview of what is happening this week. I am very happy to report I had the pleasure last Friday of joining my colleague from Kansas, Senator BROWNBACK, and several Members of the House, in a trip to Kansas City, MO, with the Vice President and the Secretary of the Treasury, Paul O'Neill.

We went out to see a fascinating operation, not well-known, the Federal Financial Management Service branch of the Treasury in Clay County, North Kansas City. There the men and women who work for the Treasury Department's FMS are turning out 1.2 million checks a day. They print the checks, they put them in envelopes, they sort them by ZIP Code, and they are ready to go out the door. They do the whole process there. There are 1.2 million checks a day going out.

I do not happen to have the lowest last two digits in my Social Security number, so mine will not be coming for several weeks, but it was thrilling to see a promise made and a promise kept.

That is one of the things the Vice President talked about, and the President joined us by videotape to emphasize the fact that last year he said we needed a tax reduction, and he delivered. He delivered with help from a Republican Congress, and we also thank those on the other side of the aisle who joined with us to make it a bipartisan push to get the bill passed ultimately, and three Members from the other side of the aisle who stayed with us on the very difficult votes to make sure we did not lose any more from the amount promised by the President.

The President signed the Economic Growth and Tax Relief Reconciliation Act of 2001 on June 7, and we are seeing literally the checks in the mail. It is a change from the old laugh lines from the Federal Government: I am here to help you, and the check is in the mail. This time we are from the Federal Government, the checks are in the mail, but we are returning your money. This is not somebody else's money you are getting.

This act provides the largest tax cut to the American people since 1981, and not a moment too soon given the economic slump we are currently enduring.

There has been a lot of talk about how maybe, with the economy slowing down, we cannot afford a tax cut. Let me tell my colleagues and anyone else who is interested that whether you are a supply-sider or a Keynesian, there is no better time for tax relief to get the economy moving by leaving money in the hands of those who earned it and allowing them to spend it and invest it. My colleague from Texas told us about the many different uses these tax rebates can be put to, but putting that money back in the hands of the hard-working Americans who earned it is the very best thing we can do to get the economy growing again.

We saw what happened when the Republican Congress pushed through a capital gains reduction about 4 or 5 years ago. No. 1, despite the gloomy predictions of many old-line liberal economists, receipts to the Federal Government did not go down. In fact, they went up because more people unlocked the investments they had locked away with large capital gains built up and they sold those assets, generating revenue for the Federal Government. More important, they invested in the economy, in the information technology that kept the economy growing through much of the remainder of the 1990s.

Alan Greenspan, who is no wild-side, born-again, anti-government conservative, had been preaching to us on the Budget Committee, the Banking Committee, and anybody who would listen to him that we needed to start reducing the debt.

With the Republican takeover of Congress in 1994, we did force through a balanced budget. We did bring spending under control. We are starting to bring the debt down. We have provided the incentive for the economy to grow with a capital gains tax reduction, and we generated more revenue with that tax reduction.

Late last fall, when Alan Greenspan came before us, he said: The time has come to start giving money back to those who earned it. Tax rates are too high. We need to continue to move to reduce the debt, but we have threatened to build up such a surplus, because of the excessive taxation imposed on this economy in 1993, that we are going to be in a position where we will put a stranglehold on the economy and potentially have the Federal Government buying up private assets, i.e.,

nationalism or socialism, if we do not start leaving more money in the pockets of hard-working Americans. So we began the process promised by President Bush of reducing taxes.

It turns out that not the recession officially but the downturn that was forecast by the stock market in March of last year, and which really began to take effect this quarter a year ago, which really accelerated during the winter, was getting worse, and the tax relief that President Bush promised was not only a matter of fairness for American taxpayers but it was a vitally needed boost for the economy.

When there is an economic downturn, the worst thing that can be done is to raise taxes. Herbert Hoover had a depression named after him because when he saw the economy turn down, he said: We have to maintain the surplus. So he jacked up taxes and tariffs, and he led the United States to take the world down into a worldwide depression.

I hope we have learned. I hope we have learned we can tell those naysayers who say, oh, my gosh, we have an economic downturn so we have to raise taxes, that is the dumbest thing we can do. There is very rarely a time when we will see fiscal policy being an accurate, effective countercyclical measure.

This is the time to put money back in the pockets of hard-working Americans who have earned it. I am very proud to have been one to support that tax cut all the way.

The rebate checks are going out, the child tax credit will increase, the marriage penalty will be reduced, educational savings improvements will be made. For Missouri small businesses, the devastating impact of the death tax will be reduced, and there will be incentives for helping people fund their retirement.

There is more to be done. I look forward to working with my colleagues to assure that permanent tax relief, that this measure is made permanent, and that we have a more fair, simpler, and flatter Tax Code. We are working to fulfill the promise that President Bush made. I am proud to have been part of it. I look forward to continuing to work on that team.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. I thank the Senator from Missouri for talking about his trip with the Vice President, and once again emphasizing a promise made is a promise kept. I thank the Senator from Missouri.

I yield up to 5 minutes to the Senator from Idaho.

The ACTING PRESIDENT pro tempore. The Senator from Idaho.

Mr. CRAIG. Madam President, I thank my colleague from Texas for bringing this issue to the floor this morning and allowing time to talk about what is going on in the mailboxes of Americans today. The rebate checks are coming home.

A week and a half ago I was in Idaho walking across a street in a small town. A lady yelled across the street at me: When am I getting my check?

True story. It happened. I said: They will be mailed out in a week and a half. What are you going to do with your check?

She says: I have four kids and we are going to Wal-Mart to buy school clothes.

That is the message that is coming home to America today. President Bush recognized that hard-working Americans were being taxed at the highest level ever in our country's history. He worked with us, we supported him, and as a result, when someone says today ''the check is in the mail,'' literally it is happening.

This week, America's taxpayers began to receive the rebate check we promised them, that President Bush promised them, that began to pull down the surplus and keep money out of the hands of Government and return tax dollars to the hard-working American families who sent them here in the first place.

In Idaho households, over 380,000 checks will arrive between now and September 24. That represents $167 million to Idaho. That is a lot of money in our State. We are a small State. We have 1.2 million citizens. That is going to have a phenomenal impact on the Idaho economy. Nationally, that is 91.6 million taxpayers and about $39 billion.

This time, I am proud of what we have done as a Congress. Congress did it right. Tax relief is reaching the people at the right time. It will boost their confidence in the economy and their Government. I think it will restore a little financial freedom when they need it. I think you must always recognize with hard-working families, mom and dad both working, if they have children, and of course they want children, that is a very important but very real expense.

Just like that lady in Blackfoot the other day who said, ''I'm going to Wal-Mart and buy clothes for my kids,'' Americans will spend it; they will save it. I don't care about all the great speculation and debate that Americans are not going to save it and it isn't going to help the economy. Speculators, frankly, I don't care. It is the citizens' money that is being returned to them and they will do a little bit of both with it. I think it is important we recognize once the money is in the hands of the American working family, politicians can't direct it or, more importantly, misdirect it.

The moms will go to Wal-Mart and buy clothes for their kids. It may pick up a good number of tankfuls of gas. It may well put food on the table or it might go into someone's savings account. That is what it is all about.

I heard some critics try to disparage or make fun of the rebate, saying it is only $300 or $500 or $600. To some families, getting a $600 check in the mail can make all the difference in the world about some of the choices they will make this late summer or fall. It may well be the price they pay for a little additional vacation they had cut short because of the energy bills and the higher gas prices that they were going to be paying this year. That is what a tax rebate is all about. Anyone who ridicules the rebate, my guess is they have lost touch with the American people and the hard-working men and women who get up every day and go to work and spend 8 or 10 or 12 hours at work and pay their taxes because they think that is the way good Americans ought to function. Many do it, and thank goodness they do it. Now we are able to reward them just a little bit.

My advice to the naysayer: If you don't need the rebate, give it back to the Treasury. Give it to a charity. Do something with it other than spend it on your family or save it because it is your money and we have guaranteed you the freedom to make that choice.

By the way, the Treasury Department has always had a fund to receive contributions. So those who do not like the tax cut, give it back. Those who find it valuable, spend it and enjoy it. It is your money. The check is in the mail.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. I thank the Senator from Idaho. I appreciate all the work he has done to make this tax relief package a reality. He has been working on it for a long time. He is one of our leaders and we appreciate his keeping the promises he made to the people of Idaho in helping every American have a little more money in the next 2 months to spend on the needs that he described, such as the mom of four children going to Wal-Mart to buy the clothes for her children to start school.

Now, Madam President, I yield up to 5 minutes to Senator Thomas from Wyoming.

The ACTING PRESIDENT pro tempore. The Senator from Wyoming.

Mr. THOMAS. Madam President, I thank my friend, the Senator from Texas, for this time.

It is important we talk a little bit about some of the things that have been done and the impact we will see immediately. This is unique. I cannot recall it ever happening this way before, where there were excessive dollars available that came in, and more taxes than were necessary to carry out the essential elements of Government. There was a need for an economic boost and there is. So we took this opportunity to return some of this excess money to the people who have paid it.

That is a basic issue and one we deal with quite often. That is a difference of philosophy in terms of how we handle money. Obviously, everyone agrees there has to be a sufficient amount of money to take care of the necessary functioning of Government, although there is a difference in view of what the

functions would be. There is also a philosophical difference among those who would say we have money, so let's increase the role of Government; let's spend more and have more programs. Others say, wait a minute, let's try to keep the role of Government limited and return this excess money to the people who paid it. That is what this is.

It is a very basic issue, one that is philosophical but it is the right thing to do.

I hear this business, from time to time, about millionaires are going to get $300 a day. How many people do you think, of all the taxpayers who are going to get a check in the mail, are millionaires? The people I have seen are not millionaires, the people who are going to get some of the money they paid. All taxpayers who have paid their dollars will reap some benefits from this distribution.

That is what it is all about. Further, I think it is necessary at the same time to recognize that on June 7 of this year, this Republican Congress and the White House kept a commitment to the American people and delivered the most significant tax relief in 20 years. Not only will we have this distribution, of course, which is designed to give some immediate impact to it, both for the taxpayers themselves and for the economy—$300 for single filers, $500 for single moms, $600 for families, and that is very important—but following that, of course, is a new tax law that goes a long way to restore fairness in the Tax Code.

It reduces the marriage penalty, which my friend from Texas was obviously almost the singular leader in causing that to happen, and we appreciate it, the death tax, doubles the child credit and child care enhancements. We need to recognize that over a period of time we are going to do a great deal to increase fairness and return dollars via the Tax Code, although that doesn't happen for several years. That is why this is very important, this immediate impact. I think it is one of the greatest things that can happen. And, in addition, it should happen.

We now hear people talking about raising taxes, for heavens' sake, when we are facing difficulties in the economy. When we find ourselves with real surpluses, to talk about raising taxes —give me a break. I cannot imagine anything more unlikely to happen than that.

I think we should feel very good about what has happened. I am hopeful all these checks will be out very soon. They are now in the mail. Beyond this, I want to emphasize again we have had a significant change in the tax culture and the Tax Code over time. This is the most important thing. I am happy to have had a chance to participate in it and recognize it today.

I yield the floor.

The ACTING PRESIDENT pro tempore. The Senator from Texas.

Mrs. HUTCHISON. Madam President, I thank the Senator from Wyoming for working on this ever since he has been in the Senate, for being committed to tax relief for every hard-working American, and for being one of our leaders, speaking out on this issue and talking about how important it is that we not only give tax relief right now, but also hopefully will have another tax relief package in the near future. We want to have all the surplus used wisely. That means part of it should go back to the taxpayers who have worked so hard to earn it.

I am pleased to yield the remainder of our time to the Senator from Pennsylvania, Mr. SANTORUM.

The ACTING PRESIDENT pro tempore. The Senator from Pennsylvania has 3 minutes 20 seconds.

Mr. SANTORUM. Madam President, I thank the Senator from Texas and the Senator from Wyoming for being here this morning to talk about what I think is one of the most important issues we can talk about in the Senate, and that is what we are going to do to strengthen our economy. Why is it I put it in that context? The right medicine at this time is to put more resources into the economy to get this rather flat-line economy right now jump started.

Over the past year now, we have been going through a fairly substantial economic slowdown. The right medicine is exactly what the Congress did. We worked very hard with the President of the United States to pass a tax relief measure that got an infusion of money out into the public just in the nick of time, I hope—I hope just in the nick of time to help get this economy up and going and churning again. Checks are in the mail and being received by people all across America in amounts that are substantial, in amounts that are meaningful to people, to families who are preparing for their children to go back to school and need to buy school clothes and books and school supplies. Those are the kinds of expenditures that I know, with the number of children I have, can put a real pinch in your budget because they are one-time expenditures, mostly at end of the summer, the beginning of the fall, and they are very difficult to budget.

This check coming at this time can provide some help to middle-class and lower income families who really do need this help and help the economy at the same time. It gets that infusion of money into our economy.

I am proud that we were able to work in a bipartisan way in the Senate. Twenty-five percent of the Senate Democrats along with the Republicans voted for this proposal. It showed that with good leadership we can get bipartisan work done to meet the needs of the American people, to help the average American. At the same time, we can strengthen our economy at a time when we are going through a very difficult slowdown.

I know there are other things we need to do. We need a national energy policy because at least in my State, in Pennsylvania, we have some real problems in our manufacturing sector, driven principally by high energy prices over the past 18 months. We need to have a national energy policy so we do not have these spikes that cause economic downturns and difficult times in our manufacturing sector, which is still, from my perspective, a very important sector of our economy.

We need to do something on trade. We need to open up new opportunities to trade around the world, which by doing so will create better jobs in America. The economy is important. We need to be aware here in the Senate of what we can do at a time of economic slowdown to get this economy up and running.

The first and most important thing is to reduce the tax burden on the American public to get more money in the economy. The second thing is to develop a national energy policy to make sure we have stable, long-term, affordable, clean energy for America's future so we are not relying on foreign energy and that problem. The third thing is to increase trade.

I yield the floor.

The ACTING PRESIDENT pro tempore. Under the previous order, the next 30 minutes shall be under the control of the Senator from Illinois.

THE TAX CUT

Mr. DURBIN. Madam President, historians and political scientists will find this a very interesting morning debate in the Senate. Over the next few months, they ought to take a look at what primarily Republican politicians and the President are saying and mark it as a special part of American history because the American people really have been lobbied by the President and by his supporters to support a tax cut. They have been lobbied to support a tax cut.

This morning we have had an array of Republican Senators coming to the floor to explain why a tax cut is a good thing.

Think about it. The average person in Illinois would think a $300 check for a person or a $600 check for a family is obviously a good thing. That is going to help pay for school expenses, as the Senator from Pennsylvania said. It is going to be around if you need it for whatever the cause—paying off last winter's heating bill or taking care of some expenses around the house. These are real things that families face, and $300 from the Government or $600 from the Government, of course, is a good thing.

But, of course, the reason the Republicans are spending so much time trying to convince us it is a good thing is because there is some doubt as to whether, on a long-term basis, the President's tax cut is really the right thing for America. Do we need an economic stimulus right now? You bet we do. This economy apparently is continuing to go down.

Yesterday the stock market took quite a hit. I hope it recovers soon. Everyone does—anyone who has a pension fund or IRA or 401(k) or any kind of investment. But we do need a stimulus for this economy. Alan Greenspan is desperately looking for the right stimulus. He has reduced the prime rate from time to time to try to stimulate the economy. It doesn't seem to be working as he hoped because long-term interest rates have not come down, and that is kind of an indicator as to whether or not we are going to be moving forward and the people who make investments believe we are so they can have some confidence in our future.

To say we need some kind of tax cut now for economic stimulus for families, you bet; I think it is a good idea. This would have been an easy thing to vote for—$300 for individuals, $600 for a family. But that is not what President Bush proposed. That is not what passed the Senate.

What he passed was a package of tax cuts that span 10 years. How do you get to a point where you can say what America's economy is going to look like 2 years from now, 5 years from now, or 10 years from now? That is where a lot of us think this tax cut proposed by the President went too far. He should have come in with a tax cut as a stimulus for this economy now. The Democrats and Republicans both support that kind of a tax cut. But when you expand it to a 10-year program, when you cannot say with any certainty what this economy is going to look like, you run some real risk.

The fact is, the truth is, in a very short period of time, in a matter of just weeks since the President had his bill signing, we have received some economic information about the current state of the economy that shows that all the economists who painted the rosiest picture in the world to justify a tax cut may have been wrong about this year, let alone 10 years from now.

This morning, KENT CONRAD, chairman of the Senate Budget Committee, brought in Members to talk about some of the problems they can foresee. If you look at them, they are already very troubling. Even this year it will be necessary, because of President Bush's budget and tax cut, for us to take $17 billion out of the Medicare trust fund—the trust fund for the elderly and disabled that is clearly under siege because of the number of people who need it and the increasing cost of medical care. Already this year, because of the Bush tax cut, we are going to have to start raiding the Medicare trust fund.

I can tell you that Republican and Democratic Senators alike said that would never happen; we are going to protect these trust funds. Yet already we can see that is on the horizon. Sadly, it gets worse.

In a very short period of time, we are not only raiding the Medicare trust fund but also the Social Security trust fund. For what? Because the surplus is not adequate to cover the Bush budget and tax cut. That is what it boils down to.

Those who come to the floor and take great pride in having voted for this Bush tax cut and this Bush budget also have to acknowledge that they were wrong in the economic forecast. There are already revisions that we are receiving showing that America's economy is not growing as fast as they said it would. We find ourselves in a perilous position.

It has not been that long ago; I can remember when I was first elected to Congress when we had deficit after deficit. We piled up a national debt of $5.7 trillion. That is our national mortgage. When people receive a $300 check from the Federal Government, I hope they don't think we have paid off the mortgage before we sent the check. No. The mortgage is still out there for all the folks receiving the check and their children and their children. It is still there.

What does our national debt cost Americans? One billion dollars a day in interest. How do we raise the money to pay the interest on the national debt? You will see it in your payroll tax. You will see it in your income tax. We continue to collect $1 billion a day to pay the old debt—the mortgage—of Americans at a time when we are sending out a refund of $300 for individuals and $600 for families.

You say to yourself: What would have been the more prudent and careful thing to do, the conservative thing to do, if you want? Certainly, from my point of view, it would have been to pay down this national debt as fast as possible; get this off the books as quickly as you can so our children don't have to carry that burden and so we don't have to collect over $350 billion a year to pay interest on our old mortgage, our national debt. That should have been our first priority. It was not the first priority of the Bush budget.

Second, if you are going to have a tax cut, let's have a tax cut to stimulate the economy. But let's focus it on families who really need the money. Many families who will receive $300 or $600 really need the money.

When you look at the Bush tax cut, it isn't a tax cut that is directed toward working families or those who are struggling to make ends meet. It is a tax cut where 40 percent of the benefits go to people making over $300,000 a year.

I find it incredible that the President and his friends in Congress believe that people making over $300,000 a year desperately need a tax cut. In fact, they get 40 percent of all the tax breaks. That is what the Bush tax plan proposed.

As individuals receive $300 with this tax cut, keep in mind that if your income is over $1 million a year you will receive a $300 tax cut check every other day under the Bush tax cut plan. That is the unfairness of this.

For us to really put ourselves on the line and to imperil our economic future by enacting a tax cut based on economic assumptions that have already proven to be wrong because we didn't pay down the national debt as we should have when we had the chance to do it but instead declared a bank holiday with $300 checks for everybody is where we missed the boat.

It is not popular to say pay down the national debt. People do not rise, cheer, applaud, and say they really love that Senator who wants to pay down the debt. No. As you go down the parade route, they say: Cut my taxes. I heard it before the July break, and I have heard it as long as I have been in this business.

What is the responsible thing to do for this country? As we see now, it isn't enacting the Bush budget, which has us this year already raiding the Medicare trust fund to pay for the tax cut and soon to be raiding the Social Security trust fund to do the same.

What else is at risk? Secretary of Defense Donald Rumsfeld, who has been doing a review of the Department of Defense, has said we need to make some significant changes in the way we defend our country. All of us, I hope, agree that is our highest single priority—the common defense of America. Yet when Secretary Rumsfeld is put on the spot, when people ask, How will you pay for this, he is at a loss. He can't answer it. The money has already been spent. The money has been spent on a tax cut projected for the next 10 years.

I think that is shortsighted. Instead of focusing on paying down the national debt and on the defense of America as our highest priority, we have decided that a tax cut primarily for the wealthiest people in America is a much higher priority.

I don't think history is going to judge us well for that. The men and women in uniform who put their lives on the line for the country expect us to do the very best we can for them. They expect that equipment works. They expect to be well armed and trained so they can defend America and its interests.

For us to have to shortchange that or cut back on that because of this Bush budget and tax cut I don't think makes much sense.

Let me add another thing. If you ask American families, What is the highest priority issue in your life that you think the Government can deal with time and again, whether it is a State poll or a Federal poll or a local poll, the answer always comes back: education. The answer is education. People believe education is really what America is all about. That has been our ladder of opportunity in this country.

The President came forward with a bipartisan education bill supported by Democrats and Republicans. I supported it, too. I thought it was a good piece of legislation. I might have made some changes here and there, but on

balance I thought it really moved us in the right direction. It said for the first time in a long time that the President's party was committed to investing in education.

It wasn't that long ago that the President's party and its party platform wanted to eliminate the Department of Education in Washington. They said this is a State and local issue; it shouldn't be Federal. They have changed. Thank goodness they have. I think it is a wise course they have taken now—to say that the Federal Government should make strategic investments in education for the good of our country.

That is what the bill said—include accountability for teachers and tests for students. It included a lot of incentives to deal with afterschool programs and to improve the quality-of-reading programs, mathematics and science programs. These are all great ideas and great investments. But the sad news is, because of the Bush budget, the money is not going to be there to invest in education. We will pass legislation saying this is a good thing to do. We will authorize it. We will approve it as a concept. But when it comes to appropriating the money and actually spending the money, we are going to find that it is not there. That is the difficulty, too.

Again, as we receive these tax cut checks in the mail, we have to put it in perspective. Life is a tradeoff. Politics is a tradeoff. In this tradeoff, we have decided that a tax cut plan by President Bush that is primarily loaded for the rich is far more important than paying down the national debt, improving America's national defense, and investing in education. In the long run, I think that is going to be viewed as very shortsighted. I think we should have been more careful and more prudent in the approach that we took.

When you look at the long-term outlook for the amount of money that will be taken from the Social Security trust fund and the Medicare trust fund, next year we will have to raid the Social Security trust fund by some $24 billion and the Medicare trust fund by $38 billion. That means people who are paying payroll taxes today to sustain today's Social Security retirees have to understand that the trust fund they are counting on to be there when they retire is going to be diminished because of the Bush budget and because of the Bush tax plan. This is something that is a reality. It is a reality that we have to face in Congress. It is not one we are happy to face but one we must face.

Let me also say that when it comes to other economic assumptions in the President's budget, there are some real weaknesses, too. The President's budget did not include appropriate contingencies for natural disasters. I hope there will never be another one. I know there will be. When there is a disaster, we will rise to the occasion—whether it is a flood in Illinois or a hurricane or a tornado. All of these things cause problems, and the Federal Government rallies to help families solve them. It costs money. The Bush budget, sadly, does not have enough money for that help.

Tax extenders are programs such as investment in research for corporations that come up with new and innovative and creative products. These need to be reextended. They cost money. The Bush budget didn't provide that.

The alternative minimum tax, which was established to try to catch the high rollers who might escape some tax liability, has really been ignored, and it should not be. Yet the Bush budget does not take into account that is something that obviously has to be done or we will end up penalizing middle-income families who thought they were receiving a tax cut, on the one hand, from the President and, on the other hand, get nailed with the alternative minimum tax.

So what we have here, sadly, is a budget proposed by the President that already has us raiding the Medicare and Social Security trust funds that already imperils our ability to deal with priorities, such as national defense and education and paying down the national debt.

I see my colleague from Minnesota is in the Chamber.

THE PRESIDENT'S COMMISSION TO STRENGTHEN SOCIAL SECURITY

Mr. DURBIN. Madam President, I want to say a word or two, in closing, about the effort that has been made by the President's commission to strengthen Social Security. I hope this commission is going to be more objective in the way they deal with the Social Security Program. All of us understand that Social Security cannot go on indefinitely, that it needs help, and that we need to make the appropriate investments to make sure that Social Security is there for generations to come.

It is the most broadly based and most successful social program in the United States. Social Security gives to retirees the safety net they need to live a life of comfort. Along with Medicare, these are the two things that retirees really count on in America.

I am concerned about the draft interim report by President Bush's commission which is supposed to look to the future of Social Security. The report makes many misleading assertions in an attempt to convince the public that Social Security is on the verge of collapse. I hope that any commission entrusted with the challenge of strengthening Social Security will carefully consider all options for reform. Unfortunately, this commission has been charged only with the task of how to convert Social Security into a system of private accounts, not with the careful study of whether or not this is the right thing to do.

Let me give you an example. If you wanted to invest in a mutual fund today, you would generally find there is a minimum investment. Why is there a minimum investment? Because there is an administrative overhead cost to that investment. Unless you put in $500 or $1,000 or $2,000, it really does not warrant the administrative cost. Think about it in terms of individuals who decide they want to invest $100 a month, let's say, of their Social Security check into a private investment. Administrative costs come with each of those investments, and that has to be taken into account in the real world.

Secondly, we have seen yesterday—and we have seen over the last year—that although the stock market can be very generous to those who invest in it, it can also be very cruel. And any who happen to have invested in the last year, making retirement dependent on their investments, will have to think twice about it because things have not gone well in a lot of indices, whether it is the Dow Jones or the S&P 500.

So those who think the stock market will always go up, historically they are right, it has always gone up, but there are peaks and valleys. If you should happen to make the investment of your Social Security retirement fund at a point when we are in an economic valley in the stock market, you may find all you counted on is not there when you need it. That is an important consideration.

There has also been a consideration that some 2 percent of Social Security would be invested in these private investments. Because it is a pay-as-you-go system, that could require cuts of up to 40 percent in the benefits under Social Security or increases in Social Security payroll taxes.

So what I would say to the President's commission is: Give us your alternative in its entirety, give us your program, get beyond the principles and the theories. Tell us how you are going to pay for this. If we are going to move to private investment and private accounts, show us how this will work.

This program of Social Security, created in the days of Franklin Delano Roosevelt, was one many people branded as socialism. Many predecessors of the folks on the other side of the aisle voted against it because they thought it was an experiment in which America should not be involved. History has proven them wrong. Social Security is important. But those of us who serve today in the Senate and the House have an important responsibility to serve that legacy well, to make certain that Social Security and Medicare are here for many years to come.

We can make Social Security stronger, and we can guarantee to successive generations that safety net will be there, but we have to be prudent and careful in the way we approach it.

Madam President, I yield the floor.

(Mrs. CARNAHAN assumed the chair.)

TRANSPORTATION APPROPRIATIONS AND LONG-HAUL TRUCKERS

Mr. WELLSTONE. Madam President, just in the time we have remaining, I really would like for us to move forward on this legislation and, indeed, on other legislation that is important to people's lives.

I want to speak to three different questions.

First of all, on the Murray amendment—and presumably we will have more time for debate; I do not know whether or not we have a filibuster that is going to be sustained or whether or not there is going to be some agreement, but I want to thank Senator MURRAY for her good work.

I tell you, people in Minnesota, as we look at I–35 coming from the south, are interested in safe drivers and safe trucks and safe highways. They are interested in their own safety. Frankly, I think it is terribly important that all of us support Senator MURRAY's amendment.

For my own part, I also want to give a lot of credit to what Congressman SABO from our State of Minnesota has done on the House side. He basically has said, we are not going to have the funding to grant the permits because there is just simply no way that right now we are going to be able to have any assurance that the safety standards are going to be there.

I want to make one point that perhaps was brought up yesterday in the debate but which I think is really important as well. As a Senator, I do not really make any apology for also being concerned about—above and beyond safety—the impact this is going to have on jobs in our country, frankly, the impact of NAFTA on jobs in our country.

In particular, I think the very powerful implications of all this are as we see more and more subcontractors crossing the border at maquilas, it is far better, from the point of view of people in Minnesota, that the subcontractors to our auto plants or to other parts of our economy are located in the United States. With a lot of the transportation being done by American trucks, that is what happens.

The Bush administration is pushing this full force, and they are not even interested in respect for the safety standards.

The other thing that is going to happen is, you are going to have more and more subcontractors basically located in Mexico because Mexican trucks take whatever is produced there right to wherever it needs to go in the United States, thus eliminating a lot of other jobs.

So I think this is not just about truckdrivers, not just about Teamsters, not just about safety—all of which I think is very important—I think it is also about living-wage jobs in our own country. It is also about our economy. Frankly, in some ways, though I support the Murray amendment, I really appreciate Mr. SABO's effort. And we will see what happens on the floor of the Senate, whether or not we will have an amendment similar to Mr. SABO's amendment in this Chamber.

But I think, at the very minimum, we have to insist on the safety standards, and, at a maximum, eventually we are also going to have to have yet more honest discussion about this new global economy and where people fit into it. All that happened in Italy and all that happened in Seattle I would not defend—not all of it, by any means, but what I will tell you is that there are an awful lot of people in our country and throughout the world who are raising very important justice questions. They are not arguing that we are in a national economy alone. They are not arguing that we ought to put up walls on the borders. But they are arguing, if we are going to have a new global economy and we are in an international time, then above and beyond it working for large financial institutions and multinational corporations; it ought to work for working people; it ought to work for human rights; it ought to work for consumer protection; it ought to work for small producers; and it ought to work for the environment.

Frankly, I think that is part of what is being debated in this Chamber. We have a very, what I would call incremental, pragmatic amendment, which Senator MURRAY has done an admirable job of defending. I am amazed other Senators believe this goes too far by way of assuring basic safety on our highways. I think we need to defend Senator MURRAY's effort.

Above and beyond that, I have some real questions about whether or not all of this will be enforced and then properly certified. Then above and beyond that, I have some real questions about these trade agreements and the impact they have on whether or not we will have living-wage jobs for the people in our country to enable people to earn a decent standard of living so they can support their families.

And above and beyond all that, eventually, I am telling you —it may not be this year; it may be 5 years from now; it may be 10 years from now—we are going to design some new rules for this international economy, so that rather than driving environmental standards down, or wages down, with a complete lack of respect for human rights, we can have the kind of standards that lift up people's lives.

A PRESCRIPTION DRUG BENEFIT

Mr. WELLSTONE. Madam President, since we are, for the moment, stalemated here, I rise to express my strong commitment to our moving forward on a prescription drug benefit. Obviously, we will not be able to do it now, but people in the country are certainly interested in the politics that speak to the center of their lives.

I want to see us eventually pass a bill that calls for health security for all citizens. Before we do that, we ought to have a decent prescription drug benefit. I recommend to my colleagues a Sunday story in the New York Times, front-page story by Robert Perrin. I forget the name of the coauthor; I apologize.

The gist of the piece was that it is going to be very difficult, within the $300 billion allowance over the next 10 years because of the tax cuts, to have a benefit that is going to work for a lot of elderly people. If the premiums are too high and the copays are too high and the deductibles are too high, many people can't afford it. Quite to the contrary of the stereotype of greedy geezers traveling all over the country playing at the most swank golf courses, the income profile of elderly people is not high at all. Disproportionately, it is really low- and moderate-income people.

So, A, people will not be able to afford the benefit. And then, B, if we don't deal with the catastrophic expenses—that is to say, after $2,000 a year, people should not be paying any more additional expenses—then it is going to be a proposal or a piece of legislation that is going to invite mutiny. People are going to say: We thought when you campaigned that you made a commitment to us. We thought you made a commitment to affordable prescription drugs. But you are not willing to do it.

I have introduced a piece of legislation called MEDS. At a very minimum, we are going to have to understand $300 billion over 10 years will not do the job. We have to understand that this tax cut that has boxed us all in is a huge mistake. We are going to have to be intellectually honest with the people in the country, and we are going to have to find our courage. Frankly, I predict we will revisit—the sooner, the better—this tax cut proposal. It is too much Robin Hood in reverse, too much going to the very top of the population. And now we are without the revenue and the resources to do well for people with an affordable prescription drug. ''Affordable,'' that is what everyone campaigned on.

In addition, yesterday Senator ROCKEFELLER, chairing the Veterans' Affairs Committee, had Secretary Principi come in. He is a good man. I have a great deal of respect for him. I think he cares deeply about veterans. He was talking about prescription drug benefits within the VA. I asked him several times whether or not he felt that their global budget and the discount they insist on has enabled them to hold down the cost. The copay for veterans for prescription drugs right now is $2. He said: Absolutely.

Maybe what we are going to have to do—there are Republicans who will agree; I hope all the Democrats agree—is also have some cost containment. We have 40 million Medicare recipients. I suppose we might be able to say that 40

million Medicare recipients represent a bargaining unit and we want a discount from these pharmaceutical companies that are making excessive, obscene profits.

There are a lot of issues people care about. There are many issues on which we need to move forward. In particular, in order to do well by people, we are going to have to be not only intellectually honest, but we will have to have some political courage—political courage to talk about the ways in which this tax cut bill puts us in a straitjacket and amounts to a miserable failure from the point of view of our being able to do well for people and from the point of view of our being willing to live up to our promises. Everybody who ran for office talked about an affordable prescription drug benefit.

In addition, we are going to have to challenge some of the profits of the pharmaceutical industry and have some cost containment so this works.

VICTIMS ECONOMIC SECURITY AND SAFETY ACT

Mr. WELLSTONE. Madam President, today I am going to introduce legislation, the Victims Economic Security and Safety Act, with Senator MURRAY—she probably will not be able to be at the press conference because she is doing such an admirable job of standing her proper ground for safety—Senator SCHUMER and Senator DODD; and Representatives CAROLYN MALONEY and LUCILLE ROYBAL-ALLARD on the House side.

Basically, this legislation deals with what is a huge problem; that is to say, estimates are that as many as 50 percent of the victims of domestic violence have lost jobs in part due to their struggle. The same thing holds true for victims of sexual assault.

The legislation addresses three or four issues. No. 1, it would provide emergency leave for those women—sometimes men, almost always women—who are having to deal with the battering and with the violence, be it in the home, be it sexual assault, be it stalking. It will allow them to take some time off from work to see a lawyer, to see a doctor, to do what they need to do.

No. 2, it would extend unemployment compensation to people who are forced to leave their jobs in order to provide for their own safety and their children's safety. Amazingly, this happens in about 50 percent of the cases: Quite often for these women, the man—be it the former husband, a stalker, somebody who has assaulted them sexually—will come to their workplace and constantly be there. And in order to be safe, in order sometimes literally to save their lives, in order for their children to be safe, they then have to leave work. We want to, with documentation, be able to provide some unemployment compensation.

No. 3, it would prohibit discrimination against victims of domestic and sexual assault. This is critically important. What happens is the employer—and some of the employers are great—sometimes says: This is creating a lot of trouble. Therefore, we fire you.

That is the last thing in the world you want to do.

It also provides protection from insurance company discrimination. There is no reason why women should be battered again by an insurance company that says: We understand that this guy has come to work, is threatening you, that you have this problem. We don't think you are a good bet for health insurance.

Finally, it provides tax credits to companies that will provide the programs and the help.

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

The Senator from Nevada.

EXTENSION OF MORNING BUSINESS

Mr. REID. Madam President, I ask unanimous consent that morning business be extended for another 10 minutes.

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

STALKING AND DOMESTIC VIOLENCE

Mr. REID. Madam President, before the Senator from Minnesota leaves the floor, I wish to say was not able to hear all of his statement but most of it. He mentioned what we need around here is political courage. That is something that is not lacking in the service of the Senator from Minnesota.

I appreciate his legislation regarding stalking and domestic violence. Stalking is a very evil thing, for lack of a better way to put it. I can't imagine how difficult it is for people who are stalked.

Senator ENSIGN and I had the misfortune of having somebody who was stalking us. It was very serious. He felt he had been aggrieved in Mexico and that we should do something about it. Of course, there was nothing we could do about it. It became a very big burden on my staff. He wouldn't leave my office. Finally, in an effort to get attention, rather than shoot one of my staff members or me, he shot himself in front of my office. He survived the gunshot wound and proceeded to continue to harass us. He was convicted and sent to prison. I only say that because if people of our stature and in the public awareness have difficulties, I can't imagine people who don't have the U.S. marshals and other people protecting them. So we need to do more. It is a very insidious thing. We need to do a better job of training law enforcement, although they are trained much better than they were regarding domestic violence. We need to have judges who better understand domestic violence.

I am anxious to look at the Senator's legislation. It sounds as if it is heading toward the correct destination. We need to focus more attention on this national problem.

Mr. WELLSTONE. Madam President, I thank my colleague from Nevada and tell him that, as we move forward, we will talk about some companies that have put together model programs. Again, unfortunately, what a bitter irony that for too many of these women—part of what this is all about is control. They have had the courage to move out of the home because the home is very dangerous for them and very dangerous for their children. Still, about every 15 seconds a woman is battered in the United States. Maybe this guy will come to work—and basically he doesn't want her to be working, so that is part of her independence. He will stalk her and make threats. Then all too often the employer will basically let her go, saying it is too much trouble. Then where is she? Quite often, she is forced back into a horrible situation. In about 50 percent of the cases, it happens where the guy or woman comes to work and the threats are made.

We are saying there has to be a way we can provide additional help and support. So we do a number of different things for those who have been victims of violence in homes, sexual assault, and stalking. A number of things are in this legislation. I think it would make a huge difference. I thank my colleague for his comments.

Mr. REID. I will say one more thing to the Senator. There are more animal shelters than there are domestic crisis shelters in America. In Nevada, a rapidly growing community, we are so understaffed. We have a lack of facilities. These brave women are willing to break away from this domestic violence, and we are having trouble finding a place for them to go. It is a really difficult situation, not only in Nevada but all over the country. It is a national problem. We have helped with some national moneys but not nearly enough.

Mr. WELLSTONE. I thank my colleague.

In addition, even if women have been in shelters, there is no affordable housing.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mrs. MURRAY. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002

The PRESIDING OFFICER. Under the previous order, the Senate will now resume consideration of H.R. 2299, which the clerk will report by title.

The assistant legislative clerk read as follows:

A bill (H.R. 2299) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes.

Pending:

Murray/Shelby amendment No. 1025, in the nature of a substitute.

Murray/Shelby amendment No. 1030 (to amendment No. 1025), to enhance the inspection requirements for Mexican motor carriers seeking to operate in the United States and to require them to display decals.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, we are this morning discussing the Transportation appropriations bill. As Members know, this bill contains many, many important infrastructure projects across this country for Members' airports, the Coast Guard, roads, infrastructure, bridges. We are trying diligently to move this bill forward so we can make progress and move to the House for a conference so we can do our duty in terms of the transportation infrastructure in this country and getting those projects funded.

I know many Members have priority projects in here they want to make sure are included. Senator SHELBY and I have been working extremely hard together in a bipartisan manner to ensure those projects move forward in a timely fashion.

We implore all of our colleagues who have amendments to come to the floor this morning. It is 10:30 on Wednesday morning. We are here. We are ready. We are waiting for those amendments to be offered. I understand Senator GRAHAM of Florida will be here shortly to offer his. I let all Members know, postcloture their amendments may fall, and we are going to be moving to that very quickly. Members have this morning, the next hour and a half, to offer any amendments they would like to have considered, either to be included in a voice vote that we hope to have or to be offered as amendments. Otherwise, they may not get their project debated on the floor and included in our bill.

Senator SHELBY and I are ready to consider any amendments that Members bring. We let them know that if they don't bring them shortly, they will probably not be allowed to be offered or included in the bill.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, I come to the floor to speak again about the issue of highway safety and the issue of allowing Mexican long-haul truckers to come in beyond the 20-mile limit in this country because, as the President suggests, that is part of what NAFTA requires. I disagree with that.

Before I talk about that issue, I will talk about something that happened yesterday and has been happening day after day on the floor of the House. A colleague stood up yesterday and said: Is this a way to run the Senate? He was upset at the end of the day that not much had happened on this appropriations bill. What is happening on these appropriations bills is, we are working in the Appropriations Committee to get these bills out. The chairman of the committee, Senator BYRD, and the ranking member, Senator STEVENS, have done a wonderful job working with all of the subcommittees. We are getting the bills out of the Senate Appropriations Committee. We are getting them to the floor of the Senate. What we see is a slow-motion action by people in the Senate who decide they really don't want the Senate to act. They don't want the Senate to move.

I don't think it is in the Senate's interest and I don't think it is in the country's interest to slow this process down. We have very limited time. We on the Appropriations Committee have tried to do a serious job of putting together good appropriations bills that we can consider, to move forward, so we can have conferences and get the spending bills in place and signed into law before October 1.

Senator MURRAY and Senator SHELBY have worked on this piece of legislation. While I have differences on the issue of Mexican trucking with not only the chairman and the ranking member, I also have differences, very substantial differences, with others who want to offer amendments from the other side. We ought to be able to resolve it, have the amendments and have the votes and move on, finish whatever other amendments are available to be offered to this bill, go to third reading, and pass this appropriations bill.

I bet Senator MURRAY and Senator SHELBY, who have exhibited enormous patience sitting on the floor waiting for people to offer amendments, would like nothing better than to have this Senate dispatch this bill. Today. Move the amendments. Get this bill out of here.

While someone stands on the floor and says, is this any way to run the Senate, the way Senator DASCHLE and other leaders are trying to run the Senate, bringing bills to the floor, offering amendments, and getting the bills passed, others are sitting on the back seat of the bicycle built for two with the brakes on, peddling up hill.

The message is either lead or get out of the way for those who want to stall the business. Senator DASCHLE has come to the floor and said that these are the pieces of legislation we have to finish before the end of next week. He is serious about that. He should be. He understands what the Senate has to accomplish. We have some who don't care much; they want to stall and stall and stall.

We have a number of appropriations bills that are waiting. Let's get this bill done and then move on. It seems to me it serves no national purpose to hold up appropriations bills for any great length of time.

Having said that—which I said because I was nonplused by someone standing up being critical of the way the Senate is being run when we are doing the right thing but we are not getting the cooperation; we need the cooperation to get these things done—we ask for more cooperation today to see if we cannot get this appropriations bill moving and through the Senate.

This morning's Washington Post says ''Battle on Mexican Trucking Heats Up.'' It describes two positions on the issue of Mexican trucking. Really, there are three positions. I want to describe the one the Washington Post forgot to mention. There is the position that is offered in this legislation by Senator MURRAY and Senator SHELBY. They have negotiated and reached a position that describes certain conditions that must be met before Mexican long-haul trucks move into this country. The other position is the position adopted by the House by a nearly 2–1 vote which says we cannot spend money; we are prohibited from spending money to approve the licenses or approve the permits to allow Mexican trucks to come into this country beyond the 20-mile limit during the coming fiscal year. I happen to favor the House approach because I think that is the only way to stop what otherwise inevitably will happen.

The approach taken by the Chair of the subcommittee and the ranking member is one that I think has merit, but one that I think requires certifications that certain things are met. My experience with certifications is that if an administration wants to do something, it will certify anything. I worry very much it will not stop what I don't want to happen. What I don't want to happen is this: I don't want Mexican long-haul truckers to be doing long hauls into the United States of America until and unless we are sure they are going to meet the same safety requirements our trucking industry has to meet: the same safety requirements with respect to equipment, and the same safety requirements with respect to drivers.

As I did yesterday, I refer to a wonderful piece written in the San Francisco Chronicle by a reporter who went to Mexico and rode with a Mexican long-haul trucker. This is what he discovered. He rode 3 days in a Mexican truck with a truckdriver. During the 3 days, they traveled 1,800 miles and that truckdriver slept 7 hours in 3 days, driving a truck that would not have passed inspection in this country, driving a truck for $7 a day, driving a truck that if it comes to the border in this country under today's circumstances would likely not be inspected for safety, and if it were allowed to continue into this country on a long haul, one

would expect that some American driver in his or her rearview mirror would see a truck with 80,000 pounds on an 18-wheel truck moving down America's highways without an assurance it has brakes, without assurance it has the kind of safety equipment that we require in this country. I don't think that is what we ought to allow.

I will not speak at great length because I think there are a couple others who wish to offer amendments this morning. Let me compare the safety regulations between the United States and Mexico. The free trade agreement between our two countries, one which I voted against, has in my judgment, not been a good trade agreement for our country. Prior to the trade agreement, we had a slight trade surplus with Mexico; now we have turned that into a very large deficit. Now we are told by President Bush that because of that trade agreement, we must allow Mexican trucks into our country beyond the 20-mile border. In other words, we must allow Mexican trucks without the same safety requirements—because those safety requirements do not exist in Mexico—to come in with drivers making $7 a day and do long hauls in the United States. That is not a trade agreement that seems, in my judgment, to represent this country's best interests.

Here are the differences between the United States and Mexico with respect to safety regulations: Vehicle safety standards in the United States, comprehensive standards for components such as anti-lock brakes, underride guards, nice visibility, front brakes: Mexico, far less rigorous and, in fact, in some places no inspection. Maximum weight: 80,000 pounds in the United States; 135,000 pounds in Mexico.

Hazardous materials rules: Very strict standards, training, licensure and an inspection regime in this country that is very strict. In Mexico, fewer identified chemicals and substances and fewer licensure requirements.

Roadside inspections: In this country, yes; in Mexico, no.

Hours of service: In the United States you can drive up to 10 hours consecutively in the trucking industry. You can work up to 15 consecutive hours with a mandatory 8 hours of rest. You cannot drive more than 70 hours during each 8-day period. In Mexico, none.

I described the driver who drives for 3 days and has 7 hours of sleep, driving with a reporter from the San Francisco Chronicle riding beside him—3 days, 7 hours. Do you want you or your family to have that truck in your rearview mirror? I don't think so. Hours of service in Mexico, none.

Random drug testing: In Mexico, none. In the United States, yes, for all drivers.

Medical condition disqualification: In the United States, yes, we do disqualify them for medical conditions if they cannot meet medical conditions. In Mexico, no.

Logbooks: In Mexico they say, yes, we require logbooks. There is a requirement in law. But, in fact, no driver carries a logbook. It is very much like the Mexican contention that they have very strict environmental rules. When we had American manufacturing plants moving to the maquiladora border, at the border between the United States and Mexico, we had people worrying about environmental rules. Mexico said: Yes, we have very strict environmental laws. Yes, they do and they do not enforce any of them. Strict laws, no enforcement. The same is true with logbooks.

Finally, here is a picture. GAO, the Government Accounting Office, did the investigation. Overweight trucks from Mexico hauling steel rolls at Brownsville, TX, a gross weight of 134,000 pounds. The U.S. limit is 80,000 pounds. The Department of Transportation's Inspector General said, when we talked about lack of parking spaces at inspection stations in this country as trucks enter—and, incidentally, there are very few inspection stations; only two of them on all of that border are open during all commercial operating hours. Most of them have one or two parking spaces. In response to one of the problems with parking spaces, when we said, why don't they just turn the trucks around if they are unsafe, he said: Let me give an example. We have a truck come in from Mexico and we inspect it and it has no brakes. We cannot turn it around and send it back to Mexico with no brakes, an 18-wheel truck with no brakes.

Is that what you want in your rearview mirror? I don't think so.

We have 27 inspection sites, two of them have permanent facilities. Most of them have no access to telephone lines to be able to check drivers' licenses on some sort of database. The fact is, this is a colossal failure. It would be a serious mistake for our country to embrace a policy suggested by the President to allow Mexican long-haul trucks to come into this country beyond the 20-mile border and haul all across this country with an industry that nowhere near matches the safety requirements that we insist on in this country for trucks and truckdrivers.

All of us understand the consequences. I understand there are people who believe very strongly that we ought to just allow this to happen because it is part of our trade agreement. No trade agreement in this country, none, should ever compromise safety in this country—not with respect to food safety, not with respect to highway safety. No trade agreement has the right to compromise safety for the American people at any time, period.

We have a disagreement about this issue. We will resolve it, I assume, soon. The sooner the better as far as I am concerned. My hope is that we will see people come to the floor of the Senate and offer whatever amendments exist on not only this issue but other issues today. Then we can finish this bill.

Senator DASCHLE, the majority leader of the Senate, has made it quite clear we have work to do. It does not serve this Senate's interests to decide to stay away from the floor of the Senate but try to hold up the work of the Senate. Let's come to the floor. Let's hash these amendments out, decide what we want to do with them, vote on them and pass this piece of legislation. The Senate owes that to the appropriators and the Appropriations Committee. We owe it to Senator DASCHLE and Senator LOTT, who are trying to make this Senate do its work on time.

I hope today we can see real progress on this bill. I hope especially one way or another, with one strategy or another, we can find a way to represent this country's best interests on the subject of stopping or preventing the long-haul Mexican trucks from coming into this country because they do not have anywhere near the equivalent safety standards on which we must insist they have, before we allow them to be on American roads.

I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. GRAHAM. Mr. President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection, it is so ordered. The Senator from Florida is recognized.

AMENDMENT NO. 1064 TO AMENDMENT NO. 1025

Mr. GRAHAM. Madam President, in October of last year I spoke to the Senate about a specific part of the Transportation appropriations, and that was the earmarking of intelligent transportation systems, or ITS, funds. At that time I expressed my concern that intelligent transportation funds had been earmarked over the last several appropriations cycles, and that earmarking was inconsistent with the purposes and objectives of the underlying legislation which authorized ITS funds which was TEA–21, the current Surface Transportation Act.

The Surface Transportation Act clearly stated the money was to be allocated on a competitive solicitation process overseen by the Secretary of Transportation. I discussed this in the last few months with both Senator MURRAY and Senator SHELBY, and raised my concerns. Therefore, I am pleased to say that, while there are still earmarks of ITS funds in this legislation, they, in my opinion, are noticeably less onerous than those earmarks to which I objected last October. I thank Senator MURRAY and Senator SHELBY for their efforts in that direction.

Let me give a little history and also point out some of the improvements which have given me encouragement from last year's Transportation appropriations bill.

In March of 1998, Congress overwhelmingly approved groundbreaking transportation legislation, TEA–21. This was not only intended to revamp distribution of Federal highway funds but was also to usher America into the completed interstate period of our highway history. We had spent the better part of a half century building the interstate system. By the 1990s, that mammoth national effort, at least as it had originally been conceived, has largely been accomplished. So the question was, Where do we go in the ''after interstate construction'' period?

One of the areas in which the Congress clearly believes we needed to go is to make the interstate and our other national highway systems as efficient as possible. As the Presiding Officer, who comes from a large and growing State, I can appreciate the number of interstate lanes you can build through a city such as St. Louis or Kansas City is just about limited unless you are prepared to do very significant demolition of an urban environment.

We increasingly are asking ourselves how we make these systems that are already in place operate as efficiently as possible. The 1998 TEA–21 legislation set aside money for research and development and also for the deployment of components of intelligent transportation systems. The goal was to accelerate our knowledge of how we make these systems more efficient and then to develop sound national policy for dealing with traffic congestion in the 21st century.

The Intelligent Transportation Program works to solve congestion and safety problems, improve operating efficiencies in vehicles and in mass transit, in individual automobiles and commercial vehicles, and reduces the environmental impact of growing travel demand. Intelligent transportation systems use modern computers, management techniques, and information technology to improve the flow of traffic.

ITS applications range from electronic highway signs that direct drivers away from congested roadways, to advanced radio advisories, to more efficient public transit.

This plan, developed by the Environment and Public Works Committee, was thoughtful and had a specific purpose in mind: to foster the growth of ITS, and, in a scientific manner, gather results from new ITS programs so that we could make wise decisions when the next transportation bill is authorized.

We might make the decision that ITS has been a failure and we should abandon attempts to improve the efficiencies of our highways. I personally doubt that will be the answer. It is more likely, I hope, that the answer will be that the practical necessities and limitations of other alternatives require us to try to make our existing highways as efficient as possible and that there are some means of doing that.

One of my concerns from last year's bill was the small dollar amount allocated to most of the earmarks. If you looked at last year's Transportation appropriations bill under the provision of ITS, you saw almost a mind-numbing list of specific communities with dollar amounts behind them. I know from personal experience that ITS, while a very potentially valuable component of any transportation plan, is not inexpensive. The plan I am most familiar with is Orlando, FL, which is a plan that combines many of the components of a modern ITS system and has had a pricetag in excess of $15 million. Therefore, when I saw many earmarks that were in the range of $500,000, I wondered where they were going to get the ''critical mass'' of funds needed to do an effective ITS system, where there was going to be a critical mass of the various components of ITS that would give us the kind of information we are going to need to make the judgment as to how far we can push this technology and these management systems as an increasingly significant part of our national transportation policy.

This year's Senate bill has earmarks. But many of them seem to reach the level of critical mass. That gives me encouragement that we are going to actually learn something from these projects because there are enough resources for a community to do a serious ITS program.

A second concern is that there has been little correlation between what we have identified as the Nation's most congested communities and where we have sent our ITS money. In the legislation of last year, as I pointed out in my October statement, almost no money went to the cities that had been designated as among the 70 most congested cities in America. There has been some improvement this year.

The source of information the Federal Government looks to to determine where the greatest congestion on the highway exists is a study which is produced annually by the Texas Transportation Institute located at Texas A&M University. They published their annual report for this year in May. The 10 most congested cities in America, based on this analysis, are, in order:

Los Angeles; San Francisco-Oakland; Chicago; Seattle; Washington, DC, and suburbs; San Diego; Boston; Atlanta; Denver; and the Portland, OR, area.

Unlike last year's appropriations bill, actually some money was allocated this year to these most congested cities: $3.75 million is going to the State of Illinois, assuming some of that will be directed towards the third most congested city in America; $4 million to the Washington, DC, area, the fifth most congested area; $1 million to Atlanta, the eighth most congested area; and $6 million to the State of Washington, again assuming that some will go to the fourth most congested area of Seattle.

Having said that, I point out that 6 of the 10 most congested areas did not receive any of the funds. Of the 44 earmarked areas in the Senate bill, 23 are directed towards cities or localities that are in the top 70 most congested areas in America, according to the Texas Transportation Institute study.

Even though I personally believe that there should be no earmarks and that we should fully comply with the prospects laid out in TEA–21, I am encouraged to see that the money seems to be directed, more so than in the past, to where the need is the greatest. I again commend Senator MURRAY and Senator SHELBY for that.

As I mentioned last year, I am not categorically opposed to earmarks. There may be appropriate areas within a mature transportation program where it is appropriate for Congress to indicate a national priority. As a former Governor, my preference is to allocate these funds to the States so that the States which have the responsibility for managing the transportation systems for all of their citizens can make intelligent judgments as to priorities, and then to oversee to determine that the actual results which led to the appropriations were accomplished.

I have grave concerns about where we are earmarking funds in a program that is evolving, where the stated purpose is to be able to enhance our knowledge of how this system operates, so that in the future we can make more informed judgments as to whether it is a program that deserves continued specific Federal support or whether it should be abandoned or whether it should be accelerated because of its demonstrated contribution. I am concerned about the relationship of earmarks to the legislative structure which led to the establishment of these creative and evolving programs.

In an effort to allay those concerns about earmarks, I have presented to the managers of this legislation—I am pleased to state that they have accepted—an amendment that I will soon offer. This amendment states that all of the earmarked projects will have to meet the authorization standards that were included in TEA–21 as to their significance and the contribution they will make towards our better understanding of the potential for intelligent transportation. I thank again Senators MURRAY and SHELBY for having indicated their acceptance of this amendment.

Let me conclude with a few words of caution. There is a role for the National Government beyond just redistribution of highway funds to the States and territories and the District of Columbia which benefit from those funds. We also have the opportunity, from time to time, to be a national laboratory for new, innovative ideas. There were several of those in TEA–21.

There was a new idea about innovative financing, how we could better put national, State, and, in some cases, private funds together in order to finance transportation projects. There was a new idea about streamlining and coordinating the permitting of transportation projects so some of the long

delays that we are all familiar with could be avoided in the future. There was the innovative idea of enhancing our knowledge of intelligent transportation systems in order to make our highways more efficient.

Most of those involve a specific program, with specific funding authorizations. Most of those were intended to use a competitive process so that the best of the best ideas could be given a chance to be demonstrated in real life, that our knowledge would be accelerated.

However, if we proceed in a manner that every time we try to use a national laboratory of innovation, what happens is, the funds that were provided for that end up being earmarked in an unsystematic, I would say in some cases, irrational manner, then what is the point? Why should we try to be a laboratory of innovation if that goal will be frustrated by the manner in which the funds are distributed, that rather than being distributed on a competitive basis, where merit and contribution to the national store of knowledge will be the primary objective, we distribute the money based on who happens to have the most influence within the appropriations process?

If that is going to be the pattern, then I, for one, would say, let's abandon the concept of the U.S. National Government as a laboratory, and let's just put all those moneys back into the pool to be redistributed to the States under an established formula.

I would personally hope we would not abandon that objective and that important role the Federal Government can play as a laboratory, but it is going to require the kind of discipline that we have made between October of 2000 and now into July of 2001, where there has been progress made in the Senate. We are going to have to continue that discipline as we go into conference with the House of Representatives, which, unfortunately, from my examination, has continued most of the practices that I bemoaned back in the fall of last year—a long list of small projects that do not seem to have the critical mass or the direction towards where congestion has been demonstrated to be the greatest and, therefore, where the opportunities to learn most about these ITS projects is the greatest.

So I will hope our conferees will stand strong for the principles they have already adopted and the principles which are represented in the amendment which I offer and ask for adoption.

The PRESIDING OFFICER. Without objection, the pending amendment will be set aside, and the clerk will report the amendment.

The assistant legislative clerk read as follows:

The Senator from Florida [Mr. GRAHAM] proposes an amendment numbered 1064 to amendment No. 1025.

Mr. GRAHAM. Madam President, I ask unanimous consent reading of the amendment be dispensed with.

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

The amendment is as follows:

(Purpose: To ensure that the funds set aside for Intelligent Transportation System projects are dedicated to the achievement of the goals and purposes set forth in the Intelligent Transportation Systems Act of 1998)

On page 17, line 11, insert after ''projects'' the following: ''that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105–178; 112 Stat. 453; 23 U.S.C. 502 note)''.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, Senator SHELBY and I have both seen the amendment. It is a good amendment, and I think it will be accepted on both sides.

Mr. SHELBY. That is right. I have no objection.

Mrs. MURRAY. Madam President, I urge adoption of the amendment.

The PRESIDING OFFICER. Is there further debate?

If there is no further debate, the question is on agreeing to amendment No. 1064.

The amendment (No. 1064) was agreed to.

Mr. GRAHAM. Madam President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

Mr. GRAHAM. Thank you, Madam President. And I thank Senator MURRAY and Senator SHELBY for their consideration.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, I thank the Senator from Florida and would, again, let all Members know that Senator SHELBY and I are in the Chamber. We say to all Senators, one more time, Members have just a short timeframe to come to us with any of their amendments.

I understand the Senator from Georgia is on his way. We have heard from several other Senators who may have amendments. I remind all Members that they just have a short time this morning to get their amendments here if they want to speak on them or they will probably not be able to speak to their issue.

We want to move this bill forward. We are here. We are ready. We are working. And we would appreciate it if Members would let us know what amendments they have so we can move this bill.

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

The PRESIDING OFFICER (Mr. EDWARDS). Without objection, it is so ordered.

Mr. DORGAN. Mr. President, I ask unanimous consent to speak as in morning business for 15 minutes, with the proviso that if someone comes to offer an amendment on the underlying bill, I will relinquish the floor.

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

(The remarks of Mr. DORGAN and Mr. REID are printed in today's RECORD under ''Morning Business.'')

Mr. REID. Mr. President, the manager of this bill and I have spoken on a number of occasions. We have some down time here. The Senator from Georgia is on his way and should be here momentarily to offer an amendment. We look forward to him offering that amendment.

We have work that has to be done. We have to work on this bill. The Senator from Washington and the Senator from Alabama have spent weeks of their lives working on this bill. For me, in the State of Nevada, the Transportation bill is very important. It is one of the ways that we in Nevada—especially the rapidly growing Las Vegas area—are able to keep up with the growth—or try to. We need this.

Not only is this an important bill—immediately when we think about transportation, we think of highways—but also the innovations in this bill are tremendous.

Mrs. MURRAY. If the Senator from Nevada will yield for a moment.

Mr. REID. I am happy to yield to the Senator from Washington.

Mrs. MURRAY. Mr. President, we are here on the floor talking about the Transportation appropriations bill, as the Senator from Nevada has stated. We have taken some time to hear about the Patients' Bill of Rights because no Members have come to the floor to offer their amendments.

I can share with you, as chairman of the Transportation Appropriations Subcommittee, many Members on the floor, Republicans and Democrats, have come to me over the last 5 weeks to tell me how critical an airport is in their State, or a road, a bridge, or a highway. Many Members have thanked me for the money for the Coast Guard and for pipeline safety. Many Members have mentioned to me the critical issues facing their States, their infrastructure needs that have piled up. We have done a good job—Senator SHELBY and I—in putting a lot of money into these projects that will help families in every State in this country to be better able to get to work quickly, to take care of their kids and get to a babysitter and pick them up before they go home, to go to an airport that has improvements so they don't have long waits. Those issues are critical.

One amendment on our side is from the Senator from Georgia. He will be here shortly. I have heard rumors of several Members on the Republican side who have amendments. So far, none of them has come to the floor. I tell all of our Members that we cannot get this to conference and advocate for

those needs that you have impressed upon us unless we move this bill off the floor. We are here, and we want to work with you on amendments. But unless somebody comes and offers an amendment, we are unable to move forward.

I remind everybody again that we are moving to a cloture vote tomorrow. Your amendments will not likely be in order after that, and we will not be able to help you with that. Again, I plead with our colleagues on both sides, if you have amendments, come to the floor now. Let us know. We are happy to work with you. Otherwise, your project will not be part of the bill that is going to move out of here.

I thank my colleague from Nevada.

Mr. REID. If I may say to the manager of this bill, I believe that cloture will be invoked. This legislation is so important to this Senator and my colleague, the junior Senator from Nevada.

We know how this bill helps us. The Senator mentioned surface transportation. One of the things the Senator is helping us with on this bill, which we needed so badly, is a fixed-rail system, the monorail we have to take from the airport. McCarran Field now gets almost 40 million visitors a year in that little airport, and we need some way to bring those people into the strip and the downtown.

I say to my friend, having managed a number of appropriation bills over the years, if by some chance this bill does not pass and whoever is responsible for defeating this bill, either directly or indirectly, when this bill goes on some big omnibus bill, many of these projects, many of these programs which Senator MURRAY and Senator SHELBY have worked so hard on will just be gone. Is that a fair statement?

Mrs. MURRAY. The Senator from Nevada is absolutely correct. We can fight for these projects in the conference bill with the House committee that has spoken on many of these issues as well. If cloture is not invoked and this bill ends up in an omnibus bill, we will be subject to whatever small amount of money we have left to deal with, and we do not know what that will be, depending on some of the other appropriations bills that go through here.

I tell my colleague from Nevada that I have worked very hard to fund the President's priorities within this bill. In fact, we did much better in the Senate bill than the House did for the President's priorities. Those may well not be part of the final package if we move to an omnibus bill on this.

I agree with the Senator from Nevada; we will likely invoke cloture tomorrow because so many Members have such critical projects that may not be there if we do not move on this bill.

I say to my colleague from Nevada, and to the Presiding Officer of the Senate, it is clear there is one issue that is hanging up this bill at this point, and that is the issue of safety on American highways, that is the issue of whether or not we are going to implement strong safety protections for our constituents across this country in this bill.

Senator SHELBY and I have worked very hard in a bipartisan manner to put together strong safety requirements that we believe will ensure that the Mexican trucks under NAFTA that are crossing our border have drivers who are licensed, that have been inspected at their sites, that are not overweight, and we can assure our constituents we have safe roads. We believe the unanimous consent of the Appropriations Committee allowed us to move forward on that.

We believe a number of Members of the Senate agree with those safety provisions and are not willing to doom their projects on a cloture vote over the safety provisions that have been included in this bill. Again, that vote will occur tomorrow and we will see where the votes are. We want to move this bill forward.

I see the Senator from Georgia is here. I do know he has an amendment, and we will hear from him shortly on that, and we will be able to move to a vote on that amendment. I again remind all of our colleagues, if they have amendments, get them to the floor.

Mr. REID. It is my understanding—and I say to my friend from Washington, she and her staff have spent a lot of time trying to work something out with Senators MCCAIN and GRAMM—that as we speak there are negotiations in progress; Is that true?

Mrs. MURRAY. The Senator from Nevada is correct.

We met late last night with the staffs from a number of Republican offices. We believe we are able to talk to them about some issues on which we can possibly agree, but as many Members of the Senate on both sides agree, we cannot compromise on some key safety provisions we believe are essential. We are continuing to talk to Senator MCCAIN, Senator GRAMM, and other Senators on the other side who do not want to see provisions in this bill regarding safety.

We will continue to have those discussions up to and including the vote tomorrow, but I tell all of our colleagues I think the provisions in this bill regarding safety are absolutely imperative. I think a majority of the Members of the Senate agree with us. That does not preclude us from talking. We have given our full faith to do that.

We will be meeting with those Members again this afternoon and with the Department of Transportation to see if we can come to some agreements on that, but meanwhile we are ready and willing to work.

The PRESIDING OFFICER. The Senator from Georgia.

AMENDMENT NO. 1033 TO AMENDMENT NO. 1025

Mr. CLELAND. Mr. President, I ask unanimous consent to temporarily lay aside the pending amendment and call up amendment No. 1033 and ask for its immediate consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report.

The legislative clerk read as follows:

The Senator from Georgia [Mr. CLELAND] proposes an amendment numbered 1033 to amendment No. 1025.

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

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

The amendment is as follows:

(Purpose: To direct the State of Georgia, in expending certain funds, to give priority consideration to certain projects)

On page 81, between lines 13 and 14, insert the following:

SEC. 3___. PRIORITY HIGHWAY PROJECTS, GEORGIA.

In selecting projects to carry out using funds apportioned under section 110 of title 23, United States Code, the State of Georgia shall give priority consideration to the following projects:

(1) Improving Johnson Ferry Road from the Chattahoochee River to Abernathy Road, including the bridge over the Chattahoochee River.

(2) Widening Abernathy Road from 2 to 4 lanes from Johnson Ferry Road to Roswell Road.

Mr. CLELAND. Mr. President, this amendment addresses a critical issue of safety in my State of Georgia, and I want to thank the distinguished chairman of the subcommittee, Senator MURRAY, and the ranking member, Senator SHELBY, from the great State of Alabama, for all their work on this tremendous issue of transportation, which is the cornerstone and building block really of our economic development in this country.

Recently, State Farm Insurance ranked the most deadly intersections in the Nation, and five intersections in Georgia made that list. Georgia actually is the fastest growing State east of the Mississippi, and we are in many ways suffering the aftereffects in terms of our traffic problems.

Today I am offering an amendment to improve one of the five most dangerous intersections in my State. Specifically, my amendment would require the State of Georgia to give priority consideration to improvements that would impact the killer intersection of Abernathy Road and Roswell Road in Sandy Springs, just north of Atlanta. This deadly intersection is located in Metropolitan Atlanta which now has the longest average vehicle miles traveled in the Nation. It has, sadly, become the Nation's poster child for pollution, gridlock, and sprawl—not a pretty sight.

There are 85,000 automobiles which travel this particular corridor every day, and to make matters worse this artery narrows from four lanes to two lanes at the historic Chattahoochee River, as one crosses from Cobb County into Fulton County. The result is a bottleneck of historic proportions,

which has continued to be a problem for 25 years. According to an article recently appearing in the Atlanta Journal-Constitution newspaper, ''Fender benders never stop,'' at Abernathy and Roswell Road intersection and the four other killer intersections in Georgia which made State Farm's list.

Specifically, my amendment calls for Georgia to give priority consideration to improving Johnson Ferry Road from the Chattahoochee River to Abernathy Road, including the heavily traveled bridge over the Chattahoochee River. It also calls for priority consideration in widening Abernathy Road from two to four lanes from Johnson Ferry Road to Roswell Road. These improvements enjoy widespread bipartisan support in my State, from the Governor of Georgia to the Georgia Department of Transportation, to Cobb County and Fulton County and their elected commissioners.

I stress that my amendment calls for no new money—no new money. The improvements to this deadly intersection would come from formula funds already guaranteed to Georgia.

As the AJC article points out, this is not a new issue. The streets named by State Farm ''have had their reputations for some time.'' In fact, my distinguished colleague in the House, Representative JOHNNY ISAKSON, has waged this important battle for 25 years. Congress now has an opportunity to do something which will be critically important to metro Atlanta, the State of Georgia, and the safety of their citizens. I call on my colleagues to support this amendment.

I thank the distinguished chairman of the subcommittee and ranking member from Alabama for this opportunity to talk about this important amendment.

I yield the floor.

The PRESIDING OFFICER (Ms. CANTWELL). The Senator from Nevada.

Mr. REID. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be dispensed with.

The PRESIDING OFFICER. Without objection it is so ordered.

Mr. REID. Madam President, I ask unanimous consent the Cleland amendment be laid aside and Senator GRAMM of Texas be recognized to offer a first-degree amendment; further, that the time until 12:20 be under the control of Senator GRAMM and that the time from 12:20 to 12:25 be under the control of Senator MURRAY; that immediately following the expiration of her time, we would move to a vote in relation to the Cleland amendment; that there would be no second-degree amendments in order prior to the vote; further, that following the disposition of the Cleland amendment, the Senate resume consideration of the Gramm amendment.

The PRESIDING OFFICER. Is there objection?

Mr. GRAMM. Reserving the right to object, I just ask for one clarification. My amendment would be a second-degree amendment to the pending Murray amendment. With that change, I would have no objection.

Mr. REID. Although I did not understand that, I do now and so I move to amend my unanimous consent request.

The PRESIDING OFFICER. Is there objection to the request as so modified? Hearing none, it is so ordered. The Senator from Texas.

Mr. GRAMM. Madam President, I thank the distinguished Democratic floor leader for working with me as he so often does in helping the Senate move forward in an efficient fashion.

Mr. REID. I thank the Senator.

AMENDMENT NO. 1065 TO AMENDMENT NO. 1030

(Purpose: To prevent discrimination in the application of truck safety standards)

Mr. GRAMM. Madam President, I send an amendment to the desk on behalf of myself, Senator MCCAIN, and Senator DOMENICI and I ask for its immediate consideration and I ask it be read.

The PRESIDING OFFICER. The clerk will report.

The bill clerk read as follows:

The Senator from Texas [Mr. GRAMM] for himself, Mr. MCCAIN and Mr. DOMENICI, proposes an amendment numbered 1065:

At the end of the amendment, insert the following: ''*Provided*, That notwithstanding any other provision of this section, and consistent with United States obligations under the North American Free Trade Agreement, nothing in this section shall be applied so as to discriminate against Mexico by imposing any requirements on a Mexican motor carrier that seeks to operate in the United States that do not exist with regard to United States and Canadian motor carriers, in recognition of the fact that the North American Free Trade Agreement is an agreement among three free and equal nations, each of which has recognized rights and obligations under that trade agreement.''.

Mr. GRAMM. Madam President, I think the amendment is fairly self-explanatory. But since this is somewhat of a complicated issue in that it has to do with a Transportation appropriations bill and a rider which is now pending to it, which I am trying to amend, and in that it relates to NAFTA, what I would like to do in the next few minutes is try to go back to the beginning and explain what the NAFTA agreement said, what the obligations are that we have undertaken—the President signing NAFTA, cosigning it with the President of Mexico and the Prime Minister of Canada—and what obligations we undertook as a Congress when we ratified that agreement by adopting enabling legislation, thereby committing not only the executive branch but the American Government to NAFTA.

Much has been said about truck safety. I want to make it clear to my colleagues and anybody who is following this debate that so far as I am concerned there is no disagreement about safety. In fact, I would argue that I am more concerned and with better reason about truck safety than any other Member of the Senate except my colleague from Texas, Mrs. HUTCHISON, since we have more Mexican trucks operating in Texas than any other State in the Union and the implementation of NAFTA will in and of itself assure that more Mexican trucks transit highways in Texas than in any other State in the Union.

What I want and what NAFTA calls for—and I believe that I will show convincingly what it calls for—is that Mexican trucks under NAFTA have to be subject to the same safety standards that we apply to our own trucks and to Canadian trucks, no more and no less.

There are some circumstances where the inspection regime and the enforcement regime might be different, but the standards and the impact cannot be different. Let me begin with a document. This thick, brown document I have here is the North American Free Trade Agreement. This is the agreement that was signed by the President of the United States, the President of Mexico, and the Prime Minister of Canada. It is the agreement through legislation that we ratified. I want to read from this agreement as it relates to cross-border trade in services. Transportation is a service. The basic two commitments we made under this NAFTA trade agreement are embodied in the following two articles: Article 1202, national treatment, says:

Each party shall accord the service providers of another party treatment no less favorable than that it accords in like circumstances, to its own service providers.

Let me read that again ''each party''—obviously that is the United States, Mexico, and Canada—''shall accord the service providers of another party''—that is our trading partners, so ''we'' are the United States, that is Mexico and Canada—''treatment no less favorable than that it accords in like circumstances to its own service providers.''

The second provision is a most-favored-nation treatment, and it says basically the same thing, but for completeness let me read both:

Each party shall accord the service providers of another party treatment no less favorable than that it accords, in like circumstances, to the service providers of any other party or nonparty.

What is our obligation under this trade agreement that the President signed and we ratified by passing legislation which was signed into law, making this agreement the law of the land?

Our obligation is with regard to cross-border trade in services and, in this particular case, trucks. We are going to treat Mexican trucks the same as we treat our own trucks, and we are going to treat our own trucks the same as we treat Canadian trucks.

The basic commitment we made when we ratified this agreement was

that we were going to treat Mexican trucks no less favorably than we treated trucks in the United States. We were going to allow in a free trade agreement the free provision of trucking services in North America, whether those trucking services were provided by an American company, a Mexican company, or a Canadian company. Each of those companies would be subject to safety standards, but the safety standards would have to be the same. They would not have to be implemented identically, but the standards would have to be the same.

There is a proviso. I want to be sure that I talk about this proviso. The United States has a proviso in the agreement. That proviso is on page 1,631. It consists basically of three provisions. The first provision says that 3 years after the date of signatory of this agreement, cross-border truck services to or from the border States of California, Arizona, New Mexico, and Texas, such persons will be permitted to enter and depart the territory of the United States through different ports of entry.

In other words, the first reservation or proviso was that for 3 years we were going to allow Mexican trucks only in these border States. Three years after we entered into the agreement and it was in force, we were going to allow cross-border scheduled bus services. That was the second reservation or proviso.

The third was that 6 years after the date of entry into force of this agreement we would have cross-border trucking services provided on a nationwide basis.

What does the treaty say that the President signed and that we ratified with an act of Congress? It says, subject to phasing in a policy for 3 years where the trucks operate only in border areas, after the treaty was in force for 6 years we would have free trade in trucking.

Those are the only provisos. We had no other reservations in this trade agreement.

The basic principle of the trade agreement was that we would have national treatment for Mexican trucks. Converted into simple, understandable words, that means Mexican trucks would be treated for regulatory purposes as if they were American trucks—no better, no worse. That is the law of the land. This is a ratified trade agreement which is now the law of the United States of America.

Let me try to explain what would be allowed under this law and what would not be allowed under this law.

There has been a lot of discussion about whether or not the pending Murray amendment violates NAFTA. Let me go over, within the provisions of what I have just read, what constitutes a violation.

First of all, the provision makes it very clear that you have to have the same standards. You cannot have discriminatory standards. But, obviously, it also makes it clear that you don't have to enforce them in exactly the same way. For example, it would not be a violation of NAFTA for us to begin our new relationship with Mexico by inspecting Mexican trucks that come into the United States.

I note that would be substantially different than what we do now. Currently, in the year 2000, 28 percent of all American trucks operating in our country were inspected. Forty-eight percent of all Canadian trucks operating in America were inspected. Seventy-three percent of all Mexican trucks were inspected.

It would not be a violation of NAFTA in admitting Mexican trucks to operate nationwide, for the first time for us to inspect every truck until standards were established and until a pattern was developed where it became clear that Mexican trucks were meeting American standards.

After the point where the disqualification rate was similar on American trucks, Canadian trucks, and Mexican trucks, then continuing to require an inspection of all Mexican trucks without any evidence that such inspection was required to meet the standards, at some point that would become a violation of NAFTA, but it would not be a violation in the implementation phases.

Senator MCCAIN has proposed—and I support—a safety regime that initially would inspect every truck coming into the United States from Mexico. If the way the Mexican Government keeps its records is different than the way the Canadian Government keeps its records or the way the United States Government keeps its records, it would not be a violation of NAFTA for us to set up a separate regime in how we interface with the Mexican Government to enforce uniform standards. That would not be a violation. But where violations come is not in enforcing under different circumstances. Where violations come is when the standard is different.

It is perfectly within the bounds of NAFTA that you can have a different inspection regime because of the difference in circumstance. But it is a violation of NAFTA, a violation of the law, and a violation of the letter and the spirit of an international obligation that we undertook and we willingly ratified when you have different standards for Mexican trucks as compared to American trucks and Canadian trucks.

Let me give you four examples of provisions in the Murray amendment that violate NAFTA.

Again, why do they violate NAFTA? It is not a violation of NAFTA if you have a different inspection regime to achieve the same result. That is contemplated in NAFTA. In fact, the North American Free Trade Agreement arbitration panel has noted that there is nothing wrong with enforcing the same standards differently depending on the circumstances.

Let me cite four violations. Under the Murray amendment, it is illegal for Mexican trucks to operate in the United States unless they have purchased American insurance. That is a flat-out violation of NAFTA. Why do I say that? Because it is not required in the United States that Canadian trucks purchase American insurance. In fact, the great majority of trucks that operate in the United States from Canada—100,685 trucks last year—the great preponderance of those trucks had either Canadian insurance or British insurance. Many of them are insured by Lloyd's of London.

Requiring that Mexican trucks have American insurance is a violation of NAFTA because we do not require that our own trucks have American insurance. We require that they have insurance, but we do not require that the insurance company be domiciled in the United States of America. We require that Canadian trucks have insurance, but we don't require that the insurance company be domiciled in the United States of America. But the Murray amendment requires that Mexican trucks have insurance from insurance companies that are domiciled in the United States of America. And that is as clear a violation of NAFTA as you can have a violation of NAFTA. It violates the basic principle of national treatment.

Let me give you a second example.

We have regulations related to companies leasing their trucks. We have laws and regulations in the United States. We enforce those laws on American trucks. We enforce those laws as they relate to Canadian trucks. But the Murray amendment has a special provision that applies only to Mexican trucking companies. That provision is that Mexican trucking companies, if they are under suspension or restriction or limitations, cannot lease their trucks to another company.

I am not arguing that we should not have such a provision in the United States. Quite frankly, I would be opposed to it. Why would we force a trucking company that cannot provide a certain service to simply let its trucks sit idle when the trucks can pass a safety standard and some other trucking company might use them?

For our own trucks, we have deemed that to be inefficient. For our own trucking companies, we have deemed that to be destructive of their economic welfare. We have the same standard for Canadian trucks. But under the Murray amendment, we do not have the same provision with regard to Mexican trucks. Therefore, the Murray amendment violates NAFTA. It violates NAFTA because you cannot say that an American company that is subject to suspension, restriction, or limitation can lease its trucks, that a Canadian company that is subject to the same restrictions can lease its trucks, but that a Mexican company, that is subject to the same restrictions, cannot lease its trucks. You can

treat Mexican trucks any way you treat your own trucks, but you cannot, under NAFTA, treat them any differently. I made that clear when I read the two provisions directly related to trucking.

Another clear violation is a violation with regard to penalties. We have penalties in the United States. If you are a bad actor, if you do not maintain your trucks, if you do not operate them safely, if you violate other provisions, we, in the name of public safety, do—and we should—impose penalties. But the penalties that we apply to our own truckers and we apply to Canadian truckers, under this bill we would have a different penalty regime, and that penalty regime would prohibit foreign carriers from operating—reading the language—apparently, permanently, based on violations.

Look, we would have every right, under NAFTA, to say, if you violate the law, you are permanently banned from ever being in the trucking business again. We very quickly would have nobody in the trucking business. But we can do that. If we did that to our own trucking companies, we could do it to Mexican trucking companies; we could do it to Canadian trucking companies. But what we cannot do—the line over which we cannot step, and which this pending measure, the Murray amendment, does step—is treat Mexican trucks and Mexican trucking companies differently than you treat American trucking companies and than you treat Canadian trucking companies.

Let me give one more example, and then I will sum up, because I see my dear colleague, Senator MCCAIN, is in the Chamber.

Another provision of the pending Murray amendment makes reference to the Motor Carrier Safety Improvement Act of 1999. This was a provision of law adopted by the Congress, signed by the President, in 1999, that made revisions relative to safety.

This bill was adopted, and it applies to every American trucking company, and it applies to every Canadian trucking company. And it can apply to every Mexican trucking company. But that is not what the provision in the Murray amendment does.

The Murray amendment says, until the regulations that are contained in this 1999 law are written, and fully implemented, Mexican trucks cannot operate in the United States. If the bill said, American trucks cannot operate until it is implemented and Canadian trucks cannot operate until it is implemented, we might all go hungry, but that would not violate NAFTA.

What violates NAFTA is, while we have not written the regulations and implemented this act, we have 100,000 Canadian trucks operating in the United States. And by singling out Mexican trucks and saying they cannot come in until these regulations are written and implemented—which probably cannot be done for 2 years, according to the administration; and I am for the implementation of this law; I am for the regulations—but you cannot say, under a national treatment standard, which we entered into—signed and ratified—you cannot say, American trucks can operate without this law being implemented, Canadian trucks can operate without this law being implemented, but Mexican trucks cannot operate without this law being implemented. That violates NAFTA. And it is clearly illegal under the treaty.

Let me sum up by saying I have a letter from the Secretary of the Economy in Mexico. Let me conclude by reading just a couple sentences, and then I want to yield to Senator MCCAIN.

I quote the letter:

> Mexico expects nondiscriminatory treatment from the U.S. as stipulated under the NAFTA. . . . Each and every truck company from Mexico ought to be given the opportunity to show it complies fully with U.S. standards at the state and federal levels. . . .
>
> We are very concerned after regarding—
>
> I am sure they mean ''looking at''—
>
> the Murray amendment and the Administration's position regarding it that the legislative outcome may . . . constitute a violation of the agreement.

This amendment would guarantee that we do not discriminate against Mexico. That is what this issue is about. This is not about safety; this is about the question of whether or not Mexican trucks, in a free trade agreement, where we committed to equal treatment, will in fact be treated equally.

Madam President, it is my understanding that we have the floor for another 6 minutes, and then the Senator from Washington will be recognized. Didn't the unanimous consent agreement say 12:25?

Mrs. MURRAY. The unanimous consent agreement gives the Senator until 12:20. I have 5 minutes, and then we go to a vote.

Mr. GRAMM. Was it 12:20?

Let me ask unanimous consent that Senator MCCAIN have 5 minutes and then Senator MURRAY have as much time as she would like.

Mr. REID. The only problem with that is one of the Senators has a personal situation. What we can do is have Senator MCCAIN speak until 12:25, and then Senator MURRAY speak from 12:25 until 12:30, and the vote will be put over by 5 minutes.

Mr. GRAMM. We thank the Senator.

Mr. REID. Madam President, I ask unanimous consent that that be the order.

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

The Senator from Arizona.

Mr. MCCAIN. Madam President, I thank my friend from Nevada for his usual courtesy and consideration. I may not even take the 5 minutes because I think we will be debating this amendment for some period of time.

Let me assure my colleagues, we are not seeking to hold up the appropriations process, as was alleged earlier today. Nor is it acceptable for us to be told to go ahead and pass this legislation and hope that it is worked out in a conference where neither the Senator from Texas nor I will be present.

I won't sit idly by on this issue just because I don't happen to be serving on the Appropriations Committee.

Let me remind my colleagues, the jurisdiction of truck and bus safety is under the Senate Committee on Commerce, Science, and Transportation. I can assure the Senate, I was not consulted in advance regarding the Appropriations Committee's truck provisions. This is my opportunity to express my views and seek what I believe are reasonable modifications to certain provisions that are simply not workable.

The amendment would take an important first step to ensure the intent of any of the provisions ultimately approved by the Congress is not allowed to discriminate against Mexico. This does not say they can't be different. It says they can't discriminate.

Later on I will go through various provisions that clearly discriminate. I believe our disagreement is really about the question of whether the Murray provisions are simply different methods or if, in their totality, the 22 requirements result in an indefinite blanket ban. The panel ruled that a blanket ban was a violation of our NAFTA obligation, and the senior advisers to the President of the United States have clearly indicated they will recommend the President veto this bill if it includes either the House-passed or pending Senate language.

As the Statement of Administration Policy said yesterday: The Senate committee has adopted provisions that could cause the United States to violate our commitments under NAFTA, et cetera.

This is a very serious issue. The lesson here should be, No. 1, we should not be doing this on an appropriations bill. That is the first lesson. Members of the committee of jurisdiction were neither consulted nor involved in any of this process. Then once we were told it was there, we should ignore it because it is already in there and leave it to the appropriators. I will not do that. I will not do that on this issue or any other issue, including one that is viewed, at least by the President of the United States, as a violation of the North American Free Trade Agreement, a solemn treaty entered into by three nations.

This is a very serious issue. That is why we may spend a long, long time on it.

A suggestion has been made that the language be dropped. It was made by a member of the Appropriations Committee. I fully support that. Let the language be dropped. We understand there is onerous language in the House. We will proceed because we can't do anything about what the other body does.

Another suggestion has been to negotiate. I have to tell my colleagues again, there has not been negotiations. Thankfully, there has been a meeting. I have negotiated perhaps 200 pieces of legislation since I have been in this body, some of them fairly serious issues such as campaign finance reform, a Patients' Bill of Rights, the line-item veto, and others. I am used to negotiating. I want us to at least come to some agreement. In many respects, on the 22 requirements as imposed by this legislation, we could have some workout language. So far there has not been one comma, not one period, not one word changed in the present language of the bill.

That is why Senator GRAMM and I are required to at least see that we do not discriminate against our neighbor to the south, and we will have other amendments to make sure that it doesn't happen, not to mention a violation of a treaty in wording that is contained in an appropriations bill.

Later this year I am going to propose a rule change on which I am sure I will only get a handful of votes. We ought to abolish the Appropriations Committee. The Appropriations Committee has taken on so much power and so much authority. It was never envisioned that we would be here debating language in an appropriations bill that violates a treaty, a solemn treaty between three nations.

If I seem exercised about it, I am because we are not giving every Senator the voice that they deserve in representing the people of their State when, on appropriations bills, language of this nature is added which has such profound impact not only on domestic but international relations.

I will discuss much further this important amendment by the Senator from Texas.

I yield back the remainder of my time.

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, clearly, as the Senator from Arizona knows, our staffs met until a little after midnight last night. We stand ready to continue to talk with him about any way that we can find that allows him and other colleagues on the other side to believe we have moved.

We also have to deal with a number of colleagues, both Republicans and Democrats, who believe as strongly as I do in safety. And we will continue to have those discussions and negotiations as long as possible.

The amendment sent forward by the Senator from Texas is about whether or not we can put provisions into legislation that require safety on our highways regarding Mexican trucks. Any effort by the Senator from Texas to change that and try to talk about other issues simply is not fact. This is an issue of safety. The provisions under the bill do, in fact, subject Mexican trucks to stricter provisions than do Canadian trucks, but there is a very good reason for that. It is shown on this chart.

Of the trucks that are inspected, 36 percent found in violation are Mexican trucks; 24 percent, American; only 14 percent, Canadian. It is very clear that Mexican trucks crossing the border have safety violations. That is why a number of our constituents across this country are telling us that, in order to move forward the NAFTA provisions, we need to ensure that our people who are driving on the highway, who see Mexican trucks or Canadian trucks or American trucks, know they are in fact safe.

This isn't discriminating against Mexico. It is ensuring the safety of the American public is something that this Congress and this Senate stands behind.

I am a supporter of NAFTA. I am a supporter of free trade. But I am not a supporter of allowing the American public traveling our highways to be unsafe. The provisions in the underlying bill do not violate NAFTA, no matter what the Senator from Texas says. That is not just my opinion. It is the opinion of the arbitration panel under NAFTA that said in their document:

> The United States may not be required to treat applications from Mexican trucking firms in exactly the same manner as applications from United States or Canadian firms. . . . U.S. authorities are responsible for the safe operations of trucks within U.S. territory, whether ownership is United States, Canadian or Mexican.

Clearly, they tell us that we have the right in this country to ensure that trucks coming across our borders are safe. That is what the Murray-Shelby amendment does. It is not just my opinion. It is the opinion of the NAFTA arbitration panel that is very clear about that.

The Senator from Texas is trying to say we are violating provisions of NAFTA. We are not. We are assuring, as we have a right to under the treaty, that people who travel in this country, families who are on vacation, traveling to work, dropping their kids off at school, know that the trucks on the highway with them follow specific safety provisions. That is what the underlying amendment does.

The amendment before us clearly is an attempt to gut those safety provisions and will mean that families in this country cannot be assured of their safety.

We have a right under NAFTA to do that. As a supporter of NAFTA, I will fight with everything I have to assure that the American public is safe under any treaty obligation we have.

I thank the Chair.

VOTE ON AMENDMENT NO. 1033

Mrs. MURRAY. Madam President, I ask for the yeas and nays on the Cleland amendment.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be.

The question is on agreeing to amendment No. 1033. The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. NICKLES. I announce that the Senator from Tennessee (Mr. THOMPSON) is necessarily absent.

Mr. REID. I announce that the Senator from Vermont (Mr. JEFFORDS) is necessarily absent.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 90, nays 8, as follows:

[Rollcall Vote No. 249 Leg.]

YEAS—90

Akaka	Dodd	Lincoln
Allard	Domenici	Lott
Allen	Dorgan	Lugar
Baucus	Durbin	McConnell
Bayh	Edwards	Mikulski
Bennett	Ensign	Miller
Biden	Feingold	Murkowski
Bingaman	Feinstein	Murray
Bond	Fitzgerald	Nelson (FL)
Boxer	Frist	Nelson (NE)
Breaux	Graham	Nickles
Brownback	Grassley	Reed
Burns	Gregg	Reid
Byrd	Hagel	Roberts
Campbell	Harkin	Rockefeller
Cantwell	Hatch	Santorum
Carnahan	Helms	Sarbanes
Carper	Hollings	Schumer
Chafee	Hutchinson	Sessions
Cleland	Inhofe	Shelby
Clinton	Inouye	Smith (NH)
Cochran	Johnson	Smith (OR)
Collins	Kennedy	Snowe
Conrad	Kerry	Stabenow
Corzine	Kohl	Stevens
Craig	Kyl	Thurmond
Crapo	Landrieu	Torricelli
Daschle	Leahy	Warner
Dayton	Levin	Wellstone
DeWine	Lieberman	Wyden

NAYS—8

Bunning	Hutchison	Thomas
Enzi	McCain	Voinovich
Gramm	Specter	

NOT VOTING—2

Jeffords	Thompson

The amendment (No. 1033) was agreed to.

Mr. DASCHLE. I move to reconsider the vote by which the amendment was agreed to.

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

The motion to lay on the table was agreed to.

Mr. DASCHLE. Madam President, we have been consulting on both sides of the aisle over the last several moments. The authors of the Gramm-McCain amendment have agreed to a vote on that amendment at 1:45. It is my expectation we will have a vote at 1:45 on the McCain-Gramm amendment and then we will at that point entertain the possibility of moving to the Iranian-Libyan Sanctions Act if we can reach a unanimous consent agreement with regard to time.

So far, one of our colleagues is still contemplating what his legislative options might be, and we have not been able to reach that agreement. If we are not able to reach that agreement, we will proceed with additional amendments to the transportation bill.

I yield the floor.

AMENDMENT NO. 1065

The PRESIDING OFFICER (Mrs. BOXER). The Senator from North Dakota.

Mr. DORGAN. Are we on the Gramm-McCain amendment?

The PRESIDING OFFICER. The Senator is correct.

Mr. DORGAN. Madam President, I rise in opposition to the amendment. Some of us think the Murray-Shelby amendment that is in the bill is not strong enough. I certainly would oppose attempts to weaken it. The issue here is not that we are singling out one country versus another country. The issue is safety on American highways. The fact is that we have a trade agreement that links the United States, Canada, and Mexico. I happen to have voted against that agreement because I think it is very hard to link two economies as dissimilar as the economies of the United States and Mexico.

Notwithstanding my vote against the trade agreement, I don't think anyone who voted in favor of it ever would have contemplated, when they were voting, that we would be required to compromise safety on America's highways as part of the trade agreement. That is not logical at all.

I indicated earlier this morning that we and Mexico have very different standards with respect to long-haul trucking. The proposition by the President and by the NAFTA arbitration panel that ruled on this is that we should allow Mexican long-haul trucks to operate within this country beyond the 20-miles in which they are currently permitted.

The logical question to ask is, What should we expect from the Mexican trucking industry? Can we expect them to meet the same safety requirements that are imposed on American trucking firms and drivers? The answer clearly is no. They have no minimum standard hours of service in Mexico. They do not carry logbooks in their truck. They, by and large, do not have inspections for safety on their vehicles. They have no random drug testing for their truckdrivers. You can just go on and on. All of us understand they do not have anywhere near the kind of safety inspections and regulatory requirements that we impose on our trucking industry in this country.

Let me refer again to the San Francisco Chronicle that I thought did a wonderful piece. I know it is just anecdotal but still it is, in my judgment, representative of what we find with the Mexican trucking industry.

A reporter went to Mexico and spent 3 days riding with a Mexican trucker. They had a long-haul truck carrying freight from Mexico City to Tijuana. They drove 1,800 miles in 3 days. The truckdriver slept 7 hours in 3 days. This is a truckdriver sleeps 7 hours in 3 days and drives a truck that could not pass a safety inspection in this country. And we are told that a trade agreement requires us to allow Mexican trucks into this country for long hauls, notwithstanding other issues.

It is illogical, in my judgment, to do that. This is not about singling Mexico out. It is about protecting our people on our highways.

Do you want or do you want your loved one to look in a rearview mirror and see an 18-wheel truck bearing down on you with a 80,000-pound load, wondering whether it has been inspected, whether it has brakes, whether the driver has driven for 2 days and slept for 6 hours? Do you want that for yourself or your family or your neighbor? I don't, nor do I think would most Americans want that to be the case.

I know one might say: You are being pejorative here about Mexican truckers and the Mexican trucking industry. All I can tell you is it is a very different industry than the U.S. trucking industry. They drive a much older fleet of trucks than we do. They do not have the same requirements that we have imposed on our drivers. They don't have the same inspection regime that we impose on American trucks.

The question for this Senate is, What kind of safety requirements are we going to require and impose on our highways with respect to foreign trucks that are coming into this country hauling foreign goods? I have said before, let me just say it again, the ultimate perversity, in my judgment, of this terrible trade agreement will be to have Mexican long-haul truckers driving unsafe trucks, hauling unfairly subsidized Canadian grain into American cities. You talk about a hood ornament to foolishness, that is it.

With respect to the amendment, the amendment on the floor now is to weaken the Murray-Shelby language. I have spent time on the floor saying, frankly, the Murray-Shelby language is not bulletproof as far as I am concerned, in terms of preventing unsafe vehicles from coming onto American highways. I would much prefer the House version, the so-called Sabo language, which the House passed 2–1, which simply said no funds can be expended to approve applications to allow long-haul Mexican trucks into this country in the next fiscal year.

It will take some time to integrate the trucking requirements and regulations between our countries. Perhaps it can be done, but there is not a ghost of a chance it can be done by January 1 of next year, which is when President Bush says we ought to allow this to happen. There is not a ghost of a chance for that to occur.

We had a hearing in the Commerce Committee on which I serve, and the Secretary of Transportation and the Inspector General for the Department of Transportation testified. The testimony was fascinating. We have 27 border stations through which Mexican trucks now move into this country. They are only allowed to go 20 miles into this country because of safety concerns. Yet we have found truckdrivers operating Mexican trucks in 26 States in our country, including the State of North Dakota. So we know that the current 20-mile limit is being violated.

At the hearing we held in the Commerce Committee, we were told of the 27 border stations through which trucks enter this country. Only two of them have inspection facilities that are open during all commercial hours of operations. Even in those circumstances there are a very limited number of inspectors. In most cases where they have inspectors, they work only a few hours a day, and they have one or two parking spaces for a truck.

We asked the Secretary and Inspector General of the Department of Transportation: Why do you need a parking space? They said: We just can't turn them back. For example, if a truck comes and has no brakes, we can't turn that truck back to Mexico. Let's not forget that 36 percent of the Mexican trucks inspected are placed out of service for serious safety violations.

Think about this for a moment. A truck shows up at the border with a driver who has been driving for 3 days and has had 7 hours of sleep. They discover it has no brakes. They don't have a parking space to park it. They know they cannot turn it back. Here we in the Senate are debating about allowing trucks into this country unimpeded.

The other side says that Mexican trucks face a serious inspection regime. Show me. Show me the money. Show me the money you are going to commit to have a rigorous regime of inspection at every single U.S.-Mexico border crossing. Show me the money because it doesn't exist.

Even if you show me the money, show me the compliance regime by which you send investigators down to Mexico to investigate the trucking companies before they give them the Good Housekeeping Seal of Approval so we know when someone shows up with a logbook that it hasn't been filled 10 minutes before they reached the border; that it is not somebody who has been up for 20 hours. Show me the money by which you will be able to show the American people they should have confidence these trucks and drivers belong on America's highways.

You cannot do it because that money does not exist in our appropriations bills to accomplish that task, and everybody here knows it. Yet we are debating the conditions under which we allow these trucks into this country.

The issue before us is the amendment offered by my colleagues, Senators GRAMM and MCCAIN. I do not support it. In fact, I do not support at all allowing Mexican trucks to enter this country during the next fiscal year. What I do support is to have our people seriously begin discussions on how you could create reasonably similar inspection opportunities and investigations of the trucking companies and their drivers so at some point when we do this, that we have some certainty of safety on America's roads.

We are nowhere near that time frame. It is not going to happen in 6 months. And, in my judgment, it is not

going to happen in 18 months. But we have to start working on it now. The best way to work on it, in my judgment, is to do what the House of Representatives did. The worst possible thing to do at this moment is to water down the Murray-Shelby language, which is too weak. This amendment waters down language that I think is not sufficient.

The worst possible moment for this Senate would be to support an amendment that carves out the foundation or weakens the foundation of a protection that, in my judgment, still does not meet efficiency.

I am going to oppose the amendment offered today by my two colleagues. I have great respect for both of them.

In my judgment, the Senate will do this country no favor if it rushes to say that the NAFTA trade agreement allows us to compromise safety on America's roads. A trade agreement, should never, under any circumstance, ask any of us to cast a vote that jeopardizes the safety of America's highways. No trade agreement has that right. No trade agreement that anyone votes for, in my judgment, should allow that to happen to this country.

I yield the floor.

Mr. BINGAMAN. Madam President, I would like to address the Gramm amendment and the underlying issue of cross-border trucking.

First, I compliment Chairman MURRAY and Senator SHELBY for their fine work on this Transportation Appropriations bill and to thank them for the funding provided for a number of important projects in New Mexico.

At the outset, let me say that I supported NAFTA, and I continue to support free trade. I do believe NAFTA is good for the country and good for New Mexico. However, it is not inconsistent with NAFTA to ensure that trucks and buses crossing the border from Mexico meet all of our safety standards.

I do believe the American people expect Congress to ensure that our highways are safe to all users. The fact is safety standards in Mexico for trucks and buses are not the same as in our country. NAFTA doesn't require that they be consistent. Under NAFTA, domestic trucks and buses operating in Mexico must comply with Mexican standards and Mexican vehicles operating in our country must comply with our standards. The Mexican Government has never sought reduced safety or security standards for its trucks and buses.

The regulatory structure and systems currently in place of ensuring the safety of trucks and buses in Mexico, including driver safety records, licenses, insurance records, hours of service logs, and so forth, are not as sophisticated as ours or those used in Canada.

In recognition of the differences in standards and regulatory regimes, the NAFTA Arbitration Panel concluded the United States did not have to consider applications from Mexican vehicles exactly the same as we treat U.S. vehicles. The certification process for Mexican trucks and buses needs to be adapted to the different forms and availability of safety information used by government officials in Mexico. The Gramm amendment would have forbidden any adaption of our certification process to the safety and regulatory situation in Mexico.

Let me be clear, the Senate bill does not discriminate against Mexico. The Murray language in this bill does not establish different safety standards for Mexican-owned trucks and buses. Rather, the Senate language will ensure that Mexican trucks and buses meet the same safety standards that U.S. and Canadian trucks are required to meet, before they are allowed free access to our highways.

There is another point I would like to make. The State of New Mexico is not ready to deal with a dramatic increase in cross-border trucks. The New Mexico Department of Public Safety has not completed the truck inspection facility at Santa Teresa—our largest border crossing—because the Governor vetoed $1 million he had requested for the project. Another facility at Orogrande, on U.S. Highway 54 in Otero County, has not been built. Both of these facilities were to include both weigh-in-motion and static scales to ensure all cross-border trucks comply with New Mexico's weight-distance road-use fees. They will also be equipped to perform full level-one safety inspections.

For years Congress has failed to provide the additional funds needed for border States to prepare for the additional truck traffic that we all know would result from NAFTA. This year, the Senate bill has provided an additional $103.2 million—$13.9 for 80 additional Federal safety inspectors, $18 million in safety grants to States, and $71.3 million for construction and improvement of inspection facilities such as those at Santa Teresa and Orogrande in my State. The House bill, unfortunately, does not contain this additional funding.

I applaud Senator MURRAY and the members of the Senate Committee for providing this important additional funding. I urge the House to accept the Senate funding levels. When the additional inspectors are in place and our inspection facilities are completed, I believe we will be in much better position to begin opening our borders fully to cross-border trucking.

Again, I compliment Chairman MURRAY and Senator SHELBY for their work on this bill.

Mr. BAUCUS. Madam President, I rise today to discuss the issue of Mexican trucks. I want to applaud Senator MURRAY and Senator SHELBY for their efforts to craft a common-sense solution on this issue. Their provision would ensure strong safety requirements and would be consistent with our obligations under NAFTA.

As most people are well aware, the last Administration delayed opening the border to Mexican trucks because of serious safety concerns. Indeed, numerous reports have documented these concerns failing brakes, overweight trucks, and uninsured, unlicensed drivers to name just a few.

The Department of Transportation's most recent figures indicate that Mexican trucks are much more likely to be ordered off the road for severe safety deficiencies than either U.S. or Canadian trucks.

While a NAFTA arbitration panel has ruled that the United States must initiate efforts to open the border to these trucks, we need to be clear about what the panel has said.

The panel indicated, and I quote: ''the United States may not be required to treat applications from Mexican trucking firms in exactly the same manner as applications from United States or Canadian firms. . . . U.S. authorities are responsible for the safe operations of trucks within U.S. territory, whether ownership is United States, Canadian, or Mexican.''

Moreover, U.S. compliance with its NAFTA obligations—and again to quote the panel: ''would not necessarily require providing favorable consideration to all or to any specific number of applications'' for Mexican trucks so long as these applications are reviewed ''on a case-by-case basis.''

In other words, the U.S. government is well within its rights to impose standards it considers necessary to ensure that our highways are safe.

The Administration has suggested that it is seeking to treat U.S., Mexican, and Canadian trucks in the same way—but we are not required to treat them in the same way. That's what the NAFTA panel said.

With Mexican trucks, there are greater safety risks. And where there are greater safety risks, we can impose stricter safety standards.

In addition to safety, we must also be concerned about the effect on our environment. I am co-sponsoring an amendment by Senator KERRY to ensure that—consistent with the NAFTA—opening our border to Mexican trucks does not result in environmental damage.

Mr. REID. Madam President, I ask unanimous consent that the time between now and 2:15 p.m. be equally divided between Senators GRAMM and MURRAY, or their designees, and that at 2:15 either Senators MURRAY or SHELBY be recognized to move to table the Gramm amendment.

The PRESIDING OFFICER. Is there objection? Without objection, it is so ordered.

The Senator from Florida.

Mr. NELSON of Florida. Madam President, I wanted to add my voice to the Senator from North Dakota. It is just beyond me that in the name of free trade we would be for sacrificing the safety of Americans on American highways.

I had occasion to rise on the floor yesterday to point out with a chart all

of the huge differences between the safety standards for trucks in Mexico and trucks in America. If there is one consistent complaint I have had in a lifetime of public service to my constituents, it is about safety on our roadways. How many times over the course of three decades have the people of Florida said to me as their elected representative that they saw this or that safety violation or they were concerned about how the truck suddenly cut them off or that they saw a truck spewing all kinds of emissions.

If we then allow new lower standard Mexican trucks on American roadways, not even to speak of the lower safety standards that have been articulated by the Senator from North Dakota, what about the environmental standards? What about all of the emissions that will be coming from these trucks that we don't allow from our own trucks? Are we not concerned about our environment? Are we not concerned about global warming? Are we not getting ready to seriously address the mileage standards of automobiles and SUVs in order to try to reduce the emissions into the atmosphere to try to do something about global warming?

Here we are about to address an amendment that is going to allow for lower emission standards for Mexican trucks.

It is, as we say in the South, just beyond me that we would seriously allow, in the name of free trade, this safety-jeopardizing situation for our American motorists on our American highways.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mrs. MURRAY. Madam President, I ask unanimous consent that under the quorum, the time be equally divided.

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

Mrs. MURRAY. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

The PRESIDING OFFICER. The Senator from Washington.

Mrs. MURRAY. Madam President, how much time is on each side?

The PRESIDING OFFICER. On Senator GRAMM's side, 31 minutes 15 seconds; on the side of the Senator from Washington, 27 minutes 45 seconds.

Mrs. MURRAY. Thank you, Madam President.

Madam President, I yield 10 minutes to the Senator from New Jersey.

The PRESIDING OFFICER. The Senator from New Jersey.

Mr. TORRICELLI. Madam President, I thank the Senator from Washington not only for yielding me the time but for leading this effort in what has been a difficult and important moment for the Senate.

Madam President, it is fairly said that in an institution such as the Senate, every interest is ultimately represented; in an enormous country of varied industries and peoples, there is someone who will represent every cause.

The cause that Senator MCCAIN brings to the Senate today is fair trade. Indeed, this is a cause in which we have all participated in recent years. I voted for the Canadian-American Free Trade Agreement. I have come to this Chamber in favor of the World Trade Organization. We have all understood that open, free, and fair trade is a foundation of our prosperity. But, ultimately, Senator MCCAIN makes the point not for free trade, but that any good cause can be taken to its illogical conclusion. This is the limit of common sense, and it is a collision between our fundamental belief in free trade and our belief in a variety of other causes for more than a generation.

We believe in free trade, but we also believe in a number of other things I want to outline for the Senate today.

We believe in protecting American citizens on our highways. We believe in the highest standards of automotive construction. We believe in emissions controls. We believe in safety from hazardous cargo. We believe in licensing and training drivers. We believe in all of these things.

We believe in free trade, to be certain, but not to the exclusion of everything else. That is the issue before the Senate.

For 50 years, we have looked, in horror, at the death toll on American highways. Every year, 100,000 Americans are injured on our American highways with large trucks hauling cargo. Not hundreds but thousands of Americans lose their lives.

Democrats and Republicans and State legislatures and the American Congress have responded through the years by insisting on weight limitations, training, and better engineering. It has been a struggle of generations to reduce these numbers, even as our economy grew.

The Senator from Arizona would bring to this Senate Chamber today a proposal that on January 1 the United States will allow Mexican trucks to come across the borders on to the highways of every State in the Nation, recognizing that at the 27 crossing points from Mexico to America there are inspectors, 24 hours a day, at 2. Every other road, during all those hours of the day, is without inspection for weight or qualifications or licenses. Those trucks will traverse our highways.

Would the Senator from Arizona come to this Senate Chamber and ask that we repeal weight limitations on American trucks? I think not.

Would he come to this Senate Chamber and ask that we repeal emissions controls? I doubt it.

Would he like to offer a requirement that we reduce licensing requirements from the age of 21 to 18 years old? How about the licensing of the trucks themselves? How about background checks for criminal activity for those who will haul hazardous cargo? I doubt it.

The Senator from Arizona is a reasonable man. He cares about his constituents and, obviously, his country. No Member of this Senate would propose any of those things. Yet that is the practical effect of exactly what he offers.

Mexico, until recently, has had no restrictions on hazardous cargo—no warnings, no signs, no background checks. Those cargoes will flow into America.

Mexico does not have the emissions controls of the United States that have been so important in my State and other urban areas around the country. Those trucks will come into the United States.

Ten years ago, Senators rose in this Chamber—to the man and woman—as we witnessed hazardous cargoes being dumped into our rivers and along our highways, as people dumped these dangerous cargoes. We did background checks to ensure the highest integrity of those hauling such cargoes. Mexico does not. One day it might. Today, it does not. Those trucks will enter America.

Why would we do indirectly—by allowing unlicensed, uninspected Mexican trucks into the United States—that which no logical person would do directly in repealing our own laws? This is the effect.

And here is the further reality: One day, if NAFTA succeeds, the regulatory systems between Mexico and the United States will be similar as they are between the United States and Canada. One day, respect for environmental protection, hazardous cargoes, and labor rights will be similar. That will be a good day for all nations. And in that equalization, this border can truly be liberalized and opened fully and fairly, for the movement of peoples and cargoes as we now want it, for trade under NAFTA.

We have not reached that point. These are fundamentally different transportation systems. The average Mexican truck is 15 years old. That means Mexican highways have trucks that may be 20, 25, and 30 years old. The average truck on the interstate highway system in the United States is 4 years old—with modern emissions controls, modern braking systems, antilock braking systems, and equipment for foul weather, with proper communications.

I respect my colleagues on the other side of the aisle. But as they rise to defend NAFTA, who will rise in this Senate Chamber and defend the average American family, who rides the interstate highway system, with their children strapped in the back seat, to go out for the afternoon, already sharing our interstate highway system with

massive 18-wheel trucks, sometimes two and three trucks long, a necessity of a modern economy, now sharing that road with 18-year-old drivers, potentially in 15-, 20-, and 25-year-old trucks, hauling massive cargo while unlicensed, uninspected, potentially harzardous cargo? It is not a theoretical threat.

Of those Mexican trucks that now are inspected, theoretically, arguably the best of the Mexican trucks, since they are subjecting themselves to inspection, 40 percent are failing. The most common element: their brakes don't work; second, inadequate stoplights. Who in this Senate wants to be responsible for telling the first American family to lose a wife or a child that this was at the alter of free trade? Free trade to be sure, but have we become so blinded in our faith in free trade that we have lost our commitment to all other principles, including the safety of our own constituents?

I have seen causes without merit in the Chamber of the Senate before, but never a cause that so little deserved advocacy. To be intellectually honest, the authors of this amendment that would strike Senator MURRAY's language in the bill should come to the floor with the following proposal: The United States has a limit of 85,000 pounds for trucks because heavier trucks destroy our roads and cost the taxpayers billions of dollars in repair. Mexican trucks are 135,000 pounds. Come to the Senate floor and repeal the American limit and make it identical with Mexico, if that is what you believe.

American drivers are 21 years old. In Mexico, they are 18. Come to the Senate floor and repeal the 21-year-old limit. We are licensing these drivers to ensure they can handle hazardous cargo and toxic waste. Come to the Senate floor and repeal that background requirement.

I do not believe Senator MURRAY's language is perfect. I do not believe in a year or in 18 months we can reconcile differences between the trucking industry in Mexico and the United States. Indeed, I do not believe we can do so in a decade.

I am certain of this: There is no chance of having an inspection regime in place by January 1—none. This is not only wrong; this is irresponsible. I, for one, if I were the only Member of this institution, would not have my fingerprints on the loss of life that will follow.

Yes, there is an advocate for every cause in the Senate. Perhaps every cause should be heard, every voice should be recognized. This cause does not deserve advocacy. Free trade, yes, but to the exclusion of the safety and interests of our citizens, never.

I rise in support of Senator MURRAY's language and urge the Senate to reject the amendment offered by the Senator from Arizona.

I yield the floor.

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

The Senator from Washington.

Mrs. MURRAY. Madam President, I ask unanimous consent that the last 5 minutes of the debate be reserved for Senator SHELBY.

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

Mrs. MURRAY. I ask unanimous consent that time spent under the quorum call be equally divided and suggest the absence of a quorum.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will call the roll.

The bill clerk proceeded to call the roll.

(Mrs. MURRAY assumed the chair.)

Mrs. BOXER. Madam President, I ask unanimous consent that the order for the quorum call be rescinded.

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

Mrs. BOXER. Madam President, I ask unanimous consent to be told when I have used up to 6 minutes.

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

Mrs. BOXER. Then I will end my remarks and the Senator from Arizona can have the floor at that time.

Madam President, I have listened to this debate, and I have participated in it. I believe, in light of Senator TORRICELLI's remarks, that if he was the only one in the Senate who felt strongly about this issue and how right you were on the issue, Madam President, he would stand and be proud.

I want to make it clear that a lot of us do agree with you about the importance of passing your underlying language and your amendment that you offered to strengthen the safety of NAFTA trucks.

As a member of the Commerce Committee—I am a new member—I had the honor of sitting through the hearing that I actually had requested that Senator HOLLINGS hold on the issue of NAFTA trucks. I have nothing but the highest regard for former Congressman Mineta, now the Secretary of Transportation, but I believe very much—and this is with great respect—that he is not really ready to make January 1 the deadline to allow these trucks into the interior of the country.

One of the things that happened at that hearing was one of the witnesses said something to the effect that those of us who were concerned on the safety issue were really against Mexico. I remember at the time Senator DORGAN, in a sense, chastised that particular witness and said: This is ridiculous.

I said at the time, and I want to repeat now, that the reason I feel so strongly that the trucks coming through our country should be safe is to protect the people that I represent in California, 30 to 40 percent of whom are Mexican Americans.

I want to protect all the people. I want to make sure, as Senator TORRICELLI says, truckdrivers who come through the border are rested; that they don't have any medical condition that might prevent them from driving for hours; that in fact we can test them for drugs as we do with our own truckdrivers. Your decal amendment that is so important would say that the truck companies in Mexico would have to comply with our safety standards, and they would be inspected in Mexico and not have situations that we have now where the trucks are stopped at the border and, by the way, 2 percent of the trucks coming in are stopped because we don't have enough enforcement. And as Senator TORRICELLI said, 40 percent of them fail; my figure is about 36 percent, but it is somewhere in that vicinity.

And then I asked the inspector general, who appeared at the Commerce Committee hearing, why it was that we didn't send these trucks back. He simply said, ''because they have no brakes.'' I would not want to be the Senator in this Chamber who votes against Senator MURRAY's safety language and has to face the parent of a child who is killed, or a family of survivors of someone who is hurt or killed.

I was at a press conference about a year ago where I was calling for tougher standards for our own trucks, our own drivers. We still have far too many injuries on our own highways, and we need to even tighten those up. What we are ready to do here with this loophole amendment offered by Senator GRAMM is to dilute your provision and Senator SHELBY's provision that would, in fact, simply ensure that we are ready for this phase of NAFTA. We cannot be so ideological, bow down at the altar of free trade, and blind ourselves to reality. If it means somebody makes a complaint against us, I want to be there, I say to my friend from Arizona. I will defend us. I will say to those folks sitting in judgment of us that we want our people safe on the roads.

When I asked former Congressman Mineta, now Secretary Mineta, about this, he said the law says we cannot allow trucks on our roads that don't meet the standards. That is right, but if we can't enforce it, what good is it? If we can't enforce the law, what good is it?

If we have a law, and we do, which says you can't walk into a supermarket and pull out a lethal weapon and threaten someone, but we never enforce it, and there are robberies going on all over the country and nobody is enforcing it and going after the bad guys, what good is it?

So until we have enforcement mechanisms in place where all trucks are inspected either at the border or they have a decal before they cross, I am not afraid to fight for our right in a court that is looking at NAFTA. Senator MURRAY and Senator SHELBY say very clearly that their provision does not violate NAFTA—does not violate NAFTA. The fact is, I happen to know that Senator MURRAY supports many free trade agreements. The Senator's State depends on free trade. Yet you are the one who has taken a considered approach to this. You have made sure

your language doesn't interfere with NAFTA. You are simply saying that we want to make sure before these provisions go into effect, where these long-haul trucks can come in, that they, in essence, are compatible with our laws. What a straightforward, commonsense idea. I can't imagine how the American people could understand it if we would do anything less. We have to have the same standards, and we have to enforce the same standards.

Therefore, I strongly support Senator MURRAY's amendment in the underlying bill, the decal amendment.

I yield the floor at this time.

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

Mr. MCCAIN. Madam President, I could not help but be entertained by the remarks of the Senator from California who says—I guess she feels if she says it often enough, it will be true—that it doesn't violate NAFTA; it doesn't violate NAFTA; it doesn't violate NAFTA.

Well, although she may not agree with the results of the last election, the fact is that the President of the United States happens to be an individual who believes that it is in violation of NAFTA, and his senior advisers have said the Murray language is in violation of NAFTA, and the President has said he may have to veto because of NAFTA. So with all consideration for the views that the Murray language is not in violation of NAFTA, the fact is, according to the President's senior advisers, it is.

This morning at 11:15, the President said:

I also am aware that there are some foreign policy matters in the Congress. And I urge Congress to deal fairly with Mexico and to not treat the Mexican truck industry in an unfair fashion; that I believe strongly we can have safety measures in place that will make sure our highways are safe. But we should not single out Mexico. Mexico is our close friend and ally and we must treat them with respect and uphold NAFTA and the spirit of NAFTA.

So every Senator is entitled to their views; I view them with great respect. But the reality is that the President of the United States and his senior advisers—unless changes are made, the President's senior advisers will recommend that the President veto the bill. So that is the situation on the ground, as we say.

This amendment that is pending, however, really has everything to do with discrimination, and this amendment is very simple in its language because all it says is:

Nothing in this section shall be applied so as to discriminate against Mexico by imposing any requirements on a Mexican motor carrier that seeks to operate in the United States that do not exist with regard to United States and Canadian motor carriers, in recognition of the fact that the North American Free Trade Agreement is an agreement among three free and equal nations, each of which has recognized rights and obligations under that trade agreement.

We need to talk about some facts for a minute. These are the numbers of trucks and inspections in the United States. There are 8 million registered trucks in the United States; 2.3 million of them have been inspected. That is 28 percent. Now, 100,685 Canadian trucks have been in the United States, of which 48,000, or 48 percent have been inspected. There have been 63,000 trucks from Mexico operating in the United States, of which 46,000, or 73 percent of them have been inspected.

According to the McCain-Gramm-Domenici amendment, which the administration agrees with, we would make sure that every Mexican truck is inspected—every single one.

This chart says ''inspection results/out-of-service rates.'' It says 8 percent in the United States, 9.5 in Canada, and 6 percent in Mexico. The vehicle out-of-service rate for Mexico is 36 percent. The problem is that it has been 36 percent, as opposed to 14 percent for Canada, and 24 percent for the United States. That is why we have in our substitute some very detailed, important, and very stringent requirements, including:

The Department of Transportation must conduct a safety review of Mexican carriers before the carrier is granted conditional operating authority to operate beyond U.S. municipalities and commercial zones on the U.S.-Mexico border.

The safety review must include verification of available performance data and safety management programs, including drug and alcohol testing, drivers' qualifications, drivers' hours-of-service records, records of periodic vehicle inspections, insurance, and other information necessary to determine the carrier's preparedness to comply with U.S. motor carrier safety rules and regulations.

It requires every vehicle operating beyond the commercial zones of a motor carrier with authority to do so to display a Commercial Vehicle Safety Alliance decal obtained as a result of a level 1 North American standard inspection or level V vehicle-only inspection, and imposes fines on motor carriers operating a vehicle in violation of this requirement to pay a fine of up to $10,000.

It requires the DOT to establish a policy that any safety review of a motor carrier seeking operating authority to operate beyond U.S. municipalities and commercial zones on the U.S.-Mexico border should be conducted onsite at the motor carrier's facilities when warranted by safety considerations or the availability of safety performance data.

It requires Federal and State inspectors, in conjunction with a level 1 North American standard inspection, to verify electrotonically or otherwise, the license of each driver of such a motor carrier commercial vehicle crossing the border, and for DOT to institute a policy for random electronic verification of the license of drivers of commercial vehicles at U.S.-Mexico border crossings.

There are two pages in the McCain-Gramm-Domenici substitute that require additional inspections, verification, insurance, rulemakings, et cetera. But all of those are not in violation of NAFTA. One reason why they are not is because of this information here. Federal motor carrier safety laws and regulations apply to all commercial motor vehicles operating in the United States.

When the United States-Mexico border is open, all Mexican carriers that have authority to operate beyond the commercial zones must comply with all Federal motor carrier safety laws and regulations and all other applicable laws and regulations.

Mexican carriers will be subject to the same Federal and State regulations and procedures which apply to all other carriers that operate in the United States. These include all applicable laws and regulations administered by the U.S. Customs Service, the Immigration and Naturalization Service, the Department of Labor, and the Department of Transportation. All of these Federal motor carrier safety requirements have to be complied with by any carrier that comes up from Mexico.

For the illumination of my colleagues, this is what is required for a Canadian carrier to operate within the United States of America. This is off the Federal Motor Carrier Safety Administration's Web site.

Basically, what is required is, over the Internet, to verify under penalty of perjury, under the laws of the United States of America, that all information supplied on the form or anything relating to the information is true and correct. Then $300 is sent in and the carrier operates in the United States of America. That is what is required as far as Canadian vehicles are concerned.

I hope someday carriers from Mexico will be able to exercise exactly that same procedure. We all know that is not possible now, and that is why we need very much to have additional requirements until such time as Mexican carriers meet the standards that prevail in the United States of America.

I have a number of comments about section 343, the so-called Murray language, and I will not go through them right now because the subject of discussion is the pending Gramm amendment. The pending Gramm amendment basically says that we cannot discriminate against Mexico. This amendment was carefully crafted.

In all candor, so that everybody knows what they are voting on, some of the language in the so-called Murray language would be negated by this because in the view of the President, in the view of this Senator, in the view of the Department of Transportation, and in the view of the country of Mexico, the language contained is discriminatory. This is a very important issue to our neighbors to the south. This is a very important issue in our relations with Mexico.

It is a very important issue for those who purport to be a friend of the country of Mexico. This is a very important issue. The fact that we are going to vote on whether we choose to or choose not to discriminate against the country of Mexico, and we are taking a recorded vote on that issue, is one of significant importance.

I hope all of my colleagues will vote, no matter how they feel about the Gramm-McCain amendment or the substitute on which Senator GRAMM, Senator DOMENICI and I will seek a vote at the appropriate time.

We intend to stay on this issue. We intend to do whatever we can in the future to make sure the Appropriations Committee does not legislate on an appropriations bill, particularly where it affects trade agreements between sovereign nations, and we intend to see this issue through. We are heartened by the support and commitment of the President of the United States as expressed as recently as a couple of hours ago.

Madam President, I reserve the remainder of my time.

Mr. SHELBY. Madam President, I suggest the absence of a quorum.

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

The bill clerk proceeded to call the roll.

Mrs. MURRAY. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

The Senator from Washington.

Mrs. MURRAY. Madam President, it is my understanding that quorum calls will be equally divided. Is that correct?

The PRESIDING OFFICER. The Senator needs to make that request.

Mrs. MURRAY. I ask unanimous consent that the quorum call be equally divided.

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

Mrs. MURRAY. Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mrs. MURRAY. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

Mrs. MURRAY. Madam President, how much time remains on our side?

The PRESIDING OFFICER. Six minutes.

Mrs. MURRAY. Madam President, I know the last 5 minutes of our time is yielded to Senator SHELBY, so I ask unanimous consent to use 1 minute of that time.

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

Mrs. MURRAY. Madam President, I rise to make a very simple point. The Senator from Arizona listed a series of provisions contained in his proposed substitute. Those provisions, such as the requirement to inspect every truck, would apply to Mexico, not to Canada, and that really is the point. We can and should impose strict requirements on Mexico.

The Senator cited inspection statistics. These are the results of those inspections. We believe very clearly, as the NAFTA arbitration panel has stated, that the underlying provisions are not a violation of NAFTA, and we think the Senate should uphold the NAFTA arbitration panel by voting to table the Gramm amendment.

I know Senator SHELBY has 5 minutes remaining on his side. How much time is left on the other side?

The PRESIDING OFFICER. Senator MCCAIN has 17½ minutes left, and there is 5 minutes left on the side of the opponents of the Gramm amendment.

Mrs. MURRAY. Madam President, I reserve the remainder of my time.

The PRESIDING OFFICER. The Senator from Arizona.

Mr. MCCAIN. Madam President, first of all, we do not disagree over the fact that the February report of the NAFTA Dispute Resolution Panel does not prevent the United States from imposing different requirements on foreign carriers. In fact, let me quote from the report:

It is important to note what the Panel is not determining. It is not making a determination that the Parties of NAFTA could not set the level of protection that they consider appropriate in pursuit of legitimate regulatory objectives. It is not disagreeing that the safety of trucking services is a legitimate regulatory objective.

I agree with that.

The panel goes on to say:

The United States may not be required to treat applications from Mexican trucking firms exactly the same as applications from the U.S. or Canadian firms, as long as they are reviewed on a case by case basis.

That is why I pointed out the difference between how a Canadian carrier can enter the United States, basically filing over the Internet, as opposed to the provisions we have in our substitute which are very stringent and detailed.

However, in order to satisfy its own legitimate safety concerns the United States decides, exceptionally, to impose requirements on Mexican carriers that differ from those imposed on U.S. or Canadian Carriers, then any such decision must (a) be made in good faith with respect to a legitimate safety concern and (b) implement differing requirements that fully conform with all relevant NAFTA provisions.

I believe that what our disagreement is really all about is the question of whether the Murray provisions are simply ''different methods'' or, if in their totality, the 22 requirements —there are 22 requirements in the Murray language—result in an indefinite blanket ban. The panel ruled that a blanket ban was a violation of our NAFTA obligations.

As I have already mentioned on several occasions, the administration estimates that the Senate provisions under section 343 would result in a further delay in opening the border for another 2 years or more. This would be a direct violation of NAFTA. It effectively provides a blanket prohibition on allowing any Mexican motor carrier from operating beyond the commercial zones. Does that permit a case-by-case review of a carrier? I do not believe so.

I would like to find one objective observer who does not view the Murray language as delaying implementation of NAFTA by 2 or 3 years. I do not see how in the world any objective observer could believe that the requirements, including onsite inspections and the inspector general going down into Mexico, could possibly do anything but delay the implementation of NAFTA, and that is what it is all about. This view is shared by a number of us, as well as the President's senior advisers.

Let me give an example of a provision that could be viewed as more than simply different. It concerns how a Mexican carrier would receive authority to operate in the United States under the Murray provision.

The Murray provision requires the Federal Motor Carrier Safety Administration to conduct a full safety compliance review before granting conditional operating authority and again before granting permanent authority to assign a safety rating to the carrier. The reviews must be conducted onsite in Mexico.

The problem with that requirement is that a ''compliance review'' assesses carrier performance while operating in the United States. It is conducted when a carrier's performance indicates a problem—that it is ''at risk.'' As a technical matter, a full-fledged compliance review of a Mexican carrier would be meaningless since that carrier would not have been operating in this country and would not have the type of performance data that is audited during a compliance review. If the Department of Transportation is forced to conduct what would largely be a meaningless compliance review, every carrier will receive a satisfactory rating because there will be no records or data on which to find violations of the Federal Motor Carrier Safety Regulations.

There are, three more important provisions that clearly would delay the implementation of NAFTA, and that is clearly a violation of NAFTA.

I reserve the remainder of my time.

The PRESIDING OFFICER (Mr. CARPER). The Senator reserves the remainder of his time. Who yields time?

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. SHELBY. Mr. President, we have heard a lot about this debate in the last few days, what it is about and

what it is not about. I believe the Senator from Texas, Mr. GRAMM, my good friend, continues to define this issue as one about identical treatment of Mexican trucks, U.S. trucks, and Canadian trucks.

Unfortunately, for my good friend from Texas, this is not about creating a rubber-stamp approach to trucks entering our country and driving on our highways. This is about providing an approach tailored to the out-of-service rates we see in Mexican trucks.

Unfortunately, for the position put forth by my good friends from Texas and Arizona, under NAFTA, we have the right and we have the obligation to provide for safety on our highways in the United States and to regulate Mexican trucks entering this country as long as such regulations are ''no greater than necessary for legitimate regulatory reasons such as safety.'' This language came from the arbitration panel.

The Murray-Shelby provision is clearly within the legitimate safety interests that we have an obligation to regulate in this country. Also, unfortunately, I believe, for my colleague from Texas, his argument that the Murray-Shelby provision violates NAFTA, violations of NAFTA are not judged by the Senate or even the administration. Alleged violations of NAFTA are ruled on by an arbitration panel. That is part of the agreement. His contention that NAFTA would be violated does not make it so.

If you want to talk about discrimination, let's talk about discrimination against the American driver. Nothing in NAFTA should be misread to require that we give Mexican drivers a pass on safety standards while we strip our drivers of their licenses for infractions that may be honored in Mexico or which the Senator's amendment tells us that we should ignore because to do otherwise would violate a treaty that I never supported.

This is about enforcing the safety regulations of the United States of America. That is within the purview of NAFTA, as it would be for the Mexican Government to do likewise.

At the proper time, I will move to table the Gramm-McCain amendment.

The PRESIDING OFFICER. The Senator from Alabama and the Senator from Washington have 2 minutes remaining. The supporters have 13 minutes remaining.

Mr. SHELBY. Mr. President, I reserve the remainder of our time.

The PRESIDING OFFICER. Who seeks recognition? The Senator from Texas.

Mr. GRAMM. Mr. President, how much time do we have on our side?

The PRESIDING OFFICER. Thirteen minutes.

Mr. GRAMM. Mr. President, first, I want to read a statement made earlier today by the President related to this issue. This is what the President said:

I urge Congress to deal fairly with Mexico and to not treat the Mexican truck industry in an unfair fashion. I believe strongly we can have safety measures in place that will make sure our highways are safe. Mexico is our close friend and ally, and we must treat them with respect and uphold NAFTA and the spirit of NAFTA.

The issue before us is not safety. There is agreement in the Senate that we want to inspect Mexican trucks, and there is a commitment to inspect every single Mexican truck. We only inspect 36 percent of the Canadian trucks. No one disagrees that in starting up a new system with Mexico it is proper, to begin with, to inspect every single truck. The issue is not safety; the issue is discrimination.

Basically, when we signed NAFTA, the President made the commitment and we ratified it, and that commitment said with regard to trucks coming across the border, going in both directions, all three nations committed that ''each party shall accord the service providers of another party treatment no less favorable than that it accords, in like circumstances, with its own service providers.''

That is what we committed. Convert it into simple English, we committed to treat Mexican trucking companies operating in the United States exactly as we treat American trucking companies, and exactly as we treat Canadian trucking companies. The issue before us is not safety. The issue before us is discrimination and protectionism.

We have every right to inspect Mexican trucks. If you look at the agreement, we do not have to—in implementing uniform standards, we can implement them differently with regard to Mexican trucks if circumstances are different. Senator MCCAIN and I, and the President, have said in our initial implementation it is proper to inspect every Mexican truck, whereas we inspect only one out of three Canadian trucks and only one out of four American trucks each year.

But what we cannot do and what the Murray amendment does is set different standards for Mexican trucks than it sets for American trucks and for Canadian trucks.

It is one thing to say we are going to have safety standards and Mexican trucks have to live up to those standards, but it is quite another thing to set totally different standards. Let me give four examples. It is very simple.

Today we have trucks operating all over America, 100,000 of them from Canada, and virtually none of those trucks are insured by American insurance companies. We have American trucks operating in the United States that are not insured by American insurance companies. Many Canadian trucks are insured by Canadian companies, or by Lloyd's of London. American trucks in some cases are insured by Canadian companies and by British companies. But the Murray amendment puts a requirement on Mexico that we do not put on ourselves, that we do not put on Canada. That requirement is having to have insurance from companies domiciled in America. That is a flatout violation of NAFTA. No denial can change that fact. That is a clear violation of the treaty into which we entered. It is illegal and it is unfair.

We have, in the Murray amendment, three other provisions that clearly violate NAFTA. It is one thing to say we are going to have penalties and that those penalties are going to apply to anybody operating a truck in the United States of America. I want penalties because I want safe roads and highways. We have more Mexican trucks operating in Texas than any other State in the Union. I want safety.

But to say that while we have various penalties for American trucks and truckers, for Canadian trucks and truckers, that we are going to have an entirely different penalty regime for Mexican truckers, so that a violation can forever ban a Mexican trucking company from operating in the United States is discrimination. It is illegal, it violates NAFTA. If we wanted to say if you are an American trucking company and a Canadian trucking company and you have a single violation that you are forever banned from being in the trucking business, that would be GATT legal. It would be crazy because you can not operate a big trucking company without some violations. But we could do it, and it would be legal.

But what you cannot do under NAFTA is you cannot say we are going to have one set of penalties with regard to American trucks and Canadian trucks, and a totally different set of penalties with regard to Mexican trucks.

Under our current trade agreements, United States companies and Canadian companies can lease trucks to each other. In fact, that is necessary for good business. If you do not have the business, you own the trucks, they are sitting there, they meet safety requirements, you lease them to somebody else. If you do not have that right, you do not stay in the trucking business long.

But the Murray amendment has a unique provision that relates only to Mexico. Only Mexican truck operators are forbidden the right to lease trucks if they are in violation in any way.

We might want to say, if you have any violation, you cannot lease trucks. If we apply that to Americans and to Canadians, we can apply it to Mexicans. But what you cannot do is have different standards in a free trade agreement, where we committed to treat Mexican producers exactly the way we do our own.

Finally, on safety standards, we passed a law in 1999 changing safety standards with regard to trucks. I want to implement that bill. The regulations have not been written and it has not been implemented. The Murray amendment says because it has not been implemented, that Mexican trucks cannot come into the United States even though we have entered into a treaty, which has been ratified, saying they can.

If the Murray amendment had said because we have not promulgated regulations, because we have not implemented these new rules, that Canadian trucks cannot operate in the United States, that American trucks cannot operate in the United States, and Mexican trucks cannot operate, we would all go hungry tonight, but that would be legal with regard to the agreement that we entered into called NAFTA. But to say that because we have not promulgated the rules and because we are not at this point therefore enforcing these rules, that Canadian trucks can operate and American trucks can operate but Mexican trucks cannot operate, is a clear, irrefutable, indisputable violation of NAFTA.

Basically what we are seeing here is a choice between special interest groups and high on the list is the Teamsters Union. They don't want Mexican trucks because they don't want competition.

My point is we should have thought about that when we approved this trade agreement because we made a solemn national commitment to allow Mexican trucks to operate in the United States, American trucks and Canadian trucks to operate in Mexico. Our credibility all over the world in hundreds of trade agreements is on the line. If we go back on the commitment we made to our neighbor, if we discriminate against Mexico, how are we going to have any moral standing in asking other countries to comply with the agreements they negotiated with the United States?

It is my understanding, while I think we should have more time to debate this—one of the authors of the amendment, Senator DOMENICI, has not had an opportunity to speak—and while I would like to have more time, it is my understanding there is going to be a motion to table. It is also my understanding that there may be a cloture motion tomorrow.

I want to assure my colleagues that I am not sure where the votes are, but I am sure what my rights as a Senator are. I want to assure you that I am going to use every power that I have as a Member of the U.S. Senate to see that we do not discriminate against a country that has a 1,200-mile border with my State. I am going to use every power I have as a United States Senator to see that we do not violate NAFTA, to see that we do not destroy the credibility of the United States in trade relations around the world.

What that means is we will have, not one cloture vote, we will have five cloture votes. At some point here people are going to want to go on to other business. I want to assure my colleagues if there is not some compromise here that produces a bill the President can sign, we are not going to other business.

Finally, let me conclude by saying this bill is not going to become law until we comply with the treaty. The President is not going to sign the bill. We can fool around and have five cloture votes and hold up all other business until we get back from Labor Day. We can stay in August. We are going to see the full rules and protections of the Senate here because this is a critically important agreement.

When you start not living up to agreements that you made with your neighbor, you start to get into trouble, whether you are a person or whether you are the greatest nation in the history of the world.

I think the Murray amendment is wrong. Senator MCCAIN and I have been willing to compromise. The President is willing to compromise. But we are not going to compromise on violating NAFTA. That is a compromise that is not going to occur. We can come up with a safety regime. It doesn't have to be identical with Canada and Mexico, but the requirements have to be identical. That is what the trade agreement says.

The Murray amendment in four different areas violates NAFTA. This has to be fixed if we are going to go forward.

I urge my colleagues to vote for the pending amendment, which I have offered with Senator MCCAIN and Senator DOMENICI. I urge them to oppose a motion to table. I assure them that this issue is not going to go away. The Senate may vote to discriminate against Mexico, but they are going to get to vote on it on many occasions.

I yield the floor.

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

The Senator from Washington.

Mrs. MURRAY. Mr. President, how much time is left on both sides?

The PRESIDING OFFICER. The Senator from Washington has 2 minutes 1 second.

Mrs. MURRAY. Mr. President, this amendment that is before us, no matter what we hear, is about safety, is about our ability as a country to ensure that our constituents—whether they are traveling to work, taking their kids to daycare, going on vacation, or traveling down the highway—are safe. We have a right in this country to ensure the safety of our constituents.

I hear our opponents saying this is a violation of NAFTA. Do not take my word for it. Take the word of the NAFTA arbitration panel. They have clearly told us that the United States may not be required to treat applications from Mexican trucking firms in exactly the same manner as applications from United States or Canadian firms. United States authorities, in their words, are responsible for the safe operation of trucks within United States territory, whether ownership is United States, Canadian, or Mexican.

We have a right under treaties right now to ensure the safety of our citizens on our highways. That is what this amendment is about. That is what this vote is about—whether or not we will undermine that safety all on our own here in the Senate and go beyond what the NAFTA panel has told us we can do and undermine the NAFTA panel, or whether we are going to stand up for safety. That is what this amendment is about.

I urge all of our colleagues to vote on the side of families and safety.

I yield to my colleague.

The PRESIDING OFFICER. The Senator from Alabama.

Mr. SHELBY. Mr. President, I move to table the Gramm-McCain amendment and ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There is a sufficient second.

The question is on agreeing to the motion. The clerk will call the roll.

The assistant legislative clerk called the roll.

The PRESIDING OFFICER. Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 65, nays 35, as follows:

[Rollcall Vote No. 250 Leg.]

YEAS—65

Akaka	Edwards	Murray
Baucus	Feingold	Nelson (FL)
Bayh	Feinstein	Nelson (NE)
Biden	Graham	Reed
Bingaman	Harkin	Reid
Boxer	Hollings	Rockefeller
Breaux	Hutchinson	Santorum
Byrd	Inhofe	Sarbanes
Campbell	Inouye	Schumer
Cantwell	Jeffords	Sessions
Carnahan	Johnson	Shelby
Carper	Kennedy	Smith (NH)
Cleland	Kerry	Smith (OR)
Clinton	Kohl	Snowe
Collins	Landrieu	Specter
Conrad	Leahy	Stabenow
Corzine	Levin	Stevens
Daschle	Lieberman	Torricelli
Dayton	Lincoln	Warner
Dodd	Mikulski	Wellstone
Dorgan	Miller	Wyden
Durbin	Murkowski	

NAYS—35

Allard	Domenici	Kyl
Allen	Ensign	Lott
Bennett	Enzi	Lugar
Bond	Fitzgerald	McCain
Brownback	Frist	McConnell
Bunning	Gramm	Nickles
Burns	Grassley	Roberts
Chafee	Gregg	Thomas
Cochran	Hagel	Thompson
Craig	Hatch	Thurmond
Crapo	Helms	Voinovich
DeWine	Hutchison	

The motion was agreed to.

Mr. SHELBY. Mr. President, I move to reconsider the vote.

Mrs. MURRAY. I move to lay that motion on the table.

The motion to lay on the table was agreed to.

The PRESIDING OFFICER. The majority leader is recognized.

ORDER OF PROCEDURE

Mr. DASCHLE. Mr. President, I want to thank a number of my colleagues, especially Senator GRAMM and Senator MCCAIN. I also especially thank the distinguished Republican leader for his help in getting us to this point.

We have been discussing throughout the day the schedule for the balance of the day. I will propound a unanimous

consent request for the moment that will allow us now to take up the Iran-Libya Sanctions Act. Following that, it will be my intention to move to a couple of the nominations that we agreed yesterday we would take up. There are time requests for debate on both nominees, and we will accommodate those requests as the unanimous consent provided for last night.

With that understanding, I will propound the request.

I ask unanimous consent that following the vote with respect to the Gramm amendment, regardless of the outcome, the Senate proceed to the consideration of Calendar No. 98, S. 1218, the Iran-Libya sanctions bill, and that the bill be considered under the following limitations: that there be a time limitation of 60 minutes for debate on the bill, with the time equally divided and controlled between the chairman and ranking member, or their designees; that the only first-degree amendment in order to the bill be a Murkowski amendment regarding Iraq's oil; that there be 90 minutes for debate with the time divided as follows: 60 minutes under the control of Senator MURKOWSKI, 30 minutes under the control of the chairman and ranking member, or their designees; that upon the use or yielding back of time on the amendment, the amendment be withdrawn; that upon the use or yielding back of all time, the bill be read the third time, and the Senate proceed to vote on passage of the bill, with no intervening action or debate.

The PRESIDING OFFICER. Is there objection?

Mr. MURKOWSKI. Reserving the right to object, Mr. President, from the standpoint of clarification, the amendment that I am prepared to offer, according to the statement by the majority leader, would be withdrawn. It had been my request of both leaderships that the condition on withdrawing the amendment would be the assurance that I would have an opportunity for an up-or-down vote at a future time on the issue of oil imports from Iraq. I request consideration, if indeed the leadership will consider that, associated with the appropriate opportunity—maybe on one of our trade agreements that will come before this body—that I would be allowed at least not more than an hour and a half or 2 hours to debate that and have the assurance of an up-or-down vote. I ask the leadership for that consideration.

Mr. DASCHLE. Mr. President, if I may respond, Senator Murkowski has reiterated the understanding we have on both sides of the aisle with regard to his offering an amendment at a later date on Iraq oil on another bill. I will certainly provide him with a vote in relation to that amendment when that time comes.

The PRESIDING OFFICER. Is there objection?

Mr. MCCAIN. Reserving the right to object, are the intentions, after disposition of the nominations, to return to the pending legislation?

Mr. DASCHLE. In answer to my colleague from Arizona, the intention would be that we go right back to the Transportation appropriations bill. What I am hoping, frankly, is that over the course of the next several hours we can continue our discussions. Our staff has indicated again that they are willing to begin the discussions in earnest, with the hope that we might proceed with some expectation that we find some resolution. It is our hope that while our colleagues debate these other matters, that will free up those people who have been involved in this issue to talk, and it would be our intention to come back to this.

Mr. MCCAIN. Further reserving my right to object, we have just established 35 votes, which is sufficient to sustain a Presidential veto, which has been threatened on this bill. I hope it will motivate the other side to engage in a meaningful negotiation, which has not happened so far, so that we can resolve the situation.

I reiterate my commitment to remain through a series of cloture votes, if necessary, until we get this issue resolved to the satisfaction of those who are concerned about it, including the President of the United States.

Mr. MURKOWSKI. Reserving the right to object, just for clarification from the leader, the Senator from Alaska requested specifically the assurance of an up-or-down vote, and I believe the majority leader indicated a reference ''in relation to.'' I don't want to mischaracterize the intent. I wanted to have an understanding I would be afforded an opportunity for an up-or-down vote.

Mr. DASCHLE. I will have no objection to an up-or-down vote.

Mr. LOTT. Reserving the right to object, and I will not object, I want to say that I appreciate the majority leader's comments about the need for us to have a serious effort to find a compromise on this issue that is still pending on the Transportation bill. I thank him for the assurances given to Senator MURKOWSKI.

As I understand it now, we will go to the Iran-Libya Sanctions Act and have 60 minutes on that bill. Senator MURKOWSKI will have his time, and we will go to final passage. Then after some debate time, we will have one or two votes on nominees. Did the Senator clarify that?

Mr. DASCHLE. Mr. President, in answer to the Republican leader's question, the answer is, we would provide for the debate allotted under the unanimous consent that we were able to arrive at last night. In regard to the Horn nomination and the nomination for the Administrator of the SBA, in both cases, as I understand it, rollcalls have been requested. So it is my intention that we would have debate on the two nominees and then the votes on those yet tonight. Then we will revert back to Transportation.

Mr. LOTT. I thank the Senator. Further reserving the right to object, I know there are strong feelings on the question of the U.S.-Mexican truck crossing at the border, a lot of ramifications, and making sure it is NAFTA compliant, and making sure the trucks come into the country in a safe way after being inspected. I understand all of that.

This is an appropriations bill and this language should not even be on this bill. Clearly, though, this can be resolved.

While everybody is in a position of wanting to get dug in, let me point out that this issue could go on for days. It is really not necessary. I have never seen an issue that is more clearly in the realm of having an agreement worked out. We ought to do it. I urge both sides to do their very best to accomplish that.

I thank Senator DASCHLE for giving these answers. I withdraw my reservation.

The PRESIDING OFFICER. Is there objection to the request of the majority leader?

The Senator from North Dakota.

Mr. DORGAN. Reserving the right to object, and I shall not, I wanted to inform the majority leader that the proposition of discussions about the Murray language, in my judgment, should not just be among those who support the language and those who wish to weaken it. Others wish to strengthen it. While there is a disagreement on this issue, it is not just on one side. I hope if discussions ensue in the coming hours on this subject, they include those of us who believe the Murray language is not strong enough.

Mr. DASCHLE. Mr. President, I say to Senator DORGAN that I don't think we ought to exclude anybody. Clearly, no one has devoted more time to the issue and has been more eloquent on the floor with regard to safety and the importance of recognizing the issue of safety than Senator DORGAN. Senator MURRAY has accommodated everybody, and I know in these discussions that would be her intent as well. I appreciate the Senator's interest in being involved in these discussions. I want to say that we hope to include anybody that has an interest in it.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

ILSA EXTENSION ACT OF 2001

The PRESIDING OFFICER. Under the previous order, the clerk will report the bill, S. 1218, by title.

The assistant legislative clerk read as follows:

A bill (S. 1218) to extend the authorities of the Iran and Libya Sanctions Act 1996 until 2006.

The Senate proceeded to consider the bill.

The PRESIDING OFFICER. Who yields time?

The Senator from Maryland.

Mr. SARBANES. Mr. President, what is the parliamentary situation?

The PRESIDING OFFICER. The Senate is beginning consideration of S. 1218. The Senator from Maryland controls 30 minutes; the Senator from Texas controls another 30 minutes.

Mr. SARBANES. Mr. President, I thought I would make a very short opening statement. Senator MURKOWSKI is here and wants to launch into the debate of his amendment. We want to move along, and I am hopeful we will be able to yield back a considerable amount of time on the bill itself and time with respect to the Murkowski amendment. Altogether, there is 2½ hours allotted for all of that: 1 hour on the bill and 1½ hours on the Murkowski amendment.

Mr. SCHUMER. Will the Senator yield?

Mr. SARBANES. I yield.

Mr. SCHUMER. Mr. President, I ask that after the Senator speaks, I be recognized for a short period of time before we begin the discussion of Senator MURKOWSKI's amendment.

Mr. SARBANES. Fine. I will hold my time down because I do want to get to the Murkowski amendment and the Senator from Alaska is in the vicinity.

Mr. President, I rise in strong support of S. 1218, the renewal authorization legislation for the Iran-Libya Sanctions Act, commonly known as ILSA. This legislation was reported favorably out of the Committee on Banking, Housing, and Urban Affairs by a vote of 19–2. We made some modifications. Therefore, a committee print served as the vehicle for the committee markup, but this committee print paralleled closely with the renewal legislation introduced by Senator SCHUMER of New York and Senator SMITH of Oregon which garnered 79 cosponsors.

I am including in the RECORD the full list of the 79 cosponsors. I ask unanimous consent that the list be printed in the RECORD at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. SARBANES. Mr. President, I especially thank Senators SCHUMER and SMITH for their leadership on this issue. We are very appreciative of the very vigorous effort they mounted with respect to this issue. The existing ILSA legislation expires on August 5 of this year. Therefore, we need to move quickly to approve this legislation. This will extend ILSA for another 5 years. It will lower the threshold for foreign investment in the Libyan energy sector from $40 million to $20 million to trigger sanctions. That puts Libya on a par with Iran at the existing requirement, and it closes a loophole in the existing legislation making it clear that modification or addition to an existing contract would be treated as a new contract for purposes of evaluating whether such amendment or modification would invoke the sanctions. There has been a loophole with respect to companies operating in Libya, and we need to address that.

With respect to the Iran portion of ILSA I wish I could come to the Chamber and report there has been a significant change in Iranian conduct that warrants a response from the Congress in terms of when we consider whether to extend these sanctions forward. Unfortunately, Iran's support for terrorism continues unabated. The latest State Department Report on Patterns of Global Terrorism 2000 states:

> Iran remains the most active state sponsor of terrorism in 2000. Its revolutionary guard corps, the IRGC, and the Ministry of Intelligence and Security, MOIS, continue to be involved in the planning and execution of terrorist acts and continue to support a variety of groups that use terrorism to pursue their goals.

Iran is also stepping up efforts to acquire weapons of mass destruction. The latest unclassified CIA report to Congress on worldwide weapons of mass destruction acquisition notes:

> Iran remains one of the most active countries seeking to acquire weapons of mass destruction and advanced chemical weapons technology from abroad. In doing so, Iran is attempting to develop an indigenous capability to produce various types of weapons—chemical, biological, and nuclear—and their delivery systems.

In June of this year, when the Justice Department handed down indictments in the Khobar Towers bombing case, a case in which 19 of our airmen in Saudi Arabia were killed in 1996, the Attorney General stated publicly that Iranian officials ''inspired, supported, and supervised members of Saudi Hezbollah,'' which is the group that carried out the attack.

As for Libya, very briefly, it has fulfilled only one aspect of the U.N. Security Council resolutions relating to the Pan Am 103 bombing; namely, the handing over of the suspects for trial. Libya has not fulfilled the requirement to pay compensation to the families of the victims, to accept responsibility for the actions of its intelligence officers, and to renounce fully international terrorism.

In fact, President Bush on April 19 of this year stated:

> We have made it clear to the Libyans that sanctions will remain until such time as they not only compensate for the bombing of the aircraft, but also admit their guilt and express remorse.

Because Iran and Libya have not clearly fulfilled the requirements of ILSA, I believe that not to extend ILSA for a full 5 years would send the wrong signal. Failure to do so would be seen as a sign of lack of resolve on the part of the United States.

I also believe that placing Libya on a par with Iran with regard to ILSA's conditions sends a strong signal to Libyan leader Qadhafi that the pressure will be kept on until he fulfills all relevant U.N. Security Council resolutions concerning the bombing of Pan Am flight 103, which I remind my colleagues killed 270 people, including 189 Americans.

This legislation had overwhelming support in the committee in being brought before the Senate. It has been endorsed by a clear majority—a very substantial majority—of Members of this body, and I urge my colleagues to support the legislation.

I yield the floor.

EXHIBIT 1

ILSA COSPONSORS

Senators Schumer, Smith (OR), Hollings, Rockefeller, Reed, Levin, Durbin, Carnahan, Johnson, Gregg, Cleland, Campbell, Murray, Allard, Mikulski, Ensign, Collins, Bob Smith, Lieberman, Harry Reid.

Senators Corzine, Sessions, Kyl, McConnell, Boxer, Santorum, Shelby, Voinovich, Breaux, Torricelli, Clinton, Stabenow, Harkin, Kohl, Daschle, Bob Graham, Inouye, Thomas, Helms, Brownback.

Senators Feinstein, Kennedy, Grassley, Craig, Warner, Biden, Bingaman, McCain, Sarbanes, Bennett, Wyden, Hutchinson, Bunning, Dorgan, Crapo, Bill Nelson, Edwards, Kerry, Hatch, Lott.

Senators Cochran, Frist, Akaka, Conrad, Bayh, Dayton, Allen, Snowe, Miller, Wellstone, Landrieu, Dodd, Cantwell, Ben Nelson, Leahy, Bond, Lincoln, DeWine, and Murkowski.

Mr. SARBANES. I yield 7 minutes to the Senator from New York, after which it is the intention we go to the amendment of the Senator from Alaska.

The PRESIDING OFFICER (Mr. REED). The Senator from New York is recognized.

Mr. SCHUMER. I thank the Chair, and I thank the chairman of our Banking Committee, the Senator from Maryland, for bringing this matter to the Chamber with such alacrity. I thank him on behalf of Senator SMITH and myself who have been the lead sponsors of this legislation, as well as the 78, now 79, cosponsors.

As has been said, time is of the essence. With the original ILSA law set to expire on August 5, the Senate needs to swiftly pass this bill to get our version approved by the House and then over to the President for his signature within the next 10 days. I again thank Senator SMITH for working so hard with me on bringing this bill forward so quickly. It is a bipartisan bill. We have garnered 79 cosponsors and the support of both the chairman of the Banking Committee, as you just heard, and most of the membership of the Banking Committee as well.

Mr. President, I rise today to urge my colleagues to support the Iran and Libya Sanctions Extension Act of 2001, a bill originally introduced by Senator GORDON SMITH and me, currently supported by 79 cosponsors.

Time is of the essence. With the original ILSA law set to expire on August 5, the Senate needs to swiftly pass this bill, get our version approved by the House, and then over to President Bush for his signature within the next 10 days.

I know time for debate is limited, but I just want to say a few words in support of this important bill which extends U.S. sanctions against foreign companies which invest in Iran and Libya's oil sector for five more years.

First, I would like to thank Senator SMITH for his invaluable leadership on

this bill. I would also like to thank Senator SARBANES for giving this bill his utmost consideration and following through with a hearings and markup schedule which got the bill reported out of the Banking Committee last week on a 19–2 vote.

Everyone in Congress is well acquainted with ILSA; it passed unanimously in both Houses in 1996.

And today it is vitally important for Congress to once again speak out loudly and strongly in support of maintaining a hard line on two of the world's most dangerous outlaw states.

In fact, the argument in support of reauthorizing ILSA for another five years is a very simple one: over the past five years, Iran and Libya have done nothing to show they should be welcomed into the community of nations and benefit from better relationships with the United States and our allies.

Quite the contrary.

Despite the election of so-called ''moderate'' President Mohammad Khatami in 1997, Iran remains the world's most active state sponsor of terrorism, and has been feverishly seeking to develop weapons of mass destruction.

Just last month, a U.S. Federal grand jury found that Iranian government officials ''supported and directed'' the Hezbollah terrorists who blew up Khobar Towers in Saudi Arabia in 1996, an act which killed 19 brave American servicemen.

And Iran proudly supports the Hamas terrorist group, whose most recent claim to fame was sending a suicide bomber into a crowded disco in Tel Aviv killing 21 Israeli teenagers.

As far as Libya is concerned, we recently learned beyond a doubt that the Libyan government was directly involved in the bombing of Pan Am 103—one of the most heinous acts of terrorism in history.

Yet Libya still refuses to abide by U.N. resolutions requiring it to renounce terrorism, accept responsibility for the Libyan officials convicted of masterminding the bombing, and compensate the victims' families.

These actions by Iran and Libya are not actions worthy of American concessions. They are actions worthy of America's most supreme outrage, and worthy of U.S. policy that does everything possible to isolate these nations in hopes of preventing them from doing further harm to America and our allies.

Some in the Administration argue that the United States should lift or ease sanctions on rogue states like Iran and Libya first, and decent, moral, internationally-acceptable behavior will follow.

I say that is twisted logic.

If these states are serious about entering the community of nations, and seeing their economies benefit from global integration, they must change their behavior first.

They must adapt to the world community, the world community should not adapt to them.

I have spoken to people on all sides of the issue of sanctions, particularly with respect to sanctions on Iran. And even those most opposed to sanctions on Iran cannot tell me any viable alternative to ILSA.

The idea that United States concessions to Iran through ending or watering down ILSA would bring about change for the better in Iran, and moderation in its foreign policies, is not simply misplaced speculation, it would be prohibitively dangerous policy.

An Iran emboldened and enabled by billions more in foreign investment leading to hundreds of millions more in oil profits would simply mean a more potent threat to America and our allies. Plain and simple.

The truth is ILSA has been very harmful to Iran—over the past five years, the threat of sanctions has successfully dissuaded billions in foreign investment, causing the Iranian government to invest in its own oil fields rather than in terrorism and weapons programs.

In fact, since ILSA was enacted, Iran has promoted more than 55 foreign investment opportunities in its energy sector and landed only eight contracts worth a total of roughly $2.5 billion—earning Iran barely half of what its tiny Persian Gulf neighbor, Qatar, netted in foreign investment during the same period.

With ILSA firmly in place, Iran cannot hope to fulfill its goal of attaining $60 billion in foreign investment over the next decade which it needs to rehabilitate and modernize its oil sector.

But ILSA is not simply about harming Iran and Libya's ability to do business and accrue greater oil revenues. It is about American leadership in the world in doing what's right.

Mr. President, the United Sates stands in the international community as a beacon of freedom—a beacon of what's right. Our great nation is about much more than economic might. It is about moral leadership, and combating those who wish to vanquish the principles of liberty and freedom which Americans have fought and died over the centuries to uphold.

An overwhelming vote today in support of ILSA reauthorization will send a strong signal that the United States is not prepared to relinquish the moral high ground when it comes to dealing with the worst renegade states—those who wish to disrupt our way of life.

Although some of the administration would like to water down ILSA, a veto-proof vote here in the Senate today would say to the Administration and the world that sanctions against the world's worst rogue states will remain firmly in place.

After all, the alternative is unthinkable: What would the international community think should the world's greatest power relax sanctions on two rogue states that have shown themselves to be so outside the family of nations, and engaged in some of the most dastardly acts the world has ever seen?

Mr. President, don't get me wrong, I fully support the Bush administration's desire to review U.S. sanctions policies to make sure they are working effectively.

But ILSA is as close as we have come to a perfect sanctions regime. First, it is highly flexible: It grants the President full waiver authority on a case-by-case basis, and it contains a menu of sanctions options ranging form a slap on the wrist, to more serious economic retaliation.

Second, its sunset provisions are profoundly reasonable: Libya needs to simply own up to its responsibility for Pan Am 103; Iran simply needs to stop its support for international terrorism and end its obsessive quest for weapons of mass destruction.

So for those who argue for eliminating or weakening ILSA, I say this: Only two states can eliminate the need for ILSA, Iran and Libya.

For Iran that means an unconditional end to its support of international terrorism, and its dangerous quest for catastrophic weapons. Let Iran prove it is moderate before America rewards it.

For Libya, it means full acceptance of responsibility for the Pan Am 103 bombing, and full compensation for the families of the victims.

If the day arrives that Iran and Libya fulfill these reasonable international obligations, ILSA will no longer be needed and it will be terminated.

Unfortunately, that day is not yet in sight.

I urge my colleagues, in the strongest possible terms, to vote yes for ILSA reauthorization.

I yield the floor.

The PRESIDING OFFICER. Who yields time?

Mr. SARBANES. Mr. President, I will yield 5 minutes to the Senator from Massachusetts. I thank the Senator from Alaska for his courtesy. I say to other colleagues who want to speak on the bill itself, we will still reserve some time and they can speak later, but Senator MURKOWSKI has been waiting for quite a while to bring up his amendment. I yield 5 minutes to Senator KENNEDY, and then I assure the Senator from Alaska, we will go to his amendment.

Mr. MURKOWSKI. I am happy to accommodate Senator KENNEDY.

Mr. KENNEDY. Mr. President, I thank the Senator from Alaska for his courtesy. I will take just a moment. I know I speak for the 13 families from Massachusetts who lost loved ones; and they continue to be strongly supportive of this legislation. I thank the Senator from Maryland for all of his work and for his timeless energetic leadership on this extremely important issue.

We are reminded every day that we live in a dangerous world. As a member of the Committee on Armed Services, we have been listening to the proposal of the administration about anti-ballistic missile systems. We have been

watching the leaders of the great industrial nations meeting in Europe. We have seen President Bush and President Putin meeting to talk about nuclear weapons.

As a member of the Committee on Armed Services, all of us are convinced the great threat to the United States is in the form of terrorism: nuclear proliferation, bioterrorism, computer terrorism, but it is terrorism. That is the principal threat to the safety and security of the people of the United States and our allies.

We are relentless in dealing with the state of terrorism around the world. We spend a great deal of money doing that. The best way we can deal with the issue of terrorism is to show persistence, consistency, and as much tough-mindedness as the terrorists. The way to do that is to not forget and not forgive the brutal attacks and killings and assassinations of the Americans and citizens of 22 other countries in the Pan Am 103 disaster.

Members of Congress, and those who talk about wanting to deal with terrorism, ought to be here every single day. Unless we are going to be persistent and unless we are going to be tough-minded and unless we are going to deal with this and demonstrate to the world we are serious about dealing with the problems of state-sponsored terrorism, no matter how much we are going to spend on ballistic systems, no matter how much we will spend on the nonproliferation of weapons, how much we spend on intelligence, it will undermine our effectiveness.

The matter before the Senate sends a clear message, that we have not forgotten about state-sponsored terrorism in Libya. It is as clear as that.

According to the State Department, Iran continues to be ''the most active state sponsor of terrorism.'' Sanctions should continue on that nation.

There is also a compelling foreign policy rationale for extending sanctions on Libya. Easing sanctions on Libya by allowing the law to expire would have a far-reaching negative effect on the battle against international terrorism and the 12-year pursuit of justice for the 270 victims of the bombing of Pan Am flight 103.

Current law requires the President to impose at least two out of six sanctions on foreign companies that invest more than $40 million in one year in Libya's energy sector. The President may waive the sanctions on the ground that doing so is important to the U.S. national interest. For Libya, the law terminates if the President determines that Libya has fulfilled the requirements of all U.N. resolutions relating to the 1988 bombing of Pan Am flight 103. Those conditions, which were imposed by the international community, require the Government of Libya to accept responsibility for the actions of its intelligence officer, disclose information about its involvement in the bombing, provide appropriate compensation for the families of the victims of Pan Am flight 103, and fully renounce international terrorism.

President Bush has emphasized his support for these conditions. As he stated on April 19, ''We've made it clear to the Libyans that sanctions will remain until such time as they not only compensate for the bombing of the aircraft, but also admit their guilt and express remorse.'' Yet the Government of Libya continues to refuse to meet the conditions of the international community. Until it does, both the United States and the international community should continue to impose sanctions on the regime.

Despite the conventional wisdom that economic sanctions do not work, they have been effective in the case of Libya. As a result of the United Nations sanctions, the U.S. sanctions, and diplomatic pressure, the Libyan Government finally agreed in 1999 to a trial by a Scottish court sitting in the Netherlands of two Libyans indicted for the bombing. Last January 31, one of the defendants, a Libyan intelligence agent, was convicted of murder for that atrocity.

The court's decision clearly implicated the Libyan Government. The conviction was a significant diplomatic and legal victory for the world community, for our nation, which was the real target of the terrorist attack, and for the families of the victims of Pan Am flight 103.

The Iran Libya Sanctions Act is also intended to help level the playing field for American companies, which have been prohibited from investing in Libya by a Presidential order issued by President Reagan in 1986. The statute enacted in 1996 imposed sanctions on foreign companies that invest more than $40 million in any year in the Libyan energy sector. The objective of the 1996 law is to create a disincentive for foreign companies to invest in Libya and help ensure that Amercian firms are not disadvantaged by the U.S. sanctions. Since the sanctions on U.S. firms will continue, it is essential to extend the sanctions on foreign firms as well.

The administration has indicated that it has no evidence of violations of the law by foreign companies. But some foreign companies are clearly poised to invest substantially in the Libyan petroleum sector, in violation of the law. A German company, Wintershall, is reportedly considering investing hundreds of millions of dollars in the Libyan oil industry in violation of the law.

Allowing current law to lapse before the conditions specified by the international community are met would give a green light to foreign companies to invest in Libya, putting American companies at a clear disadvantage. It would reward the leader of Libya, Colonel Qadhafi, for his continuing refusal to comply with the U.N. resolutions. It would set an unwise precedent of disregard for U.N. Security Council Resolutions. It would undermine our ongoing diplomatic efforts in the Security Council to prevent the international sanctions from being permanently lifted until Libya complies with the U.N. conditions. And it would prematurely signal a warming in U.S.-Libyan relations.

Our European allies would undoubtedly welcome the expiration of the U.S. sanctions. European companies are eager to increase their investments in Libya, but they do not want to be sanctioned by the United States. They are ready to close the book on the bombing of Pan Am flight 103, and open a new chapter in relations with Libya.

But the pursuit of justice is not only for American citizens. Citizens of 22 countries were murdered on Pan Am flight 103, including citizens of many of our allies. The current sanctions were enacted on behalf of these citizens as well. Our government should be actively working to persuade European countries that it is premature to rehabilitate Libya.

I am especially pleased that two modifications to the Libya section make by the House International Relations Committee are included in this legislation. I commend Chairman SARBANES for his leadership by including these provisions in his mark.

The first modification reduces the threshold for a violation in Libya from $40 million to $20 million. Under current law, a foreign company can invest $40 million in Libya before sanctions kick in, but it can only invest $20 million in Iran. When the law was originally drafted, the threshold for both Iran and Libya was $40 million. When it was reduced for Iran, it was not reduced for Libya. It should have been. The threshold for a violation should be $20 million for both Iran and Libya.

The other modification closes a loophole in the law that allows oil companies to expand upon contracts that were signed before the current law was enacted. A number of companies which signed contracts before ILSA became law are expanding their operations, such as by developing fields adjacent to those in which they made their original investment, and calling this expansion a part of the original contract.

The law should cover modifications to existing contracts and agreements. Even if the original contract pre-dates ILSA, subsequent investments that expand operations should be treated as a new contract. This point should be clarified in the law, and the administration should aggressively seek the information necessary to enforce it.

I ask unanimous consent that a letter written by the President of the Victims of Pan Am flight 103, Inc. asking the Congress to make these modifications to existing law be printed in the RECORD.

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

VICTIMS OF PAN AM FLIGHT 103, INC.,
Cherry Hill, NJ, 23 May, 2001.

Subject: Iran-Libya Sanctions Act.

Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: The members of our organization, the Victims of Pan Am Flight 103, Inc. urge you to vote to extend the Iran-Libya Sanctions Act

The Scottish court in the Netherlands convicted a Libyan intelligence agent, Abdel Basset al-Megrahi, of the murder of 270 innocents on Pan Am flight 103. The judges also found that Megrahi was acting ''in furtherance of the purposes of Libyan Intelligence''. Within a few hours, President Bush declared on CNN, to the world, that the Scottish Court's decision proved the Libyan government was responsible for the murders of our loved ones.

U.N. Security Council resolutions 731 and 748 require that Libya turn over the suspects for trial, cooperate in the international investigation, pay appropriate compensation to the families and end support of international terrorism. The Libyan Regime must be made to comply fully with the UN Resolutions.

Allowing ILSA to lapse would undermine President Bush's statements the day of the verdict, the intent of the UN. Security Council's resolutions and give tacit approval to Quadhafi's flagrant disregard for international law and human life. It would, in effect, reward Libya's murderous actions and stonewalling. It would declare open season on Americans.

We ask that you support two changes to the law. The first would reduce the threshold for a violation from $40 million to $20 million. The threshold for a violation for investment in Iran is $20 million. There is no compelling reason why the threshold for investment in Libya should not be the same.

The second change would close a loophole in the law that enables oil companies to expand existing contracts and avoid being examined for violations. We understand that a number of European companies which signed pre-ILSA contracts are expanding operations by, for example, developing fields adjacent to the fields in which they had their original investment and portraying this expansion as part of the original contract. Our organization believes such investment should always be investigated for ILSA violations. Even if the original contract pre-dates ILSA, any post-ILSA investment, no matter how large or remote form the original contract, should be treated as the entry of a new contract and investigated for an ILSA violation.

We respectfully suggest that if ILSA is not renewed, the United States will have failed in one of the most important challenges it faced in the 2nd half of the twentieth century.

Our organization strongly supports an extension of ILSA, which has worked well to deter significant new investment in the Libyan oil sector and look forward to working with you toward that extension.

Sincerely,

ROBERT G. MONETTI,
President.

Mr. KENNEDY. These families, as all families, are enormously important. Many have been out there at Arlington and had Presidents of the United States meet with them. Many have followed closely the developments that have taken place regarding the trial. Many of us have spent a good deal of time with these families. If we are going to keep faith with these families, if we are going to be serious about dealing with State-sponsored terrorism, if we are going to at least be able to have some impact on countries that may be thinking a little bit about sponsoring some terrorism around—if they know the United States is going to continue to lead the world in not forgetting and not forgiving State-sponsored terrorism, it may make some difference and it may result in the saving of American lives. It certainly can help move us so hopefully someday we get a sense of justice out of the loss of lives as we know them in the Pan Am 103 tragedy.

Extending the law that requires sanctions on foreign companies that invest in Libya for another five years is in both the security interest of the United States and the security interest of the international community. Profits in Libya should not come at the expense of progress against international terrorism and justice for the families of the victims of Pan Am flight 103.

Seventy-eight Members of the Senate have cosponsored legislation to extend the Iran Libya Sanctions Act for five years, and S. 1218 was approved by a vote of 19–2 by the Senate Banking Committee.

I urge my colleagues to approve this legislation without delay.

The PRESIDING OFFICER. The Senator from Alaska.

Mr. MURKOWSKI. I thank the floor manager, my good friend, Senator SARBANES, and Senator KENNEDY.

First, let me speak to the underlying bill. I very much appreciate the leadership bringing it up at this time. The bill before the Senate, as I understand it, has only one cosponsor, Senator SARBANES, the chairman of the Banking Committee, which reported this as an original bill. However, there are 79 cosponsors of the underlying bill sponsored by Senators SMITH and SCHUMER. I want the record to note I am on that bill.

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

Mr. MURKOWSKI. It is of no consequence to me, but I think it is——

Mr. SARBANES. It is important. The list of cosponsors was sent to the desk and the Senator is included in the list. The reason the bill came out of the committee this way, when you do a committee print, is that is how it had to be presented. We did a committee print instead of the original bill that was introduced because there were some relatively minor changes that were made, and we laid down a committee bill, as it were, for markup purposes.

Mr. MURKOWSKI. I certainly understand and appreciate that. I just wanted the record to note why I was not seen as a cosponsor on it. Obviously, not being a member of the committee, and understanding the intention of the chairman—as former chairman, I understand the procedure and I do not take issue with it. But I wanted the record to note, as the floor manager indicated, my support of the bill.

Mr. SARBANES. I thank the Senator.

AMENDMENT NO. 1154

Mr. MURKOWSKI. I rise on an issue of grave concern. Clearly, I stand with my colleagues and those who have spoken on the justification of extending the sanctions timeframe for another 5 years on both Iran and Libya.

I hope the Chair will notice that there is another country that is excluded from this list, and that is Iraq. The presumption is that it is taken care of under the U.N. sanctions.

I have come to this floor to speak of inconsistencies before in our foreign and energy policy. I come today to address an inconsistency in relationship to what this particular bill addresses. It addresses the attitude prevailing in the Senate that we are going to stand against terrorism.

Clearly and appropriately that attitude should be directed to Iran and Libya. But the same moral question is applicable to our relationship with Iraq. I am not going to go into great detail on the prevailing attitude in Iraq with regard to terrorists, but I think the prevailing attitude of Saddam Hussein is known to all Members—his continued criticism of Israel. I think it is fair to say he concludes almost every address with the words ''death to Israel,'' or quotes to that effect.

I am not going to stand here and take a contrary position on the issue of condemning those that foster terrorism, Iran and Libya, which this amendment addresses, and an extension of the sanctions for another five years. But I do want to raise awareness of an inconsistency here. I am referring, of course, to our growing dependence on imported petroleum from Iraq.

Let me show the reality of what is happening in this country. I know many Members have, since the price of gasoline has gone down, an indifferent attitude that the question of our national security has had little impact on this debate. But I think it has every relevance to this debate because our national security is threatened by our escalating dependence on foreign imports. You have to separate energy sources. You have to separate the energy that comes from our conventional sources, whether they be nuclear, hydro, natural gas, wind alternative—from oil because oil moves America. Oil moves the world. You do not generate much electricity with oil, but you move everything and everybody. We are becoming more dependent on imported oil, particularly from disturbing sources.

Many in this body will remember in 1973 we had the Yom Kippur war. We had gas lines around the block in this country. We were 37-percent dependent on imported oil.

The public was outraged. How could this happen? We created a Strategic Petroleum Reserve. We said this country will never ever approach or exceed 50-percent dependence on imported oil.

We are 56-percent dependent now. The Department of Energy has indicated we are going to be 66-percent dependent by the year 2010, approximately 65-percent dependent in the year 2008.

This dependence is very real and there is no relief in sight. I want to make it again clear I support this underlying bill. There is no justification in my mind for allowing the Iran-Libya Sanction Act to lapse. I have talked to many people, many interest groups on this subject. But I want to go on record to recognize that we have not imported more than a drop of oil from Iran in 20 years or, for that matter, Libya.

On the other hand, do you have any idea what we are importing from Iraq today? You should, because it is a million barrels a day. Yet Iraq is not included in these sanctions.

I am not going to go into the reason, but I am going to point out the obvious. This chart was made not so very long ago, when we were importing 750,000 barrels a day. Now this figure should read 1 million barrels a day; the Persian Gulf, 2.3 million; OPEC, 5 million barrels a day.

Make no mistake about it, OPEC is a cartel. Cartels are illegal in the United States. They are antitrust violations. But we have become addicted to oil. We don't produce enough in this country. We are increasing our dependence and also, if you will, compromising our national security. What did we see as late as 3½ weeks ago? Our friend Saddam Hussein, in a beef with the United Nations, decided to curtail his production. He took 2½ million barrels a day off the world market. We were led to believe OPEC would increase production 2½ million barrels a day and there would be no shortage. That didn't happen. Saddam Hussein curtailed for a month 2½ million barrels a day. A little over 60 million barrels didn't get to the market. OPEC didn't increase the production. The price stabilized. It went up a little bit.

Make no mistake about it, blood is thicker than water, if I can use that expression, in the sense of OPEC making a determination that while the United States is one of their largest customers, they also had an obligation to respond to what Saddam Hussein was attempting to do; that was to get more flexibility from the U.N.

I go into this in some detail because I don't think my colleagues or the American public really understand the significance of what this means to the national security of this country.

When we take his oil, he takes our money. We gave Saddam Hussein $6 billion last year alone for the purchase of oil. What does he do with that money? He pays his Republican Guard to take care of his safety and other personal needs. He develops a missile capability, a delivery capability, and a biological capability. At whom does he aim it? He aims it at our ally, Israel.

I don't know about you, Mr. President, but that bothers me. It shows a grave inconsistency in our foreign policy.

Mr. President, my amendment attempts to address that by requiring that we terminate our purchase of oil from Iraq.

What does that mean? If I were to spill this water on this desk, it would spill to all four corners of the desk. That is the way the oil market works. There is so much oil out in the world, and there is so much consumption. If we choose not to buy —when I say ''we,'' I am talking about America's oil companies—from Iraq, that will relieve Iraq of oil to be purchased by somebody else, and that somebody else can relieve their purchaser. So we can basically purchase the oil from someone other than Iraq. But obviously Iraq has it for sale. The terms are probably favorable in the competitive market.

I am not going to go too far down that pipeline other than to suggest that we don't necessarily short ourselves a million barrels a day if we don't buy our oil from Iraq. There are other places to buy that oil.

But I want to remind the American people that since the end of the Gulf War in 1991 we have enforced a no-fly zone, flying over 250,000 sorties. Those sorties have specifically been initiated to prevent Saddam Hussein from threatening our allies in the region. Every time we fly a sortie, we are putting American men and women in harm's way, because he attempts to take down our aircraft.

It is pretty hard to get an estimate of how much we have expended to keep Saddam Hussein in his box since the 1990 invasion of Kuwait. It has been estimated, as near as we can determine, that it is some $50 billion.

That war was in early 1991. Saddam invaded Kuwait in the summer of 1990. What was his objective? We know the war was, at least in part, over oil. His objective was to go through Kuwait, and then on into Saudi Arabia, and control the world's supply of oil—the life's-blood of the world.

Every day we place our service men and women in harm's way. We lost 147 American lives, we had 450 American wounded and 23 American prisoners of war in the 1991 Gulf War.

I said this before on this floor. I think I have it right. We take Iraqi oil, we put it in our airplanes, and send our pilots to go after Iraqi artillery and return to fill up with Iraqi oil again.

Mind you, there is a sanctions bill on the floor against Iran, and sanctions against Libya. Where is Iraq? Some say that is covered by the U.N. sanctions. Come on, let's not kid each other. We know he is black-marketing a significant amount of oil outside the sanctions because we have no enforcement of the sanctions. The U.N. doesn't have ready access to his country, and only limited control over what he does with the money. We know he is not taking care of the needs of his people with the money he gets from oil sales.

Again, through this entire presentation, I appeal as we consider the bill before us, where is Iraq? Why aren't we initiating meaningful sanctions against Iraq at the same time?

Last week, Iraq fired a surface-to-air missile into Kuwait airspace for the first time since the 1991 Gulf War. The missile was aimed at a United States unarmed surveillance aircraft on routine patrol several miles inside the Kuwait border with Iraq. That is reality. But it is hardly makes the newspaper. It is not news anymore. We take it for granted.

Saddam Hussein is heating our homes in the winter, gets our kids to school each day, gets our food from the farm to the dinner table, and of course we pay him to do that.

What does he do with the money he gets for the oil? As I indicated, he pays his Republican Guard to keep him alive. He also supports international terrorist activities. We have heard from our colleagues regarding Iran and Libya. I agree with them. This issue on Iran and Libya is a moral stance against those countries that foster terrorism. But again, where do we stand on Iraq? Saddam funds a military campaign against American service men and women and against those of our allies. He builds an arsenal of weapons of mass destruction. The threat is real to our men and women and our allies in the Persian Gulf.

You may recall, as I do, the hundreds of Kuwaitis who remain unaccounted for since the Gulf War and who were kidnapped from Kuwait on Saddam's retreat in 1991. Hundreds of thousands of Iraqi lives have been lost. Countless Iraqis are suffering due to Saddam's continuing tyranny.

I find this extraordinary. I find it outrageous that the Senate has been silent. We seem to have our heads buried in the sand. We are all for extending unilateral sanctions against Iran and Libya, but where is Iraq? What is different here? Is it because of our increased dependence on his oil? How did we allow ourselves to get into such a situation?

For a number of years the United States has worked closely with the United Nations on the Oil for Food Program.

The program allows Iraq to export petroleum in exchange for funds which can be used for food, medicine, and other humanitarian products. But despite more than $15 billion available for these purposes, Iraq has spent only a fraction of that amount for the people's needs. Instead, the Iraqi Government spends the money on items of questionable and often suspicious purposes. Why?

Why, when billions are available to care for the Iraqi people, who are malnourished—some of them are sick; some of them have inadequate health care—would Saddam Hussein withhold the money available and choose, instead, to blame the United States for the plight of his people? He does.

Why is Iraq reducing the amount it spends on nutrition and prenatal care when millions of dollars are available from the sale of oil?

Why does $200 million worth of medicine from the U.N. sit undistributed in Iraqi warehouses?

Why, given the urgent state of humanitarian conditions in Iraq, does Saddam Hussein insist that the country's highest priority is the development of sophisticated telecommunications and transportation infrastructure?

Why, if there are billions available, and his people are starving, is Iraq only buying $8 million worth of food from American farmers each year?

I do not personally have a quarrel with the Oil For Food Program. It is well-intentioned. I do, however, have a problem with letting Saddam Hussein manipulate our growing dependency on Iraqi oil.

Where are we on this issue? We are silent. Three times since the beginning of the Oil For Food Program, Saddam Hussein has threatened or actually halted oil production, disrupting energy markets, and sending oil prices skyrocketing. Why?

Why does he do this? He does it to send a message to the United States. Do you know what the message is? The message is: I have leverage over you. And by the indication of our increased imports, as I indicated, the figure is one million barrels a day now. It seems he is pretty much right on target there.

Every time he has done this, he has had his way. We have proven ourselves addicted to Iraqi oil. Saddam has been proven right: He does have leverage over us.

Last month, in a display of displeasure over U.S. attempts to revise the sanctions regime, as I indicated, he withdrew 2.5 million barrels a day from the market for 30 days. OPEC did not make it up. Now we are importing over a million barrels a day. Ten percent of our oil imports come directly from Saddam Hussein.

Am I missing something? Is this really acceptable to this body? We have placed our energy security in the hands of this individual.

The administration has valiantly attempted to reconstruct a sensible, multilateral policy towards Iraq. Attempts have, unfortunately, not been successful. I think that before we can construct a sensible U.S. policy towards Iraq, we need to end the blatant inconsistency between our energy policy and our foreign policy. We need to get our heads out of the sand. We need to end our addiction to Iraqi oil. We need to basically find another alternative.

To that end, in the amendment that I have at the desk, I am offering language to prohibit imports from Iraq, whether or not under the Oil For Food Program, until it is no longer inconsistent with our national security to resume those imports.

I have had a colloquy with the leadership and the floor manager, and I agreed to submit my amendment to the desk, to speak on it, and withdraw it, with the proviso that I would receive an up-or-down vote at a later time on my amendment which would prohibit the purchase of Iraqi oil into the United States until certain conditions have been filled. And that is my intention. But I think it important to point out we simply cannot ignore this inconsistency in foreign policy.

We simply cannot turn our heads and say, on one hand, we stand firm against terrorism associated with Iran and Libya and simply not mention Iraq, turn a blind eye towards our increased dependence on Iraqi sources as a supply of oil, and not make a connection somehow that if there is justification for sanctions against Iran and Libya, there certainly is justification for equivalent sanctions against Iraq.

The bill that my good friend, the senior Senator from Maryland, has proposed addresses, obviously, the issue of extending the sanctions on Iran and Libya. I support that, as I have indicated. I recognize the various interests and the number of Members who are already in favor of the underlying bill. I respect that. But I would implore our colleagues to recognize that we are on a very dangerous, slippery slope with Iraq as we simply take for granted their willingness to sell us oil, and we take for granted our continuing dependence—an increasing dependence—on that source and seem to be totally unconcerned about it.

We are legitimately concerned about Iran and Libya, but Iraq sanctions terrorism as well. Is it because we have allowed ourselves to become more dependent on Iraq? This is almost like an examination of conscience—the conscience of our country, the recognition of our national security imperatives.

My good friend from Maryland may expect me to go into a long-winded explanation of other alternatives for our increased dependence on oil. I believe that many alternatives can come domestically from the United States. However, America's environmental community that suggests we cannot do it here at home.

But that environmental community isn't concerned with the national security consequences of our increased dependence on Iraq. I think the American people are inclined to take for granted that they can go to the gas station and simply pick up the hose and put it in their automobiles. We have had occasions where individuals have said: I thought that is the way it came. I forgot all about the reality that somebody had to find it, recover it, refine it, ship it, and make it available. Do we care about the fact that so much of it is coming from Iraq—a place with which we are in a virtual state of war?

We stand against terrorism from Iran and Libya. But where do we stand on the imminent threat from Iraq?

As we again address the reality of whether Americans should care where their oil comes from, it is fair to state there seems to be little concern about how environmentally compatible the development of Saddam Hussein's oil fields are. We do not seem to care about that. It is too far away. We want his oil. We will pay for it. End of discussion.

But should we care where it comes from? Yes, we should, just as we should care very much about allowing terrorism to flourish in Iran and Libya. We should care about how we are contributing through our addiction to Iraqi oil to Saddam Hussein's campaign of terror.

We should stand against the environmental degradation that is associated with some of the exploitation of resources in other countries that ultimately are bound for the United States.

What about our economy? The greatest single contributor to the deficit balance of payments is the price of imported oil. We send our dollars overseas; we send our jobs overseas. We have the resources here at home, not to totally relieve but to a degree lessen our dependence. Do we have the fortitude to recognize the alternatives are here?

This is a message that I don't think is very complex. It is a message based on simple but indisputable facts. That reality is, we move America and we move the world on oil. We are becoming more and more committed to that oil coming from Iraq, and Iraq has more and more leverage on the United States as a consequence of that. Again, I ask myself: Where is Iraq in the bill that is before this body?

I have agreed to withdraw my amendment with the provision that the floor leadership has assured me of an up-or-down vote on my amendment at a later time. I want the administration, the State Department, and the domestic oil industry in this country that imports this oil from Iraq to get the message that I mean business. We are going to have in this body an up-or-down vote to either terminate our imports from Iraq and find our oil someplace else until such time as the administration and the President satisfies us that the inconsistencies associated with our relationship with Iraq are adequately addressed.

Iraq should be part of this bill before us. However, in accordance with my agreement with the Leadership, I will withdraw the amendment, and unless there are other Members who want to speak on this on my time, it would be my intention, if there are no others, with the agreement of the floor manager, I would consider yielding back the time.

The PRESIDING OFFICER. The clerk will report the amendment for the information of the Senate.

The bill clerk read as follows:

The Senator from Alaska [Mr. MURKOWSKI] proposes an amendment numbered 1154.

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

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

The amendment is as follows:

(Purpose: To make the United States' energy policy toward Iraq consistent with the national security policies of the United States)

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE AND FINDINGS.

(a) SHORT TITLE.—This Act can be cited as the ''Iraq Petroleum Import Restriction Act of 2001''.

(b) FINDINGS.—Congress finds that—

(1) the government of the Republic of Iraq:

(A) has failed to comply with the terms of United Nations Security Council Resolution 687 regarding unconditional Iraqi acceptance of the destruction, removal, or rendering harmless, under international supervision, of all nuclear, chemical and biological weapons and all stocks of agents and all related subsystems and components and all research, development, support and manufacturing facilities, as well as all ballistic missiles with a range greater than 150 kilometers and related major parts, and repair and production facilities and has failed to allow United Nations inspectors access to sites used for the production or storage of weapons of mass destruction.

(B) routinely contravenes the terms and conditions of UNSC Resolution 661, authorizing the export of petroleum products from Iraq in exchange for food, medicine and other humanitarian products by conducting a routine and extensive program to sell such products outside of the channels established by UNSC Resolution 661 in exchange for military equipment and materials to be used in pursuit of its program to develop weapons of mass destruction in order to threaten the United States and its allies in the Persian Gulf and surrounding regions.

(C) has failed to adequately draw down upon the amounts received in the Escrow Account established by UNSC Resolution 986 to purchase food, medicine and other humanitarian products required by its citizens, resulting in massive humanitarian suffering by the Iraqi people.

(D) conducts a periodic and systematic campaign to harass and obstruct the enforcement of the United States and United Kingdom-enforced ''No-Fly Zones'' in effect in the Republic of Iraq.

(E) routinely manipulates the petroleum export production volumes permitted under UNSC Resolution 661 in order to create uncertainty in global energy markets, and therefore threatens the economic security of the United States.

(2) Further imports of petroleum products from the Republic of Iraq are inconsistent with the national security and foreign policy interests of the United States and should be eliminated until such time as they are not so inconsistent.

SEC. 2. PROHIBITION ON IRAQI-ORIGIN PETROLEUM IMPORTS.

The direct or indirect import from Iraq of Iraqi-origin petroleum and petroleum products is prohibited, nothwithstanding an authorization by the Committee established by UNSC Resolution 661 or its designee, or any other order to the contrary.

SEC. 3. TERMINATION/PRESIDENTIAL CERTIFICATION.

This Act will remain in effect until such time as the President, after consultation with the relevant committees in Congress, certifies to the Congress that:

(1) the United States is not engaged in active military operations in enforcing ''No-Fly-Zones'' in Iraq, supporting United Nations sanctions against Iraq, preventing the smuggling by of Iraqi-origin petroleum and petroleum products in violation of UNSC Resolution 986, complying with United Nations Security Council Resolution 687 by eliminating weapons of mass destruction, or otherwise preventing threatening action by Iraq against the United States or its allies; and

(2) resuming the importation of Iraqi-origin petroleum and petroleum products would not be inconsistent with the national security and foreign policy interests of the United States.

SEC. 4. HUMANITARIAN INTERESTS.

It is the sense of the Senate that the President should make all appropriate efforts to ensure that the humanitarian needs of the Iraqi people are not negatively affected by this Act, and should encourage through public, private, domestic and international means the direct or indirect sale, donation or other transfer to appropriate non-governmental health and humanitarian organizations and individuals within Iraq of food, medicine and other humanitarian products.

SEC. 5. DEFINITIONS.

(a) 661 COMMITTEE.—The term ''661 Committee'' means the Security Council Committee established by UNSC Resolution 661, and persons acting for or on behalf of the Committee under its specific delegation of authority for the relevant matter or category of activity, including the overseers appointed by the UN Secretary-General to examine and approve agreements for purchases of petroleum and petroleum products from the Government of Iraq pursuant to UNSC Resolution 986.

(b) UNSC RESOLUTION 661.—The term ''UNSC Resolution 661'' means United Nations Security Council Resolution No. 661, adopted August 6, 1990, prohibiting certain transactions with respect to Iraq and Kuwait.

(c) UNSC RESOLUTION 986.—The term ''UNSC Resolution 986'' means United Nations Security Council Resolution 986, adopted April 14, 1995.

SEC. 6. EFFECTIVE DATE.

The prohibition on importation of Iraqi origin petroleum and petroleum products shall be effective 30 days after enactment of this Act.

AMENDMENT NO. 1154, WITHDRAWN

Mr. MURKOWSKI. Mr. President, I ask unanimous consent that the amendment be withdrawn.

The PRESIDING OFFICER. The amendment is withdrawn.

The Senator from Maryland.

Mr. SARBANES. Mr. President, I wanted to take a few minutes to address some of the comments of the Senator from Alaska. We have time on the amendment. Then I would be happy to yield back the time. I assume the Senator would yield back his time on the amendment. Then we would just be left with completing the bill. If I may now be recognized to speak on the time allotted with respect to the amendment.

The PRESIDING OFFICER. The Senator from Maryland is recognized.

Mr. SARBANES. Mr. President, I say to the Senator from Alaska, there is much in what he said. I certainly agree with his condemnation of Saddam Hussein. He asked, why isn't Iraq in this bill?

I think there are two reasons. One is, the bill was addressed to do a very simple, straightforward thing, and that was to extend the Iran-Libya sanctions. We did not undertake, either with hearings or in any other way, to examine the Iraqi situation.

Secondly, the Senator has given Members of this body a lot of food for thought with respect to the Iraq situation. Let me add a couple of observations which Members should keep in mind. This goes back to the administration's efforts now to tighten sanctions at the United Nations with respect to Iraq and the fact that the United States is part of an effort, through the U.N., to constrain Saddam Hussein.

Iraq is able to sell oil to foreign companies, including American companies, but legally only under the guidelines of the U.N. Oil For Food Program.

It is true they are bootlegging oil, and they have some middlemen at work. Of course, they are trying to tighten the regime in order to preclude those two possibilities. But the money that is being paid for the oil under the U.N. Oil For Food Program goes into a U.N.-controlled escrow account. The expenditures of that money out of the escrow account, the disbursement is subject to our review and our veto.

This is all an effort to try to ensure that the money goes in for humanitarian purposes involving the Iraqi people and not for Saddam Hussein's purposes.

The fact that we have been able to work through U.N. Security Council resolutions means that there is a program in place barring companies from making energy investments in Iraq. That is now being followed by the United States and by other countries as well. We are trying to monitor this program to alleviate the humanitarian situation and to ensure that the moneys do not go into the coffers of Saddam Hussein.

We are in a sensitive situation at the United Nations because we just got the existing sanctions regime extended. We were unable to get the sanctions regime altered, as we ran into difficulties in the end from Russia. We have to be very careful how we move on this situation so we don't risk losing the existing multilateral sanctions regime which, although not perfect, is serving a very useful purpose.

Obviously, if the U.S. companies are barred under the U.N. Oil For Food Program, other companies will fill the gap. I am more concerned about the fact that if we start playing this unilateral game on Iraq where we have multilateral sanctions in place, we may erode and undermine the multilateral sanctions.

As we consider this proposal, and as the Senator from Alaska has indicated, he anticipates it will be back before us at some future time, we have to keep in mind this very difficult situation we have at the U.N.—Secretary Powell's efforts to sharpen the sanctions and to focus them in a more direct way. I don't think we want to jeopardize that.

I think Members need to keep that in mind as we consider the Iraqi situation.

Mr. MURKOWSKI. If I may respond to the floor manager.

The PRESIDING OFFICER. Who yields time?

Mr. MURKOWSKI. I yield myself a minute or so.

It is not the intention nor the wording of my amendment to in any way alter the Oil For Food Program. That stays. My amendment does not jeopardize that. Let me make a couple of points in response.

What I wish to emphasize is our increasing dependence on this source. It is now 10 percent of the total oil that we import. The significance of that is that, as the Senator from Maryland pointed out, is that the Oil-for-food program is kind of like a sieve. There are these sanctions, but as the Senator from Maryland noted, the oil seeps out through other routes than the U.N. Unfortunately, it doesn't have an adequate safeguard.

So he is able to fund a significant amount of oil outside of the U.N. sanctions. And then the last point I want to make is that this is a unique situation. We should remind people that we are flying sorties, enforcing a no-fly zone over a country that we are allowing ourselves to become more dependent upon. I think that is very dangerous from the standpoint of national security.

Obviously, Saddam Hussein himself and his record of terrorism speaks for itself. We rightly condemn Iran and Libya for harboring and sponsoring terrorists. I think Saddam Hussein fits into that category as well. In addition, we should not forget that have a growing dependence on an individual who, at virtually every opportunity, concludes major speeches with ''death to Israel.''

Clearly, we are almost at war with this individual. These are the inconsistencies that need to be brought out and recognized for what they are and addressed in some responsible manner. The efforts by the Senator from Alaska to address this—first, to bring it to the body, which I have done today, and I have a commitment for an up-or-down vote from leadership, and I hope that the conscience of America reflects to some degree on each of our colleagues the fact that this is not, by any means, the best situation we could have in our foreign policy, nor our national security, by increasing dependence on this particular source. I would feel much better getting it from the OPEC nations rather than Saddam Hussein. That concludes my remarks. I thank my friend for his courtesies.

Mr. SARBANES. Has the amendment been withdrawn?

The PRESIDING OFFICER. Yes.

Mr. SARBANES. I yield back the time we had on the amendment.

Mr. MURKOWSKI. I yield back my time, too.

Mr. GRAMM. Will the Senator yield 3 minutes?

Mr. SARBANES. I think the Senator from Texas has time.

The PRESIDING OFFICER. Yes.

Mr. GRAMM. I yield myself such time as I might consume.

Mr. President, first of all, I congratulate Chairman SARBANES on this bill. This is a bipartisan bill. I think it is a good bill. I think it is justified. I am not unaware of the fact that things are happening in Iran. I continue to hope that a great country with a very proud history, with 67 million people, will have an awakening of freedom, and that Iran will rejoin the community of nations at some point. But while our committee is not unaware of the fact that there are some promising signs in Iran, the policy of the Government is still a policy that we find objectionable. Therefore, I support this bill.

If something changes in Iran, if there is a change in policy, produced either by a change in the Government or a change in the policy of the Government, I think there is strong support in our committee, in the Congress, and in the country to change the current policy. But it is up to Iran and its people as to what course they are going to follow, whether they are going to be one of the responsible nations in the world or whether they are going to support terrorism.

Let me also say that I see no sign that any similar hope is present in Libya. The bottom line is that we have to judge nations as we judge people, based on how they behave. When they behave irresponsibly, we can take note of it if we want to discourage that behavior.

I hope we will get a strong vote. I have to say that when our committee debated this issue, while there was an overwhelming vote of support, we had a very good debate. Many important points were raised, and I was quite proud of how seriously we took this issue.

I don't have any intention to use my 30 minutes. I don't know if anyone else on my side wishes to speak, so maybe for the time being I will reserve my time and see if anybody comes over. Let me conclude my remarks and see if there is anyone on the Democrat side who wants to speak. I hope my colleagues will vote for the Iran-Libya Sanctions Act. I believe that, unfortunately, it is needed. I hope things will change so that we can lift these sanctions some day, and I hope it is soon. But something has to change to make that happen.

The PRESIDING OFFICER. Who yields time?

Mr. GRAMM. I will yield the Senator from Oregon as much time as he might require.

The PRESIDING OFFICER. The Senator from Oregon is recognized.

Mr. SMITH of Oregon. I thank Senator GRAMM. I will be brief. Mr. President, I compliment the ranking member and the chairman of the Banking Committee for bringing this legislation to the floor. It has been my privilege to introduce it to their committee with Senator SCHUMER, the Senator from New York—a Republican and a Democrat.

Senator SCHUMER and I came together on this bill in the belief that, as America pursues its national interests abroad, we should not forget our national values at home. One of the national values that I believe we have is our commitment to the State of Israel to defend it in its existence. This is a commitment that continues today in some very troubled waters. But the truth is, if you examine the globe and try to evaluate where America could be drawn into a conflict, surely the Middle East is one of those.

Some of the actors in the Middle East, it seems to me, have made it clear in recent days that their intention is not to make peace with Israel but to eliminate Israel from the map. To that end, we see in Iran a nation that is pursuing its petroleum business in order to buy its munitions, its weapons business, to build weapons of mass destruction and the rocketry to deliver them, to engage in this deadly trade—all aimed at the State of Israel.

What can we do about that? Well, one of the things this Congress and the American people have done as an expression of our commitment is to establish the Iran-Libya Sanctions Act. We need to renew that before August 5 or it will lapse. It will now be renewed, I believe, for an additional 5 years. It is very important that we do this because, currently, Iran is giving $100 million a year to finance the activities of Hezbollah, Islamic Jihad, and Hamas. They are supplying them with the deadliest of munitions, and we are seeing their work played out on the streets of Jerusalem.

Further, now we know that Iran is proliferating all kinds of weapons of the deadliest kind. So the only peaceful means we have to respond is with our dollars and with these sanctions, which try to thwart the development of petroleum projects in Iran—by the way, they have been very effective in that interruption—the profits from which can be spent on weapons of mass destruction.

Where does Libya come in? Libya still refuses to abide by U.N. Security Council resolutions regarding Pan Am flight 103, which require that Tripoli formally renounce terrorism, accept responsibility for the actions of its Government officials convicted of masterminding the bombing, provide information about the bombing, and pay appropriate compensation to the families of the victims. Further, Libya is a prime suspect of many of the past terrorist actions that have rocked the Middle East.

ILSA threatens the imposition of economic sanctions against foreign entities investing in Iran and Libya. Again, as we look at how effective it has been, of the 55 major petroleum projects in Iran that have sought foreign investment, I am only aware of a half dozen or so that have received foreign investment. This is the best and most peaceful way we have to respond to a buildup of weaponry that could threaten Israel's existence and draw the United States into conflict as well.

I believe ILSA has proven it works. I believe it reflects our national values,

and I believe it restates in the clearest of terms our commitment to the security of Israel and its place in the world.

I am pleased over 78 of our colleagues have signed on as original cosponsors of this bill.

I thank the chairman of the committee and the ranking member for bringing it to the floor today and to a vote, I assume, very soon.

I yield back the remainder of my time.

Mr. SARBANES. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator from Maryland has 10 minutes remaining, and the Senator from Texas has 21½ minutes remaining.

Mr. SARBANES. There is a total of 31 minutes remaining?

The PRESIDING OFFICER. That is correct.

Mr. SARBANES. Mr. President, I am going to put in a quorum call and alert my colleagues if there is anyone else who wishes to speak on this bill, they should let us know and come to the floor promptly. Otherwise, we will yield back all of our time and schedule this matter to go to a vote at 6:30 this evening. I will get further guidance on that, but for the moment I will put in a quorum call with the alert to other colleagues, if there is anyone else who wishes to speak on this bill, they should let us know and come at once. Otherwise, we are going to draw this debate to a close.

I suggest the absence of a quorum.

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

The assistant legislative clerk proceeded to call the roll.

Mr. SARBANES. 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. MCCAIN. Madam President, I join my colleagues in support of renewing the Iran-Libya Sanctions Act to protect American interests in the Middle East. Despite promising changes within Iranian society, Iran's external behavior remains provocative and destabilizing. Iran continues to aggressively foment terrorism beyond its borders and develop weapons of mass destruction as a matter of national policy. Consistent calls from its leaders for Israel's destruction, and the Iranian government's bankrolling of murderous behavior by Hezbollah, Hamas, and other terrorist groups, should make clear to all friends of peace where Iran stands, and what role it has played, in the conflagration that threatens to consume an entire region.

Nor has Iranian-sponsored terrorism targeted only our Israeli ally. According to Attorney General Ashcroft, Iranian government officials ''inspired, supported, and supervised members of Saudi Hezbollah'' responsible for the 1996 terrorist attack on Khobar Towers, which took the lives of 19 U.S. service men. According to former FBI Director Freeh, that chain of responsibility extends to Iran's most senior leadership.

Critics of our Iran sanctions policy make two arguments. The first is that these sanctions are ineffective. But according to the Iranian government itself, in a 1998 report to the United Nations, ILSA caused ''the disruption of the country's economic system,'' a ''decline in its gross national product,'' and a ''reduction in international investment.'' As Lawrence Kaplan points out in this week's edition of The New Republic, since ILSA was enacted in 1996, Iran has promoted over 50 investment opportunities in its energy sector but has secured only eight oil contracts. Sanctions have a deterrent effect on international investors, notwithstanding the foreign policies some of their national governments pursue.

The second argument of sanctions critics is that ILSA renewal would stifle American-Iranian rapprochement, in which we hold a strategic interest. This argument would carry weight had our government not repeatedly sought to initiate an official dialogue on normalization with Iran. But our highest leaders have extended the olive branch on several occasions. Each time, the Iranian government has rejected it. In June 1998, then-Secretary of State Albright called for mutual confidence-building measures that could lead to a ''road map'' for normalization. The Iranian government rejected this unprecedented overture. In March 2000, Secretary Albright gave another speech in which she expressed regret for American policy towards Iran in the past, called for easing sanctions on some Iranian imports, and pledged to work to resolve outstanding claims disputes dating to the revolution. Iran's government deemed this offer insufficient to form the basis for a new dialogue. In September 2000, then-President Clinton and Secretary Albright went out of their way to attend President Khatami's speech at the United Nations an important diplomatic symbol of our interest in a new relationship. But the Iranians again balked. I ask: whose policy is static and immovable America's, with our repeated diplomatic entreaties for a more normal relationship, or Iran's, which rejects all such overtures even as it steps up the very behavior we find unacceptable?

Nor is it time for the United States to lift sanctions on Libya. The successful conclusion of the Lockerbie trial, which explicitly implicated Libya's intelligence services in the attack, does not absolve Libya of its obligations to meet fully the terms of the U.N. Security Council resolutions governing the multilateral sanctions regime against it. Libya has not done so. Libya's support for state terrorism, as certified again this year by our State Department, and its aggressive efforts to develop chemical and potentially nuclear weapons, exclude Libya from the ranks of law-abiding nations.

Lifting sanctions now on Iran and Libya would be premature and would unjustly reward their continuing hostility to basic international norms of behavior. I support extension of ILSA in the knowledge that it is not American sanctions policy but unacceptable behavior by these rogue regimes that precludes a new policy toward them at this time.

Mr. ENZI. Madam President, I rise to express my concerns about the lack of review and reporting requirements for S.1218, the reauthorization of the Iran-Libya Sanctions Act, known as, ILSA. I believe that a renewal of any sanctions law should accompany a full review and report to the Congress on the effectiveness of the sanctions policy it imposes.

First, I want to express my support for the goals of ILSA. All of us want to prevent terrorist organizations from carrying out their terrible activities and we want to stop the dangerous proliferation of weapons of mass destruction, (WMD), technology. We must work with our allies and friends to use multilateral means and pressure these entities and countries to depart from these dangerous activities and work to encourage them to behave in a manner consistent with international norms. In the case of Libya, multilateral agreement on the course of action has been largely reached. Libya must take full responsibility for the despicable terrorist act resulting in the downing of Pan Am flight 103. In the case of Iran, however, the level of multilateral agreement is less consistent, in part because Iran has made some changes, albeit very small.

The Banking Committee recently reported, by a 19 to 2 margin, the Iran-Libya Sanctions Act. I was one of those who could not support the bill at the time because it failed to require a report on the results of ILSA. I believe that this Congress has neither taken adequate time to examine the effectiveness of ILSA, nor the consequences of renewing ILSA for 5 years.

At the Banking Committee markup, I supported Senator HAGEL's amendment, which would have reauthorized ILSA for two years, and more importantly, required the President to report to the Congress on the effectiveness of the Iran-Libya Sanctions Act. The administration also requested a 2-year reauthorization so it could have a better opportunity to review its effectiveness. It is reasonable and prudent policy to review sanctions laws on a periodic basis. It would help ensure that the administration and Congress work together to forge an effective, commonsense policy which promotes our national security and foreign policy goals. We are living in a complex and more globalized world, so periodic review is necessary to keep pace with new developments. I also encourage a review of all of our sanctions statutes specifically relating to Iran to ensure a simplified approach to U.S. sanctions policy toward Iran.

The current ILSA does not sanction Iran and Libya. Instead, it sanctions those who engage in certain levels of investment in Iran's and Libya's petroleum sectors. In addition, it does not

appear to me that the Congress fully considered the few positive developments that have occurred in Iran since the 1996 when ILSA was first passed. I fully understand that the hard-line clerics still control many of Iran's policies. However, we must not turn a blind eye toward Iran's election of Khatemi and the desire of young Iranian people to liberalize Iran's policies. Instead of showing some willingness to work with Iran, we are demonstrating our own inflexibility.

The United States has direct national security interests in maintaining the stability of the Middle East. Israel is an island of stability within this turbulent region. It deserves the support of the United States. In doing so, however, we must do everything possible to avoid making enemies for both the United States and Israel in that region. The U.S. must remain strong, but willing to revisit issues of such importance to the security of both the United States and Israel. It is my hope that despite the lack of a reporting requirement in S.1218, the Bush administration will conduct a thorough review of the effectiveness of ILSA and other sanctions laws.

Mrs. CLINTON. Madam President, I rise today to speak in support of S. 1218, the Iran Libya Sanctions Extension Act of 2001. This legislation will extend for another five years the Iran Libya Sanctions Act of 1996, which would otherwise expire on August 5, 2001.

In 1996 Congress unanimously enacted ILSA in response to Iran's emergence as the leading state sponsor of international terrorism, its accelerated campaign to develop weapons of mass destruction, its denial of Israel's right to exist, and its efforts to undermine peace and stability in the Middle East.

Five years later, the U.S. State Department's ''Patterns and Global Terrorism,'' reported that Iran still remains ''the most active state-sponsor of terrorism'' in the world, by providing assistance to terrorist organizations such as Hezbollah, Hamas, and the Islamic Jihad.

Eleven short days from now, ILSA is set to expire. That is why we must act today to renew this important legislation to deter foreign investment in Iran's energy sector—its major source of income. By doing so we can continue to undermine Iran's ability to fund the development of weapons of mass destruction and its support of international terrorist groups.

In February of this year, I met with families of the American victims of the bombing of Pam Am Flight 103 in 1988. Brian Flynn, from New York City, recalled driving to John F. Kennedy airport to retrieve the body of his brother, J.P. Flynn, who had perished in the bombing. Brian remembered: ''There was no flag, no ceremony, no recognition that he was killed simply for being an American.''

Earlier this year, once again Brian drove to John F. Kennedy airport, this time, to go to the Netherlands to listen to the verdict against two Libyan nationals indicted for the bombing. A Libyan intelligence officer was found guilty of murder in the bombing, in the words of the court, ''in furtherance of the purposes of . . . Libyan Intelligence Services.'' Yet Libya continues to refuse to acknowledge its role and to compensate the family members of 270 victims of the bombing. The State Department reports that Libya also remains the primary suspect in several other past terrorist operations. Brian and so many family members of the dozens of New Yorkers killed in the bombing, have written to me and conveyed how important it is for the United States to continue to hold Libya accountable for its support of international terrorism.

By acting now to renew ILSA, the Senate is sending a clear message to Iran and Libya that their dangerous support for terrorism and efforts to develop weapons of mass destruction are unacceptable and will not be tolerated.

Mr. SARBANES. Madam President, I ask for the yeas and nays on the bill.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. SARBANES. Madam President, I ask unanimous consent that the vote on final passage of S. 1218, the Iran-Libya sanctions bill, occur this evening at 6:30.

Mr. REID. Madam President, reserving the right to object, and I will not object other than to indicate to all of the Senators within the sound of my voice, we are going to attempt to have two, maybe three, votes at 6:30. Senator WELLSTONE will be here at 4:30 to begin the dialogue, the debate on the Horn nomination, and then after that we are going to go to the nominee for the Small Business Administration, Mr. Barreto. We hope we can have those votes also at 6:30.

I appreciate the usual good work of my friend from Maryland.

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

Mr. SARBANES. Madam President, I 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. WELLSTONE. 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. WELLSTONE. Madam President, I want to make it clear to colleagues that I am ready to speak on the nomination of Wade Horn to be HHS Assistant Secretary for Family Support. We are moving forward and are trying to get some work done. I am ready to speak. I think there are other Senators who want to speak in favor of the nomination. My guess is that it is a relatively noncontroversial nomination and there will be strong support. It can be a voice vote. It doesn't matter to me. But I want to speak and get this work done now. I am ready to do so.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The senior assistant bill clerk proceeded to call the roll.

Mr. DASCHLE. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

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

EXECUTIVE SESSION

Mr. DASCHLE. Madam President, pursuant to the order of July 24, I now ask that the Senate proceed to executive session to consider the nominations of Wade Horn and Hector Barreto. I believe the time allotted for Mr. Horn is 2 hours and the time for Mr. Barreto is a half hour.

Mr. WELLSTONE. Madam President, will the majority leader yield?

Mr. DASCHLE. I am happy to yield.

Mr. WELLSTONE. I do want to say to the majority leader, I do not think we will need anywhere near that much time. So I say it can probably be done in an hour with people speaking on both sides.

Mr. DASCHLE. Madam President, for the information of our colleagues, it may be that we will have one rollcall vote on the Iran-Libyan Sanctions Act at some point. Currently, it is scheduled for 6:30. I understand that vote has been scheduled for 6:30 to accommodate some Senators who are attending a memorial service. I would suggest we proceed now to the nomination of Mr. Horn. And we will provide our colleagues with more information as it is made available to us. I yield the floor.

NOMINATION OF WADE F. HORN, OF MARYLAND, TO BE ASSISTANT SECRETARY FOR FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES

The PRESIDING OFFICER. The clerk will report the nomination.

The assistant legislative clerk read the nomination of Wade F. Horn, of Maryland, to be Assistant Secretary for Family Support, Department of Health and Human Services.

The PRESIDING OFFICER (Mr. JOHNSON). The Senator from Minnesota.

Mr. WELLSTONE. Mr. President, again, for the sake of my colleagues' schedules, I do not think this will take that much time. I know there are some Senators who want to speak. I think it is a relatively noncontroversial nomination. I certainly do not need 2 hours.

I do want to speak on the nomination of Dr. Wade Horn to the position of Assistant Secretary for Family Support at the Department of Health and Human Services.

This is a very important position. Once confirmed for this position, Dr.

Horn is going to have authority over the administration of the Federal welfare, child care, child welfare, foster care, and adoption programs. He is going to have considerable influence in the upcoming reauthorization of the so-called welfare reform legislation.

These are issues that all of us care about. But, as my colleagues know, much of my own background, in addition to teaching, was community organizing. Most of that was with poor people. And much of that was with single-parent families, almost always women, sometimes men. Unfortunately, when marriages dissolve, or when it comes to the responsibility of raising children, it disproportionately falls on the shoulders of women.

I have devoted a lot of time to these issues. I really believe that, for me, if I have a passion, it is around the central idea that every child in our country should have the same opportunity to reach her or his full potential. That is what I believe. I suppose all of us do. Maybe people have different ideas how we realize that goal, but, for me, that is the core value that informs me as a Senator. And I am for everything—public sector, private sector—that makes that more likely, more possible, and I am opposed to whatever makes it less possible.

In my opinion, Dr. Horn's views about the causes of the circumstances of these families—especially single-parent families, almost always headed by women—as well as a number of his stated proposals as to how to address these circumstances make him not the right choice to serve in this position. I do not think he is the right person for this job.

I hasten to add that I have met with him. I am sure that this discussion in the Senate Chamber is of great interest to Dr. Horn. As I say, I have met with him. He was more than obliging to come by. I thought we had a very good discussion. And I do not say that as a cliche. He responded in writing to a number of questions I sent to him following the conversation.

I think he feels just as strongly about these issues as I do. I think he would fight against any policy he thought would be harmful to low-income families, especially poor children. I do not want to caricature him. We have an honest but fundamental disagreement about the best way to move families in this country from poverty to self-sufficiency.

I ask unanimous consent to have printed in the RECORD a letter and the signatures of more than 90 organizations that oppose this nomination.

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

JUNE 14, 2001.

DEAR SENATOR: We are writing to urge your opposition to the nomination of Wade Horn as Assistant Secretary for Family Support at the Department of Health and Human Services. We ask that you investigate the writings and philosophy of Mr. Horn and that you question him thoroughly when he comes before the Senate Finance Committee for confirmation.

The HHS Assistant Secretary for Family Support, the country's top family policy post, will be making important decisions and recommendations on many critical public programs which serve predominantly lower income children and families, including welfare, childcare, child welfare, child support, adoption, foster care, child abuse and domestic violence. The person who holds this job will also influence the Administration's positions and activities dealing with next year's reauthorization of the Temporary Assistance to Needy Families (TANF) programs. This person must be able to understand and promote the needs of ALL families in our society.

Wade Horn wants the government to promote marriage by penalizing families where the parents divorce, separate, or do not marry. He also wants the government to tell unmarried mothers to surrender their children for adoption. There is very little ''support'' for families in these sentiments.

With Wade Horn as Assistant Secretary for Family Support, we fear a Department of Health and Human Services that will penalize, and promote discrimination against, families headed by a divorced. Separated, or never-married parent or where both parents live in the home but are not married. Horn has written that single parent families should be denied public benefits whose supply is limited—such as public housing, Head Start, and child care—unless all married couples have been served first. Horn has written that cohabiting parent families should be denied any welfare benefits at all, and kept at the end of the waiting list for other benefit programs.

Due to divorce, separation, death, abandonment or their parent's never-married status, more than half the children growing up today will spend some of their childhood in a single-parent family. An increasing number of children live in two parent families where the parents delay marriage, choose not to marry or are prevented by law from marrying. Horn advocates penalizing all these children.

By supporting Wade Horn's nomination as Assistant Secretary for Family Support at the Department of health and Human Services, president Bush's campaign call to ''Leave No Child Behind'' rings hollow. If the President's true intention is to support all of America's families and children, rather than judging and penalizing many, he should appoint an individual who can work with Congress, our states and our own dedicated organizations to ensure that we will be more—not less—compassionate when dealing with our children and families living at or near poverty.

Sincerely,

Abortion Access Project
ACORN
AIDS Action Committee
Alternatives to Marriage Project
American Ethical Union
Applied Research Center
Arizona Coalition Against domestic Violence
Association of Reproductive Health Professionals
Boston Coalition of Black Women
Boston Women's Health Book Collective
Business and Professional Women/USA
Center for Community Change
Center for Reproductive Law and Policy
Center for Third World Organizing
Center for Women Policy Studies
Center on Fathers, Families and Public Policy
Chicago Jobs Council
Chicago Metropolitan Battered Women's Network
Children's Foundation
Choice USA
Coalition Against Poverty
Coalition for Ethical Welfare Reform
Coalition for Humane Immigrant Rights
Coalition of Labor Union Women
Colorado Center on Law and Policy
Communications Workers of America
Community Voices Heard
Democrats.com
Displaced Homemakers Network of New Jersey
Empire State Pride Agenda
EMPOWER,
Family Economic Initiative
Family Planning Advocates of New York State
Feminist Majority
Finding Common Ground Project at Columbia University
Grassroots Organizing for Welfare Leadership (GROWL)
Hawaii Coalition for the Prevention of Sexual Assault
Hawaii State Coalition Against Domestic Violence
Hesed House
inMotion, Inc.
Institute for Wisconsin's Future
Iowa Coalition Against Domestic Violence
Jewish Women International
Los Angeles Coalition to End Hunger & Homelessness
Make the Road by Walking
Massachusetts Welfare Rights Union
McAuley Institute
Men for Gender Justice
MOTHERS Now
National Association for the Advancement of Colored People (NAACP)
National Association of Commissions for Women
National Black Women's Health Project
National Center on Poverty Law
National Coalition of Anti-Violence Programs
National Employment Law Project
National Family Planning and Reproductive Health Association
National Gay and Lesbian Task Force
National Organization for Women (NOW)
National Women's Conference
National Women's Political Caucus
New York City Gay & Lesbian Anti-Violence Project
9to5, National Association of Working Women
Nontraditional Employment For Women
North Carolina Coalition Against Domestic Violence
Northeast Missouri Client Council for Human Needs
Northeast Washington Rural Resources Dev. Assoc
NOW Legal Defense and Education Fund
PADS, Inc
Pennsylvania Lesbian and Gay Task Force
People United for Families
Planned Parenthood of New York City
Poor People's United Front
Progressive Challenge Project, Institute for Policy Studies
Public Justice Center
Rural Law Center
Sociologists for Women in Society
Survivors Inc.
Texas Council on Family Violence
Unitarian Universalist Service Committee
Voters For Choice Action Fund
WEEL (Working for Equality and Economic Liberation)
Welfare, Education, Training Access Coalition
Welfare Law Center
Welfare Made a Difference Campaign
Welfare Rights Organizing Coalition
Welfare Warriors
Women's Center at the University of Oregon

Women's Committee Of 100
Women Employed
Women's Environment and Development Organization
Women's Housing and Economic Development
Women's Institute for Freedom of the Press
Women's Institute for Leadership Development
Women's Law Project

Mr. WELLSTONE. A lot of the organizations listed include women and children organizations and, in particular, organizations that do the down-in-the-trenches work dealing with domestic violence. That is what I want to talk about. It does not get discussed enough.

In this disagreement, I want to address, in particular, Dr. Horn's focus on ''marriage promotion and responsible fatherhood policies.'' He is a prominent advocate of ''marriage promotion and responsible fatherhood.'' Some of these ideas are going to be central to the reauthorization of welfare ''reform'' next year.

Again, I always put ''reform'' in quotes. Just as single moms were the focus in 1996, single dads could very well be in the spotlight next year. I do not think that, in itself, is a bad thing. I doubt whether there is anyone among us who would argue against the importance of where fathers fit in with families, about the importance of investing in the needs of low-income men, just as we should be concerned about the needs of low-income women.

The question is, what kind of investments we should make, and how can we best serve the needs of low-income adults, men and women, and also their children?

Dr. Horn most recently was president of the National Fatherhood Institute which was created in 1994 ''to counter the growing problem of fatherlessness by stimulating a broad-based social movement to restore responsible fatherhood as a national priority.''

I believe in the importance of responsible fatherhood. Having three grown children and six grandchildren, I certainly believe in it. I am not here to speak against responsible fatherhood.

He also sat on the board of Marriage Savers, which is a Maryland-based group promoting community marriage covenants that are designed to make divorces more difficult to obtain. Dr. Horn has in the past urged States to take advantage of opportunities created by welfare reform to address what many cultural conservatives consider to be the root of society's social ills today, the decline of the traditional family.

In 1997, he wrote a report, along with Andrew Bush, director of the Hudson Institute's Welfare Policy Center. Dr. Horn recommended that States basically—I have to use this word— ''discriminate'' against single-parent families by establishing ''explicit preferential treatment for marriage in the distribution of discretionary benefits such as public housing and Head Start slots.''

Now, although he has distanced himself from this suggestion, as recently as June of this year, Dr. Horn has continued to advocate for policies that would provide financial incentives for marriage.

Let me go back to 1997. I know this is not the issue that carries the most weight in the Senate Chamber. I am not trying to be self-righteous. There is a reason why so many organizations and so many people around the country work in this area. The notion of women being battered at home and what the children see, that is just not so much on our radar screen, although a woman is battered every 15 seconds of every day in America. When you start making an argument that for Head Start or public housing the way that you are going to encourage marriage is to give preferential treatment to those who are married, what you do is you put poor women in a situation where they dare not leave a home which is so dangerous for them and their children because then they may not have any Head Start benefits for their child or they may not be in line to get the housing they need. Why in the world would anyone ever want to advocate such policies?

I am sorry. A lot of this discussion today on my part will be low key for me, but not this part of the discussion. I know that Senators don't think about this, but just think about the harshness of these kinds of proposals. Dr. Horn, I hope, is going through some rethinking on this question as well. I think he is, from the discussion we had. But it concerns me for anyone as recently as 4 years ago to advocate that for low-income families, you give preferential treatment to those who are married so that single-parent homes headed by women, almost always, are put at a disadvantage. Then we are going to make it hard for this woman to get out of this situation. Sometimes you don't want women to stay in the homes. Sometimes you don't want them to stay in the marriages because they are hellish situations. Somebody has to say that in the Senate.

The only reason I am speaking today, after having already testified to the goodwill of Dr. Horn as a person, is because I am going to stay so close to his work, and I am going to insist that not one proposal come from this administration that puts some of these women and these children in jeopardy. This problem of violence in homes is a real problem in our country.

In a recent article, entitled ''Wedding Bell Blues, Marriage and Welfare Reform,'' Dr. Horn suggested that Congress could mandate that States implement policies such as West Virginia's current practice. That is, you provide a cash bonus to single mothers on welfare who marry their child's biological father, or perhaps, he has suggested, Congress could provide a $5,000 cash payment to a woman at risk of bearing a child out of wedlock, if she bears her first child within marriage, to be disbursed in $1,000 annual payments over 5 years as long as she remains married.

Again, I know if these proposals are made within the framework of promoting responsible fatherhood or promoting intact families or being opposed to divorce, it may sound attractive. But again, think about the ways in which these proposals can be in some circumstances actually dangerous to the well-being of many low-income women and children. Somebody in the Senate has to advocate this position.

My wife Sheila—more Sheila than I—has spent years now working on domestic violence issues. There is no doubt in my mind, none, that policies that tie financial incentives to getting married or staying married will result in increased incidents of domestic violence. Think about it for a moment. If a low-income woman is faced with a choice of receiving $1,000 a year, especially a woman who with her children is living in extreme poverty, or leaving a situation where she has been abused, what is she likely to do? What kind of incentive have you built into public policy?

You have built in an incentive which says to this woman: You need to stay at home. You need to marry this man. You need to stay married to this man. What if this man has battered her over and over and over again?

How can so many Senators who supported the Violence Against Women Act, where we finally have begun to address this issue, now not express concern about these kinds of proposals?

By the way, if we can afford to give families with children an extra thousand dollars a year, then by what logic can we possibly suggest that other families with children should be made poor simply because their parents are unmarried? Think about it for a moment. Why should a child, no fault of his own or her own, just because that child is the daughter or son, little daughter or son, of a single parent, a family where the parents are not together, be penalized? This is nonsensical. These are rather perverse priorities or incentives built into public policy.

When considering marriage as a solution for poverty, we need to face the reality that violence against women is a significant cause of women's poverty. Domestic violence makes women poor, and it keeps them poor. The majority of battered women attempt to flee their abusers, but many of them end up on welfare or they end up homeless. Study after study demonstrates that a large proportion of the welfare caseload, consistently between 15 and 25 percent, consists of current victims of serious domestic violence. Between one-half and two-thirds of the women on welfare have suffered domestic violence or abuse at some time in their adult lives. Over 50 percent of homeless women and children cite domestic violence as the reason they are homeless.

Please understand, whether it be preferential treatment for Head Start

or affordable housing, or whether it be bonuses that reward women for staying in a marriage, let's not put low-income women in a position where they are in a very dangerous home, they are being battered, and quite often their children are battered as well.

Their children witness the violence not in the movie, not on television, but in their own living rooms. The children can't do as well in school. Don't create a set of financial incentives that are going to make it harder for these women and these children to be able to leave these circumstances. That is what I am saying today. These are my concerns. That is why you have close to 90 organizations—by the way, hardly any of them would have any clout—that have real concerns about this. For these women and children, the cost of freedom and safety has been poverty. Marriage is not the solution to their economic insecurity.

By the way, do you know that one of the problems is, even if these women leave and they go to shelters—as my colleague from Nevada said earlier today, in many of our States we have more animal shelters than we have shelters for women and children who experience violence. How about that? Then, if they are in a shelter, there is no affordable housing to go to. As opposed to making proposals, which Dr. Horn has made, that talk about all these bonuses and ways of promoting marriage, why don't we, instead, put the emphasis on responsible fathers?

Don Frazier, who was mayor and a great representative of the House of Representatives, did a lot of that in Minnesota. We should do more. But if we have this kind of money, why don't we put it into affordable housing?

Marriage is not the solution to their economic insecurity. For some of these women—can I say this one time in this Chamber? For some of these women, marriage could even mean death. I am sorry. I am going to say it again. That is true. I feel strongly about this. I know what the reality is, from what I have seen with my own eyes from the work Sheila and I have done with women who have been faced with violence in their homes. For some of these women, not only is marriage not the answer to their economic insecurity, for some of them marriage could even mean death. It will undoubtedly mean economic dependence on the abuser. Many battered women are economically dependent on their abusers. Between one-third and almost 50 percent of abused women, surveyed in five studies, said their partner prevented them from working entirely. In fact, we introduced legislation today—Senator MURRAY, Senator DODD, Senator SCHUMER were a part of this—in which we said—and we had people from the business community and the labor community testify—part of the problem is a lot of women, when they try to leave and work, the abuser, the stalker, comes to work, threatens them, comes into the office and makes a scene, and guess what happens. The employers let the women go. They say we can't take this any longer, and then she loses her job.

Of the 96 percent of women who report they experienced problems due to domestic violence, 70 percent have been harassed at work, 50 percent have lost 3 days of work a month as a result of abuse, and 25 percent have lost at least 1 job due to domestic violence.

Do you want to put these women in a situation where they have to stay in these marriages? Marriage is not always the answer, colleagues. I have been married 37 years—maybe closer to 38 years. It has been the best thing that ever happened to me. God, I will sound corny. I am most religious in my thinking about having met Sheila when we were 16. It is the best thing that ever could have happened to me. I am not just saying some trumped up thing on the floor of the Senate. But marriage is not always the answer or the alternative to poverty for many of these women and children.

Dr. Horn has not shown the understanding and sensitivity to these questions he needs to show. He is a good person. He will be nominated. I already said that. But I at least want to speak about my concerns.

The Congress has recently recognized that domestic violence is a serious national problem. We have the Violence Against Women Act and other legislation, and it seems to me that we ought to at least be very sensitive to these concerns.

Dr. Horn and others in the responsible fatherhood movement argue that many of our most pressing social problems—school violence, teen pregnancy, and substance abuse, to name a few—can be directly related to the absence of fathers in the lives of their children.

David Blankenhorn of the Institute for American Values has gone so far as to suggest that fatherlessness is ''the engine that drives our most pressing social problems.'' And topping the list of concerns, of course, is child poverty. For many of these advocates, the solution to ending child poverty is clear: marriage. They argue that what we really need to do is to teach low-income men to properly value marriage and family, based on the presumption that low-income men don't.

Can I also say this at the risk of annoying some colleagues? You know what. I am over and over again struck by the fact that too many Senators seem to know so much about the values of poor people, but they have never spent any time with any of them. It is like I don't know where our understanding of the values of people and how they live their lives comes from. It is certainly not based upon a lot of experience. I believe it is incorrect to presume that low-income men somehow value marriage and fatherhood less than other men. In fact, there is considerable evidence that low-income men value marriage and fatherhood just as much as you do, Mr. President, and as much as I do. But these advocates look at the data indicating a correlation between child poverty and single parenthood, and rather than consider the fact that all too often it is the poverty that leads to the single parenthood, not single parenthood that leads to the poverty, they argue that marriage is the way to eliminate the poverty. That is what I am worried about with Dr. Horn because he is going to be in a key position.

Here is the way one low-income mother put it to me, and thank God for her wisdom:

> They can marry off everybody in my neighborhood, but then all we'll have is two poor people married to each other.

This is what is really at the heart of the matter. You don't end poverty by simply promoting marriage. In fact, you probably promote more successful marriages if that is your goal. And do you know what. I think that is our goal. Let me state as a given that every Senator, or almost every Senator wants to promote more successful marriages. One of the ways is by ending poverty.

My colleague from Indiana will speak for Dr. Horn. I made it clear that I met him. He cares as much as I do. It is an honest disagreement. I made the argument, I say to Senator BAYH from Indiana—and we will voice vote this with overwhelming support. I needed to come to the floor because some of Dr. Horn's advocacy of preferential treatment for Head Start and affordable housing for two-parent, married households, and arguments that you want to have bonuses for people to get married and stay married—I made the argument that the implications of this, when it comes to violence in homes, is grim and harsh. You don't want some of these women to be in a position of feeling as if they can't leave a home where they are being battered and their children are being battered. That is what some of these proposals do.

As to some of his ideas, he said, ''I no longer necessarily believe all of this.'' But I have said some of these arguments about promoting marriage are fine; I am for it. But for some women this is not the answer.

You don't want to have financial incentives, or disincentives, if you will, that put women in a position where the choice is, Do I stay in this home where I am being battered, my child can be battered, or my child witnesses this violence, or if I leave then no longer will I get a Head Start benefit, or I will lose my bonus I have received for being in this marriage or I will not be able to get affordable housing.

That is one of the things that concerns me the most, I say to two good colleagues. One of the reasons we have so many of these organizations in the trenches working in domestic violence expressing this concern is because of this argument. Someone needs to say it because Dr. Horn will be in this position, and then we will work with him.

I am all for promoting responsible fatherhood and marriage, but I do not

want to do it in such a way that we end up—I said this before my colleagues came—for some of these women, marriage is death. That is right. For some of these women, staying in a marriage means they will lose their lives. I do not want public policy or social policy that makes it more difficult for them to leave these homes which are not safe homes, where they should leave these homes. That is part of what this debate is about.

In just the few minutes I have left, the other part of the argument I want to make is if, in fact, you want to promote successful marriages, especially if you are talking about the low- and moderate-income community, one of the ways to do it is to focus on some of these economic issues. There is a whole world of problems out there, such as unemployment, not having a living-wage job, drug and alcohol addiction, depression and mental illness, poor education, jail time, hunger and homelessness, and, in all due respect, quite often these are the reasons that marriages do break up.

Unless we talk about marriages and responsible fatherhood in the context of also dealing with these very tough problems that rip families apart, I do not think we go very far, and I will insist all of them be considered.

Frankly, it is not necessarily his fault, but I do not hear much from this administration in terms of being willing to invest some of the resources in any number of these different areas.

We had a proposal in Minnesota. I said ''had.'' It was the Minnesota Family Investment Program. It was a pilot program. Too bad, because from my point of view, this is welfare reform. Two former Governors did a great job saying we are going to put a lot of money into childcare, into job training skills development, into making sure these families do not lose their medical care, and we are going to put a lot of money into significant income to disregard when they made more money, they then lost, dollar for dollar, what they were making.

Studies compared former AFDC recipients to those on MFIP and found MFIP individuals were 40 percent more likely to stay married and 50 percent less likely to be divorced after 5 years. There you have it. That is part of what we need to do.

Mr. President, do you know what. That is not what we are doing in a lot of this so-called welfare reform. As a matter of fact, finally I got the Food and Nutrition Service study the other day. I said to them: Tell me what is going on with food stamps. Why have we had a 30-percent-plus decline in food stamp participation post 1996? They said: In some cases, people are working and maker better income. In most cases, they are not, but they do not know they are eligible any longer.

There were cuts in food stamp benefits, massive cuts in benefits to legal immigrants. Frankly, Families USA points out there are some 660,000 people who no longer have medical assistance because of the welfare bill. In too many cases, people have dropped out.

Berkeley and Harvard did a study of the childcare situation and found that many of these kids were in dangerous situations or in front of a TV, and it would not surprise anyone if they came to kindergarten way behind.

I am for promoting families, responsible fatherhood, and I want these children to have as much a chance as other children, and I want to know from where the commitment comes.

Marriage is not, in and of itself, the way to address the root causes of poverty, and it is no reliable long-term solution to poverty, particularly poverty among women and children, and, in general, two incomes are better than one. It is far better to have two parents in the household, but that fact is not sufficient to support an argument that marriage will lead to an end of family poverty.

There are many reasons that women, more often than men, experience an economic downfall outside of marriage: Discrimination in the labor market; lack of quality, affordable accessible childcare; domestic violence; and I also say to my colleagues—Senator REID said it earlier—in many States there are more animal shelters than shelters for women who come out of these very dangerous homes.

Moreover, the tragedy of it is, after they get out of shelters, there is no affordable housing. As a matter of fact, this is going to become a front-burner issue for us because we are not doing anything by way of getting resources back to State and local communities, and it is a huge crisis. It is not surprising that the other day there was a report that came out in the Washington Post pointing out the issue really is not poverty, the issue is we have to double the official definition of poverty, which is around $17,000. If you want to be realistic of what it takes for a family to make it, there are many families with incomes under $40,000 who are having a heck of a time making it, and one of the reasons is the cost of housing.

If you do not address these factors that keep women from being economically self-sufficient, then your marriage and family formation advocates are merely proposing to shift the woman's dependence from the welfare system to marriage. You see what I am saying? There is a missing piece here, I say to Dr. Horn and others.

Some women should not be dependent on their marriage. They should get out of their marriage. They should not be there. They should get out of these homes with their children because if they stay, they are going to be murdered and their children—talk about posttraumatic stress syndrome. What do my colleagues think it would be like to be a little child? I have been with them. I met with some of these families and have seen a mother who has been beaten up over and over, day after day. What do my colleagues think that does to children?

With domestic violence and divorce at the current rates, marriage will never be the sole answer. The solution is not, as Dr. Horn and others suggest, to interfere with the privacy rights of poor women but, rather, let's focus on economic self-sufficiency.

Congress should not use women's economic vulnerability as an opportunity to control their decisions regarding their marriage or, for that matter, childbearing. Fighting poverty and promoting family well-being will depend on positive Government support, for policies that support low-income parents in their struggle to obtain good jobs so that they can have a decent standard of living, so they can give their children the care they know their children need and deserve. That is what it ought to be about.

I disagree with Dr. Horn on this policy, but colleagues and the public should be further aware that certain recent statements and writings by the nominee signal that basic views which underlie his policy positions I think are a little bit over the top.

I have already talked about how I like him, I say to both colleagues because I know they know him. I will give a couple examples.

Dr. Horn has recently written, for example, that females raised by single mothers ''have a tendency toward early and promiscuous sexual activity.'' That material was given to me by advocate organizations. That is in direct quotes. From where in the world does that come? Where is the evidence for that?

He recently wrote that males raised by single mothers have ''an obsessive need to prove their masculinity.'' He reportedly has linked single mothering or father absence to acts of violence carried out by males, such as the shootings at Columbine High, although, by the way, in that case, the families were intact. These were not single-parent families. This is not an attack on character.

I want Dr. Horn to know he is going to be nominated on a voice vote. He will be supported. That is fine. But I want to be on record saying I don't think he is the right choice. I certainly want to question some of the statements he has made and, more importantly, some of the positions he has taken. He will be the one in the middle of the welfare reform. He will be the one dealing with a lot of the policy that affects low- and moderate-income families.

Ninety organizations have urged the Senate Committee on Finance to oppose his nomination. A majority of them are organizations that deal with domestic violence. That is where the real fear is. I have heard from too many people whose opinions I respect and whose judgments I value, starting with my wife Sheila, to allow the nomination to pass silently. Dr. Horn will be confirmed, but I felt compelled to

raise these issues and concerns about some of the policies I think he is likely to promote as Assistant Secretary for Family Support. I hope he proves me wrong; he may very well.

I hope he will use the occasion of this appointment to reconsider some of his views—not all; he is entitled to many of his views. The issues are too important and too many lives are affected to not speak out. I hope Dr. Horn and others at Health and Human Services, as well as colleagues in the Senate, will carefully consider the implications of policies that we all propose that affect low-income families.

I said earlier, and I meant it as a criticism of Senators on both sides of the aisle, although we cannot generalize, I am always amazed we infer the values of people. We seem to know so much about the values of people and how they live their lives, especially low-income people—that fathers do not respect fatherhood or the pathology of their lives—when hardly any Members spend any time with them. Dr. Horn is an example of someone who has inferred people's values, which can be downright dangerous, especially when we are talking about violence in homes today.

What we really need to do is to support these women and children. Therefore, I hope the Senators, as we go forward with the welfare reauthorization bill and we make policy that affects directly the lives of poor people in this country, will make it our business to be very careful. They are not on the Senate floor, they have very little clout, and in too many ways they are right out of Michael Harrington's ''The Other America.'' They are invisible and without a very strong voice. There are helpful organizations, thank God, such as the Children's Defense Fund, but not enough.

I wish Dr. Horn the very best. We will work together. But I want Dr. Horn to know I have a lot of concerns which I have discussed today. I am not speaking for myself, but for a lot of people in the country, especially those down in the trenches doing the work, dealing with the violence in families, trying to protect women and children, to make sure they can rebuild their lives.

I yield the floor.

The PRESIDING OFFICER. The Senator from Indiana.

Mr. BAYH. Before my colleague from Minnesota leaves the floor, I express my appreciation to him and compliment him for the passion he brings to the cause of helping those less fortunate in our society. There is no Member of this body who feels more strongly about empowering those who need opportunity in our country than Senator WELLSTONE. For that, I compliment the Senator and thank him for being such a valuable Member of this body.

I also say, before the Senator leaves the floor, I find myself in strong agreement with his sentiments about the rights of women, particularly that they are not given incentives to stay out of relationships that are abusive, or assisting or providing incentives for men with a proven record of abuse from entering family relationships where they do not belong.

I am not familiar with all of the statements he has made, but I can say from my own experience with Dr. Horn that it is my understanding he has distanced himself from several of these controversial statements. I can say from my personal experience with him in working on the Responsible Fatherhood Act that he has shown a great willingness to ensure that abusive men are not reinserted into family situations and, in fact, women are protected, as they should be. We should insist upon this, even as we try to promote men living up to their responsibility and doing right by not only their children but the mothers of their children.

We had a recent conference at the Thurgood Marshall Center in Washington, DC, a lower income area, and we were heartened to see representatives from many organizations representing low-income America. I am glad the Responsible Fatherhood Act has been advocated by the Black Caucus.

From my experience, Dr. Horn has shown great empathy toward the cause of helping children with a less fortunate background. I know it is entirely appropriate that the Senator comes to the floor and expresses his concerns. I thank him, before he gets on with his busy schedule, for his championing of the cause of the less fortunate, to express strong support for his dedication, particularly ensuring that women are not placed in abusive situations but, in fact, are protected from abusive men who would do them or their children harm. I express those sentiments before the Senator has to leave.

Mr. WELLSTONE. I thank the Senator from Indiana for his graciousness. I think the statement he just made, especially dealing with violence in homes, is extremely important. I thank the Senator.

Mr. BAYH. Mr. President, I rise to express my strong support for the nomination of Wade Horn to be Assistant Secretary of HHS for Family Support. I am confident that he will do an outstanding job in discharging his duties for all Americans.

I have known Dr. Horn personally since 1996 when I had the privilege as Governor of our State of holding one of the first conferences in the country on the importance of promoting more responsible fatherhood on the part of many men.

The vast majority of men in our society, when they bring children into the world, do the right thing by supporting children economically, emotionally and economically, and supporting the mothers. Regrettably, in recent years, in the last decade or so, we began the alarming trend of many men walking away from responsibilities, financial and otherwise, with great detriment to the children and the mothers of those children and, because of that, the society and taxpayers, as well.

Wade Horn worked with us not only in that conference but in fashioning legislation in the Halls of Congress to do something about this epidemic of fatherlessness that harms our society in so many important ways. He understands that a child growing up without the involvement of a father, emotionally or financially, is five times more likely to live in poverty, twice as likely to be involved with drugs or alcohol abuse, twice as likely to commit a crime of violence, twice as likely for a young girl to be involved with teen pregnancy, and much more likely to get involved in a variety of situations that will harm a youngster throughout the course of his or her lifetime.

Wade Horn is committed to doing something about this phenomenon, and thereby strengthening families and helping children. He understands this effort is not only good for America's children; it is good for taxpayers, as well.

Many of the issues we debate in this Chamber, many of the initiatives we pursue to try to help America really deal with the manifestations of what are actually deeper underlying problems. If we are going to get at the root causes of the problems that afflict too many of America's children, we have to deal with them where they begin, the breakdown of the American family, and, in particular, too many men bringing children into the world and walking away, leaving women and taxpayers to try to pick up the pieces by themselves. That is not right. We spend hundreds of billions of dollars each and every year to try to overcome the consequences of irresponsible fathers not living up to their obligations.

Wade Horn understands that if we are going to do right by those kids and do right by our citizens who are picking up the tab, we need to do something about this problem. So he has committed much of his life to doing exactly that.

He also understands that this effort will be good for women. Women are doing heroic work, particularly single mothers, to try to pick up the pieces when men bring kids in the world and walk away.

It is not right that those women should labor without the emotional support and the financial support to which they are entitled. Our responsible fatherhood initiative is designed to help children, help taxpayers, and help women as well.

As I mentioned before our colleague, Senator WELLSTONE, had to leave the floor, we reached out to many women's organizations to make sure this effort is done in a way that is sensitive to the concerns of women who have experienced the horror of being battered or abused by a spouse or male companion. We want to make sure that is not the case; that, in fact, we protect women

and children from the consequences of that type of behavior.

Wade Horn has been involved in that effort to make sure we pursue strengthening families to help women and children with legitimate and important concerns and take into account the scourge of domestic violence that is unfortunately all too frequent in society today.

Mr. Horn, when he is confirmed, will be in a position to be intimately involved in the next generation of welfare reform that we will undertake this year and next. Because of his lengthy experience laboring in these vineyards, I think he is ideally suited to this task.

Let me offer a very brief recitation of some of Dr. Horn's experience. From 1989 to 1993, Dr. Horn was Commissioner for Children, Youth and Families, and Chief of the Children's Bureau within the U.S. Department of Health and Human Services. Dr. Horn also served as a Presidential appointee to the National Commission on Children from 1990 to 1993, a member of the National Commission on Childhood Disability from 1994 to 1995, and a member of the U.S. Advisory Board on Welfare Indicators from 1996 to 1997.

Prior to these appointments, Dr. Horn was the director of outpatient psychological services at the Children's Hospital, National Medical Center here in Washington, DC, and an associate professor of psychiatry and behavioral sciences at George Washington University.

Currently, Dr. Horn is also an adjunct faculty at Georgetown University's Public Policy Institute, and an affiliate scholar with the Hudson Institute.

Simply put, if I could just summarize, I have known Dr. Horn now for several years. I know of no more decent, more compassionate individual. I know of no one who cares about the cause of helping children more than Wade Horn, or the cause of strengthening America's families and that is what this really comes down to. Whether it is within the bonds of marriage or outside, this all comes down to the cause of helping children, and in so doing not only helping those little ones but helping society as a whole.

In conclusion, let me just say among his many other attributes, Wade Horn is an author. He authored a book after his own experience with cancer and wrote very eloquently in that book about the emotions that he experienced when he was sick, fighting cancer, seeing his own little girls come to his bedside.

I know, based upon that personal experience and his many years of efforts in the vineyards of good public policy, there is no one who will bring a deeper, more heartfelt conviction to the cause of helping children, helping women, strengthening families, and strengthening America than Dr. Horn. I respectfully urge my colleagues to vote in support of his confirmation.

Before, I yield the floor, I would also like to say how much I respect my colleague from Delaware. I thank Senator CARPER for his efforts on behalf of the Responsible Fatherhood Act. Perhaps it is not a coincidence that Senator CARPER and I are both former Governors and have personally been in a position of actually implementing welfare reform, not simply enacting it into law.

For that reason, I salute my dear friend and colleague, Senator CARPER, and thank him for his presence as well today.

I yield the floor.

The PRESIDING OFFICER. The Senator from Delaware.

Mr. CARPER. Mr. President, let me say while Senator BAYH is still here, we have not only been Senators together, as he said, we have been Governors together. We were also fathers of young boys, his a few years younger than mine.

He believes, as I believe, and certainly as Wade Horn believes, while emphasizing the importance of fathers and fatherhood, we have no intention, no need, no interest in diminishing the importance of the role of mothers. Every child deserves not just one loving, nurturing, caring parent but two. To the extent that we as a society can encourage men to live up to the responsibilities of the children they father and bring into this world, those children will be better for it and so will our country.

I say a special thanks to Senator BAYH, for his leadership on this issue. I am delighted to be able to support these efforts.

Senator BAYH has known Wade Horn for a half dozen or so years. So have I. I have known him through our work with the National Governors' Association where he came from time to time, at our invitation, to speak on fatherhood. I have known him through his role in cohosting the National Summit on Fatherhood, where I have had the opportunity to participate. I have invited him to my home State of Delaware to speak at our Governor's prayer breakfast, to focus on fatherhood and the importance of fathers in our lives.

I also know him, having hosted him in our Governors house, having spent time with him and his wife there. I met his children, his daughters. I have some idea, not just what the author is like, not just what the speaker is like, not just what the policymaker is like, but I feel as if I know him a little bit as a human being. I have seen him in the role of devoted husband and loving father as well.

Senator WELLSTONE said, before he finished his remarks—and I appreciated the concerns he expressed—and I think this is a quote, ''Dr. Horn will be in this position and we will have the opportunity to work with him.'' I hope he is right. I believe Senator WELLSTONE is right in that.

Based on my experience from the last 6 years of knowing Wade Horn and his family, I believe we will appreciate the opportunity to work with him. I feel confident those who question his nomination will come, in the end, to be glad that he was nominated and that we voted to confirm him.

I know others have gone back and looked at the words that have been attributed to Dr. Horn in the past. They could do that for me or the Presiding Officer or for any of us and have it appear we say things that, taken out of context, we may not have really said or intended to say. I have never heard Wade Horn speak about compelling women to remain in an abusive relationship or threatening relationships. I have heard him say that too many men fall short in meeting their obligations to the children they father and to the women who bear those children.

I have never heard Wade Horn disparage single moms for the work that they do in raising children. I have heard him speak of the need for young girls to see, in their own lives, a father who treats a mother in a way that that young girl herself would want to be treated by her husband someday. I have heard him say there are young boys in this country who need to see how a man treats his wife so that young boy will know how he should treat his wife someday, when he has grown.

I have never heard Wade Horn say that children raised by single moms routinely turn out badly. I have heard him say that all children deserve to be raised by two loving, caring, nurturing parents, and that includes their fathers.

I have heard it said that as to 16-year-old girls who become pregnant, drop out of school, never marry the father of the children that they bear, 80 percent of them—80 percent of those women and their families will live in poverty at some point in time. As to the 16-year-old girl who does not become pregnant, does not drop out of school, graduates from school, waits until the age of 20 to have a child and marries the father of that child, there is an 8-percent likelihood that family will live in poverty—80 percent on the one hand, 8 percent on the other hand.

I cannot stand here today and vouch for those numbers. But if they are even close, I think they serve to underscore for us the need for fathers, for men who father children, to take seriously their obligation to the children they father and to the women who bear them.

I believe Wade Horn will serve in this capacity doing a number of good things for the families of our country, men and women, boys and girls. But I think he is going to be a good voice, a recurring voice, one we need to hear, that says: Fathers are not dispensable. They are as important today as they were 100 years ago or 200 years ago. We need to remember that, those of us who are fathers and those of us who someday will be.

I am pleased to rise today in support of this nomination, and I hope it will receive ringing endorsement from this body.

I yield the floor.

Mr. KOHL. Madam President, I rise today to add my voice in support of the nomination of Wade Horn to serve as Assistant Secretary for Family Support at the Department of Health and Human Services.

I have had the pleasure of working with Wade Horn over the past few years on an issue that is vitally important to both of us—making sure that children receive the child support money they are owed. This has been a very positive and productive working experience. Dr. Horn and I share the goal of changing the current child support distribution system, which harms children by allowing States and the Federal Government to keep their child support money instead of distributing it to the kids who need it. Through his experience, Wade Horn recognizes that fathers pay more child support when they know their children will actually receive their money and benefit from it. He understands that the route to responsible fatherhood means we have to remove government-created barriers that actually discourage fathers from paying child support, and create more incentives for fathers to become actively involved in their children's lives.

I have greatly appreciated Wade Horn's commitment to changing the child support distribution system. His suggestions, input and advocacy have helped move this issue forward during the past several years, and I look forward to working with him to pass this vital legislation once he is confirmed. Together, I am hopeful that he and Secretary Thompson, who is also a tremendous advocate of child support distribution reform in his own right, will make this a top priority in the Bush Administration so that children get the support they are owed and need.

As President of the National Fatherhood Initiative, Dr. Horn understands that fathers, mothers and children often need support and help to maintain a strong and stable family life. His organization's goal has been to encourage fathers to become positive role models for their children and become fully involved in their lives. He has worked to encourage greater support services and assistance for low-income fathers so they can actively and responsibly participate in their children's upbringing. Not only do their children benefit from their support and involvement, but all of society reaps the benefits of having stronger families.

I realize that some have raised concerns about views Dr. Horn has expressed in the past regarding government support for single-parent families. It is my understanding that he has reconsidered many of those views and has committed to serving all families who need support and assistance. I believe this is critical; our nation must address a variety of issues to help working families of all shapes and sizes, and I look forward to working with him on a range of issues important to families—including increasing funding for Child Care, Head Start, and continuing to provide support for families making the transition from welfare to work. These will not be easy tasks, but I am hopeful that Wade Horn will take a thoughtful, balanced approach to addressing these matters. I urge my colleagues to support his nomination.

Mr. ROCKEFELLER. Madam President, I am proud to support the nomination of Dr. Wade Horn to be the Assistant Secretary for Family Support at the Department of Health and Human Services. As chairman of the National Commission on Children, I had a unique opportunity to work closely with Wade Horn. From that experience, I know how deeply Wade cares about children and families. I know that Wade is willing to listen to diverse views and find common ground, which will be key to his success in this important position.

On the Children's Commission, committed advocates representing both the liberal and conservative policy views came together to learn about child development and we struggled to find bipartisan policy initiatives to help children and their families. Our process was intense, but it led to a bold, bipartisan report full of recommendations to change policy to support children. Throughout that process, I witnessed how Wade Horn was willing to take risks for the right reasons.

I am proud to say that the Children's Commission report has been a guidebook for my legislative initiatives on children's policy. While there is much more to do on children's issues, we are making real progress. The Children Commission that Dr. Horn and I supported in 1991 called for a refundable child tax credit and an improved Earned Income Tax Credit. Our report recommended changing the welfare system, then known as Aid to Families with Dependent Children. It stressed the importance of child support enforcement. It called for education reform with a greater emphasis on local schools. And it even had a controversial chapter called ''Creating a Moral Climate for Children,'' which challenged public officials, the media, the entertainment industry, and individuals to serve as role models for children.

Many of our recommendations from the Children's Commission have become public policy, and I continue to build on this foundation.

While Dr. Horn and I do not agree on every issue, we do strongly agree about the importance of supporting children and families. We agree on the importance of bipartisanship on children's issues, especially in the area of child welfare and adoption. We agree about the importance of direct and honest communication and cooperation between Congress and the Department of Health and Human Services.

Because I have worked with Dr. Wade Horn on the Children's Commission and during his previous position in the first Bush administration, I am confident that he will be a committed leader on children's issues in this administration. I look forward to working with him, including on the reauthorization of the Safe and Stable Families Program this year.

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

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. BROWNBACK. Mr. President, what is the pending business?

The PRESIDING OFFICER. The pending business is the nomination of Wade Horn.

Mr. BROWNBACK. Mr. President, I ask unanimous consent to speak on the pending business for up to 10 minutes.

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

Mr. BROWNBACK. Mr. President, I want to speak on behalf of the nominee to be Assistant Secretary for Children and Families at the Department of Health and Human Services, Dr. Wade Horn.

I got to know Dr. Horn while working with him on several fatherhood initiatives. He has been an outstanding leader in the fatherhood movement. And I am confident that he will serve with distinction in the position to which he has been nominated.

Dr. Horn is a dedicated public servant, a distinguished child psychologist, a skilled administrator, and an excellent choice to lead the Administration for Children and Families—a key and critical position for the administration.

Dr. Horn is a highly respected child psychiatrist, with a proven record of both competence and integrity. He has consistently demonstrated his deep commitment to increasing the well-being, strength, and stability of families and children in general, and at-risk children in particular.

It bears mention that Dr. Horn was previously confirmed by the Senate 11 years ago for the position of commissioner of the Administration for Children, Youth and Families. As the Commissioner for the Children, Youth and Families Administration, Dr. Horn administered numerous programs serving children and families, including Head Start, foster care and adoption assistance, the National Center on Child Abuse and Neglect, runaway and homeless youth shelters, and various anti-drug programs.

Since leaving the Department of Health and Human Services, Dr. Horn has served as the President of the National Fatherhood Initiative—where I really got to know him—a nonpartisan initiative which has drawn the support and involvement of several Senators

from both sides of the aisle, including myself, Senator LIEBERMAN, Senator CARPER, and Senator BAYH. As the President of the Fatherhood Initiative, Dr. Horn has been at the forefront of the effort to encourages fathers to become more involved in the lives of their children and families. The Fatherhood Initiative has conducted both national forums and targeted outreach programs to at-risk families to encourage increased responsibility, affection, support, and involvement of fathers something we desperately need in their country. He has also authored regular columns dispensing advice to parents on how to raise healthier, happier, and more secure children, which have helped and encouraged literally thousands of families across the country.

One of the criticisms leveled against Dr. Horn is that he has sat on the board of Marriage Savers, and has been involved in marriage promotion programs. Why this is a criticism, I am not sure. Dr. Horn would never, has never advocated that anyone stay in an abusive marriage. No one believes this, despite inferences to the contrary on the floor of this Senate. What he has done is worked with groups that work with couples who want to strengthen their marriage and their family. And I would think that working towards strengthening marriage in our country—which has, let me note, a divorce rate near 50 percent—would be regarded as a positive qualification, not grounds for criticism.

We have Marriage Savers programs in Kansas. In two counties in the State of Kansas, Marriage Savers programs have helped to reduce divorce rates by over thirty percent in that area. This is a great achievement, not a questionable activity. That Dr. Horn's involvement with Marriage Savers—a group dedicated to working with individuals who have requested assistance in strengthening their marriage—would somehow be cited as a red flag in Dr. Horn's record is utterly baffling.

Dr. Horn has never advocated that women stay in abusive situations. He is saying that in marriages where children are involved, it is a good thing for a married couple to try to work through their problems.

With the background, temperment, and record that Dr. Horn has, it is difficult to understand why this nomination should have generated any debate at all. I don't think that anyone can credibly raise a question about Dr. Horn's qualifications for the job. I look forward to the confirmation of Dr. Horn to the position of Assistant Secretary for Children and Families at the Department of Health and Human Services, and I wish him the best in this capacity.

Finally, I note that this is an extraordinarily qualified nominee to this position. He is a person who has worked in this field virtually his entire life, who has worked successfully in this field and in an area of endeavor in which we need a lot of help. Our children and families are suffering in this country. Dr. Horn has worked himself, personally and directly, to put families back together. That is something we should be applauding, not questioning or condemning.

I strongly support the nomination of Dr. Wade Horn to this position within the Department of Health and Human Services.

Mr. President, I yield the floor. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

Mr. REID. Madam President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER (Ms. STABENOW). Without objection, it is so ordered.

Mr. REID. Madam President, on behalf of Senator WELLSTONE, I yield back his time on the Horn nomination.

Madam President, is there further time on the other side?

The PRESIDING OFFICER. There are 2½ minutes remaining.

NOMINATION OF HECTOR V. BARRETO, JR., OF CALIFORNIA, TO BE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION

Mr. REID. Madam President, I ask unanimous consent, under the direction and authority of the majority leader, that we now move, pursuant to an order entered on July 24, to the Barreto nomination, for the Small Business Administration.

The PRESIDING OFFICER. Is there objection?

The Chair hears none, and it is so ordered.

The clerk will report the nomination.

The legislative clerk read the nomination of Hector V. Barreto, Jr., of California, to be Administrator of the Small Business Administration.

The PRESIDING OFFICER. The Senator from North Dakota.

Mr. DORGAN. Madam President, let me request 5 minutes of the time allotted to our side for my presentation.

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

Mr. DORGAN. Madam President, I rise to briefly discuss the nomination of Hector Barreto to head the Small Business Administration. I note that Senator KERRY, the chairman of the Committee on Small Business and Entrepreneurship, supports this nomination. I plan to support the nomination as well. I think he is a good appointment. He will serve our country well. I look forward to working with him in his new role as Administrator of the Small Business Administration.

As he begins his tenure at the SBA, I did not want this moment to go by without pointing out to him, and to the SBA, that we face, in my judgment, a rather severe challenge about an issue that concerns me greatly. Let me describe the issue.

The SBA has packaged up a series of loans that it has made, including disaster loans, and sold them with deep discounts to financial companies around the country. The representation to the American people was that this would not impact their loans at all, and it is just a matter of selling them so that the SBA does not have to do loan servicing.

That sounded benign enough, I guess, to almost everybody in the country. It sounded benign enough to Congress. And so the SBA sold loans, including disaster loans.

Let me describe the impact of what has happened as a result of the sale of those loans.

Most Americans will remember the great flood in the Red River Valley in 1997, when the city of Grand Forks, ND, with nearly 50,000 residents, had to evacuate the entire city. The city was inundated with floodwaters from the Red River. In the middle of the flood, after the entire city had been evacuated, a fire started in the downtown area of the city. So we had the spectacle of nearly 3 years worth of snow falling in 3 months and when the snow melted, it caused a dramatic flood along the Red River, inundating the city of Grand Forks. Then a fire started in the middle of the city, and firetrucks tried to get into the evacuated city on flatbeds and various devices to fight a fire in the center of downtown Grand Forks.

It was a devastating time for the people of Grand Forks. When the waters receded, most homeowners and business men and women of Grand Forks, came back to their homes and businesses to find severe damage. They found massive damage in buildings all across this city.

The city, of course, was helped by FEMA, the SBA and other agencies of the Federal Government. President Clinton came to Grand Forks and said: You're not alone. The American people are with you. The American people want to help you. And, indeed, the American people did.

This Congress was generous to the communities along the Red River Valley and to Grand Forks especially. Grand Forks and East Grand Forks were hit very hard, and they required a substantial amount of help.

So many of these businesses and families, in order to get back on their feet, took a low-interest SBA loan, often a 4-percent loan with a rather lengthy term. We provide disaster loans in law so that the SBA can help these families and businesses get back on their feet after a natural disaster.

Then, after these businesses and homeowners were able to get the loans to help them get back on their feet, the SBA sold the loans, including disaster loans, to private companies. These are private financial companies that come in and buy a batch of loans and often pay about 70 cents on the dollar and then assume the responsibility for servicing the loans.

That is a long story to tell you where we are at the moment. We have discovered that homeowners and businesses in Grand Forks, ND, that were hit with one disaster—that is, a disaster coming from a river that inundated their community—are in the middle of another disaster. These people have discovered that their disaster loans were sold to private companies. These loans are now being serviced by private companies who have put many of these families and businesses right smack in a pair of handcuffs when it comes to trying to sell their home and buy another home or sell an asset in a business in order to buy another asset to make the business more efficient.

The companies that bought these loans are now saying: No, you can't substitute collateral. If you do that, you are going to have to pay a very substantial fee. We will not allow you to transfer the lien. In other words, the company is sticking to the terms of the SBA loan with respect to the interest rate and time but is not nearly as flexible as the SBA has always been with these homeowners and businesses. The SBA would tell borrowers: We understand, we will allow you to transfer the lien to the next home you are going to buy, or, we understand, you can purchase these additional assets your business needs to become more efficient and transfer the lien from the other asset you are going to sell.

What homeowners and small business owners are discovering now is that no such flexibility exists with private companies. Instead, they are told: No dice. That is a very serious problem. People hit with a disaster are now given a pair of handcuffs when a private company buys their disaster loan. That is wrong. That ought not happen.

Let me just mention a couple people. There is a woman named Marie from Grand Forks, ND, who wrote me and said: I'm another flood victim trying to find a way to transfer the current loan I have from the SBA to another property. My SBA loan was sold to Aurora Loan Services, and I have been told by Aurora they don't transfer loans, period. So essentially I'm out of luck. Personal circumstances made it necessary for me to sell my property, and I need this low interest rate in order to be able to afford another property and get back on my feet.

A man named Steven also wrote to me. He is a businessman in Grand Forks, ND. He said: I'm an optometrist. In the flood of 1997, our office received 5 feet of water. Pretty much a total loss.

Madam President, I ask unanimous consent for 3 additional minutes.

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

Mr. DORGAN. I will not read all of this letter, but Steven goes on to say: We see the opportunity to borrow money at 4 percent for 30 years as a gift from the American people.

These people were inundated with water, in deep trouble, and the Federal Government said: We are here to help you. Let's give you a helping hand to get you back on your feet.

The letter continues: Nobody was going to make our community whole overnight, but these loans over 30 years, would go a long way in helping.

Then he describes his need to have flexibility to purchase additional assets and the difficulty he has had trying to negotiate with the company that purchased the loan. They have simply said: No dice. No way.

What he is saying is that he has been handcuffed by this process.

He had no idea that would be the case. He had no idea the SBA would sell his disaster loan to a private company that won't allow him to transfer a lien as the SBA has almost always done to disaster victims. I tell these stories only to say there is something wrong with this process.

We ought not sell disaster loans. We simply should not do that. The SBA should service those loans and do so in a thoughtful and rational way. Let's not sell those loans. We certainly ought not allow citizens who have been hit with a disaster discover there is a second disaster around the corner if they need to sell a home and purchase another or need to purchase an essential asset for their business but can't sell the old asset because they can't transfer the lien. This is not a fair thing to do.

We ought to do a couple things. No. 1, we should ask the new SBA head—someone who I intend to support and vote for, Mr. Barreto—to work with us to see that these companies that have purchased the old loans will use the same flexibility in servicing those loans as the SBA previously did.

No. 2, let's not have the SBA selling these loans in the future. That is not the right thing and the fair thing to do. It may require legislation, I expect, to prevent that. I hope to discuss that with some of my colleagues and hope they will agree that those who have been hit with disaster in this country don't deserve to be handcuffed later by a private company that is able to buy deeply discounted SBA disaster loans. This is not the right thing to do to the citizens of this country who have suffered through a disaster. We can do better. I hope we will. I hope my comments will be noted by Mr. Barreto. I wish him well. Although I don't expect there will be a recorded vote on his nomination today, I think he is a good appointment. I commend the President for offering this candidate for public service. I hope we can get together and visit about this important issue very soon, when he assumes office.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I yield myself up to 5 minutes of the time on this side on the nomination of Mr. Hector Barreto.

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

Mr. BOND. Madam President, it is a pleasure to rise today to join with my colleagues and urge them to support the President's nomination of Hector V. Barreto, Jr., as Administrator of the Small Business Administration.

We have just received word that there will be a voice vote rather than a recorded vote. For the friends and supporters of Mr. Barreto, that simply means that everybody has agreed upon it, and apparently we will not have to go through a rollcall vote. It does not mean in any way that we view this nomination as less important. It is just that as a result of the work done on the Committee on Small Business and Entrepreneurship, his nomination should go through.

He was approved unanimously by the committee under the leadership of my colleague, Chairman JOHN KERRY. The nomination of Mr. Barreto comes at a critical time when the Small Business Administration's assistance and development programs will be tested very thoroughly as a result of the slowing economy.

The SBA has a promising future and a very important mission that can best be realized with effective leadership to refocus the agency on the programs and missions established by Congress.

I believe President Bush has shown his commitment to supporting that mission and the Nation's Main Street small business community by his nomination of Mr. Barreto.

The need for a proven leader with a track record of business experience has never been greater at the SBA. It is time the SBA concentrate on sound management of its operations and existing programs rather than expanding its reach with new programs.

I expect Hector Barreto's experience in the financial services industry, his standing in the small business and Latino communities will serve the President, the Nation, and small business very well.

When we review Mr. Barreto's credentials, it is easy to see he has exceptionally fine roots. He was born and reared in Kansas City, MO. He went to high school in Kansas City. He received his degree from Rockhurst University, also in Kansas City. I have known his father, a prominent business leader in the Hispanic community, for many years. Even though he comes to us from California, I assure you, he really is a Missourian at heart.

Hector Barreto, Sr., founded the United States Hispanic Chamber of Commerce, and in recent years Hector Barreto, Jr., has been serving on its board of directors. With his Missouri heritage and his strong business foundation, there really isn't much more that needs to be said about the President's nominee.

Seriously, however, we should look closely at Mr. Barreto's small business background and his business experience. His early work immediately out of college was as area manager for the Miller Brewing Company. But his small

business experience began in earnest when he moved to California and established the Barreto Insurance and Financial Services Company. His goal simply was to provide insurance and financial services to southern California's expanding Latino population.

It takes a lot of nerve and confidence in one's abilities just 3 years after finishing college to move halfway across the United States to set up a small business.

His business should be distinguished from the go-go dot-com undertakings of the 1990s, where investors could not wait to be separated from their money. Mr. Barreto's small business was and is more of a Main Street USA variety, and his goal simply was to provide insurance and financial services that were very much needed in the minority community in southern California.

With each new Presidential administration, we hear how difficult it is to attract top-notch talent to serve in the often thankless and usually criticized jobs of serving in Government. We are fortunate to have someone of the caliber of Mr. Barreto who knows what it is to start a small business from scratch and work hard to make it grow. This is the American dream of millions of entrepreneurs. His exposure to the challenges he faced will serve him well as SBA Administrator.

We should not lose sight of the fact that Mr. Barreto is making a sacrifice by leaving his small business to spend the next 3, maybe 4, maybe more, years at the SBA. In response to this call to Government service, Mr. Barreto won't be there to run his business. We need to remember that Hector Barreto is not a senior company official leaving a large business where there is always someone ready to step up from the ranks to take over. Most often in a small business, there is not someone waiting in the ranks, and the small business suffers or closes its doors when the owner leaves.

Although he may not be closing his business for good, Mr. Barreto is taking a long leave of absence and the business is going into an extended status of hibernation. His is a significant sacrifice.

As ranking member of the Senate Committee on Small Business and Entrepreneurship, I have had the opportunity to discuss with him his views on targeting the most critical problems at the SBA and prioritizing solutions that might be implemented. I sincerely appreciate the energy and dedication with which Mr. Barreto approaches these tasks.

We have a ripe opportunity to retool the SBA and its programs to better capitalize on the remarkable potential small business offers to fuel the economy and generate economic growth.

I am confident that Hector Barreto will do a solid job at the helm of the SBA. I look forward to working with him to address key concerns about agency programs and operations.

I urge and thank my colleagues for their support of the President's nomination of Hector V. Barreto, Jr., to be Administrator of the Small Business Administration.

Madam President, I now yield 5 minutes or as much time as he should require to the distinguished Senator from Virginia, Mr. ALLEN, a member of our committee, and ask that any remaining time be reserved.

The PRESIDING OFFICER. The Senator from Virginia.

Mr. ALLEN. Madam President, I thank the ranking member of the Small Business Committee, Senator BOND, who cares a great deal about small business issues.

I am pleased to stand with my colleague and for all the people in the Senate today and give my support for the confirmation of Hector V. Barreto, Jr., as Administrator of the Small Business Administration, which is, of course, the top post in that agency.

On July 19, the Committee on Small Business and Entrepreneurship, of which I am a member, unanimously approved Mr. Barreto for the position of Administrator of the Small Business Administration. As a member of the committee, it was my privilege to attend the hearing and cast my vote in support of this fine candidate.

What also was very inspirational was Mr. Hector V. Barreto, Sr., and his story, a gentleman who came up from Mexico, settled in Missouri, and started a business. And then Hector, of course, went on even further.

It really is the American dream of opportunity, of a small business, a man with a dream, his father, and then obviously inculcating in his son that same sort of spirit and hard work and dedication and honesty.

I know that Mr. Barreto, Sr. was very proud of his young son and what everyone was saying about him that day of the committee hearing.

This nomination does come at a particularly crucial time, as the SBA will need the guidance of a strong and qualified leader to ensure that its assistance and development programs are available to small businesses during this time of challenging, slowing economic growth. I believe Mr. Barreto is particularly qualified to develop new and innovative ways for the Small Business Administration to refocus and better target its resources to promote growth and access to capital for small business owners and entrepreneurs and increase opportunities for minorities and women in the small business community.

Madam President, I want to take this opportunity to focus on Mr. Barreto's background and his experiences because what somebody has done in the past is a good indicator of what he or she will do in the future. I believe it will provide him also with a very special insight into the unique challenges facing minority- and women-owned businesses, especially small businesses.

Mr. Barreto, just 3 years out of college, left his home State of Missouri and moved to California to start up a small insurance and financial services company to address the financial needs of southern California's expanding Latino population and the needs of all southern California's minority communities. Once in southern California, Mr. Barreto became involved in the Latin Business Association, serving as the organization's chairman in recent years.

In addition, Mr. Barreto served on the award-winning Los Angeles Minority Business Opportunity Committee and also as vice chairman of the U.S. Hispanic Chamber of Commerce.

As a result of his dedication and outreach, Hector Barreto has received the support of many businesses and business organizations nationwide, including a significant number from California-based organizations and Latino business groups.

It would take far too long to mention all of the groups supporting his nomination, but I want to mention a few. The endorsements have come from widely diverse groups, such as the Hispanic Business Roundtable and the Minority Business Roundtable, the U.S. Chamber of Commerce and the U.S. Hispanic Chamber of Commerce, as well as other Chamber affiliates, such as the Los Angeles Area Chamber, New Jersey Regional Chamber, San Antonio Hispanic Chamber, the Korean American Coalition, and the Hispanic Business Women's Organization.

Given Mr. Barreto's credentials, background, and past experiences, the work he has done to increase economic opportunities for minority communities, the extremely positive and overwhelming bipartisan support afforded him by members of the Small Business Committee, I believe he is exactly the right candidate for this position.

A vote in favor of this nomination is a vote in support of the interests and the needs of small business owners, particularly minority business owners, providing them with the experience, dedication, and leadership that Mr. Barreto will bring to the Small Business Administration and its very important programs.

I thank the Chair and I yield back the remainder of my time.

Mr. KERRY. Madam President. I join with my colleagues in support of the President's nomination of Hector V. Barreto, Jr., to be Administrator of the U.S. Small Business Administration, or SBA.

Mr. Barreto was born and raised in Kansas City, MO. He received a B.S./B.A. degree in management and Spanish, in 1983, from Kansas City's Rockhurst College.

As Administrator of the SBA, it will serve Mr. Barreto well that he comes from the small business community and can appreciate the challenges small business owners face. He founded Barreto Insurance and Financial Services in 1986 and serves as president-owner. The firm provides financial services and business insurance to the Los Angeles area Latino community. He also founded a second business,

TELACU-Barreto Financial Services, which is one of the first Latino-owned securities broker-dealers, specializing in retirement-pension plans.

Mr. Barreto has been active in Latino business affairs. He has served as vice-chair of the U.S. Hispanic Chamber of Commerce, an organization founded by his father, Hector Barreto, Sr. He also has served as chair of the Latin Business Association, Founding Member of the New America Alliance and chair of the Latin Business PAC, and on several corporate boards, including GE Financial Advisory Board, Sempra Energy Advisory Board and the TELACU Industries Board of Directors. Many of these groups have joined more than 90 others in support of Mr. Barreto's nomination.

I am pleased with Mr. Barreto's small business roots and admire his efforts to empower Hispanic Americans to share in our country's economic vitality. I hope he will bring the insights gained from his experiences to his leadership at the SBA.

SBA has played an instrumental role spurring the growth of this country's small businesses. The Agency has helped Americans start, run, and grow their businesses by offering access to credit and capital, procurement guidance, business management education and technical assistance.

I met with Mr. Barreto last week. We had a good discussion about SBA and the many issues and obstacles that small business owners and entrepreneurs must face on a daily basis. I look forward to working together with Mr. Barreto to make the SBA even more effective than it's been.

There is a strong benchmark from which to start. SBA's record has been nothing short of extraordinary, particularly in view of a 22 percent staff level reduction. From 1993 through 2000, SBA provided more services to more small businesses than in the entire previous history of the Agency. Its loan portfolio almost quintupled from $10 billion to nearly $50 billion and its venture capital dollars practically doubled from $10.2 billion to over $19 billion. Moreover, SBA approved more than $19 billion in loans to some 80,000 minority-owned businesses—more than double the amount recorded during the Agency's prior 39 years.

Typically, SBA's assistance is needed most during economic downturns. If the economy continues to cool, as many economists predict it will, Congress and the administration will need to redouble their support for the policies and programs that SBA has used so successfully to stimulate the growth and contributions of America's small businesses.

One of the best opportunities to do so is in the shaping of SBA's budget. The budget with which we were presented this year was inadequate. That is why Senator BOND and I worked together to pass an amendment to restore large, unwise cuts in SBA's fiscal year 2001 budget. As Mr. Barreto assumes a key role in the preparation of SBA's fiscal year 2002 budget, I hope he will work with us and fight hard for a budget that adequately funds important SBA programs.

The administration's commitment to small businesses should start with SBA's new Administrator. Specifically, we will look to Mr. Barreto, for the vision, leadership, and management skills required for SBA to surpass the progress made by the Agency over the last 8 years in supporting and encouraging small business and entrepreneurship.

I urge my colleagues to support Mr. Barreto's nomination.

Mrs. FEINSTEIN. Madam President, I am proud to express my support for Hector Barreto, nominee for Administrator of the Small Business Administration, and a fellow Californian.

Mr. Barreto has been involved with small business concerns from an early age. His father, Hector Barreto, Sr., helped found the U.S. Hispanic Chamber of Commerce. As a young adult, the nominee helped his father manage a family restaurant, an export-import business, and a construction company.

In 1986, Barreto founded a small business of his own: Barreto Insurance and Financial Services.

The entrepreneur designed the firm to address a lack of financial services available to Southern California's rapidly growing Latino population.

Today, the firm generates $3 million in sales a year, and is considered one of the premier insurance and retirement planning firms in Los Angeles.

Barreto also acts as the vice chairman of the board of the Hispanic Chamber of Commerce and until 1997, he was chairman of the board for the Latin Business Association in Los Angeles.

Barreto founded the Latin Business Association Institute, an extension of the Latin Business Association, to provide technical assistance, education, and business development opportunities to Latin Business Association members.

For his dedication and commitment to the Latino Business Community, Barreto was awarded the Gold Medal of honor by the Multicultural Institute of Leadership for his work in promoting diversity and improving race relations.

In addition, he has received special recognition from Congress, the California State Senate and Assembly, the County of Los Angeles, the Mayor's office, the City of Los Angeles, YMCA, and the American Red Cross.

The number of small businesses continues to rise exponentially both in California and across the country. I look forward to working with Mr. Barreto to see that our small businesses flourish. I am pleased to support his nomination.

Ms. CANTWELL. Madam President, I rise in support of the nomination of Hector Baretto to the position of Administrator for the Small Business Administration.

First, I want to take this opportunity to thank the Small Business and Entrepreneurship Committee Chairman KERRY and Ranking Member BOND for working so diligently on issues affecting small businesses. Small businesses, always important to our communities and our economy, have taken new and heightened importance in our changing economy.

The position for which Mr. Baretto has been nominated for, Administrator of the Small Business Administration, has probably never had as much significance as it does in the current economy. Small businesses are now, more than ever, a source of the innovation that is critical to the continued growth of the economy. In my state, one of the largest high-tech companies, Microsoft, was a small business not so long ago. As we have watched our unemployment figures drop now for several years, small businesses have been the largest community contributing to job creation.

In fact, many of the leading high-tech companies in America were small businesses only years ago—or remain small businesses today. But along with the great successes, there are many small businesses with great ideas that have yet to get a foothold in our economy. These companies, many minority- and woman-owned, need the assistance of the Small Business Administration.

I was alarmed when the administration presented its first budget with deep cuts in SBA funding. Fortunately, Senators KERRY and BOND were able to restore much of that money in the Senate Budget Resolution and I would hope that as Administrator, Mr. Baretto would work to forestall any future efforts by others in the administration to impair SBA's ability to fulfill its important mission.

The President's budget requested no money for the SBA's new markets venture capital program and the National Veterans' Business Development Corporation just when it is getting started in its efforts to help veterans, particularly service-disabled veterans, who want to start or expand their businesses and develop a plan to become self-sustaining by fiscal year 2005. The President's budget freezes funding for the Women's Business Centers at $12 million and the Women's Business Council at $750,000. The Council is very helpful to the Congress, monitoring and researching the contribution of women business owners and the obstacles they face, including increasing their access to government contracts loans, and venture capital.

These programs have been extremely valuable to the small business and entrepreneurial communities. I hope that as Administrator, Mr. Baretto will defend these programs and help the administration understand their significance for veterans, women, and minorities. I think expanding and diversifying the pool of small business owners is one of the most significant areas in which the SBA contributes, and an

area in which I believe the Small Business Administration can do more.

I congratulate Mr. Baretto and urge Senators to vote to confirm him as Administrator of the Small Business Administration.

Mrs. CARNAHAN. Madam President, small businesses are the backbone of the American economy. They create two of every three new jobs, produce 39 percent of the gross national product and are responsible for more than half of the Nation's technological innovation.

Our Nation's 20 million small businesses provide dynamic opportunities for all Americans. Therefore, I believe we need a strong administrator to ensure that the SBA functions effectively on behalf of America's small businesses.

Mr. Barreto is a native of Kansas City, MO who has demonstrated a belief in the entrepreneurial spirit of small business owners.

As Chairman of the Board for the Latino Business Association, Mr. Barreto has shown his commitment to providing Latino Americans with business opportunities, education, and technical assistance.

He also serves as the Vice Chairman of the Board of the United States Hispanic Chamber of Commerce. In this capacity, Mr. Barreto is successfully representing the interests of the Hispanic business community by strengthening national economic development programs and increasing business relationships between the corporate sector and Hispanic owned businesses.

I am pleased that the President has put forward a nominee with such a strong record of leadership and commitment to promoting the success of small businesses. I supported Mr. Barreto's nomination in the Senate Committee on Small Business and Entrepreneurship, and I am similarly pleased to support his nomination here on the floor of the United States Senate.

The PRESIDING OFFICER. Who yields time?

Mr. REID. Madam President, I 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. 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. REID. Madam President, it is my understanding that we are now in executive session; is that right?

The PRESIDING OFFICER. The Senator is correct.

Mr. REID. Pending before the Senate is the nomination of Hector Barreto; is that right?

The PRESIDING OFFICER. The Barreto nomination is the pending nomination.

VOTE ON THE NOMINATION OF HECTOR V. BARRETO

Mr. REID. We have had no request for a rollcall vote. I ask that we move forward on the vote at this time.

The PRESIDING OFFICER. Is all time yielded back on the nomination?

Mr. REID. On this nomination I don't think there is any time to yield back. If there is, I ask unanimous consent that it be yielded back.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The question is, Shall the Senate advise and consent to the nomination?

The nomination was confirmed.

Mr. REID. Madam President, I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

VOTE ON THE NOMINATION OF WADE HORN

Mr. REID. It is my understanding that now the confirmation of the nomination of Wade Horn would be the next matter before the Senate.

The PRESIDING OFFICER. The Senator is correct. There are 2½ minutes remaining.

Mr. REID. The time of the Senator from Minnesota has been yielded back. I ask unanimous consent that the 2½ minutes controlled by the minority be yielded back.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

All time is yielded back.

The question is, Shall the Senate advise and consent to the nomination?

The nomination was confirmed.

Mr. REID. I move to reconsider the vote.

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

The motion to lay on the table was agreed to.

LEGISLATIVE SESSION

The PRESIDING OFFICER. Under the previous order, the Senate will return to legislative session.

ORDER OF BUSINESS

Mr. REID. Madam President, I 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. DASCHLE. 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. DASCHLE. Madam President, under a previous order, we had agreed to a vote at 6:30 p.m. I know the memorial service is still underway. We will accommodate Senators who have other plans. I ask that we proceed with the vote. I also note this will be the last vote of the evening.

I have not yet been given a report from our negotiators as to the status of the ongoing discussions with regard to Mexican trucking, but I will file a cloture motion tonight and expect if we are able to resolve these questions, we can vitiate it in the morning. With that, I think we ought to proceed with the vote.

ILSA EXTENSION ACT OF 2001—Continued

The PRESIDING OFFICER. Under the previous order, the hour of 6:30 p.m. having arrived, the question is on the engrossment and third reading of the bill.

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

The PRESIDING OFFICER. The bill having been read the third time, the question before the Senate is, Shall the bill, S. 1218, pass? The yeas and nays have been ordered. The clerk will call the roll.

The senior assistant bill clerk called the roll.

Mr. REID. I announce that the Senator from Hawaii (Mr. INOUYE) and the Senator from Louisiana (Ms. LANDRIEU) are necessarily absent.

The PRESIDING OFFICER (Mr. MILLER). Are there any other Senators in the Chamber desiring to vote?

The result was announced—yeas 96, nays 2, as follows:

[Rollcall Vote No. 251 Leg.]

YEAS—96

Akaka	Domenici	McCain
Allard	Dorgan	McConnell
Allen	Durbin	Mikulski
Baucus	Edwards	Miller
Bayh	Ensign	Murkowski
Bennett	Enzi	Murray
Biden	Feingold	Nelson (FL)
Bingaman	Feinstein	Nelson (NE)
Bond	Fitzgerald	Nickles
Boxer	Frist	Reed
Breaux	Graham	Reid
Brownback	Gramm	Roberts
Bunning	Grassley	Rockefeller
Burns	Gregg	Santorum
Byrd	Harkin	Sarbanes
Campbell	Hatch	Schumer
Cantwell	Helms	Sessions
Carnahan	Hollings	Shelby
Carper	Hutchinson	Smith (NH)
Chafee	Hutchison	Smith (OR)
Cleland	Inhofe	Snowe
Clinton	Jeffords	Specter
Cochran	Johnson	Stabenow
Collins	Kennedy	Stevens
Conrad	Kerry	Thomas
Corzine	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Leahy	Torricelli
Daschle	Levin	Voinovich
Dayton	Lieberman	Warner
DeWine	Lincoln	Wellstone
Dodd	Lott	Wyden

NAYS—2

Hagel	Lugar

NOT VOTING—2

Inouye	Landrieu

The bill (S. 1218) was passed, as follows:

S. 1218

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 ''ILSA Extension Act of 2001''.

SEC. 2. EXTENSION OF IRAN AND LIBYA SANCTIONS ACT OF 1996.

Section 13(b) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note; Public Law 104–172) is amended by striking ''5 years'' and inserting ''10 years''.

SEC. 3. IMPOSITION OF SANCTIONS WITH RESPECT TO LIBYA.

(a) IN GENERAL.—Section 5(b)(2) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note; 110 Stat. 1543) is amended by striking ''$40,000,000'' each place it appears and inserting ''$20,000,000''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to investments made on or after June 13, 2001.

SEC. 4. REVISED DEFINITION OF INVESTMENT.

Section 14(9) of the Iran and Libya Sanctions Act of 1996 (50 U.S.C. 1701 note; 110 Stat. 1549) is amended by adding at the end the following new sentence: ''For purposes of this paragraph, an amendment or other modification that is made, on or after June 13, 2001, to an agreement or contract shall be treated as the entry of an agreement or contract.''.

Mr. REID. Mr. President, I move to reconsider the vote and I move to lay that motion on the table.

The motion to lay on the table was agreed to.

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

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

DEPARTMENT OF TRANSPORTATION AND RELATED AGENCIES APPROPRIATIONS ACT, 2002—Continued

CLOTURE MOTION

Mr. DASCHLE. Mr. President, I send a cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close debate on amendment No. 1025, the Murray-Shelby substitute amendment.

Patty Murray, Ron Wyden, Patrick Leahy, Harry Reid, Hillary Rodham Clinton, Charles Schumer, Jack Reed, James Jeffords, Daniel Akaka, Bob Graham, Paul Sarbanes, Carl Levin, Jay Rockefeller, Thomas R. Carper, Barbara Mikulski, Tom Daschle, and Richard Shelby.

CLOTURE MOTION

Mr. DASCHLE. Mr. President, I send a second cloture motion to the desk.

The PRESIDING OFFICER. The cloture motion having been presented under rule XXII, the Chair directs the clerk to read the motion.

The assistant legislative clerk read as follows:

CLOTURE MOTION

We, the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, hereby move to bring to a close the debate on H.R. 2299, the Transportation Appropriations Act.

Patty Murray, Ron Wyden, Patrick Leahy, Harry Reid, Hillary Rodham Clinton, Charles Schumer, Jack Reed, Robert C. Byrd, James Jeffords, Daniel Akaka, Bob Graham, Paul Sarbanes, Carl Levin, Jay Rockefeller, Thomas R. Carper, Barbara Mikulski, and Tom Daschle.

Mr. DASCHLE. Mr. President, under the unanimous consent agreement we reached yesterday, the vote on cloture will occur tomorrow. We have been working with our colleagues on both sides of the aisle. I appreciate very much Senator MCCAIN's cooperation in trying to reach a mutually convenient time for the vote. Unfortunately, there are other colleagues who are unable on the Republican side to agree to an earlier time for consideration of the bill, even though it was our hope that we could come to the bill at the normal time of convening tomorrow. But that is impossible.

We will have the cloture vote at 1 o'clock. We will reconvene, as a result of the current circumstances, at 12 noon tomorrow. That will accommodate the need for additional discussion among all of those who are participating in the negotiations with regard to the Mexican trucking issue.

I understand we have made some progress this afternoon. I am hopeful we can continue to talk through the night and tomorrow morning as well.

This will facilitate additional discussion and hopefully perhaps reach some conclusion. If it does, we will vitiate the cloture motions. If it does not, of course, the cloture motion votes will then occur at 1 o'clock tomorrow afternoon.

I thank my colleagues. I yield the floor.

I 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 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 the Senate now proceed to a period of morning business, with Senators allowed to speak therein for a period of not to exceed 10 minutes.

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

ALFONSO E. LENHARDT

Mr. REID. Mr. President, the day before yesterday I met for the first time Alfonso Lenhardt. I met him in the majority leader's office. We were standing there alone after some niceties. I asked him: What is the pin on your lapel? He said: It is a Purple Heart. It is a medal for being injured in combat. He didn't say that, but that is what the Purple Heart stands for.

I mention that because I have a lot of affection for the Senate. I have a lot of affection for this Capitol complex. One of the main reasons I have so much affection is that I worked nights as a Capitol Hill policeman while going through law school. I can remember walking through Statuary Hall, never having had any understanding of who those great men were in the true sense of the word. I had the opportunity of meeting Everett Dirksen. I remember walking on the floor. I was the policeman assigned to the Ohio Clock, as it is called. I was there when this man with long, white hair and a wonderful voice, Senator Everett Dirksen, came by. He was asked to comment on the first hydrogen explosion of a nuclear device by the Soviet Union. I stood there and listened to him.

I have fond memories of not only my congressional experience but also as a young man working as a Capitol policeman. My boss was the Sergeant at Arms. The Sergeant at Arms of the House and the Senate are very important positions.

I mention meeting with General Lenhardt because I think we should understand what a great choice this man is to be the Sergeant at Arms of the U.S. Senate. He is a professional in the true sense of the word. Prior to some preliminary issues, Senator DASCHLE never knew the man. His very fine chief of staff, Pete Rouse, and our very excellent Secretary of the Senate, Jeri Thomson, went through the process and came to Senator DASCHLE with a number of people. This is the person that Senator DASCHLE chose. What a great choice. He is a professional.

One of the jobs he had in the U.S. Army was to be the commanding general of the organization that takes care of national security and law enforcement programs.

In 1997, after more than 31 years of domestic and international experiences in national security and law enforcement, he retired from the U.S. Army. His responsibilities in the military were significant. He is a two-star general. I am told that he could have had a third star, but he decided to retire prior to doing that.

His last position with the Army was as commanding general of the U.S. Army Recruiting Command. There were over 1,800 separate locations of which he was the leader. He managed an Army installation consisting of 130,000 acres of training areas, administrative and logistical facilities, and support operations for over 23,000 civilian employees, military retirees, soldiers, and family members.

He also served as the senior military police officer for all police operations and security matters throughout the Army's worldwide sphere of influence.

So to have him at the Senate, having the responsibility, among other things, for the security of this Capitol complex, says it all. He certainly has had

the experience. This man not only has had an outstanding military career, but he has a bachelor of science degree in criminal justice from the University of Nebraska, a master of arts degree in public administration from Central Michigan University, and a master of science degree in the administration of justice from Wichita State University. He also completed executive programs at Harvard University's Kennedy School of Government and the University of Michigan Executive Business School.

He has been active in public service. This is a man who is outstanding. Those who watch the Senate proceedings on C–SPAN or who visit the Capitol, to see this historic site, may not realize all the work that goes into running the U.S. Capitol. The responsibilities are enormous. Unless something goes wrong, we take them for granted.

Senator DASCHLE has done some very fine things during his 7 years as Democratic leader, and he has done some great things during his short time as majority leader, but I think there is nothing that I have been more impressed with than his selection of General Alfonso Lenhardt as the Sergeant at Arms of the U.S. Senate. I hope everyone in the Senate will have the opportunity to meet this man and to recognize what a fine person Senator DASCHLE has selected.

He is going to be our protocol officer and our chief law enforcement officer. He will also be the administrative manager for most of the Senate's wide-ranging support services. We could not have a better person.

THE PATIENTS' BILL OF RIGHTS

Mr. DORGAN. Mr. President, the Senate recently passed the Patients' Bill of Rights and we are anxiously awaiting action by the House. The Patient Protection Act, or the Patients' Bill of Rights, is something we have spent a great deal of time on in the Senate.

As Senator DASCHLE indicated, it was one of our top priorities. We had a great deal of difficulty getting it through the Senate. It took us a good number of years to do that, but after 4 or 5 years of debate, we finally got a Patient Protection Act passed by the Senate. We are now waiting for the House to take similar action.

The President says he will veto it. And that is the way the legislative process works. We have to do the best we can to advance public policies that we think strengthen this country. We have done that under the leadership of Senator DASCHLE, with the cooperation of my colleagues on both sides of the aisle. We passed a real Patient Protection Act or a real Patients' Bill of Rights. Let me describe why that is important and what it does.

All of us have had lengthy debates about what is happening to health care in this country, as more and more Americans have been herded into these groups called managed care organizations. They were created, in some cases, for very good reasons, to try to reduce the cost of health care and control and contain the cost of health care.

But in recent years, the for-profit organizations that have become part of the managed care industry have, from time to time, taken actions with respect to patient care that have much more to do with their bottom-line profit than it has to do with patient care.

So we had a debate about a Patient Protection Act that says the following:

One, you ought to be able to know all of your medical options for treatment, not just the cheapest option for medical treatment. That ought to be a fundamental right for patients.

Two, if you have an emergency, you ought to have a right to go to an emergency room. Sound simple? Yes, it is simple. But it is not always the case in this country that with an emergency, you are going to get reimbursement for emergency room treatment by a managed care organization.

Three, you have a right to see a specialist when you need one for your medical condition. Does that sound simple and pretty straightforward? Sure, but it doesn't happen all the time.

You have a right to clinical trials. You have a right to retain, for example, the relationship you have with your oncologist who has been treating you for breast cancer for 7 years. Even if your employer changes health care organizations, you have a right to continue to see the same oncologist who has been treating you for cancer for 7 years.

Those are the kinds of provisions we put in the Patient Protection Act. Let me describe why we did it. We did it because in this country too often patients are discovering that what they believed they were covered for in their medical or health care plan was not in fact covered at all.

I have told the story of the woman who went hiking in the Shenandoahs. She fell off a 50-foot cliff and sustained very serious injuries. She was unconscious. She had multiple broken bones and was in very serious condition. She was brought to an emergency room on a gurney unconscious. She survived after a long convalescence, only to find out that the managed care organization said they would not pay for her emergency room treatment because she had not had prior approval for emergency room care. This is a woman hauled into an emergency room unconscious, told that she should have gotten prior approval for emergency room care.

Does that literally cry out and beg for some kind of legislative attention? Yes, it does. It is just one piece of the Patient Protection Act providing that, if you have an emergency, you have a right to emergency room treatment.

There are so many other examples. For instance, the issue of what is medically necessary. I have held up pictures on the floor of young children born with terribly deformed facial features, being told that the correction of that radically deformed facial feature is not ''medically necessary,'' and therefore the insurance they thought they had with the managed care organization would not cover it.

I have told the story often of my colleague, Senator REID of Nevada and I, holding a hearing in the State of Nevada on this subject, where we heard from a mother of a young boy named Christopher Roe who died at age 16. Christopher had cancer. This young boy fought cancer valiantly but lost his life on his 16th birthday. In the process of fighting cancer, they also had to fight in order to get the treatment he needed. He didn't get it in time. It is an unfair fight to ask a 16-year-old boy to fight cancer and have to fight the insurance company at the same time.

His mother held up a picture of young Christopher, a big colored poster picture, and cried at the end of her testimony as she described her son looking up at her from the bedside asking: Mom, how can they do this to a kid? What he was asking was: How can they do this? How can they not provide the treatment I need to give me a chance to live? That boy died at age 16.

I have told that story. I have told many other stories, including the story of Ethan Bedrick. Ethan had a very difficult birth and was born with very serious problems because the umbilical cord had shut off his oxygen. A doctor had decided, after evaluating him, that he had only a 50-percent chance of being able to walk by age 5 if he got certain rehabilitative services. A 50-percent chance for this little boy to be able to walk by age 5 was ''insignificant,'' and, therefore, the services were denied.

Does it sound bizarre? Does it sound like a system with which we are acquainted? Not to me. This all sounds just Byzantine, that decisions are made about health care on what is medically necessary, what is an emergency, what kind of treatment is available, what kind of treatment is necessary. Some decisions have been made with an eye toward the bottom line of the corporation providing the health care. And that is wrong because human health is not a function of someone's bottom line.

We had a woman who suffered a very serious brain injury. She was still conscious. She was in an ambulance, and she asked the ambulance driver to take her to the furthest hospital. There was one closer. She wanted to go to the one that was a bit further away. This is someone in an ambulance with a brain injury. She survived and later was asked: Why did you not want the ambulance to drop you off at the nearest hospital? She said: Because I understood the reputation of that hospital. It was their bottom line, their profit; I did not want to be presented on a

gurney with a brain injury and be looked at by a doctor who thought in terms of profit and loss. Doctors wouldn't do that, but a health care system determined by profit and loss, how much would this cost? I wanted someone to see me and determine they wanted to fight for my life regardless of cost.

That is what people have been concerned about with respect to managed care. Not all managed care organizations have done this. Some are wonderful. Some have done a great job. Some have not. Some have taken a position that jeopardizes people's health. They have said to people: Here is your option for medical treatment, not giving them all the options that might be available to them, only describing the cheapest option that would be available to be delivered by the health care organization.

Is that fair to people in this health care system? The answer clearly is no.

So we have had a fight in the Senate the last 3, 4, 5 years. We have a managed care organization that is big, strong, well financed, and they very aggressively oppose what we are trying to do. On the other side are doctors, the American Medical Association. They want to practice medicine in the hospital room. They want to practice medicine in the clinic. They don't want to practice medicine only to find out that some young fellow 1,000 miles away, working as a junior accountant for an insurance company, who hasn't yet shaved twice a week, is making decisions about health care that the doctor is going to deliver in the hospital room.

That is not the kind of health care they are dedicated to provide the American people. They didn't study in medical school for the purpose of having somebody 1,000 miles away, who knows very little about health care, tell them how they ought to treat a patient.

So we have a battle between the managed care organization, that has spent a great deal of money, putting ads all over television to try to defeat it, and doctors, patients, and other health groups saying: We need this.

It was long past the time to get this done, and we finally did it. We finally got it done. We got it through the Senate after a number of years. Now it waits in the House for action. We read day after day of reasons that somehow it is not quite getting done. The big industries that have something at stake are making all the efforts they can to try to defeat the legislation. And if we get it through the House of Representatives—and we should; there is no excuse for this Congress not passing this legislation—the President says he will veto it.

He has a right to veto it. I must say, though, what we have enacted in the Senate is almost exactly what they have for law in the State of Texas. I know President Bush vetoed it first when he was Governor of Texas, but later it became law without his signature in Texas. What we are trying to do for the country says essentially the same as exists in the State of Texas with respect to a patients' protection act.

Again, let me say that we have a lot of issues in this country. We sink our teeth into a good number of them throughout the year in the Senate.

This is a critically important issue for us to get done this year. This issue is very important. We have a responsibility to continue applying pressure in this circumstance to the House. I hope the American people will apply pressure to the House and say: Get this done. Do this bill. Bring it up for a vote, pass it, and send it to the President.

The President says he will veto it. I don't know that that is the case. I hope when he looks at this bill, he will understand this is the right bill for the American people. It is the right thing to do.

It is very interesting to me that as we look at all of the challenges we face in this country, we have had some great successes, and almost every step of the way we have had people who have said: Not me, help me out, this won't work. All of us come from towns and have friends who are there sitting around being crabby all day long, those who describe what won't work.

I come from a town of 300 to 400 people. I spent most of my formative years there. Three or four people there were always crabby about things, and they said, ''This won't work,'' or, ''This will never do.'' But the rest of the town was out doing things. They paved our Main Street while others said it could not be done. It got done because the builders and the doers decided to make it happen.

The same is true in the Senate. It doesn't matter what the issue is, it doesn't matter whether it is Social Security, workers rights, minimum wage, we have people in this body who have opposed everything for the first time, and it doesn't matter what it is. Those who progressively want to make changes strengthen this country. It is our burden to say, here are our ideas, here is what we must do to strengthen our country.

We have done that. A Patient Protection Act is just one more step in a series of things that we know must be done to help the American people deal with a health care system that has increasingly moved toward managed care and has increasingly empowered the bigger interests and taken away from the American people and the individuals who need health care the opportunity to fight back. That is what the Patient Protection Act or Patients' Bill of Rights is about.

Now we have passed that legislation. We have had good leadership in the Senate, and in the last couple of months we have passed legislation dealing with that Patients' Bill of Rights and a number of other things that have been welled up for a long while in the Senate. But now it is done. It is up to the House to do the same. I call on the President to join us. I urge the House to pass this bill, and then I urge the President to sign the bill. Let this bill work for the American people.

I know the Senator from Nevada, who attended a hearing with me that I referenced recently, cares a great deal about this issue. I know that at the hearing in the State of Nevada I heard exactly what I had heard at hearings I held in New York, Minnesota, and elsewhere. I held hearings as chairman of the Democratic Policy Committee on this issue. It didn't matter where you were, you would hear the same story; that is, that patients in this country expect the kind of health treatment they were promised by their health care plan, when they get sick and need health care. Too often they discover that that kind of delivery of health care service is not available to them when they need it.

We have, as I indicated, a number of challenges facing us this year. This is but one. I think it is one of the most important challenges. I hope in the not-too-distant future the House of Representatives will take action, as the Senate has already done, and we will see a Patient Protection Act become law in this country.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada is recognized.

Mr. REID. Mr. President, I have said before that the Senator from North Dakota has spent a great deal of time on the Patients' Bill of Rights, developing a foundation so that the legislation could pass. It was Senator EDWARDS' legislation, along with Senators KENNEDY and MCCAIN. But the real foundation for that legislation came as a result of the work that Senator DORGAN did around the country as the chairman of the policy committee, holding hearings all over America. He mentioned Las Vegas. There was a dramatic hearing held in Las Vegas, with people complaining about how they had been mistreated or not treated. Not only did we have patients coming in, we had physicians coming in and telling us how they could not render care that they, in their expertise, training, and experience, indicated needed to be done, and their managed care entity would not let them do it. There are cases where a doctor has been pulled off the case because his recommendations for treatment were not what the HMO or the managed care entity wanted.

I have great respect and admiration for the Senator from North Dakota for helping us lay a foundation so that we could pass successful legislation. All eyes are now upon the House of Representatives, to make sure they pass legislation that is in keeping with what we did over here. They are trying to spin this, saying the legislation in the Senate is all about lawyers.

The legislation that passed in the Senate of the United States had nothing to do with lawyers and everything

to do with patients. Out of a bill that contains 100 percent substance, 2 percent dealt with lawyers and 98 percent dealt with patients.

I look forward to the bill passing in the House. Also, I have such great admiration and respect for Dr. NORWOOD, who has been willing to step beyond the pale. He has been willing to go beyond what most of the time happens in partisan politics. Congressman NORWOOD, a Republican, has said he can't do what his leadership has asked him to do. He believes in a Patients' Bill of Rights, and he has been a leader. I have such great respect for him.

I express my appreciation to the Senator from North Dakota.

THE DEPARTURE OF ROBERT D. FOREMAN

Mr. HATCH. Mr. President, I would like to take a moment to pay tribute to Robert D. Foreman who has served as a health advisor to me for the past 8 years. Rob came to my staff after distinguished service in the House of Representatives, in the Executive Branch, and in a national trade association.

I suppose that Rob's experience staffing Medicaid and Medicare issues for me, and earlier for our colleagues on the House Interstate and Foreign Commerce Committee, now called the Energy and Commerce Committee, have prepared him well for his new assignment as President George W. Bush's Director of the Office of Legislative Affairs at the Centers for Medicare and Medicaid Services. I am confident that he will be a great asset to Secretary Thompson, Administrator Scully, and the President as they work to preserve and strengthen Medicare, and confront the many challenges facing the Center for Medicare and Medicaid Services, CMS.

Rob is able to grasp complex issues and use his keen sense of humor to bring together parties with differing views on pending legislation. With his research and command of the legislative process, he has helped us make significant contributions during the past eight years on many key pieces of legislation including the defeat of the Health Security Act and enactment of the Children's Health Insurance Program, the Health Insurance Portability and Accountability Act of 1996, the Balanced Budget Act amendments and subsequent revisions, and the Skilled Nursing Facility legislation.

I also have been able to count on Rob to be a powerful advocate for the disabled, and the less fortunate, and to be my liaison with my Disability Advisory Committee in Utah. He also has been a tireless advocate for Native Americans and has enhanced my work on the Committee on Indian Affairs.

For those who have been blessed to work with Rob, they understand that beneath the soft-spoken, dedicated work of this kind man is the caring heart of a true gentleman. He is a man you can genuinely trust, a man of his word, a man of integrity. He seeks not just to do his job, but to do it well. He came to his office each morning not to work, but to serve. His gentle nature is equaled only by his loyalty and work ethic.

I am grateful to Rob for his efforts, for his personal sacrifices, and for the many nights and weekends he spent ensuring that work on these vital issues was complete. I want to publicly thank him for all of his many contributions. I wish him the best as he confronts this new challenge.

RETIREMENT OF JESS ARAGON

Mr. HARKIN. Mr. President, I rise today to call to your attention the retirement of one of our country's finest public servants. Jess Aragon, the Budget Officer of the Department of Labor's Employment and Training Administration, is leaving after 33 years of Federal service. In his capacity as Budget Officer, he controlled the formulation, justification, and execution of some $10 billion of our taxpayers' funds in a manner that set him apart for his professionalism and courtesy. He has personally assisted the Appropriations Committee time and time again, and has been especially helpful when the chips were down and information was desperately needed to make our bills and reports come together.

A native of Albuquerque, NM, Jess' career began with a four-year stint in the Air Force. Following this, he entered public service with the New Mexico State Employment Security Agency, after which he joined the Department of Labor. He and his wife, Myra, are retiring to San Juan, PR, and I, and the other members and staff of the Appropriations Committee, wish them all the best, and offer a heartfelt thanks for a career devoted to serving the American people.

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 this 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 December 8, 1994 in Medford, OR. A man who said he thought their lifestyle was ''sick'' killed two prominent lesbian activists, who had been domestic partners for many years.

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, we can change hearts and minds as well.

RULES OF PROCEDURE OF THE COMMITTEE ON ENVIRONMENT AND PUBLIC WORKS

Mr. JEFFORDS. Mr. President, in accordance with the rule XXVI (2) of the Senate. I ask unanimous consent that the rules of the Committee on Environmental and Public Works, adopted by the committee today, July 25, 2001, be printed in the RECORD.

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

RULES OF PROCEDURE

RULE 1. COMMITTEE MEETINGS IN GENERAL

(a) Regular Meeting Days: For purposes of complying with paragraph 3 of Senate Rule XXVI, the regular meeting day of the committee is the first and third Thursday of each month at 10:00 A.M. If there is no business before the committee, the regular meeting shall be omitted.

(b) Additional Meetings: The chair may call additional meetings, after consulting with the ranking minority member. Subcommittee chairs may call meetings, with the concurrence of the chair, after consulting with the ranking minority members of the subcommittee and the committee.

(c) Presiding Officer:

(1) The chair shall preside at all meetings of the committee. If the chair is not present, the ranking majority member shall preside.

(2) Subcommittee chairs shall preside at all meetings of their subcommittees. If the subcommittee chair is not present, the ranking majority member of the subcommittee shall preside.

(3) Notwithstanding the rule prescribed by paragraphs (1) and (2), any member of the committee may preside at a hearing.

(d) Open Meetings: Meetings of the committee and subcommittees, including hearings and business meetings, are open to the public. A portion of a meeting may be closed to the public if the committee determines by roll call vote of a majority of the members present that the matters to be discussed or the testimony to be taken

(1) will disclose matters necessary to be kept secret in the interests of national defense or the confidential conduct of the foreign relations of the United States;

(2) relate solely to matters of committee staff personnel or internal staff management or procedure; or

(3) constitute any other grounds for closure under paragraph 5(b) of Senate Rule XXVI.

(e) Broadcasting:

(1) Public meetings of the committee or a subcommittee may be televised, broadcast, or recorded by a member of the Senate press gallery or an employee of the Senate.

(2) Any member of the Senate Press Gallery or employee of the Senate wishing to televise, broadcast, or record a committee meeting must notify the staff director or the staff director's designee by 5:00 p.m. the day before the meeting.

(3) During public meetings, any person using a camera, microphone, or other electronic equipment may not position or use the equipment in a way that interferes with the seating, vision, or hearing of committee members or staff on the dais, or with the orderly process of the meeting.

RULE 2. QUORUMS

(a) Business Meetings: At committee business meetings, and for the purpose of approving the issuance of a subpoena or approving a committee resolution, six members, at least two of whom are members of the minority party, constitute a quorum, except as provided in subsection (d).

(b) Subcommittee Meetings: At subcommittee business meetings, a majority of the subcommittee members, at least one of whom is a member of the minority party, constitutes a quorum for conducting business.

(c) Continuing Quorum: Once a quorum as prescribed in subsections (a) and (b) has been established, the committee or subcommittee may continue to conduct business.

(d) Reporting: No measure or matter may be reported to the Senate by the committee unless a majority of committee members cast votes in person.

(e) Hearings: One member constitutes a quorum for conducting a hearing.

RULE 3. HEARINGS

(a) Announcements: Before the committee or a subcommittee holds a hearing, the chair of the committee or subcommittee shall make a public announcement and provide notice to members of the date, place, time, and subject matter of the hearing. The announcement and notice shall be issued at least one week in advance of the hearing, unless the chair of the committee or subcommittee, with the concurrence of the ranking minority member of the committee or subcommittee, determines that there is good cause to provide a shorter period, in which event the announcement and notice shall be issued at least twenty-four hours in advance of the hearing.

(b) Statements of Witnesses:

(1) A witness who is scheduled to testify at a hearing of the committee or a subcommittee shall file 100 copies of the written testimony at least 48 hours before the hearing. If a witness fails to comply with this requirement, the presiding officer may preclude the witness' testimony. This rule may be waived for field hearings, except for witnesses from the Federal Government.

(2) Any witness planning to use at a hearing any exhibit such as a chart, graph, diagram, photo, map, slide, or model must submit one identical copy of the exhibit (or representation of the exhibit in the case of a model) and 100 copies reduced to letter or legal paper size at least 48 hours before the hearing. Any exhibit described above that is not provided to the committee at least 48 hours prior to the hearing cannot be used for purpose of presenting testimony to the committee and will not be included in the hearing record.

(3) The presiding officer at a hearing may have a witness confine the oral presentation to a summary of the written testimony.

(4) Notwithstanding a request that a document be embargoed, any document that is to be discussed at a hearing, including, but not limited to, those produced by the General Accounting Office, Congressional Budget Office, Congressional Research Service, a Federal agency, an Inspector General, or a nongovernmental entity, shall be provided to all members of the committee at least 72 hours before the hearing.

RULE 4. BUSINESS MEETINGS: NOTICE AND FILING REQUIREMENTS

(a) Notice: The chair of the committee or the subcommittee shall provide notice, the agenda of business to be discussed, and the text of agenda items to members of the committee or subcommittee at least 72 hours before a business meeting. If the 72 hours falls over a weekend, all materials will be provided by close of business on Friday.

(b) Amendments: First-degree amendments must be filed with the chair of the committee or the subcommittee at least 24 hours before a business meeting. After the filing deadline, the chair shall promptly distribute all filed amendments to the members of the committee or subcommittee.

(c) Modifications: The chair of the committee or the subcommittee may modify the notice and filing requirements to meet special circumstances, with the concurrence of the ranking member of the committee or subcommittee.

RULE 5. BUSINESS MEETINGS: VOTING

(a) Proxy Voting:

(1) Proxy voting is allowed on all measures, amendments, resolutions, or other matters before the committee or a subcommittee.

(2) A member who is unable to attend a business meeting may submit a proxy vote on any matter, in writing, orally, or through personal instructions.

(3) A proxy given in writing is valid until revoked. A proxy given orally or by personal instructions is valid only on the day given.

(b) Subsequent Voting: Members who were not present at a business meeting and were unable to cast their votes by proxy may record their votes later, so long as they do so that same business day and their vote does not change the outcome.

(c) Public Announcement:

(1) Whenever the committee conducts a rollcall vote, the chair shall announce the results of the vote, including a tabulation of the votes cast in favor and the votes cast against the proposition by each member of the committee.

(2) Whenever the committee reports any measure or matter by rollcall vote, the report shall include a tabulation of the votes cast in favor of and the votes cast in opposition to the measure or matter by each member of the committee.

RULE 6. SUBCOMMITTEES

(a) Regularly Established Subcommittees: The committee has four subcommittees: Clean Air, Wetlands, and Climate Change: Transportation, Infrastructure, and Nuclear Safety; Fisheries, Wildlife, and Water; and Superfund, Toxics, Risk and Waste Management.

(b) Membership: The committee chair, after consulting with the ranking minority member, shall select members of the subcommittees.

RULE 7. STATUTORY RESPONSIBILITIES AND OTHER MATTERS

(a) Environmental Impact Statements: No project or legislation proposed by any executive branch agency may be approved or otherwise acted upon unless the committee has received a final environmental impact statement relative to it, in accordance with section 102(2)(C) of the National Environmental Policy Act, and the written comments of the Administrator of the Environmental Protection Agency, in accordance with section 309 of the Clean Air Act. This rule is not intended to broaden, narrow, or otherwise modify the class of projects or legislative proposals for which environmental impact statements are required under section 102(2)(C).

(b) Project Approvals:

(1) Whenever the committee authorizes a project under Public Law 89–298, the Rivers and Harbors Act of 1965; Public Law 83–566, the Watershed Protection and Flood Prevention Act; or Public Law 86–249, the Public Buildings Act of 1959, as amended; the chairman shall submit for printing in the Congressional Record, and the committee shall publish periodically as a committee print, a report that describes the project and the reasons for its approval, together with any dissenting or individual views.

(2) Proponents of a committee resolution shall submit appropriate evidence in favor of the resolution.

(c) Building Prospectuses:

(1) When the General Services Administration submits a prospectus, pursuant to section 7(a) of the Public Buildings Act of 1959, as amended, for construction (including construction of buildings for lease by the government), alteration and repair, or acquisition, the committee shall act with respect to the prospectus during the same session in which the prospectus is submitted.

A prospectus rejected by majority vote of the committee or not reported to the Senate during the session in which it was submitted shall be returned to the GSA and must then be resubmitted in order to be considered by the committee during the next session of the Congress.

(2) A report of a building project survey submitted by the General Services Administration to the committee under section 11(b) of the Public Buildings Act of 1959, as amended, may not be considered by the committee as being a prospectus subject to approval by committee resolution in accordance with section 7(a) of that Act. A project described in the report may be considered for committee action only if it is submitted as a prospectus in accordance with section 7(a) and is subject to the provisions of paragraph (1) of this rule.

(d) Naming Public Facilities: The committee may not name a building, structure or facility for any living person, except former Presidents or former Vice Presidents of the United States, former Members of Congress over 70 years of age, or former Justices of the United States Supreme Court over 70 years of age.

RULE 8. AMENDING THE RULES

The rules may be added to, modified, amended, or suspended by vote of a majority of committee members at a business meeting if a quorum is present.

HEALTH CARE PROFESSIONALS AS VOLUNTEERS

Mr. WYDEN. Mr. President, when Americans see people in need, their first instinct is to help. It is the kind of attitude that makes our Nation great. But imagine if you had the knowledge and the tools to help someone in need—but weren't permitted to lend a hand.

Health care professionals all across our country are prevented from donating their services in the free clinics that serve those most desperate for medical care, because these practitioners do not have malpractice coverage that will cover their work in volunteer clinics. Today, I urge Secretary Tommy Thompson and his Department of Health and Human Services to finish a job that Congress started 5 years ago and solve this problem once and for all.

For several years now, doctors and dentists in Oregon have been calling me, saying they want to give back to their communities by volunteering in free clinics, but are not allowed to do so. I also have been contacted by an organization—Volunteers in Medicine—that operates free clinics across the country. They know of many health care providers who want to volunteer but cannot.

When Congress passed the Health Insurance Portability and Accountability Act, or HIPAA, in 1996, one small provision was included, aimed at helping health care providers who wanted to volunteer in free clinics but were concerned about malpractice claims. Section 194 of HIPAA would let free clinics

apply to the Secretary of Health and Human Services to have health providers certified and given immunity from malpractice claims.

This small provision could be a big help to the uninsured and those who count on free clinics for health care. The problem is, this provision of HIPAA has been overlooked and regulations for this section—detailing how the legislation should be implemented—were never written.

I am sending a letter to Secretary Thompson calling on him to get those regulations written and published as soon as possible. This should not be difficult. Legislation passed in 1992, which extended the Tort Claims Act coverage to volunteers in community health centers, can serve as a model.

Congress did the right thing in 1996 in recognizing this problem, but we need to finish the job. Two things need to happen now. We need those regulations published, and Congress needs to appropriate funding for the provision.

This will not solve the problems of the more than 40 million Americans without health insurance, but it sure could make a big difference in making care more accessible. It could make a big difference in the lives of the many health professionals who want to give back to their communities.

I again want to urge Secretary Thompson today to get these regulations published as soon as possible. For my part, I intend to stay on the job to assure his Department has funding for this provision.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business yesterday, Tuesday, July 24, 2001, the Federal debt stood at $5,724,984,658,043.75, five trillion, seven hundred twenty-four billion, nine hundred eighty-four million, six hundred fifty-eight thousand, forty-three dollars and seventy-five cents.

One year ago, July 24, 2000, the Federal debt stood at $5,668,098,000,000, five trillion, six hundred sixty-eight billion, ninety-eight million.

Five years ago, July 24, 1996, the Federal debt stood at $5,173,226,000,000, five trillion, one hundred seventy-three billion, two hundred twenty-six million.

Ten years ago, July 24, 1991, the Federal debt stood at $3,551,395,000,000, three trillion, five hundred fifty-one billion, three hundred ninety-five million.

Fifteen years ago, July 24, 1986, the Federal debt stood at $2,071,116,000,000, two trillion, seventy-one billion, one hundred sixteen million, which reflects a debt increase of more than $3.5 trillion, $3,653,868,658,043.75, three trillion, six hundred fifty-three billion, eight hundred sixty-eight million, six hundred fifty-eight thousand, forty-three dollars and seventy-five cents during the past 15 years.

ADDITIONAL STATEMENTS

TRIBUTE TO COLONEL JEFFREY A. WAITE

• Mr. BOND. Mr. President, it is with great pleasure that I rise today to pay special tribute to an outstanding soldier who has distinguished himself in his service to our Nation. Colonel Jeffrey A. Waite will take off his uniform for the last time this month as he retires from the National Guard on July 31st, 2001, following 32 years of service.

Colonel Waite is a fifth generation Missourian who makes our State proud. He began his career by enlisting in the Missouri Army National Guard in 1969 and continued to excel as he climbed through the ranks to Colonel. He imparted his love of the State and to the military to his son, who is now the sixth generation of Waite's to serve our Nation's military. He is a proud Missourian and American.

Colonel Waite completed his initial training at Ft. Bragg, NC and Aberdeen Proving Ground, MD in the spring of 1970 and was commissioned through the Missouri Military Academy Officer Candidate School as a Second Lieutenant of Field Artillery in 1972. He holds a bachelor of science degree in business administration from Southwest Missouri State College and a master of science in business administration from Boston University. In addition, his military education includes the Ordinance Officer Basic and Advanced courses, U.S. Marine Corps Staff Course, U.S. Army Command and General Staff Course, the Air War College, and the Army War College.

Throughout his career, Colonel Waite has held a variety of positions at nearly every level of the Army National Guard. He entered active duty with the National Guard ''Captains to Europe'' program where he served abroad in Giessen, Germany with the 19th Maintenance Battalion as an Armament Maintenance Officer and Battalion Logistics Officer. Colonel Waite is also to be recognized for his service as Assistant Professor of Military Science, Hofstra University, an important program for developing the soldiers of our future.

Throughout his career, Colonel Waite's level of commitment and service has been recognized and rewarded through numerous decorations and awards. Colonel Waite has demonstrated the utmost patriotism and dedication and has consistently gone above and beyond the call of duty.

Colonel Waite's retirement represents a loss to the both the National Guard Bureau and the Department of Defense. Throughout his career, Colonel Waite made innumerable long-term positive contributions to both the military and our Nation. On behalf of the citizens of Missouri and a grateful Nation, we wish Colonel Jeffrey A. Waite, his wife Lori, and four children all the best for a happy retirement.•

TRIBUTE TO MOUNTAIN VALLEY MEDICAL CLINIC

• Mr. JEFFORDS. Mr. President, right now in my home state of Vermont, a very special institution, the Mountain Valley Medical Clinic, MVMC, in Londonderry, VT, is celebrating 25 years of service. Rural clinics such as Mountain Valley, play a critical role in delivering health care, especially in States as rural as Vermont.

Twenty-five years ago, it was not unusual for communities such as Londonderry, to receive health care through a single practitioner, who serviced the region. In 1976, as Londonderry's sole practitioner, Dr. Elizabeth Pingree, was retiring, the impending lack of health care in the area became a real concern. A group of involved citizens recognized that people would either be forced to drive great distances to be seen by a physician, or they would go without care. The entire community responded by coming together to create the Mountain Valley Medical Clinic.

The founding fathers, and mothers, of Mountain Valley recognized the rapidly expanding need for improved and broader health care services in the area. With tireless energy, enthusiasm and dedication, these key individuals succeeded in generating widespread support throughout the neighboring communities. They raised funds, developed plans, created a board of volunteers, and opened a state-of-the-art, comprehensive, health care facility to serve area residents and visitors. Additionally, they created an infrastructure that served all citizens regardless of their ability to pay.

Since opening its doors in 1976, more than 300,000 patients have visited this clinic for care. Over the recent decade, more than 11,000 per year have sought medical assistance. Much of the cost of the care has been curtailed by Medicare, Medicaid, or provided without reimbursement. Staying true to its mission, the dedicated staff and volunteer Board of Directors balanced financial losses, each and every year, with the generous support of the community.

As a model rural health care facility, Mountain Valley reminds us that bigger, faster, cheaper, and fancier, do not necessarily translate to better health care. In fact, many part-time residents in this community consider Mountain Valley to be their primary care provider, even though, or perhaps because, they reside in large cities up and down the east coast. I wish other institutions could follow the example of Mountain Valley Health Clinic.

As this noteworthy institution celebrates its 25th anniversary, it remains one of a kind. It is unique among its peers throughout the country for its philosophy and independence, but most of all, because it is the product of so many remarkable people and ideas. It is truly part of the communities it serves. Residents and visitors in the Mountain Valley service area have much to be proud of, and grateful for, with the steadfast medical care given

by the professionals and staff at Mountain Valley Medical Clinic.●

TRIBUTE TO COMMISSIONER ROBERT W. VARNEY

● Mr. SMITH of New Hampshire. Mr. President, I rise today to pay tribute to an esteemed colleague and dear friend, Robert W. Varney, Commissioner of the New Hampshire Department of Environmental Services, NHDES, on being appointed Regional Administrator for the Environmental Protection Agency, EPA—New England.

Mr. Varney has served the Granite State as Commissioner of NHDES since July of 1989, having been appointed by three Governors, JUDD GREGG, Steve Merrill and Jeanne Shaheen, with the unanimous approval of the Executive Council. Mr. Varney was responsible for the great task of overseeing all of New Hampshire's air, water and waste programs issues. He is recognized nationally as an environmental leader, and has presided over countless prestigious environmental committees and organizations, including President of the Environmental Council of the States, ECOS, the National Organization of State Environmental Commissioners and has served on the National Environmental Justice Advisory Council.

While his national recognition is commendable, Mr. Varney's prowess in the New England region has been demonstrated by his high ranking positions on numerous regional organizations such as the Gulf of Maine Council on the Marine Environment, the Ozone Transport Commission, the New England Governors Conference Environment Committee, and the New England Interstate Water Pollution Control Commission, just to name a few. In June 2000, his efforts to partner with the private sector were recognized when he was presented with the Paul Keough Environmental Award for Government Service by the Environmental Business Council of New England.

As former Chairman and current ranking member of the Senate Committee on Environment and Public Works, and one time Chairman of the Superfund Sub-committee, I have had the pleasure of working quite closely with Mr. Varney on a wide range of issues. On numerous occasions I have depended on his far-reaching environmental expertise to testify before Congress on key issues such as the dangers of the fuel additive MTBE, the current status of superfund cleanup activities and on successful state environmental programs.

With the help of Mr. Varney's leadership, New Hampshire has become, and continues to be, a front-runner in exploring innovative, low-cost technologies while reaping the benefits of developing successful Federal and State relationships. I commend Mr. Varney for his exemplary service to New Hampshire, and look forward to watching the success that will follow him in this next endeavor. New Hampshire, New England and the Nation are truly fortunate to have such a dedicated environmental leader take on the vitally important role of EPA Regional Administrator, and I am certain he will execute this duty with comparable distinction. It is with pleasure that I extend my deepest congratulations and hope for future success.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Mr. Williams, 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 appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

MESSAGES FROM THE HOUSE

ENROLLED BILLS SIGNED

At 10:46 a.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills:

S. 468. An act to designate the Federal building located at 6230 Van Nuys Boulevard in Van Nuys, California, as the ''James C. Corman Federal Building.''

H.R. 2131. An act to reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004, and for other purposes.

S. 1190. An act to amend the Internal Revenue Code of 1986 to rename the education individual retirement accounts as the Coverdell education savings accounts.

The enrolled bills were signed subsequently by the President pro tempore (Mr. BYRD).

At 1:34 p.m., a message from the House of Representatives, delivered by Mr. Hays, one of its reading clerks, announced that the House has passed the following bill, in which it requests the concurrence of the Senate:

H.R. 2506. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes.

The message also announced that pursuant to 10 U.S.C. 4355(a), the Speaker appoints the following Member of the House of Representatives to the Board of Visitors to the United States Military Academy: Mrs. TAUSCHER of California.

MEASURES REFERRED

The following bill was read the first and the second times by unanimous consent, and referred as indicated:

H.R. 2506. An act making appropriations for foreign operations, export financing, and related programs for the fiscal year ending September 30, 2002, and for other purposes; to the Committee on Appropriations.

ENROLLED BILLS PRESENTED

The Secretary of the Senate reported that on today, July 25, 2001, she had presented to the President of the United States the following enrolled bills:

S. 468. An act to designate the Federal building located at 6230 Van Nuys Boulevard in Van Nuys, California, as the ''James C. Corman Federal Building.''

S. 1190. An act to amend the Internal Revenue Code of 1986 to rename the education individual retirement accounts as the Coverdell education savings account.

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–3055. A communication from the Deputy Administrator of the General Service Administration, transmitting, pursuant to law, a report relative to a Building Project Survey for Jefferson City, MO; to the Committee on Energy and Natural Resources.

EC–3056. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a report relative to the Manufactured Housing Program User Fee Authority; to the Committee on the Budget.

EC–3057. A communication from the Director of the Office of Management and Budget, Executive Office of the President, transmitting, pursuant to law, a cumulative report on rescissions and deferrals dated July 24, 2001; to the Committees on Appropriations; the Budget; and Foreign Relations.

EC–3058. A communication from the Acting Commissioner of the Social Security Administration, transmitting, pursuant to law, the report of a nomination for the position of Commissioner of Social Security, received on July 23, 2001; to the Committee on Finance.

EC–3059. 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 ''Revision to Rev. Proc. 2001–2'' (Rev. Proc. 2001–41) received on July 23, 2001; to the Committee on Finance.

EC–3060. 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 ''Exxon v. Commissioner'' received on July 24, 2001; to the Committee on Finance.

EC–3061. A communication from the Under Secretary of Defense, Personnel and Readiness, transmitting, pursuant to law, a report relative to the Parity of Pay between Active and Reserve Component members of the Armed Forces based on length of time on active duty; to the Committee on Armed Services.

EC–3062. A communication from the Secretary of the Navy, transmitting, pursuant to law, a report relative to the current unit cost of a major defense acquisition program that has increased by at least 15 percent; to the Committee on Armed Services.

EC–3063. A communication from the Deputy Secretary of Defense, transmitting, the report of retirements; to the Committee on Armed Services.

EC–3064. A communication from the Director of the Office of Regulations Management, Veterans' Benefits Administration, Department of Veterans' Affairs, transmitting, pursuant to law, the report of a rule entitled ''Increase in Rates Payable Under the Montgomery GI Bill—Selected Reserve'' (RIN2900–AK40) received on July 23, 2001; to the Committee on Veterans' Affairs.

EC–3065. A communication from the Director of the Office of Regulations Management, Board of Veterans' Appeals, Department of Veterans' Affairs, transmitting, pursuant to law, the report of a rule entitled ''Rules of Practice: Medical Opinions from the Veterans Health Administration'' (RIN2900–AK52) received on July 23, 2001; to the Committee on Veterans' Affairs.

EC–3066. A communication from the Acting Assistant Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a nomination for the position of General Counsel, received on July 23, 2001; to the Committee on Environment and Public Works.

EC–3067. A communication from the Acting Assistant Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a nomination for the position of Assistant Administrator for Water, received on July 23, 2001; to the Committee on Environment and Public Works.

EC–3068. A communication from the Acting Assistant Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Administrator for Prevent, Pesticides, and Toxic Substances, received on July 23, 2001; to the Committee on Environment and Public Works.

EC–3069. A communication from the Acting Assistant Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a nomination for the position of Assistant Administrator for Enforcement and Compliance Assurance, received on July 23, 2001; to the Committee on Environment and Public Works.

EC–3070. A communication from the Acting Assistant Administrator of the Environmental Protection Agency, transmitting, pursuant to law, the report of a nomination for the position of Assistant Administrator for International Activities, received on July 23, 2001; to the Committee on Environment and Public Works.

EC–3071. A communication from the Chairman of the Federal Trade Commission, transmitting, pursuant to law, the report of the Office of the Inspector General for the period beginning October 1, 2000 through March 31, 2001; to the Committee on Governmental Affairs.

EC–3072. A communication from the Executive Director of the Committee for Purchase From People Who Are Blind or Severely Disabled, transmitting, pursuant to law, the report of additions to the procurement list; to the Committee on Governmental Affairs.

EC–3073. A communication from the Acting General Counsel of the United States Office of Personnel Management, transmitting, pursuant to law, the report of a nomination confirmed for the position of Director, received on July 23, 2001; to the Committee on Governmental Affairs.

EC–3074. A communication from the White House Liaison for the Department of Justice, transmitting, pursuant to law, the report of a nomination for the position of Chairman of the Foreign Claims Settlement Commission, received on July 23, 2001; to the Committee on the Judiciary.

EC–3075. A communication from the White House Liaison for the Department of Justice, transmitting, pursuant to law, the report of a vacancy and the designation of service in acting role for the position of Administrator of the Drug Enforcement Administration, received on July 23, 2001; to the Committee on the Judiciary.

EC–3076. A communication from the White House Liaison for the Department of Justice, transmitting, pursuant to law, the report of a change in previously submitted reported information and the designation of acting officer for the position of Administrator of the Drug Enforcement Administration, received on July 23, 2001; to the Committee on the Judiciary.

EC–3077. A communication from the White House Liaison for the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary of the Office of Elementary and Secondary Education, received on July 23, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3078. A communication from the White House Liaison for the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary of the Office of Legislation and Congressional Affairs, received on July 23, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3079. A communication from the White House Liaison for the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Under Secretary, received on July 23, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3080. A communication from the White House Liaison for the Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Assistant Secretary of the Office of Educational Research and Improvement, received on July 23, 2001; to the Committee on Health, Education, Labor, and Pensions.

EC–3081. A communication from the Director of the National Science Foundation, transmitting, a draft of proposed legislation entitled ''National Science Foundation Authorization Act for Fiscal Years 2002 and 2003''; to the Committee on Health, Education, Labor, and Pensions.

EC–3082. A communication from the Chairman of the National Foundation on the Arts and the Humanities, transmitting, pursuant to law, a report relative to the Arts and Artifacts Indemnity Program for Fiscal Year 2000; to the Committee on Health, Education, Labor, and Pensions.

EC–3083. A communication from the Secretary of Transportation, transmitting, pursuant to law, a report relative to the evaluation of driver licensing information programs and assessment of technologies dated July 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3084. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a report concerning the withdrawal of certification for Indonesia pursuant to the present sea turtle protection program; to the Committee on Commerce, Science, and Transportation.

EC–3085. A communication from the Executive Director of the Amtrak Reform Council, transmitting, a report relative to institutional and management changes; to the Committee on Commerce, Science, and Transportation.

EC–3086. A communication from the Acting Director of the Office of Sustainable Fisheries, National Marine Fisheries Service, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Fisheries of the Exclusive Economic Zone Off Alaska—Closes Pacific Ocean Perch Fishery in the West Yakutat District, Gulf of Alaska'' received on July 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3087. A communication from the General Counsel of the Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled ''Revision of Laundering Procedures in (1) the Standard for Flammability of Children's Sleepwear; (2) the Standard for Flammability of Mattresses and Mattress Pads; and (3) the Standard for Flammability of Carpets and Rugs'' (RIN3041–AB69) received on July 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3088. A communication from the General Counsel of the Consumer Product Safety Commission, transmitting, pursuant to law, the report of a rule entitled ''Revisions to Automatic Residential Garage Door Operator Standard'' (RIN3041–AB86) received on July 23, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3089. A communication from the Senior Legal Advisor to the Mass Media Bureau Chief, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; West Hurley, Rosendale and Rhinebeck, New York, and North Canaan and Sharon, Connecticut'' (Doc. No. 97–178) received on July 24, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3090. A communication from the Senior Legal Advisor to the Mass Media Bureau Chief, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Wallace, Idaho and Bigfork, Montana'' (Doc. No. 98–159) received on July 24, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3091. A communication from the Senior Legal Advisor to the Mass Media Bureau Chief, Federal Communications Commission, transmitting, pursuant to law, the report of a rule entitled ''Amendment of Section 73.202(b), Table of Allotments, FM Broadcast Stations; Kingman and Dolan Springs, Arizona'' (Doc. No. 01–63) received on July 24, 2001; to the Committee on Commerce, Science, and Transportation.

EC–3092. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the United Kingdom; to the Committee on Foreign Relations.

EC–3093. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, the report of the certification of a proposed license for the export of defense articles or services sold commercially under contract in the amount of $50,000,000 or more to Kazakhstan and Russia; to the Committee on Foreign Relations.

EC–3094. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the elimination of the fifteen percent danger pay allowance for Belgrade and Yugoslavia; to the Committee on Foreign Relations.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. LEAHY, from the Committee on the Judiciary, with an amendment in the nature of a substitute:

S. 407: A bill to amend the Trademark Act of 1946 to provide for the registration and protection of trademarks used in commerce, in order to carry out provisions of certain international conventions, and for other purposes (Rept. No. 107–46).

By Mr. HARKIN, from the Committee on Agriculture, Nutrition, and Forestry, without amendment:

S. 1246: An original bill to respond to the continuing economic crisis adversely affecting American agricultural producers.

EXECUTIVE REPORT OF COMMITTEE

The following executive report of committee was submitted:

By Mr. BINGAMAN for the Committee on Energy and Natural Resources.

*Dan R. Brouillette, of Louisiana, to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs).

*Nomination was reported with recommendation that it be confirmed subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.

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. HATCH (for himself, Mr. SCHUMER, and Mr. DEWINE):

S. 1234. A bill to amend title 18, United States Code, to provide that certain sexual crimes against children are predicate crimes for the interception of communications, and for other purposes; to the Committee on the Judiciary.

By Mr. HATCH:

S. 1235. A bill to make clerical and other technical amendments to title 18, United States Code, and other laws relating to crime and criminal procedure; to the Committee on the Judiciary.

By Mrs. FEINSTEIN (for herself and Mr. HATCH):

S. 1236. A bill to reduce criminal gang activities; to the Committee on the Judiciary.

By Mr. INOUYE:

S. 1237. A bill to allow certain individuals of Japanese ancestry who were brought forcibly to the United States from countries in Latin America during World War II and were interned in the United States to be provided restitution under the Civil Liberties Act of 1988, and for other purposes; to the Committee on the Judiciary.

By Mr. WELLSTONE (for himself and Mr. DAYTON):

S. 1238. A bill to promote the engagement of young Americans in the democratic process through civic education in classrooms, in service learning programs, and in student leadership activities, of America's public schools; to the Committee on Health, Education, Labor, and Pensions.

By Mr. HAGEL (for himself, Mr. ENSIGN, and Mr. LUGAR):

S. 1239. A bill to amend title XVIII of the Social Security Act to provide medicare beneficiaries with a drug discount card that ensures access to affordable outpatient prescription drugs; to the Committee on Finance.

By Mr. BENNETT:

S. 1240. A bill to provide for the acquisition of land and construction of an interagency administrative and visitor facility at the entrance to American Fork Canyon, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

By Mr. SPECTER:

S. 1241. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Health, Education, Labor, and Pensions.

By Mr. SCHUMER (for himself and Mr. ALLARD):

S. 1242. A bill to amend the Fair Credit Reporting Act to provide for disclosure of credit-scoring information by creditors and consumer reporting agencies; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. GRAHAM (for himself, Mr. MURKOWSKI, Mr. REID, Mr. NELSON of Florida, Mr. INHOFE, Mr. WARNER, and Mr. BURNS):

S. 1243. A bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; to the Committee on Finance.

By Mr. KENNEDY (for himself, Ms. SNOWE, Mr. ROCKEFELLER, Mr. CHAFEE, Ms. COLLINS, Mr. DASCHLE, Mr. BAUCUS, Mr. BREAUX, Mr. TORRICELLI, Mrs. LINCOLN, Mr. GRAHAM, Mr. BINGAMAN, Mr. KERRY, Mrs. CLINTON, and Mr. CORZINE):

S. 1244. A bill to amend titles XIX and XXI of the Social Security Act to provide for FamilyCare coverage for parents of enrolled children, and for other purposes; to the Committee on Finance.

By Mr. NICKLES:

S. 1245. A bill for the relief of Renato Rosetti; to the Committee on the Judiciary.

By Mr. HARKIN:

S. 1246. An original bill to respond to the continuing economic crisis adversely affecting American agricultural producers; from the Committee on Agriculture, Nutrition, and Forestry; placed on the calendar.

By Mr. KENNEDY:

S. 1247. A bill to establish a grant program to promote emotional and social development and school readiness; to the Committee on Health, Education, Labor, and Pensions.

By Mr. KERRY (for himself, Mr. CHAFEE, Mr. REED, Mr. JEFFORDS, Mr. SARBANES, Mr. LEAHY, Mr. WELLSTONE, Mr. DAYTON, Mrs. FEINSTEIN, Mr. LEVIN, Mr. SCHUMER, Mr. DURBIN, Ms. STABENOW, Mrs. BOXER, Mr. KENNEDY, Mr. CORZINE, and Mr. DODD):

S. 1248. A bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable, housing for low-income families, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. WELLSTONE (for himself, Mrs. MURRAY, Mr. SCHUMER, Mr. DODD, Mr. DAYTON, Mrs. CLINTON, and Mr. INOUYE):

S. 1249. A bill to promote the economic security and safety of victims of domestic and sexual violence, and for other purposes; to the Committee on Finance.

ADDITIONAL COSPONSORS

S. 88

At the request of Mr. ROCKEFELLER, the names of the Senator from Florida (Mr. NELSON) and the Senator from Mississippi (Mr. COCHRAN) were added as cosponsors of S. 88, a bill to amend the Internal Revenue Code of 1986 to provide an incentive to ensure that all Americans gain timely and equitable access to the Internet over current and future generations of broadband capability.

S. 122

At the request of Mr. CAMPBELL, the name of the Senator from Maine (Ms. SNOWE) was added as a cosponsor of S. 122, a bill to prohibit a State from determining that a ballot submitted by an absent uniformed services voter was improperly or fraudulently cast unless that State finds clear and convincing evidence of fraud, and for other purposes.

S. 159

At the request of Mrs. BOXER, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 159, a bill to elevate the Environmental Protection Agency to a cabinet level department, to redesignate the Environmental Protection Agency as the Department of Environmental Protection Affairs, and for other purposes.

S. 258

At the request of Ms. SNOWE, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 258, a bill to amend title XVIII of the Social Security Act to provide for coverage under the medicare program of annual screening pap smear and screening pelvic exams.

S. 267

At the request of Mr. AKAKA, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 452

At the request of Mr. MURKOWSKI, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 452, a bill to amend title XVIII of the Social Security Act to ensure that the Secretary of Health and Human Services provides appropriate guidance to physicians, providers of services, and ambulance providers that are attempting to properly submit claims under the medicare program to ensure that the Secretary does not target inadvertent billing errors.

S. 486

At the request of Mr. LEAHY, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 486, a bill to reduce the risk that innocent persons may be executed, and for other purposes.

S. 501

At the request of Mr. GRAHAM, the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of S. 501, a bill to amend titles IV and XX of the Social Security Act to restore funding for the Social Services Block Grant, to restore the ability of States to transfer up to 10 percent of TANF funds to carry out activities under such block grant, and to require an annual report on such activities by the Secretary of Health and Human Services.

S. 543

At the request of Mr. DEWINE, his name was added as a cosponsor of S.

543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 677

At the request of Mr. HATCH, the name of the Senator from Virginia (Mr. ALLEN) was added as a cosponsor of S. 677, a bill to amend the Internal Revenue Code of 1986 to repeal the required use of certain principal repayments on mortgage subsidy bond financing to redeem bonds, to modify the purchase price limitation under mortgage subsidy bond rules based on median family income, and for other purposes.

S. 775

At the request of Mrs. LINCOLN, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 775, a bill to amend title XVIII of the Social Security Act to permit expansion of medical residency training programs in geriatric medicine and to provide for reimbursement of care coordination and assessment services provided under the medicare program.

S. 781

At the request of Mr. AKAKA, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 781, a bill to amend section 3702 of title 38, United States Code, to extend the authority for housing loans for members of the Selected Reserve.

S. 805

At the request of Mr. WELLSTONE, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 805, a bill to amend the Public Health Service Act to provide for research with respect to various forms of muscular dystrophy, including Duchenne, Becker, limb girdle, congenital, facioscapulohumeral, myotonic, oculopharyngeal, distal, and emery-dreifuss muscular dystrophies.

S. 808

At the request of Mr. BAUCUS, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 808, a bill to amend the Internal Revenue Code of 1986 to repeal the occupational taxes relating to distilled spirits, wine, and beer.

S. 824

At the request of Mr. GRAHAM, the name of the Senator from New Jersey (Mr. TORRICELLI) was added as a cosponsor of S. 824, a bill to establish an informatics grant program for hospitals and skilled nursing facilities.

S. 838

At the request of Mr. DODD, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Kansas (Mr. ROBERTS) were added as cosponsors of S. 838, a bill to amend the Federal Food, Drug, and Cosmetic Act to improve the safety and efficacy of pharmaceuticals for children.

S. 885

At the request of Mr. HUTCHINSON, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 885, a bill to amend title XVIII of the Social Security Act to provide for national standardized payment amounts for inpatient hospital services furnished under the medicare program.

S. 979

At the request of Mr. DURBIN, the name of the Senator from Indiana (Mr. BAYH) was added as a cosponsor of S. 979, a bill to amend United States trade laws to address more effectively import crises, and for other purposes.

S. 992

At the request of Mr. NICKLES, the name of the Senator from Utah (Mr. HATCH) was added as a cosponsor of S. 992, a bill to amend the Internal Revenue Code of 1986 to repeal the provision taxing policy holder dividends of mutual life insurance companies and to repeal the policyholders surplus account provisions.

S. 994

At the request of Mr. SCHUMER, the name of the Senator from Alaska (Mr. MURKOWSKI) was added as a cosponsor of S. 994, a bill to amend the Iran and Libya Sanctions Act of 1996 to extend authorities under that Act.

S. 999

At the request of Mr. BINGAMAN, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Maine (Ms. SNOWE) 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. 1009

At the request of Mrs. HUTCHISON, the name of the Senator from New Jersey (Mr. CORZINE) was added as a cosponsor of S. 1009, a bill to require the provision of information to parents and adults concerning bacterial meningitis and the availability of a vaccination with respect to such diseases.

S. 1022

At the request of Mr. WARNER, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of S. 1022, a bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums.

S. 1037

At the request of Mrs. HUTCHISON, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Minnesota (Mr. DAYTON) were added as cosponsors of S. 1037, a bill to amend title 10, United States Code, to authorize disability retirement to be granted posthumously for members of the Armed Forces who die in the line of duty while on active duty, and for other purposes.

S. 1040

At the request of Mr. SHELBY, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. 1040, a bill to promote freedom, fairness, and economic opportunity for families by reducing the power and reach of the Federal establishment.

S. 1042

At the request of Mr. INOUYE, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor of S. 1042, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 1087

At the request of Mr. NICKLES, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 1087, a bill to amend the Internal Revenue Code of 1986 to provide a shorter recovery period of the depreciation of certain leasehold improvements.

S. 1116

At the request of Mr. INOUYE, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1116, a bill to amend the Foreign Assistance Act of 1961 to provide increased foreign assistance for tuberculosis prevention, treatment, and control.

S. 1169

At the request of Mr. FEINGOLD, the names of the Senator from Georgia (Mr. MILLER) and the Senator from Rhode Island (Mr. CHAFEE) were added as cosponsors of S. 1169, a bill to streamline the regulatory processes applicable to home health agencies under the medicare program under title XVIII of the Social Security Act and the medicaid program under title XIX of such Act, and for other purposes.

S. 1200

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 1200, a bill to direct the Secretaries of the military departments to conduct a review of military service records to determine whether certain Jewish American war veterans, including those previously those previously awarded the Distinguished Service Cross, Navy Cross, or Air Force Cross, should be awarded the Medal of Honor.

S. 1203

At the request of Mr. SCHUMER, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 1203, a bill to amend title 38, United States Code, to provide housing loan benefits for the purchase of residential cooperative apartment units.

S. 1206

At the request of Mr. VOINOVICH, the name of the Senator from Virginia (Mr. WARNER) was added as a cosponsor of S. 1206, a bill to reauthorize the Appalachian Regional Development Act of 1965, and for other purposes.

S. 1226

At the request of Mr. CAMPBELL, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1226, a bill to require the display of the POW/MIA flag at the World War II memorial, the Korean War Veterans

Memorial, and the Vietnam Veterans Memorial.

S. CON. RES. 3

At the request of Mr. FEINGOLD, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. Con. Res. 3, a concurrent resolution expressing the sense of Congress that a commemorative postage stamp should be issued in honor of the U.S.S. *Wisconsin* and all those who served aboard her.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HATCH (for himself, Mr. SCHUMER, and Mr. DEWINE):

S. 1234. A bill to amend title 18, United States Code, to provide that certain sexual crimes against children are predicate crimes for the interception of communications, and for other purposes; to the Committee on the Judiciary.

Mr. HATCH. Mr. President, the Internet has dramatically changed the lives of the American people. The way in which we work, live, play, and learn has been forever changed. The benefits this new technology has brought to us are truly innumerable. Unfortunately, however, the technology has also created some fearful problems. In particular, the Internet is fast becoming an increasingly popular means by which criminals pursue their nefarious activities.

Perhaps no criminal activity is as nefarious as sex crimes directed at children. And alarmingly, the Internet has proved to be a boon for these sexual predators. Before the Internet, these deranged individuals operated in the open, lurking near parks or schools in an effort to lure children. Now they are able, with almost absolute anonymity and from the security of their homes, to reach our children over the Internet.

The result is frightening. According to State and local law enforcement officials, the Internet has brought an explosion in sexual predator and child pornography activity. Since 1995, the FBI alone has investigated more than 4,900 cases involving persons traveling interstate for the purpose of engaging in illicit sexual relationships with minors and persons involved with the manufacture, dissemination and possession of child pornography.

According to the Bureau, computers have rapidly become one of the most prevalent communications devices with which pedophiles and other sexual predators share sexually explicit photographic images of minors and identify and recruit children for sexually illicit relationships.

This fact is not lost on the public. When asked about cyber-crime, a majority of Americans pointed to child pornography as their biggest concern. The Pew Internet & American Life Report Survey found that 92 percent of Americans are concerned about child pornography. Americans are rightly concerned that the Internet does not become a haven for those who would commit these horrific crimes.

The Anti-Sexual Predator Act of 2001, which I am introducing today, provides much-needed tools to investigators tracking sexual predators and child pornographers. The legislation will be particularly useful to investigators tracking sexual predators.

Although in many cases much of the initial relationship between these sexual predators and their child victims takes place online, the predators will ultimately seek to have personal contact with the child. Thus, the communications will move first to the telephone, and then to face to face meetings. The telephone calls between the perpetrators and the victims therefore represent a dangerous step in the luring of the child. And the more access the sexual predator is allowed to the child victim, the greater the chance that the predator will succeed in convincing the child to continue the ''relationship'' and agree to personal meetings.

As the laws stand today, investigators do not have access to the Federal wiretap statutes to investigate these predators. Absent this authority, law enforcement officers, upon discovery of the on-line relationship, are left to attempt to gain information about the relationship from an often uncooperative or resentful child who believes that he or she is ''in love'' with the perpetrator. Providing wiretap authority not only will aid law enforcement's efforts to obtain evidence of these crimes, it will also help them stop these crimes before the predator makes physical contact with the child.

The Anti-Sexual Predator Act of 2001 will add three predicate offenses to the Federal wiretap statute. This addition will enable law enforcement to intercept wire and oral communications relating to child pornography materials, the coercion and enticement of individuals to travel interstate to engage in sexual activity, the transportation of minors for the purpose of engaging in sexual activity.

To be sure, law enforcement will still need to obtain authority from a court in order to obtain a wiretap, and the court will authorize the wiretap only if the government meets the strict statutory guidelines laid out in Title III. Thus, this legislation does nothing to undermine the legitimate expectations of privacy of law-abiding American citizens.

This legislation fills a gap in our arsenal against child pornographers and sexual predators. I know we all share this goal, and I urge my colleagues to join me in expeditiously acting on 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. 1234

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 ''Anti-Sexual Predator Act of 2001''.

SEC. 2. AUTHORIZATION OF INTERCEPTION OF COMMUNICATIONS IN THE INVESTIGATION OF SEXUAL CRIMES AGAINST CHILDREN.

(a) CHILD PORNOGRAPHY.—Section 2516(1)(c) of title 18, United States Code, is amended by inserting ''section 2252A (relating to material constituting or containing child pornography),'' after ''2252 (sexual exploitation of children),''.

(b) TRANSPORTATION FOR ILLEGAL SEXUAL ACTIVITY.—Section 2516(1) of title 18, United States Code, is amended—

(1) by redesignating paragraph (p), as so redesignated by section 434(2) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132; 110 Stat. 1274), as paragraph (q);

(2) by striking paragraph (p), as so redesignated by section 201(3) of the Illegal Immigration Reform and Immigrant Responsibility Act of 1996 (division C of Public Law 104–208; 110 Stat. 3009–565); and

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

''(p) a violation of section 2422 (relating to coercion and enticement) or section 2423 (relating to transportation of minors) of this title, if, in connection with that violation, the sexual activity for which a person may be charged with a criminal offense would constitute a felony offense under chapter 109A or 110 of this title, if that activity took place within the special maritime and territorial jurisdiction of the United States; or''.

By Mr. HATCH:

S. 1235. A bill to make clerical and other technical amendments to title 18, United States Code, and other laws relating to crime and criminal procedure; to the Committee on the Judiciary.

Mr. HATCH. 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. 1235

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 ''Criminal Law Technical Amendments Act of 2001''.

SEC. 2. TECHNICAL AMENDMENTS RELATING TO CRIMINAL LAW AND PROCEDURE.

(a) MISSING AND INCORRECT WORDS.—

(1) CORRECTION OF GARBLED SENTENCE.—Section 510(c) of title 18, United States Code, is amended by striking ''fine of under this title'' and inserting ''fine under this title''.

(2) INSERTION OF MISSING WORDS.—Section 981(d) of title 18, United States Code, is amended by striking ''proceeds from the sale of this section'' and inserting ''proceeds from the sale of such property under this section''.

(3) CORRECTION OF INCORRECT WORD.—Sections 1425 through 1427, 1541 through 1544 and 1546(a) of title 18, United States Code, are each amended by striking ''to facility'' and inserting ''to facilitate''.

(4) CORRECTING ERRONEOUS AMENDATORY LANGUAGE ON EXECUTED AMENDMENT.—Effective on the date of the enactment of Public Law 103–322, section 60003(a)(13) of such public law is amended by striking ''$1,000,000 or imprisonment'' and inserting ''$1,000,000 and imprisonment''.

(5) INSERTION OF MISSING WORD.—Section 3286 of title 18, United States Code, is amended by inserting ''section'' before ''2332b''.

(6) CORRECTION OF REFERENCE TO SHORT TITLE OF LAW.—That section 2332d(a) of title

18, United States Code, which relates to financial transactions is amended by inserting ''of 1979'' after ''Export Administration Act''.

(7) ELIMINATION OF TYPO.—Section 1992(b) of title 18, United States Code, is amended by striking ''term or years'' and inserting ''term of years''.

(8) SPELLING CORRECTION.—Section 2339A(a) of title 18, United States Code, is amended by striking ''or an escape'' and inserting ''of an escape''.

(9) SECTION 3553.—Section 3553(e) of title 18, United States Code, is amended by inserting ''a'' before ''minimum''.

(10) MISSPELLING IN SECTION 205.—Section 205(d)(1)(B) of title 18, United States Code, is amended by striking ''groups's'' and inserting ''group's''.

(11) CONFORMING CHANGE AND INSERTING MISSING WORD IN SECTION 709.—The paragraph in section 709 of title 18, United States Code, that begins with ''A person who'' is amended—

(A) by striking ''A person who'' and inserting ''Whoever''; and

(B) by inserting ''or'' after the semicolon at the end.

(12) ERROR IN LANGUAGE BEING STRICKEN.—Effective on the date of its enactment, section 726(2) of the Antiterrorism and Effective Death Penalty Act of 1996 (Public Law 104–132) is amended—

(A) in subparagraphs (C) and (E), by striking ''section'' the first place it appears; and

(B) in subparagraph (G), by striking ''relating to'' the first place it appears.

(b) MARGINS, PUNCTUATION, AND SIMILAR ERRORS.—

(1) MARGIN ERROR.—Section 1030(c)(2) of title 18, United States Code, is amended so that the margins of subparagraph (B) and each of its clauses, are moved 2 ems to the left.

(2) CORRECTING CAPITALIZATION IN LANGUAGE TO BE STRICKEN.—Effective on the date of its enactment, section 607(g)(2) of the Economic Espionage Act of 1996 is amended by striking ''territory'' and inserting ''Territory''.

(3) CORRECTING PARAGRAPHING.—The material added to section 521(a) of title 18, United States Code, by section 607(q) of the Economic Espionage Act of 1996 is amended to appear as a paragraph indented 2 ems from the left margin.

(4) SUBSECTION PLACEMENT CORRECTION.—Section 1513 of title 18, United States Code, is amended by transferring subsection (d) so that it appears following subsection (c).

(5) INSERTION OF PARENTHETICAL DESCRIPTIONS.—Section 2332b(g)(5)(B)(i) of title 18, United States Code, is amended—

(A) by inserting ''(relating to certain killings in Federal facilities)'' after ''930(c)'';

(B) by inserting ''(relating to wrecking trains)'' after ''1992''; and

(C) by striking ''2332c,''.

(6) CORRECTION TO ALLOW FOR INSERTION OF NEW SUBPARAGRAPH AND CORRECTION OF ERRONEOUS INDENTATION.—Section 1956(c)(7) of title 18, United States Code, is amended—

(A) in subparagraph (B)(ii), by moving the margin 2 ems to the right;

(B) by striking ''or'' at the end of subparagraph (D);

(C) by striking the period at the end of subparagraph (E) and inserting ''; or''; and

(D) in subparagraph (F), by striking ''Any'' and inserting ''any''.

(7) CORRECTION OF CONFUSING SUBDIVISION DESIGNATION.—Section 1716 of title 18, United States Code, is amended—

(A) in the first undesignated paragraph, by inserting ''(j)(1)'' before ''Whoever'';

(B) in the second undesignated paragraph—

(i) by striking ''not more than $10,000'' and inserting ''under this title''; and

(ii) by inserting ''(2)'' at the beginning of that paragraph;

(C) by inserting ''(3)'' at the beginning of the third undesignated paragraph; and

(D) by redesignating subsection (j) as subsection (k).

(8) PUNCTUATION CORRECTION IN SECTION 1091.—Section 1091(b)(1) of title 18, United States Code, is amended by striking ''subsection (a)(1),'' and inserting ''subsection (a)(1)''.

(9) PUNCTUATION CORRECTION IN SECTION 2311.—Section 2311 of title 18, United States Code, is amended by striking the period after ''carcasses thereof'' the second place that term appears and inserting a semicolon.

(10) SYNTAX CORRECTION.—Section 115(b)(2) of title 18, United States Code, is amended by striking '', attempted kidnapping, or conspiracy to kidnap of a person'' and inserting ''or attempted kidnapping of, or a conspiracy to kidnap, a person''.

(11) CORRECTING CAPITALIZATION IN SECTION 982.—Section 982(a)(8) of title 18, United States Code, is amended by striking ''Court'' and inserting ''court''.

(12) PUNCTUATION CORRECTIONS IN SECTION 1029.—Section 1029 of title 18, United States Code, is amended—

(A) in subsection (c)(1)(A)(ii), by striking ''(9),'' and inserting ''(9)''; and

(B) in subsection (e), by adding a semicolon at the end of paragraph (8).

(13) CORRECTIONS OF CONNECTORS AND PUNCTUATION IN SECTION 1030.—Section 1030 of title 18, United States Code, is amended—

(A) by striking ''and'' at the end of subsection (c)(2)(A);

(B) by inserting ''and'' at the end of subsection (c)(2)(B)(iii);

(C) by striking ''; and'' at the end of subsection (c)(3)(B) and inserting a period;

(D) by striking the period at the end of subsection (e)(4)(I) and inserting a semicolon; and

(E) by striking ''and'' at the end of subsection (e)(7).

(14) CORRECTION OF PUNCTUATION IN SECTION 1032.—Section 1032(1) of title 18, United States Code, is amended by striking ''13,'' and inserting ''13''.

(15) CORRECTION OF PUNCTUATION IN SECTION 1345.—Section 1345(a)(1) of title 18, United States Code, is amended—

(A) in subparagraph (B), by striking '', or'' and inserting ''; or''; and

(B) in subparagraph (C), by striking the period and inserting a semicolon.

(16) CORRECTION OF PUNCTUATION IN SECTION 3612.—Section 3612(f)(2)(B) of title 18, United States Code, is amended by striking ''preceding.'' and inserting ''preceding''.

(17) CORRECTION OF INDENTATION IN CONTROLLED SUBSTANCES ACT.—Section 402(c)(2) of the Controlled Substances Act (21 U.S.C. 842(c)(2)) is amended by moving the margin of subparagraph (C) 2 ems to the left.

(c) ELIMINATION OF REDUNDANCIES.—

(1) ELIMINATION OF REDUNDANT PROVISION.—Section 2516(1) of title 18, United States Code, is amended—

(A) by striking the first paragraph (p); and

(B) by inserting ''or'' at the end of paragraph (o).

(2) ELIMINATION OF DUPLICATE AMENDMENTS.—Effective on the date of its enactment, paragraphs (1), (2), and (4) of section 601(b), paragraph (2) of section 601(d), paragraph (2) of section 601(f), paragraphs (1) and (2)(A) of section 601(j), paragraphs (1) and (2) of section 601(k), subsection (d) of section 602, paragraph (4) of section 604(b), subsection (r) of section 605, and paragraph (2) of section 607(j) of the Economic Espionage Act of 1996 are repealed.

(3) ELIMINATION OF EXTRA COMMA.—Section 1956(c)(7)(D) of title 18, United States Code, is amended—

(A) by striking ''Code,,'' and inserting ''Code,''; and

(B) by striking ''services),,'' and inserting ''services),''.

(4) REPEAL OF SECTION GRANTING DUPLICATIVE AUTHORITY.—

(A) Section 3503 of title 18, United States Code, is repealed.

(B) The table of sections at the beginning of chapter 223 of title 18, United States Code, is amended by striking the item relating to section 3503.

(5) ELIMINATION OF OUTMODED REFERENCE TO PAROLE.—Section 929(b) of title 18, United States Code, is amended by striking the last sentence.

(d) CORRECTION OF OUTMODED FINE AMOUNTS.—

(1) IN TITLE 18, UNITED STATES CODE.—

(A) IN SECTION 492.—Section 492 of title 18, United States Code, is amended by striking ''not more than $100'' and inserting ''under this title''.

(B) IN SECTION 665.—Section 665(c) of title 18, United States Code, is amended by striking ''a fine of not more than $5,000'' and inserting ''a fine under this title''.

(C) IN SECTIONS 1924, 2075, 2113(b), AND 2236.—

(i) Section 1924(a) of title 18, United States Code, is amended by striking ''not more than $1,000,'' and inserting ''under this title''.

(ii) Sections 2075 and 2113(b) of title 18, United States Code, are each amended by striking ''not more than $1,000'' and inserting ''under this title''.

(iii) Section 2236 of title 18, United States Code, is amended by inserting ''under this title'' after ''warrant, shall be fined'', and by striking ''not more than $1,000''.

(D) IN SECTION 372 AND 752.—Sections 372 and 752(a) of title 18, United States Code, are each amended by striking ''not more than $5,000'' and inserting ''under this title''.

(E) IN SECTION 924(e)(1).—Section 924(e)(1) of title 18, United States Code, is amended by striking ''not more than $25,000'' and inserting ''under this title''.

(2) IN THE CONTROLLED SUBSTANCES ACT.—

(A) IN SECTION 401.—Section 401(d) of the Controlled Substances Act (21 U.S.C. 841(d)) is amended—

(i) in paragraph (1), by striking ''and shall be fined not more than $10,000'' and inserting ''or fined under title 18, United States Code, or both''; and

(ii) in paragraph (2), by striking ''and shall be fined not more than $20,000'' and inserting ''or fined under title 18, United States Code, or both''.

(B) IN SECTION 402.—Section 402(c)(2) of the Controlled Substances Act (21 U.S.C. 842(c)) is amended—

(i) in subparagraph (A), by striking ''of not more than $25,000'' and inserting ''under title 18, United States Code''; and

(ii) in subparagraph (B), by striking ''of $50,000'' and inserting ''under title 18, United States Code''.

(C) IN SECTION 403.—Section 403(d) of the Controlled Substances Act (21 U.S.C. 843(d)) is amended—

(i) by striking ''of not more than $30,000'' each place that term appears and inserting ''under title 18, United States Code''; and

(ii) by striking ''of not more than $60,000'' each place it appears and inserting ''under title 18, United States Code''.

(e) CROSS REFERENCE CORRECTIONS.—

(1) SECTION 3664.—Section 3664(o)(1)(C) of title 18, United States Code, is amended by striking ''section 3664(d)(3)'' and inserting ''subsection (d)(5)''.

(2) CHAPTER 228.—Section 3592(c)(1) of title 18, United States Code, is amended by striking ''section 36'' and inserting ''section 37''.

(3) CORRECTING ERRONEOUS CROSS REFERENCE IN CONTROLLED SUBSTANCES ACT.—

Section 511(a)(10) of the Controlled Substances Act (21 U.S.C. 881(a)(10)) is amended by striking ''1822 of the Mail Order Drug Paraphernalia Control Act'' and inserting ''422''.

(4) CORRECTION TO REFLECT CROSS REFERENCE CHANGE MADE BY OTHER LAW.—Effective on the date of its enactment, section 601(c)(3) of the Economic Espionage Act of 1996 is amended by striking ''247(d)'' and inserting ''247(e)''.

(5) TYPOGRAPHICAL AND TYPEFACE ERROR IN TABLE OF CHAPTERS.—The item relating to chapter 123 in the table of chapters at the beginning of part I of title 18, United States Code, is amended—

(A) by striking ''2271'' and inserting ''2721''; and

(B) so that the item appears in bold face type.

(6) SECTION 4104.—Section 4104(d) of title 18, United States Code, is amended by striking ''section 3653 of this title and rule 32(f) of'' and inserting ''section 3565 of this title and the applicable provisions of''.

(7) ERROR IN AMENDATORY LANGUAGE.—Effective on the date of its enactment, section 583 of the Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1998 (111 Stat. 2436) is amended by striking ''Section 2401'' and inserting ''Section 2441''.

(8) ERROR IN CROSS REFERENCE TO COURT RULES.—The first sentence of section 3593(c) of title 18, United States Code, is amended by striking ''rule 32(c)'' and inserting ''rule 32''.

(9) SECTION 1836.—Section 1836 of title 18, United States Code, is amended—

(A) in subsection (a), by striking ''this section'' and inserting ''this chapter''; and

(B) in subsection (b), by striking ''this subsection'' and inserting ''this section''.

(10) CORRECTION OF ERRONEOUS CITE IN CHAPTER 119.—Section 2510(10) of title 18, United States Code, is amended by striking ''shall have'' and all that follows through ''United States Code;'' and inserting ''has the meaning given that term in section 3 of the Communications Act of 1934;''.

(11) ELIMINATION OF OUTMODED CITE IN SECTION 2339A.—Section 2339A(a) of title 18, United States Code, is amended by striking ''2332c,''.

(12) CORRECTION OF REFERENCES IN AMENDATORY LANGUAGE.—Effective the date of its enactment, section 115(a)(8)(B) of Public Law 105–119 is amended—

(A) in clause (i)—

(i) by striking ''at the end of'' and inserting ''following''; and

(ii) by striking ''paragraph'' the second place it appears and inserting ''subsection''; and

(B) in clause (ii), by striking ''subparagraph (A)'' and inserting ''clause (i)''.

(f) TABLES OF SECTIONS CORRECTIONS.—

(1) CONFORMING TABLE OF SECTIONS TO HEADING OF SECTION.—The item relating to section 1837 in the table of sections at the beginning of chapter 90 of title 18, United States Code, is amended by striking ''Conduct'' and inserting ''Applicability to conduct''.

(2) CONFORMING HEADING TO TABLE OF SECTIONS ENTRY.—The heading of section 1920 of title 18, United States Code, is amended by striking ''**employee's**'' and inserting ''**employees'**''.

SEC. 3. ADDITIONAL TECHNICALS.

Title 18, United States Code, is amended—

(1) in section 922(t)(1)(C), by striking ''1028(d)(1)'' and inserting ''1028(d)'';

(2) in section 1005—

(A) in the first undesignated paragraph, by striking ''Act,,'' and inserting ''Act,''; and

(B) by inserting ''or'' at the end of the third undesignated paragraph;

(3) in section 1071, by striking ''fine of under this title'' and inserting ''fine under this title'';

(4) in section 1368(a), by inserting ''to'' after ''serious bodily injury'';

(5) in section 1956(c)(7)(B)(ii), by inserting ''or'' at the end thereof;

(6) in section 1956(c)(7)(B)(iii), by inserting a closing parenthesis after ''1978'';

(7) in subsections (b)(1) and (c) of section 2252A, by striking ''paragraphs'' and inserting ''paragraph''; and

(8) in section 2254(a)(3), by striking the comma before the period at the end.

SEC. 4. REPEAL OF OUTMODED PROVISIONS.

(a) Section 14 of title 18, United States Code, and the item relating thereto in the table of sections at the beginning of chapter 1 of title 18, United States Code, are repealed.

(b) Section 1261 of such title is amended—

(1) by striking ''(a) The Secretary'' and inserting ''The Secretary''; and

(2) by striking subsection (b).

(c) Section 1821 of such title is amended by striking '', the Canal Zone''.

(d) Section 3183 of such title is amended by striking ''or the Panama Canal Zone,''.

(e) Section 3241 of such title is amended by striking ''United States District Court for the Canal Zone and the''.

By Mrs. FEINSTEIN (for herself and Mr. HATCH):

S. 1236. A bill to reduce criminal gang activities; to the Committee on the Judiciary.

Mrs. FEINSTEIN. Mr. President, I rise to introduce the Criminal Gang Abatement Act of 2001, a bill to give law enforcement additional tools to fight the scourge of gang violence.

This legislation builds on and improves the Violent Crime Control and Law Enforcement Act of 1994, the first Federal statute to address directly the problem of criminal gangs.

I am delighted that Senator HATCH joins me in introducing this bill and I thank him for his hard work in helping develop the legislation.

I know that this bill will be familiar to my colleagues. It is similar to legislation that was included in the Juvenile Justice bill in the last Congress.

The Senate passed the Juvenile Justice bill overwhelmingly. Unfortunately, it did not become law. That is why Senator HATCH and I are introducing this gang legislation separately.

Mr. President, I care deeply about solving the problem of gang violence and crime.

I worked extensively on this problem when I was Mayor of San Francisco and have long considered it one of my top priorities.

I am often struck by how vicious gang crimes can be, and how damaging they are to the victims and to the surrounding community.

Let me give you a couple of recent examples from my own home city of San Francisco.

Last year, gang members tried to rob a passerby with an assault weapon from their car. When the victim resisted, the gang shot the victim 17 times. The victim survived but will never walk again.

Only two months before that assault, two rival gangs had a shootout in San Francisco's Mission District. An innocent bystander was caught in the crossfire and shot through both legs.

A brave eyewitness gave law enforcement the name of one shooting suspect, who was then arrested. The gang then tracked down the witness, put a 9 millimeter automatic to his head, and threatened to kill him for cooperating with the police.

I would like to explain how this legislation will help deter and punish such crimes, and why Congress should act quickly to pass it.

First, the bill makes it a separate Federal crime to recruit persons to join a criminal street gang with the intent that the recruit participate in a Federal drug or violent crime.

The penalty is up to 10 years in jail. The offender can also be held responsible for reimbursing the government's costs in housing, maintaining, and treating the minor until the age of 18.

The purpose of this provision is to deter criminal gang recruitment.

Such recruitment has continued to grow and grow every year.

Even while crime has been dropping generally, the number of criminal gangs and gang members has spiraled.

The 1999 Justice Department survey of gangs, the most recent available, found that the number of gang members has increased 8 percent just from 1998.

In fact, the growth of criminal gangs in the country over the last 20 years, has been extraordinary.

Twenty years ago, the gang problem was centered in Los Angeles and Chicago. Today, though, there are gangs in all 50 States and the District of Columbia.

In 1980, there were gangs in 286 jurisdictions. Today, they are in over 1500 jurisdictions.

In 1980, there were about 2000 gangs. Today, there are over 26,000 gangs.

In 1980, there were about 100,000 gang members. Today, there are 840,500 gang members.

Let me read from a Department of Justice publication entitled ''The Growth of Youth Gang Problems in the United States: 1970–1998'' that was just released a few months ago:

Youth gang problems in the United States grew dramatically between the 1970's and 1990's, with the prevalence of gangs reaching unprecedented levels. The growth was manifested by steep increase in the number of cities, counties, and States reporting gang problems. Increases in the number of gang localities were paralleled by increases in the proportions and populations of localities reporting gang problems. There was a shift in regions contains larger numbers of gang cities, with the Old South showing the most dramatic increase. The size of the gang-problem localities also changed, with gang problems spreading to cities, villages, and counties smaller in size than at any time in the past.

And as gangs have increased, so have all forms of youth violence.

That is because youngsters who join gangs are much more likely to commit violent crimes than similarly situated youngsters who are not in gangs.

Research shows, for example, that young people who join gangs are four to six times more likely to engage in criminal behavior when they are gang members than when they are not.

And it is also because gang members are responsible for a large proportion of violent crime. They don't just commit one violent crime but many.

One study found, for example, that gang members, who were 14 percent of sample, reported committing 89 percent of all serious violent offenses in the area.

Enacting this bill would give law enforcement an important tool to deter criminal gang recruitment, thus reducing gang crime.

The bill makes it a separate Federal crime to use a minor to commit a Federal violent crime, and sets penalties for doing so.

The penalty is twice the maximum term that would otherwise be authorized for the offense or, for repeat offenders, three times the maximum penalty.

The bill also increases the minimum penalties for persons using minors to distribute drugs.

Currently, both first-time and repeat offenders can receive a minimum of only a year.

Under the bill, a first-time offender will receive at least 3 years and a repeat-offender will receive at least 5 years.

These provisions are intended to deter gangs from recruiting youngsters to commit crimes.

Gangs recruit minors because they know that children are often not fully aware of the consequences of their actions.

Gangs also know that, if the child is caught, he or she will probably receive lighter punishment than an adult.

Gangs commonly start new recruits as drug lookouts or runners.

Once the youngsters get older, gangs encourage them to engage in more violent activity.

And young recruits often commit violent crimes to gain the gang's respect and improve their status within the gang.

I am very troubled by the fact that many youngsters, some barely in their teens, are lured into gangs by older children and start a life of crime even before they start high school.

One study of eighth graders in 11 cities, found that 9 percent were currently gang members and 17 percent said that they had belonged to a gang at some point in their lives.

According to California law enforcement, the average age of a new gang recruit in Los Angeles is 11, in San Diego 12–15, and in San Francisco 15.

In Alabama, it is 12–14. In Virginia, it is 13. In Ohio, it is 16.

In gangs such as the Latin Kings, babies of gang members are considered gang members from birth.

A South Carolina law enforcement officer told us that he recently looked into the case of one six-year-old child, who was found wearing typical gang attire, holding a gun and beeper, and tattooed with the phrase ''Thug Life.''

I believe that we need to punish gang recruitment of children very severely. This bill would do that.

The bill increases the penalties for gang members who commit drug or violent crimes and who use physical force to tamper with witnesses, victims, or informants.

The bill also generally directs the U.S. Sentencing Commission to increase penalties for criminal street gang members who commit crimes.

There is a strong link between gangs and drugs. By fighting gangs, we can help reduce the supply of illegal drugs in this country.

According to the 1999 Justice Department gang survey, almost half of youth gang members sell drugs to generate profits for the gang.

A survey of California law enforcement by my staff found that gang members in the States' largest cities are involved in 50 to 90 percent of all drug offenses.

This is confirmed by gang members themselves.

For example, in one survey of State prison inmates who were gang members, almost 70 percent said that they had manufactured, imported, or sold drugs as a group.

Worse, the DOJ 1999 gang survey found that about 40 percent of youth gangs are ''drug gangs,'' that is, gangs organized specifically to traffic in drugs.

This is an increase from the 34 percent reported for 1998. The increase was particularly pronounced in rural areas.

There is also a close correlation between gangs and violent crimes.

For example, gangs commit about half of all violent crimes in California's major cities. In some areas of Los Angeles, such as South Central and East Los Angeles, gangs account for 70–80 percent of all violent crimes.

The increased penalties in this legislation will help reduce drug and violent crimes, including threats against witnesses and informants.

Currently, under the Federal gang statute, 18 U.S.C. 521, gang members can only get enhanced penalties for gang crimes that involve drugs or violence.

The penalty is up to an additional 10 years in jail.

This bill allows enhanced penalties for crimes that are often committed by gang members but which may not involve drugs or violence.

These crimes include distributing explosives, kidnapping, extortion, illegal gambling, money laundering, obstruction of justice, and illegally transporting aliens.

The crimes act as ''predicate'' crimes permitting an additional charge of participating in a criminal gang.

The Federal gang statute is sort of similar in design to the criminal RICO statute. That statute permits an additional RICO charge where the defendant, as part of his or her criminal conspiracy, commits two or more predicate acts.

The bill ensures that, for gang offenses, offenders can get a sentence up to 10 years greater than the maximum term they receive for their most serious offense. They can also forfeit property derived from the offense.

The offenses added by the bill are those commonly pursued by gangs.

One study of gangs in various counties, for example, found that: 44–67 percent of gang members reported being involved in auto theft; 34–48 percent in intimidating or assaulting witnesses or victims; and 4–10 percent in kidnapping.

Other studies have found that gang extortion is also common.

Drug gangs commonly use booby traps, that sometimes include explosives, to protect their cultivation or manufacturing sites from law enforcement authorities and the public.

Numerous gangs illegally launder their illicit drug profits.

These include Russian and West African criminal gangs as well as street gangs such as the Bloods, Crips, Gangster Disciples, and Latin Kings.

Alien smuggling and harboring is especially prevalent in San Francisco, Los Angeles, Boston, and New York.

Among the worst offenders is the brutal Fuk Ching gang.

After a police crackdown in New York, law enforcement reports that Fuk Ching began to branch out to Chicago, Maryland, and western Pennsylvania.

The changes made by this legislation should help reduce drug and violent crimes.

The Travel Act allows Federal prosecutors to charge certain interstate crimes such as extortion, bribery, and arson, and for business enterprises involving gambling, liquor, drugs, or prostitution.

This statute was passed in 1961 with Mafia-related criminal activity in mind.

This legislation amends the Travel Act to enable law enforcement to respond more effectively to the growing problem of organized, highly sophisticated, and mobile criminal street gangs.

While the Travel Act currently allows law enforcement to target some activities, such as drug trafficking, the list is not complete.

The list needs to be updated to better reflect interstate crimes often committed today by gang members.

Thus, the bill amends the Travel Act to include crimes such as drive-by shootings, serious assaults, and intimidating witnesses.

In California's largest cities, gang members commit 80–100 percent of all drive-by shootings and around 50 percent of violent crimes.

The numbers are similar for other states as well.

A recent survey in Illinois, for example, found that 50 percent of the jurisdictions in that state face a serious problem of gang drive-by shootings.

The bill also increases the maximum penalty for most violations of the Travel Act from 5 years to 10 and authorizes the death penalty for certain homicides that technically do not qualify as murder.

Defendants who commit violent crimes covered by the act or who try to intimidate or retaliate against witnesses can get 20 years. And, if they kill someone, they can get life imprisonment or the death penalty.

The bill should ensure that prosecutors can use the Travel Act to act against crimes caused by the new Mafia: organized street gangs.

The bill would increase the penalties for using or attempting to use physical force to intimidate witnesses.

The bill would increase the maximum punishment for this crime from 10 years to 20 years.

The bill would also create a crime of threatening to use physical force against a witness.

Such a threat could be punished by up to 10 years.

Violent crimes by gang members often go unpunished because witnesses are afraid that, if they testify, gangs will kill or hurt them or their families.

For example, the Philadelphia deputy district attorney testified before Congress in 1997 that a very high number of the unsolved homicides in Philadelphia were unsolved due to gang intimidation.

One study found that intimidation of victims and witnesses was a major problem for 40–50 percent of prosecutors.

A similar study determined that witness intimidation occurs in at least 75 percent of violent crimes in gang-dominated neighborhoods.

Recently, DOJ estimated that witness intimidation has been growing since 1990 and is now a factor in about two-thirds of violent crimes committed in some gang-dominated neighborhoods.

The bill would help deter and punish victim and witness intimidation by gangs.

The bill amends several criminal statutes to address violent crimes frequently or typically committed by gangs.

Crimes include carjacking, assault, manslaughter, racketeering, murder-for-hire, and fraud against the United States.

These amendments make it easier for prosecutors to prove these crimes by eliminating or modifying the intent requirement for the crimes or by increasing the penalties for violations.

The bill permits the Attorney General to designate high intensity interstate gang activity areas, HIIGAs, and authorizes $100,000,000 for each of 7 years for these task forces.

These provisions are modeled after similar provisions creating high intensity drug trafficking areas, HIDTAs.

HIDTAs are joint efforts of local, State, and Federal law enforcement agencies whose leaders work together to assess regional drug threats, design strategies to combat those threats, and to develop initiatives to implement the strategies.

HIDTAs are based on an equal partnership between different law enforcement agencies.

HIDTAs integrate and synchronize efforts to reduce drug trafficking.

They eliminate unnecessary duplication of effort and maximize resources.

And they improve intelligence and information sharing both within and between regions.

HIDTAs are necessary because drug trafficking tends to be ''headquartered'' in certain areas of the country, from which it spreads to other areas.

Moreover, drug traffickers have been highly organized and developed sophisticated interstate and international operations.

However, both of these points are true for criminal gangs generally.

While criminal street gangs flourish in certain urban areas such as Los Angeles and Chicago, they typically also use these cities as bases to invade more rural locales.

In addition, many gangs have gone from relatively disorganized groups of street toughs to highly disciplined, hierarchical ''corporations,'' often encompassing numerous jurisdictions.

The Gangster Disciples Nation, for example, developed a corporate structure.

They had a chairman of the board, two boards of directors, one for prisons and one for streets, governors, regents, area coordinators, enforcers, and ''shorties,'' youth who staff drug-selling sites and help with drug deals.

From 1987 to 1994, this gang was responsible for killing more than 200 people. Moreover, one-half of their arrests were for drug offenses and only one-third for nonlethal violence.

In 1996, the Gangster Disciples Nation and other Chicago-based gangs were in 110 jurisdictions in 35 States.

Southern California-based gangs are equally well-dispersed.

In 1994, gangs claiming affiliation with the Bloods or Crips, both of whom are based in Southern California, were in 180 jurisdictions in 42 states.

As a result of such dispersal, violent criminal gangs can be found in rural areas.

For example, Washington State law enforcement told us about one gang member that they traced from Compton, California to San Francisco, then to Portland, Seattle, and Billings, Montana, and finally Sioux Falls, South Dakota.

The Justice Department has found that, from the 1970s to the 1990s, the number of small cities or towns, those with populations smaller than 10,000, with gangs increased by between 15 to 39 times.

This is a larger relative increase than for cities with populations larger than 10,000.

In the 1999 National Youth Gang Survey, law enforcement estimated that almost 1 of every 5 of gang members in their area were migrants from another area.

In fact, 83 percent of respondents said that the appearance of gang members in more suburban or rural areas was caused by migration of gangsters from central cities.

Gang members even travel to countries such as Mexico and El Salvador.

The Logan Heights Gang in San Diego, for example, is currently employed by the Arellano-Felix Cartel to help guard drug shipments in Mexico.

The Logan Heights Gang has also been linked to the killing of Cardinal Juan Pasados-Ocampo in Guadalajara in 1993.

As gangs have spread into rural areas and become more interstate and international, it has become more important than ever to ensure coordination between local, state, and federal law enforcement to combat gangs.

The HIDTA program has worked well and provides a good model for the high intensity interstate gang activity area program that this bill creates.

I expect that the high intensity interstate gang activity area program will help reduce the gang problem in the same way that the HIDTA program has helped reduce the drug problem.

The bill also allows serious juvenile drug offenses to be Armed Career Criminal Act predicates.

This provision ensures that career criminals do not escape higher sentences just because their most serious drug offenses occurred when they were a juvenile.

Under this legislation, all armed career criminals will get up to the maximum statutory maximum of 15 years in jail, time which may be not reduced through suspension or probation.

The bill makes the gang statute consistent with the Supreme Court's recent opinion in Apprendi v. United States.

In that decision, the Supreme Court held that any fact that increases the penalty for a crime beyond the statutory maximum must be treated as an element of the offense.

This decision has caused some problems for law enforcement in prosecuting gang crimes.

This is because the Federal gang statute has been treated as a sentence enhancement statute, not a stand-alone criminal offense statute.

Before Apprendi, prosecutors would charge gang members with drug and other crimes.

If they were convicted, they would then ask the court to enhance the gang member's sentence because of his or her membership in a criminal gang.

On many occasions, this sentence enhancement would go beyond the statutory maximum for the underlying offenses.

In light of Apprendi, this bill rewrites federal law to ensure that prosecutors can charge gang members for a separate offense under the federal gang statute.

In doing so, the bill also makes it easier for prosecutors to charge gang members by reducing the membership requirement for a criminal gang from a minimum of five members to a minimum of three members.

The bill authorizes $50,000,000 for 5 years to make grants to prosecutors' officers to combat gang crime and youth violence.

This money will help implement this legislation by ensuring that law enforcement has the money to prosecute gang members.

This is important legislation.

I urge my colleagues to act quickly to pass it.

I would also ask unanimous consent that the text of the bill and an accompanying section-by-section description be printed in the RECORD.

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

S. 1236

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 ''Criminal Gang Abatement Act of 2001''.

SEC. 2. SOLICITATION OR RECRUITMENT OF PERSONS IN CRIMINAL STREET GANG ACTIVITY.

(a) PROHIBITED ACTS.—Chapter 26 of title 18, United States Code, is amended by adding at the end the following:

''§ 522. Recruitment of persons to participate in criminal street gang activity

''(a) PROHIBITED ACTS.—It shall be unlawful for any person to use any facility in, or travel in, interstate or foreign commerce, or cause another to do so, to recruit, solicit, induce, command, or cause another person to be or remain as a member of a criminal street gang, or conspire to do so, with the intent that the person being recruited, solicited, induced, commanded, or caused to be or remain a member of such gang participate in an offense described in section 521(c) of this title.

''(b) PENALTIES.—Any person who violates subsection (a) shall—

''(1) be imprisoned not more than 10 years, fined under this title, or both; and

''(2) if the person recruited, solicited, induced, commanded, or caused is a minor, at the discretion of the sentencing judge, be liable for any costs incurred by the Federal Government, or by any State or local government, for housing, maintaining, and treating the person until the person attains the age of 18 years.

''(c) DEFINITIONS.—In this section:

''(1) CRIMINAL STREET GANG.—The term 'criminal street gang' has the meaning set forth in section 521 of this title.

''(2) MINOR.—The term 'minor' means a person who is less than 18 years of age.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 26 of title 18, United States Code, is amended by adding at the end the following:

''522. Recruitment of persons to participate in criminal street gang activity.''.

SEC. 3. PENALTIES FOR USE OF MINORS IN CRIMES OF VIOLENCE.

(a) IN GENERAL.—Chapter 1 of title 18, United States Code, is amended by adding at the end the following:

''§ 25. Use of minors in crimes of violence

''(a) PENALTIES.—Whoever, being a person not less than 18 years of age, intentionally uses a minor to commit a crime of violence for which such person may be prosecuted in a court of the United States, or to assist in avoiding detection or apprehension for such an offense, shall—

''(1) be subject to twice the maximum term of imprisonment and twice the maximum fine that would otherwise be authorized for the offense; and

''(2) for the second and any subsequent conviction under this subsection, be subject to three times the maximum term of imprisonment and three times the maximum fine that would otherwise be authorized for the offense.

''(b) DEFINITIONS.—In this section:

''(1) CRIME OF VIOLENCE.—The term 'crime of violence' has the meaning set forth in section 16 of this title.

''(2) MINOR.—The term 'minor' means a person who is less than 18 years of age.

''(3) USES.—The term 'uses' means employs, hires, persuades, induces, entices, or coerces.''.

(b) CLERICAL AMENDMENT.—The table of sections at the beginning of chapter 1 of title 18, United States Code, is amended by adding at the end the following:

''25. Use of minors in crimes of violence.''.

SEC. 4. INCREASED PENALTIES FOR USING MINORS TO DISTRIBUTE DRUGS.

Section 420 of the Controlled Substances Act (21 U.S.C. 861) is amended—

(1) in subsection (b), by striking ''one year'' and inserting ''3 years''; and

(2) in subsection (c), by striking ''one year'' and inserting ''5 years''.

SEC. 5. CRIMINAL STREET GANGS.

(a) IN GENERAL.—Section 521 of title 18, United States Code, is amended to read as follows:

''§ 521. Criminal street gangs

''(a) DEFINITIONS.—In this section:

''(1) CONVICTION.—The term 'conviction' includes a finding, under Federal or State law, that a person has committed an act of juvenile delinquency involving an offense described in subsection (c).

''(2) CRIMINAL STREET GANG.—The term 'criminal street gang' means an ongoing group, club, organization, or association of 3 or more persons, whether formal or informal—

''(A) that has as 1 of its primary purposes or activities the commission of 1 or more of the offenses described in subsection (c);

''(B) the members of which engage, or have engaged within the past 5 years, in a continuing series of offenses described in subsection (c); and

''(C) the activities of which affect interstate or foreign commerce.

''(3) STATE.—The term 'State' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

''(b) OFFENSE.—

''(1) IN GENERAL.—Whoever during the commission of an offense described in paragraphs (1) through (10) of subsection (c)—

''(A) participates in a criminal street gang with knowledge that its members engage in or have engaged in a continuing series of offenses described in subsection (c);

''(B) intends to promote or further the felonious activities of the criminal street gang or maintain or increase the person's position in the gang; and

''(C) has been convicted within the past 5 years of an offense described in subsection (c),

shall be imprisoned for a term that is not more than 10 years greater than the maximum term provided by statute for the most serious offense described in paragraphs (1) through (10) of subsection (c) that the person was found to have committed as a basis for the person's conviction under this section.

''(2) CONSTRUCTION WITH OTHER CONVICTIONS.—A term of imprisonment imposed under this section shall run consecutively with any term imposed upon conviction of another count under the same indictment or information for an offense described in subsection (c).

''(3) FORFEITURE.—A person convicted under this section shall also forfeit to the United States, notwithstanding any provision of State law, all property, whether real or personal, derived directly or indirectly from the offense, all property used to facilitate the offense, and all property traceable thereto. The forfeiture shall be in accordance with the procedures set forth in the Federal Rules of Criminal Procedure and section 413 of the Controlled Substances Act (21 U.S.C. 853).

''(c) PREDICATE OFFENSES.—The offenses described in this subsection are as follows:

''(1) A Federal felony involving a controlled substance (as defined in section 102 of the Controlled Substances Act (21 U.S.C. 802)) for which the maximum penalty is not less than 5 years.

''(2) A Federal felony crime of violence (as defined in section 16 of this title) against the person of another.

''(3) An offense under section 522 of this title.

''(4) An offense under section 844 of this title.

''(5) An offense under section 875 or 876 of this title.

''(6) An offense under section 1084 or 1955 of this title.

''(7) An offense under section 1956 of this title, to the extent that the offense is related to an offense involving a controlled substance.

''(8) An offense under chapter 73 of this title.

''(9) An offense under section 274(a)(1)(A), 277, or 278 of the Immigration and Nationality Act (8 U.S.C. 1324(a)(1)(A), 1327, 1328)).

''(10) A conspiracy, attempt, or solicitation to commit an offense described in paragraphs (1) through (9).

''(11) A State offense that would have been an offense described in paragraphs (1) through (10), if Federal jurisdiction existed.

(b) AMENDMENT OF SPECIAL SENTENCING PROVISION.—Section 3582(d) of title 18, United States Code, is amended—

(1) by striking ''chapter 95 (racketeering) or 96 (racketeer influenced and corrupt organizations) of this title'' and inserting ''section 521 or 522 (criminal street gangs) of this title, in chapter 95 (racketeering) or 96 (racketeer influenced and corrupt organizations) of this title,''; and

(2) by inserting ''a criminal street gang or'' before ''an illegal enterprise''.

(c) CONFORMING AMENDMENT RELATING TO ORDERS FOR RESTITUTION.—Section 3663(c)(4) of title 18, United States Code, is amended by striking ''chapter 46 or chapter 96 of this title'' and inserting ''section 521 of this title, under chapter 46 or 96 of this title,''.

SEC. 6. INTERSTATE AND FOREIGN TRAVEL OR TRANSPORTATION IN AID OF CRIMINAL GANGS.

(a) TRAVEL ACT AMENDMENTS.—Section 1952 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) by striking ''and thereafter performs or attempts to perform'' and inserting ''and thereafter performs, or attempts or conspires to perform'';

(B) by striking ''5 years'' and inserting ''10 years''; and

(C) by inserting '', and may be sentenced to death'' after ''if death results shall be imprisoned for any term of years or for life'';

(2) by redesignating subsections (b) and (c) as subsections (c) and (d), respectively;

(3) by inserting after subsection (a) the following new subsection (b):

''(b) Whoever travels in interstate or foreign commerce or uses the mail or any facility in interstate or foreign commerce with intent, by bribery, force, intimidation, or threat, directed against any person, to delay or influence the testimony of or prevent from testifying a witness in a State criminal proceeding, or by any such means to cause any person to destroy, alter, or conceal a record, document, or other object, with intent to impair the object's integrity or availability for use in such a proceeding, and thereafter performs, or attempts or conspires to perform, an act described in this subsection shall be fined under this title, imprisoned not more than 20 years, or both, and if death results, shall be imprisoned for any term of years or for life, and may be sentenced to death.''; and

(4) in subsection (c), as so redesignated, by inserting ''assault with a deadly weapon, assault resulting in serious bodily injury (as defined in section 1365 of this title), shooting at an occupied dwelling or motor vehicle, intimidation of or retaliation against a witness, victim, juror, or informant,'' after ''extortion, bribery,''.

(b) AMENDMENT TO SENTENCING GUIDELINES.—Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal Sentencing Guidelines to provide an appropriate increase in the offense level for violations of section 1952 of title 18, United States Code, as amended by this section.

SEC. 7. INCREASED PENALTIES FOR USING PHYSICAL FORCE TO TAMPER WITH WITNESSES, VICTIMS, OR INFORMANTS.

(a) IN GENERAL.—Section 1512 of title 18, United States Code, is amended—

(1) in subsection (a)—

(A) in paragraph (1), by striking ''as provided in paragraph (2)'' and inserting ''as provided in paragraph (3)'';

(B) by redesignating paragraph (2) as paragraph (3);

(C) by inserting after paragraph (1) the following:

''(2) Whoever uses physical force or the threat of physical force against any person, or attempts to do so, with intent to—

''(A) influence, delay, or prevent the testimony of any person in an official proceeding;

''(B) cause or induce any person to—

''(i) withhold testimony, or withhold a record, document, or other object, from an official proceeding;

''(ii) alter, destroy, mutilate, or conceal an object with intent to impair the object's integrity or availability for use in an official proceeding;

''(iii) evade legal process summoning that person to appear as a witness, or to produce a record, document, or other object, in an official proceeding; or

''(iv) be absent from an official proceeding to which such person has been summoned by legal process; or

''(C) hinder, delay, or prevent the communication to a law enforcement officer or judge of the United States of information relating to the commission or possible commission of a Federal offense or a violation of conditions of probation, supervised release, parole, or release pending judicial proceedings,

shall be punished as provided in paragraph (3).''; and

(D) in paragraph (3), as so redesignated—

(i) by striking ''and'' at the end of subparagraph (A); and

(ii) by striking subparagraph (B) and inserting the following:

''(B) in the case of—

''(i) an attempt to murder; or

''(ii) the use, or attempted use, of physical force against any person,

imprisonment for not more than twenty years; and

''(C) in the case of the use of the threat of physical force against any person, imprisonment for not more than ten years.'';

(2) in subsection (b), by striking ''or physical force''; and

(3) by adding at the end the following:

''(j) Whoever conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense the commission of which was the object of the conspiracy.''.

(b) RETALIATING AGAINST A WITNESS.—Section 1513 of title 18, United States Code, is amended by adding at the end the following:

''(e) Whoever conspires to commit any offense under this section shall be subject to the same penalties as those prescribed for the offense the commission of which was the object of the conspiracy.''.

(c) CONFORMING AMENDMENTS.—

(1) WITNESS TAMPERING.—Section 1512 of title 18, United States Code, is amended in subsections (b)(3) and (c)(2) by inserting ''supervised release,'' after ''probation''.

(2) RETALIATION AGAINST A WITNESS.—Section 1513 of title 18, United States Code, is amended in subsections (a)(1)(B) and (b)(2) by inserting ''supervised release,'' after ''probation''.

SEC. 8. OTHER VIOLENT OFFENSES FREQUENTLY OR TYPICALLY COMMITTED BY GANGS.

(a) CARJACKING.—Section 2119 of title 18, United States Code, is amended by striking '', with the intent to cause death or serious bodily harm''.

(b) AMENDMENTS RELATING TO VIOLENT CRIME IN AREAS OF EXCLUSIVE FEDERAL JURISDICTION.—

(1) ASSAULT WITHIN MARITIME AND TERRITORIAL JURISDICTION OF UNITED STATES.—Section 113(a)(3) of title 18, United States Code, is amended by striking ''with intent to do bodily harm,''.

(2) MANSLAUGHTER.—Section 1112(b) of title 18, United States Code, is amended by striking ''ten years'' and inserting ''twenty years''.

(3) OFFENSES WITHIN INDIAN COUNTRY.—Section 1153(a) of title 18, United States Code, is amended by inserting ''an offense for which the maximum statutory term of imprisonment under section 1363 of this title is greater than five years,'' after ''a felony under chapter 109A,''.

(4) RACKETEER INFLUENCED AND CORRUPT ORGANIZATIONS.—Section 1961(1)(A) of title 18, United States Code, is amended by inserting ''or would have been so chargeable except that the act or threat (other than gambling) was committed in Indian country, as defined in section 1151 of this title, or in any other area of exclusive federal jurisdiction'' after ''chargeable under State law''.

(c) AMENDMENTS TO STATUTES PUNISHING VIOLENT CRIMES FOR HIRE OR IN AID OF RACKETEERING.—

(1) MURDER-FOR-HIRE.—Section 1958(a) of title 18, United States Code, is amended by inserting ''or other felony crime of violence against the person'' after ''murder''.

(2) VIOLENT CRIMES IN AID OF RACKETEERING.—Section 1959 of title 18, United States Code, is amended—

(A) in subsection (a)—

(i) in paragraph (4)—

(I) by inserting ''specified in paragraphs (1) through (3)'' after ''threatening to commit a crime of violence''; and

(II) by striking ''five'' and inserting ''ten'';

(ii) in paragraph (5), by striking ''ten'' and inserting ''twenty'';

(iii) in paragraph (6), by striking ''three'' and inserting ''ten''; and

(B) in subsection (b)—

(i) by striking ''and'' at the end of paragraph (1);

(ii) by striking the period at the end of paragraph (2) and inserting ''; and''; and

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

''(3) 'serious bodily injury' has the meaning set forth in section 2119 of this title.''.

(d) CONSPIRACY.—Section 371 of title 18, United States Code, is amended—

(1) by designating the first paragraph as subsection (a);

(2) in subsection (a), as so designated, by striking ''either to commit any offense against the United States, or'';

(3) by striking the second paragraph; and

(4) by adding at the end the following new subsection:

''(b) If two or more persons conspire to commit any offense against the United States, and one or more of such persons do any act to effect the object of the conspiracy, each shall be subject to the same penalties as those prescribed for the most serious offense the commission of which was the object of the conspiracy, except that the penalty of death shall not be imposed.''.

SEC. 9. SERIOUS JUVENILE DRUG OFFENSES AS PREDICATE FOR ARMED CAREER CRIMINAL STATUS.

Section 924(e)(2)(C) of title 18, United States Code, is amended by inserting ''or serious drug offense'' after ''violent felony''.

SEC. 10. SENTENCING GUIDELINES FOR GANG CRIMES, INCLUDING AN INCREASE IN OFFENSE LEVEL FOR PARTICIPATION IN CRIME AS A GANG MEMBER.

Pursuant to its authority under section 994(p) of title 28, United States Code, the United States Sentencing Commission shall amend the Federal sentencing guidelines to eliminate the policy statement in section 5K2.18 of the guidelines regarding section 521 of title 18, United States Code, and instead provide a base offense level in chapter 2 of the guidelines for offenses described in sections 521 and 522 of title 18, United States Code, that reflects the seriousness of these offenses. Such guidelines shall include an appropriate enhancement (which shall be in addition to any other adjustment under chapter 3 of the Federal Sentencing guidelines) for any offense described in section 521 if the offense was both committed in connection with, or in furtherance of, the activities of a criminal street gang and the defendant was a member of the gang at the time of the offense. Such guidelines shall also include an appropriate enhancement (which shall be in addition to any other adjustment under chapter 3 of the Federal Sentencing Guidelines) for a person who, in violating such section 522, recruits, solicits, induces, commands, or causes another person residing in another State to be or remain a member of a criminal street gang, or who crosses a State line with intent to violate such section 522.

SEC. 11. HIGH INTENSITY INTERSTATE GANG ACTIVITY AREAS.

(a) DEFINITIONS.—In this section:

(1) GOVERNOR.—The term ''Governor'' means a Governor of a State or the Mayor of the District of Columbia.

(2) HIGH INTENSITY INTERSTATE GANG ACTIVITY AREA.—The term ''high intensity interstate gang activity area'' means an area within a State that is designated as a high intensity interstate gang activity area under subsection (b)(1).

(3) STATE.—The term ''State'' means a State of the United States, the District of Columbia, and any commonwealth, territory, or possession of the United States.

(b) HIGH INTENSITY INTERSTATE GANG ACTIVITY AREAS.—

(1) DESIGNATION.—The Attorney General, upon consultation with the Secretary of the Treasury and the Governors of appropriate States, may designate as a high intensity interstate gang activity area a specified area that is located—

(A) within a State; or

(B) in more than 1 State.

(2) ASSISTANCE.—In order to provide Federal assistance to a high intensity interstate gang activity area, the Attorney General may—

(A) facilitate the establishment of a regional task force, consisting of Federal, State, and local law enforcement authorities, for the coordinated investigation, disruption, apprehension, and prosecution of criminal activities of gangs and gang members in the high intensity interstate gang activity area; and

(B) direct the detailing from any Federal department or agency (subject to the approval of the head of that department or agency, in the case of a department or agency other than the Department of Justice) of personnel to the high intensity interstate gang activity area.

(3) CRITERIA FOR DESIGNATION.—In considering an area (within a State or within more than 1 State) for designation as a high intensity interstate gang activity area under this section, the Attorney General shall consider—

(A) the extent to which gangs from the area are involved in interstate or international criminal activity;

(B) the extent to which the area is affected by the criminal activity of gang members who—

(i) are located in, or have relocated from, other States; or

(ii) are located in, or have immigrated (legally or illegally) from, foreign countries;

(C) the extent to which the area is affected by the criminal activity of gangs that originated in other States or foreign countries;

(D) the extent to which State and local law enforcement agencies have committed resources to respond to the problem of criminal gang activity in the area, as an indication of their determination to respond aggressively to the problem;

(E) the extent to which a significant increase in the allocation of Federal resources would enhance local response to gang-related criminal activities in the area; and

(F) any other criteria that the Attorney General considers to be appropriate.

(c) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There is authorized to be appropriated to carry out this section $100,000,000 for each of fiscal years 2002 through 2008, to be used in accordance with paragraph (2).

(2) USE OF FUNDS.—Of amounts made available under paragraph (1) in each fiscal year—

(A) 60 percent shall be used to carry out subsection (b)(2); and

(B) 40 percent shall be used to make grants for community-based programs to provide crime prevention and intervention services that are designed for gang members and at-risk youth in areas designated pursuant to this section as high intensity interstate gang activity areas.

(3) REQUIREMENT.—

(A) IN GENERAL.—The Attorney General shall ensure that not less than 10 percent of amounts made available under paragraph (1) in each fiscal year are used to assist rural States affected as described in subparagraphs (B) and (C) of subsection (b)(3).

(B) RURAL STATE DEFINED.—In this paragraph, the term ''rural State'' has the meaning given the term in section 1501(b) of title I of the Omnibus Crime Control and Safe Streets Act of 1968 (42 U.S.C. 3796bb(b)).

SEC. 12. AUTHORITY TO MAKE GRANTS TO PROSECUTORS' OFFICES TO COMBAT GANG CRIME AND YOUTH VIOLENCE.

(a) IN GENERAL.—Section 31702 of subtitle Q of title III of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13862) is amended—

(1) in paragraph (2), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting a semicolon; and

(3) by adding at the end the following:

''(5) to allow the hiring of additional prosecutors, so that more cases can be prosecuted and backlogs reduced;

''(6) to provide funding to enable prosecutors to address drug, gang, and youth violence problems more effectively;

''(7) to provide funding to assist prosecutors with funding for technology, equipment, and training to assist prosecutors in reducing the incidence of, and increase the successful identification and speed of prosecution of young violent offenders; and

''(8) to provide funding to assist prosecutors in their efforts to engage in community prosecution, problem solving, and conflict resolution techniques through collaborative efforts with police, school officials, probation officers, social service agencies, and community organizations.''.

(b) AUTHORIZATION OF APPROPRIATIONS.—Section 31707 of subtitle Q of title III of the Violent Crime Control and Law Enforcement Act of 1994 (42 U.S.C. 13867) is amended to read as follows:

''SEC. 31707. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to carry out this subtitle, $50,000,000 for each of fiscal years 2002 through 2006.''.

SEC. 13. NOTIFICATION AFTER ARREST.

Section 5033 of title 18, United States Code, is amended by striking ''arresting officer'' each place it appears in the first and second sentences and inserting ''arresting officer or another representative of the Attorney General''.

CRIMINAL GANG ABATEMENT ACT OF 2001—SECTION-BY-SECTION

SECTION 1

The short title of the bill is the ''Criminal Gang Abatement Act of 2001.''

SECTION 2

Adds section 522 to Chapter 26 of title 18, which prohibits any person from traveling in, or using any facility in, interstate commerce to recruit or retain a person as a member of a criminal street gang with the intent that the recruited or retained individual participate in an offense described in section 521(c) of the title. Section 521(c) offenses are Federal felonies involving controlled substances for which the maximum penalty is not less than five years, a Federal felony crime of violence involving the use or attempted use of physical force, and conspiracies to commit either of these two offenses.

The penalties for violating the section include imprisonment for not more than 10 years, fines, or both. In addition, if the individual who was recruited is a minor, the defendant may be held liable for any costs incurred by the Federal, State, or local government for housing, maintaining, and treating the minor until the age of 18.

The term ''criminal street gang'' is amended in section 5 of this bill.

SECTION 3

Prohibits the intentional use of minors to commit a crime of violence or to assist in avoiding detection or apprehension for such an offense. Any first-time offender shall be subject to twice the maximum term of imprisonment and fine that would otherwise be authorized for the offense. For any second or subsequent conviction under the section, the offender is subject to three times the maximum penalty.

SECTION 4

Amends 21 U.S.C. 861 to increase the minimum penalty to three years for any first-time offender who employs or uses a minor to distribute, receive, or avoid detection of a controlled substance in violation of the title or title III. The minimum punishment for a repeat offender is increased to five years.

SECTION 5

Amends 18 U.S.C. 521 to transform it from a penalty enhancement provision to an offense and, in so doing, also redefines the term ''criminal street gang'' to reduce the membership requirement from ''5 or more persons'' to ''3 or more persons.'' The rewriting of section 521 is in response to *Apprendi* v. *United States*, 530 U.S. 466 (2000), in which the Supreme Court held that any fact that increases the penalty for a crime beyond the statutory maximum, other than for a prior conviction, must be treated as an element of the offense.

The proposed amendment establishes ten predicate offenses in subsection c. Those offenses are: a Federal felony involving a controlled substance for which the maximum penalty is not less than 5 years; a Federal felony crime of violence; an offense under newly created section 522; an offense under section 844, (importation, manufacture, distribution, and storage of explosive materials; an offense under sections 875 or 876, kidnapping and extortion; an offense under section 1084 or 1955, illegal gambling; an offense under section 1956, money laundering, to the extent it relates to an offense involving a controlled substance; an offense under chapter 73 of title 18, obstruction of justice; an offense under section 274(a)(1)(A), 277, or 278 of the Immigration and Nationality Act, illegal transportation of an alien; and a conspiracy, attempt, or solicitation to commit an offense described above.

Any person who commits one of the predicate offenses while participating in a criminal street gang with the intent of promoting the felonious activities of the gang, and who has been convicted within the past five years of one of the predicate offenses, faces an additional 10-year consecutive sentence for the predicate crime. The bill also provides for the forfeiture of any property derived directly or indirectly from the offense.

The bill also amends 18 U.S.C. 3582(d) to allow the court to include as part of the sentence for any person convicted under section 521 or 522 an order requiring the offender while in prison to not associate or communicate with a specified person upon a showing of probable cause that the association or communication is for the purpose of enabling the offender to be engaged in illegal activity.

SECTION 6

Amends 18 U.S.C. 1952 to increase the maximum penalty for traveling in interstate or foreign commerce or using any facility in interstate or foreign commerce to distribute the proceeds of any unlawful activity or for promoting, managing, establishing, carrying on of any unlawful activity from five years to ten. In addition, the bill authorizes the death penalty for any person convicted of traveling, or using any facility, in foreign or interstate commerce to commit any crime of violence to further an unlawful activity, if that act of violence results in death. Conspiring to violate the section is treated the same as an actual or attempted violation.

The bill amends the section to include new subsection b, which provides that any person who travels in interstate or foreign commerce or uses any facility in interstate or

foreign commerce with the intent to delay or influence the testimony of or prevent from testifying a witness in a State criminal proceeding or who seeks to cause any person to destroy, alter or conceal evidence and thereafter performs, or attempts or conspires to perform, an act described above shall be imprisoned not more than 20 years, fined, or both, and if death results, may be imprisoned for any term of years or for life, or be sentenced to death.

The proposed section also amends redesignated subsection c by amending ''unlawful activity'' to include assault with a deadly weapon, assault resulting in serious bodily injury, shooting at an occupied dwelling or motor vehicle, and intimidation of or retaliation against a witness, victim, juror, or informant.

Finally, the bill directs the United States Sentencing Commission to amend the Federal Sentencing Guidelines to provide an appropriate increase in the offense level for violations of the newly amended section.

SECTION 7

Amends 18 U.S.C. 1512 to increase the penalties for the use of physical force or the threat of physical force with the intent to influence, delay, or prevent the testimony of any person in an official proceeding.

The bill increases the maximum term of imprisonment for the use of physical force against any person in violation of the section from 10 years to 20 years. In the case of the use of the threat of physical force against any person, the individual may be imprisoned for not more than ten years. Identical penalties are assessed for those who conspire to commit any offense under the section.

SECTION 8

This section amends various sections of title 18 to address violent offenses frequently or typically committed by gangs. Most of the amendments either eliminate a mens rea requirement or increase the penalty for a violation.

Subsection a amends 18 U.S.C. 2119 by eliminating the requirement that the offender intend to cause death or serious bodily harm during a carjacking in order to violate the section.

Subsection b amends: 1. 18 U.S.C. 113(a)(3), dealing with assaults within the maritime and territorial jurisdiction of the United States, by striking the requirement that the offender intend to do bodily harm when assaulting a person with a dangerous weapon; 2. 18 U.S.C. 1112(b), dealing with manslaughter within the maritime and territorial jurisdiction of the United States, by increasing the maximum penalty for voluntary manslaughter from ten years to twenty; 3. 18 U.S.C. 1153(a), which deals with offenses committed within Indian country, by including within the list of offenses subject to the same law and penalties as all other persons ''an offense for which the maximum statutory term of imprisonment under section 1363 of this title is greater than five years''; 4. 18 U.S.C. 1961(1)(A) by including within the definition of ''racketeering activity'' the illegal activities specified in the section that ''would have been chargeable'' under State law ''except that the act or threat, other than gambling was committed in Indian country, as defined in section 1151 of this title, or in any other area of exclusive Federal jurisdiction''.

Subsection c amends: 1. 18 U.S.C. 1958(a), dealing with murder-for-hire, by bringing within the scope of the section those who travel, or use any facility, in interstate or foreign commerce with the intent that a felony crime of violence against the person be committed in violation of the laws of any State or the United States. As it currently stands, the section applies only to those who intend that a murder be committed; 2. 18 U.S.C. 1959, which deals with violent crimes in aid of racketeering. The bill increases the penalty for violating various subsections of section 1959. The maximum punishment for threatening to commit a crime of violence is increased from five to ten years; for attempting or conspiring to commit murder or kidnapping is increased from ten to twenty years; and for attempting or conspiring to commit a crime involving maiming, assault with a dangerous weapon, or assault resulting in serious bodily injury is increased from three to ten years. The amendment also incorporates the definition of ''serious bodily injury'' set forth in section 2119 of the title as the term was previously undefined within the section.

Subsection d amends 18 U.S.C. 371, dealing with conspiracies to commit offenses against or to defraud the United States. The bill strikes the second paragraph of section 371, dealing with conspiracies involving misdemeanors. A second subsection is added that provides that if two or more persons conspire to commit any offense against the United States, and one or more such persons acts on the conspiracy, each shall be subject to the same penalties as those prescribed for the most serious offense that was the object of the conspiracy, except that the penalty of death shall not be imposed.

SECTION 9

Amends the term ''conviction'' in 18 U.S.C. 924(e)(2)(C), part of the Armed Career Criminal Act, to include an act of juvenile delinquency involving serious drug offenses.

SECTION 10

Requires the United States Sentencing Commission to amend the Federal sentencing guidelines to eliminate the policy statement in section 5K2.18 dealing with sentence enhancement for gang crimes. As with the amendment to 18 U.S.C. 521 in section 5 of the bill, the deletion is in response to the recent decision in *Apprendi* v. *New Jersey*, 530 U.S. 466 (2000).

Instead of the to-be-deleted and no longer appropriate policy statement, the proposed amendment directs the Commission to provide a base offense level for offenses described in 18 U.S.C. 521 and 522 that reflects the seriousness of the offenses-including an appropriate enhancement for any offense described in section 521 committed by a member of a criminal street gang in connection with the activities of the gang. The guidelines are also to include an appropriate enhancement for a person who, in violating section 522, recruits, solicits, induces, commands, or causes another person residing in another State to be or remain a member of a criminal street gang, or who crosses a State line with intent to violate section 522.

SECTION 11

Permits the Attorney General to designate an area as a high intensity interstate gang activity area. The Attorney General makes such designation upon consultation with the Secretary of the Treasury and the Governors of the appropriate States. In making such designation, the Attorney General considers the extent to which gangs from the area are involved in interstate or international criminal activity, the extent to which the area is affected by the criminal activity of gang members who are located in, or have relocated from, other States or foreign countries, the extent to which State and local law enforcement agencies have committed resources to respond to the problem of criminal gang activity in the area, the extent to which a significant increase in the allocation of Federal resources would enhance local response to gang-related criminal activity in the area, and any other criteria deemed appropriate.

After such designation, the Attorney General may provide assistance to the area by facilitating the establishment of a regional task force, consisting of Federal, State, and local law enforcement, for the coordinated investigation, disruption, apprehension, and prosecution of criminal activities of gangs and gang members in the area. In addition, the Attorney General may direct the detailing from any Federal department or agency, subject to the approval of the head of that department or agency of personnel to the high intensity interstate gang activity area.

The bill authorizes $100,000,000 for each of fiscal years 2002 through 2008. Sixty percent of the appropriation is to be used to carry out the activities described above. The remainder is to be used to make grants for community-based programs to provide crime prevention and intervention services that are designed for gang members and at-risk youth in the designated areas. The bill further requires the Attorney General to ensure that not less than 10 percent of the amounts spent each fiscal year are used to assist rural States.

SECTION 12

Amends the Violent Crime Control and Law Enforcement Act of 1994, 42 U.S.C. 13862, to permit additional uses for grants made by the Attorney General under the section. The additional uses are: to hire additional prosecutors; to provide funding to enable prosecutors to address drug, gang, and youth violence problems more effectively; to provide funding to assist prosecutors with funding for technology, equipment, and training; and to provide funding to assist prosecutors in their efforts to engage in community prosecution, problem solving, and conflict resolution techniques through collaborative efforts with police, school officials, probation officers, social service agencies, and community organizations.

The bill authorizes the appropriation of $50,000,000 for each of fiscal years 2002 through 2006 to carry out the subtitle.

SECTION 13

Amends 18 U.S.C. 5033 so that government officials, other than the arresting officer, may advise juveniles of their rights, notify the Attorney General, and notify the juvenile's parents of the juvenile's detainment and rights. This provision clarifies a provision that has been interpreted in an overly literal manner by the Ninth Circuit and is now causing numerous problems for law enforcement in that circuit. *See United States* v. *Juvenile* (RRA–A), 229 F.3d 737, 748 (9th Cir. 2000) (Trott, J., dissenting).

By Mr. INOUYE:

S. 1237. A bill to allow certain individuals of Japanese ancestry who were brought forcibly to the United States from countries in Latin America during World War II and were interned in the United States to be provided restitution under the Civil Liberties Act of 1988, and for other purposes; to the Committee on the Judiciary.

Mr. INOUYE. Mr. President, I rise to introduce the Wartime Parity and Justice Act of 2001, the Senate companion bill to H.R. 619. Among other things, the bill provides restitution to Latin Americans of Japanese ancestry who were brought to the United States, then interned in Immigration and Naturalization Service camps during World War II.

Between December, 1941, to February, 1948, more than 2,000 men,

women, and children of Japanese ancestry were relocated from thirteen Latin American countries to the United States. During World War II, the United States had these individuals shipped to the United States to be traded with the Japanese Government for American prisoners of war. Of this number, approximately 800 were traded for American prisoners of war. The remaining individuals were placed in internment camps throughout the United States.

The governments of those thirteen Latin American countries cooperated with the United States because they received millions of dollars in monetary compensation for their assistance. Much like their Japanese American counterparts in the United States, these people were selected merely because of their ethnic origin.

The big difference, however, is that the United States made an effort to redress the wrong committed against the Japanese Americans. The Civil Liberties Act of 1988, signed into law by President Reagan, allowed for monetary compensation of $20,000 and an apology from the United States Government to all Japanese Americans interned in camps throughout the country. More than 120,000 Japanese Americans were placed into these internment camps because they were a ''threat'' to national security. To this day, not one case of sabotage or espionage by Japanese Americans during World War II has been uncovered by the United States Government.

Japanese Latin Americans were not an eligible class under the Civil Liberties Act of 1988 even though they suffered under the same conditions experienced by their Japanese American counterparts.

In 1996, Japanese Latin Americans sued the United States Government in Mochizuki v. the United States of America. Through the settlement of this case, the Japanese Latin Americans were eventually awarded $5,000 each, along with a letter of apology signed by President Clinton. The settlement agreement explicitly allows for further action by Congress to fund Japanese Latin American redress, in light of the fact that Japanese Americans were allowed $20,000 under the Civil Liberties Act of 1988.

My bill will allow us to correct this inequity by offering $20,000 to eligible Japanese Latin Americans. The Japanese Latin Americans who chose to accept their $5,000 award would be offered up to an additional $15,000 each. This bill would also reauthorize the educational mandate in the Act to continue research and education efforts, ensuring the internees' experiences will be remembered, and hopefully, to prevent recurrences.

By Mr. WELLSTONE (for himself and Mr. DAYTON):

S. 1238. A bill to promote the engagement of young Americans in the democratic process through civic education in classrooms, in service learning programs, and in student leadership activities, of America's public schools; to the Committee on Health, Education, Labor, and Pensions.

Mr. WELLSTONE. Mr. President, I hope that colleagues will support a bill I am introducing today: the Hubert H. Humphrey Civic Education Enhancement Act. Senator DAYTON joins me as an original co-sponsor of this legislation. As a co-sponsor of Senator DODD's electoral reform bill, I look forward to a debate later this year on a strong electoral reform measure that will ensure that all Americans who wish to vote be able to do so easily and without facing acts of intimidation and to do so using equipment that ensures all votes will be counted. However, as we think about reforming the methods through which our democracy is practiced on Election Day, we should focus attention on an issue that arguably presents a challenge to the vibrancy of that democracy that is even more fundamental: the decline of young Americans' engagement in public affairs. Turning the tide on political detachment by young persons through a new commitment to civic education in our public schools is the purpose of the Humphrey Act.

Civic knowledge, civic intellectual skills, civic participation skills, and civic virtue on the part of the American citizenry are all crucial for the vitality of a healthy representative democracy. But, there is growing evidence that many of our younger citizens are lagging in all of the components necessary for their effective engagement in public life as they enter adulthood. Because all these skills and values are vital to effective citizenship, a multifaceted approach to enhancing civic education in our Nation's elementary and secondary schools, expressed in the Humphrey Act, is a true national priority.

There are numerous pieces of evidence for a crisis in civic education that threatens the future vibrancy of our democracy. The most recent nationwide survey of incoming college freshmen conducted by the Higher Education Research Institute at the University of California at Los Angeles reports that only 28.1 percent of the students entering college in the fall of 2000 reported an interest in ''keeping up to date with political affairs.'' This was the lowest level in the 35 year history of the survey. In 1966, 60.3 percent of students reported an interest in political affairs. In addition, the 1998 National Assessment of Educational Progress, NAEP, Civics Assessment revealed startling results in terms of American students' competence in civics at grade levels 4, 8, and 12. At each grade level the percentage of students shown to be ''Below Basic'' outnumbered the percentage in the ''At or above Proficient'' and ''Advanced'' levels combined. Thirty-one percent of fourth-grade students, thirty percent of eighth-graders, and thirty-five percent of high school seniors were ''Below Basic'' in their civics achievement. And, a 1999 study published by the Lyndon B. Johnson School of Public Affairs at The University of Texas at Austin showed that the introduction of mandated state assessments in other fields, but typically not in civics, has resulted in a reduction in the amount of class time spent on civics.

Moreover, in the years after leaving high school, young Americans are becoming less engaged in the democratic process. While 50 percent of Americans between the ages of 18 and 25 voted in 1972, only 38 percent of that age group voted in 2000. And, according to a Harvard University survey published in 2000, 85 percent of young people now say that volunteer work is better than political engagement as a way to solve important issues. It is this evidence that links this effort directly to any serious electoral reform effort. Therefore, it is time for a serious national response to all of these troubling indicators on the civic health of those that we are relying upon to be thoughtful, active citizens in the years ahead. The vibrancy of American elections of the future depend upon our revitalizing civic education today.

It is most appropriate that this legislation focused on enhancing civic education would also serve as a memorial to one of the great Minnesotans of the twentieth century, Hubert H. Humphrey. As a political scientist, Mayor of St. Paul, United States Senator and as Vice President of the United States, Hubert H. Humphrey exemplified thoroughly the application of civic knowledge, civic intellectual skills, civic participation skills, and civic virtue in our representative democracy. As a teacher of political science at Macalester College, Hubert Humphrey made the case to students that, to be effective citizens, they must be informed about the political process and be analytical about the issues of their time as they take stances on them. By becoming active in party politics and, eventually, by running for office, Humphrey was a role model of a participant in the democratic experience at the local, State, and national levels. His belief in promoting public service was also shown in his nonstop work, beginning in his first campaign for President in 1960, in envisioning and supporting the Peace Corps program. Finally, Hubert Humphrey stood firm in his principles on so many occasions, exemplifying the civic virtue that is a crucial ingredient of complete citizenship. His moving oratory supporting President Truman's civil rights proposals at the 1948 Democratic National Convention helped to shift his political party and, eventually, the entire nation on one of the fundamental issues of his time. He showed fortitude in speech after speech and vote after vote on the floor of this Senate in expressing his heartfelt duty to support America's neediest citizens. As he put it: ''The moral test of government is how that

government treats those who are in the dawn of life, the children; those who are in the twilight of life, the elderly; and those who are in the shadows of life, the sick, the needy and the handicapped.'' There simply is no more worthy person to memorialize in a new significant national commitment to civic education than Hubert H. Humphrey.

Recognizing that there is no single answer to revitalizing civic engagement in young Americans, the Humphrey Act includes five sections, each centered on bettering a different aspect of civic education in the elementary and secondary schools of America. Together, these five components of the Humphrey Act offer a thoughtful step forward in American civic education.

First, in decades past, new and veteran teachers in the field of social studies had high-quality professional development opportunities made available to them through programs funded by the federal government as part of the National Defense Education Act, the Education Professional Development Act, the National Science Foundation, and other programs designed by the Department of Education. In recent years, most of these federally-funded opportunities, particularly helpful for new teachers, have disappeared. Social studies teachers, most of whom are now nearing retirement age, have told me how crucial these programs, generally in the format of summer institutes, were in aiding their ability to excite and inform their students about civics. We need to offer the same opportunities to younger civics teachers and the same benefits of good civics teachers to their students. Therefore, the Humphrey Act authorizes, at $25 million annually, summer Civics Institutes to promote creative curricula and pedagogy. The establishment of a new set of university and college campus-based summer institutes for teachers of all grades focused both on enlarging the teachers' knowledge of specific content as well as helping them to teach civics in exciting ways is a way that the Federal Government can play a role in quickly making a difference in enhancing the civics classroom for America's students.

Next, when high in quality, service learning programs have been shown to increase student efficacy in public affairs and to enhance students' knowledge of how government works and how social change can be brought about. For instance, according to a 1997 study, high school students who participated in service learning programs have been shown to be more engaged in community organizations and to vote than their nonparticipant counterparts 15 years after their service learning experiences. I know that many of my colleagues have heard stories from students and educators engaged in service learning that add depth to this data. I will recount just one description of a recent school-based service learning program in Huntsville, Alabama, coordinated by the St. Paul-based National Youth Leadership Council, that exemplifies the power of service learning as a force in civic education. After the 8th grade students on a field trip to a historic cemetery discovered that it had been ''whites only,'' a second field trip discovered the burial site for the town's African-Americans in the 19th century. That cemetery was found to be in a deplorable state, with vandalized headstones, unmarked graves, and poorly kept records. The students key question: ''What are we going to do about it?'' This led to the creation of the African American History Project and any number of learning experiences emanating out of this service to accurately rehabilitate the cemetery: Math classes platted the unmapped cemetery; history students undertook oral histories; research on those buried in the cemetery took students to the court records and to the pages of a 19th century black newspaper. One of the results of the endeavor was the development of a curriculum on the history of African-Americans in Huntsville for third-graders by the middle-school students with the assistance of their teachers. In this case, service and learning were almost entirely interwoven.

It is crucial, however, to connect service learning experiences to classroom civics curriculum to long-term payoff in terms of promoting students' involvement in public affairs. The Humphrey Act would increase the authorization of funds for the school-based Learn and Serve Program and would authorize Service Learning Institutes dedicated to training/retraining service learning teachers. Raising the authorization level of the school-based Learn and Serve program to $65 million would allow an expansion of a program for which the funding levels have been flat in recent fiscal years and would enhance states and local districts to more sharply link service learning programs to civic knowledge and engagement. Moreover, presently there is little money left for the professional development of new service learning instructors, including mid-career teachers who are interested in being retrained in service learning. Therefore, it is important to develop a summer campus-based Service Learning Institutes program, to parallel the Civics Institutes program. Great strides have been made in the field of service learning in recent years even with a limited federal investment; it is time for this national investment to increase in the interest of the future vitality of our democracy.

Third, we should do more to encourage local schools' innovation in the development of community service programs that explicitly link volunteer activities to social change in their communities. Therefore, the Humphrey Act incorporates provisions of a bill introduced in the House of Representatives by Representative LINDSEY GRAHAM to make spending on community service programs an allowable use of funds for districts under the ''innovative programs'' section of the Elementary and Secondary Education Act. Specifically, it would allow local schools to use federal money to fund community service programs which ''train and mobilize young people to measurably strengthen their communities through nonviolence, responsibility, compassion, respect, and moral courage.'' I applaud the philosophy and work of Do Something, an national organization founded in 1993 guided by the principle that young people could change the world if they believed in themselves and had the tools to take action. Using a project-centered approach, Do Something recognizes young people as effective leaders and, in the projects that they have promoted in hundreds of communities linking students and caring educators together, they have helped young persons turn their ideas into action. This section of the Humphrey Act would promote the work of Do Something and other local community service endeavors in schools all over the country.

Next, our Nation's public middle and high schools often miss opportunities to develop and support student governments that are viable voices for students in the operations of those schools. A 1996 study by the National Association of Secondary School Principals showed that fewer than half of high school students believed that their student government ''affects decisions about co-curricular activities.'' Barely one-third expressed confidence in those governments' ability to ''affect decisions about school rules.'' We should also be concerned about the decline in participation in student leadership activities. Between 1972 and 1992, student government participation fell by 20 percent and work on student publications fell by 7 percent. Effective, innovative student government in which the representatives of the students are connected to the decision-making processes in the school do more than simply enhance the experiences of those who are in the elected student leadership positions. It also sends the message to those leaders' constituents that participation in politics and government can truly make a difference in one's daily life. Dynamic student leadership experiences can make a difference in promoting the civic education within America's middle-schools and high schools. Therefore, this bill develops a competitive grants program to provide funding for school districts to use in strengthening student government programs. In a similar manner, student engagement in local or state government activities or on school boards can be crucial in allowing young persons to experience first-hand early in their lives that participation does indeed matter. At present, in some communities, high school students are explicitly involved in the activities of city government and school boards; we should do all we can to make that more common. The grant programs in this

portion of the Humphrey Act, therefore, also may be used to develop innovative programs for student engagement in governmental activities.

Finally, while a variety of civics education enhancement programs have been implemented through Federal Government efforts and at the state and local level, no comprehensive, national research exists on the short- and long-term efficacy of such programs in encouraging civic knowledge and other learning or in promoting civic engagement. This contrasts with the extensive research on the effectiveness of different approaches to the teaching of reading and mathematics that has driven decisions about curricula in those fields. Therefore, the final section of the legislation authorizes the Department of Education's Office of Educational Research and Improvement, OERI, to carry out an extensive five-year research project on the frequency and efficacy of different approaches employed in civic education, with attention given to their effectiveness with different subgroups of students. These include traditional classroom-based civics education, the federally-funded ''We the People . . . the Citizen and the Constitution'' curricular program, experiential learning programs such as the Close Up program, service learning, student government, as well as more innovative programs such as the ''public works'' approach to civic engagement, designed by the Hubert Humphrey Institute of Public Affairs at the University of Minnesota, that involve work on common projects of civic benefit with a focus on bringing together individuals with ideological, cultural, racial, income, and other differences in carrying out the project. So that we make wise curricular and funding decisions in the future we need to know which approaches, and combinations of approaches, to civic education are the most effective in achieving the outcomes we expect.

We should celebrate the efforts of all who have been involved in the civic education of America's students. This bill does not denigrate their efforts. But, because the engagement in public affairs by our young people is so important for the long-term health of our democracy, it is time to take a step forward in establishing a comprehensive new federal commitment to civic education. The Humphrey Civic Education Enhancement Act combines new commitments to the professional development of civics teachers, an increase in funding for school-based service learning and the professional development of service learning teachers, local innovation in community service programs in schools, and an encouragement of a revitalized student involvement in student leadership programs and in local government. I am proud that a broad range of organizations recognize the need for this legislation and have endorsed this bill. These include the National Council of the Social Studies, the State Education Agency K–12 Service-Learning Network, the National Youth Leadership Council, Do Something, the National Community Service Coalition, Earth Force, Youth Service America, the American Youth Policy Forum, the National Association of Secondary School Principals, and the National Association of Student Councils.

Hubert Humphrey said, ''It is not enough to merely defend democracy. To defend it may be to lose it; to extend it is to strengthen it. Democracy is not property; it is an idea.'' Let us extend democracy and, in so doing, create a new generation of civic engagement. I strongly urge my colleagues to memorialize Hubert H. Humphrey and his life of civic engagement with the passage of this legislation.

By Mr. HAGEL (for himself, Mr. ENSIGN, and Mr. LUGAR):

S. 1239. A bill to amend title XVIII of the Social Security Act to provide medicare beneficiaries with a drug discount card that ensures access to affordable outpatient prescription drugs; to the Committee on Finance.

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. 1239

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 ''Medicare Rx Drug Discount and Security Act of 2001''.

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

SEC. 2. VOLUNTARY MEDICARE OUTPATIENT PRESCRIPTION DRUG DISCOUNT AND SECURITY PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—Title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) is amended by redesignating part D as part E and by inserting after part C the following new part:

''PART D—VOLUNTARY MEDICARE OUTPATIENT PRESCRIPTION DRUG DISCOUNT AND SECURITY PROGRAM

''DEFINITIONS

''SEC. 1860. In this part:

''(1) COMMISSIONER.—The term 'Commissioner' means the Commissioner of Medicare Prescription Drugs appointed under section 1860S(a).

''(2) COVERED OUTPATIENT DRUG.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), the term 'covered outpatient drug' means—

''(i) a drug that may be dispensed only upon a prescription and that is described in clause (i) or (ii) of subparagraph (A) of section 1927(k)(2); or

''(ii) a biological product or insulin described in subparagraph (B) or (C) of such section.

''(B) EXCLUSIONS.—

''(i) IN GENERAL.—The term 'covered outpatient drug' does not include drugs or classes of drugs, or their medical uses, which may be excluded from coverage or otherwise restricted under section 1927(d)(2), other than those restricted under subparagraph (E) of such section (relating to smoking cessation agents).

''(ii) AVOIDANCE OF DUPLICATE COVERAGE.—A drug prescribed for an individual that would otherwise be a covered outpatient drug under this part shall not be considered to be such a drug if payment for the drug is available under part A or B (but such drug shall be so considered if such payment is not available because the eligible beneficiary has exhausted benefits under part A or B), without regard to whether the individual is entitled to benefits under part A or enrolled under part B.

''(3) ELIGIBLE BENEFICIARY.—The term 'eligible beneficiary' means an individual who is—

''(A) eligible for benefits under part A or enrolled under part B; and

''(B) not eligible for prescription drug coverage under a medicaid plan under title XIX.

''(4) ELIGIBLE ENTITY.—The term 'eligible entity' means any entity that the Commissioner determines to be appropriate to provide the benefits under this part, including—

''(A) pharmaceutical benefit management companies;

''(B) wholesale and retail pharmacy delivery systems;

''(C) insurers;

''(D) Medicare+Choice organizations;

''(E) other entities; or

''(F) any combination of the entities described in subparagraphs (A) through (E).

''(5) POVERTY LINE.—The term 'poverty line' means the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

''SUBPART 1—ESTABLISHMENT OF VOLUNTARY MEDICARE OUTPATIENT PRESCRIPTION DRUG DISCOUNT AND SECURITY PROGRAM

''ESTABLISHMENT OF PROGRAM

''SEC. 1860A. (a) PROVISION OF BENEFIT.—The Commissioner shall establish a Medicare Outpatient Prescription Drug Discount and Security Program under which an eligible beneficiary may voluntarily enroll and receive benefits under this part through enrollment with an eligible entity with a contract under this part.

''(b) PROGRAM TO BEGIN IN 2003.—The Commissioner shall establish the program under this part in a manner so that benefits are first provided for months beginning with January 2003.

''(c) VOLUNTARY NATURE OF PROGRAM.—Nothing in this part shall be construed as requiring an eligible beneficiary to enroll in the program under this part.

''(d) FINANCING.—The costs of providing benefits under this part shall be payable from the Federal Supplementary Medical Insurance Trust Fund established under section 1841.

''ENROLLMENT

''SEC. 1860B. (a) ENROLLMENT UNDER PART D.—

''(1) ESTABLISHMENT OF PROCESS.—

''(A) IN GENERAL.—The Commissioner shall establish a process through which an eligible beneficiary (including an eligible beneficiary enrolled in a Medicare+Choice plan offered by a Medicare+Choice organization) may make an election to enroll under this part. Except as otherwise provided in this subsection, such process shall be similar to the process for enrollment under part B under section 1837.

''(B) REQUIREMENT OF ENROLLMENT.—An eligible beneficiary must enroll under this part in order to be eligible to receive the benefits under this part.

''(2) ENROLLMENT PERIODS.—

''(A) IN GENERAL.—Except as provided under subparagraph (B) or (C), an eligible beneficiary may not enroll in the program under this part during any period after the beneficiary's initial enrollment period under part B (as determined under section 1837).

''(B) SPECIAL ENROLLMENT PERIOD.—In the case of eligible beneficiaries that have recently lost eligibility for prescription drug coverage under a medicaid plan under title XIX, the Commissioner shall establish a special enrollment period in which such beneficiaries may enroll under this part.

''(C) OPEN ENROLLMENT PERIOD IN 2003 FOR CURRENT BENEFICIARIES.—The Commissioner shall establish a period, which shall begin on the date on which the Commissioner first begins to accept elections for enrollment under this part and shall end on December 31, 2003, during which any eligible beneficiary may—

''(i) enroll under this part; or

''(ii) enroll or re-enroll under this part after having previously declined or terminated such enrollment.

''(3) PERIOD OF COVERAGE.—

''(A) IN GENERAL.—Except as provided in subparagraph (B) and subject to subparagraph (C), an eligible beneficiary's coverage under the program under this part shall be effective for the period provided under section 1838, as if that section applied to the program under this part.

''(B) ENROLLMENT DURING OPEN AND SPECIAL ENROLLMENT.—Subject to subparagraph (C), an eligible beneficiary who enrolls under the program under this part under subparagraph (B) or (C) of paragraph (2) shall be entitled to the benefits under this part beginning on the first day of the month following the month in which such enrollment occurs.

''(C) LIMITATION.—Coverage under this part shall not begin prior to January 1, 2003.

''(4) PART D COVERAGE TERMINATED BY TERMINATION OF COVERAGE UNDER PARTS A AND B OR ELIGIBILITY FOR MEDICAL ASSISTANCE.—

''(A) IN GENERAL.—In addition to the causes of termination specified in section 1838, the Commissioner shall terminate an individual's coverage under this part if the individual is—

''(i) no longer enrolled in part A or B; or

''(ii) eligible for prescription drug coverage under a medicaid plan under title XIX.

''(B) EFFECTIVE DATE.—The termination described in subparagraph (A) shall be effective on the effective date of—

''(i) the termination of coverage under part A or (if later) under part B; or

''(ii) the coverage under title XIX.

''(b) ENROLLMENT WITH ELIGIBLE ENTITY.—

''(1) PROCESS.—

''(A) IN GENERAL.—The Commissioner shall establish a process through which an eligible beneficiary who is enrolled under this part shall make an annual election to enroll with any eligible entity that has been awarded a contract under this part and serves the geographic area in which the beneficiary resides.

''(B) RULES.—In establishing the process under subparagraph (A), the Commissioner shall use rules similar to the rules for enrollment and disenrollment with a Medicare+Choice plan under section 1851 (including the special election periods under subsection (e)(4) of such section).

''(2) MEDICARE+CHOICE ENROLLEES.—An eligible beneficiary who is enrolled under this part and enrolled in a Medicare+Choice plan offered by a Medicare+Choice organization must enroll with an eligible entity in order to receive benefits under this part. The beneficiary may elect to receive such benefits from the Medicare+Choice organization in which the beneficiary is enrolled if the organization has been awarded a contract under this part.

''(3) COMPETITION.—Eligible entities with a contract under this part shall compete for beneficiaries on the basis of discounts, formularies, pharmacy networks, and other services provided for under the contract.

''(c) ENROLLMENT PERIOD FOR BENEFITS IN 2003.—The processes developed under subsections (a) and (b) shall ensure that eligible beneficiaries are permitted to enroll under this part and with an eligible entity prior to January 1, 2003, in order to ensure that coverage under this part is effective as of such date.

''PROVIDING ENROLLMENT AND COVERAGE INFORMATION TO BENEFICIARIES

''SEC. 1860C. (a) ACTIVITIES.—The Commissioner shall provide for activities under this part to broadly disseminate information to eligible beneficiaries (and prospective eligible beneficiaries) regarding enrollment under this part and the prescription drug coverage made available by eligible entities with a contract under this part.

''(b) SPECIAL RULE FOR FIRST ENROLLMENT UNDER THE PROGRAM.—To the extent practicable, the activities described in subsection (a) shall ensure that eligible beneficiaries are provided with such information at least 60 days prior to the first enrollment period described in section 1860B(c).

''ENROLLEE PROTECTIONS

''SEC. 1860D. (a) GUARANTEED ISSUE AND NONDISCRIMINATION.—

''(1) GUARANTEED ISSUE.—

''(A) IN GENERAL.—An eligible beneficiary who is eligible to enroll with an eligible entity under section 1860B(b) for prescription drug coverage under this part at a time during which elections are accepted under this part with respect to the coverage shall not be denied enrollment based on any health status-related factor (described in section 2702(a)(1) of the Public Health Service Act) or any other factor.

''(B) MEDICARE+CHOICE LIMITATIONS PERMITTED.—The provisions of paragraphs (2) and (3) (other than subparagraph (C)(i), relating to default enrollment) of section 1851(g) (relating to priority and limitation on termination of election) shall apply to eligible entities under this subsection.

''(2) NONDISCRIMINATION.—An eligible entity offering prescription drug coverage under this part shall not establish a service area in a manner that would discriminate based on health or economic status of potential enrollees.

''(b) DISSEMINATION OF INFORMATION.—

''(1) GENERAL INFORMATION.—An eligible entity with a contract under this part shall disclose, in a clear, accurate, and standardized form to each eligible beneficiary enrolled for prescription drug coverage with such entity under this part at the time of enrollment and at least annually thereafter, the information described in section 1852(c)(1) relating to such prescription drug coverage. Such information includes the following:

''(A) Access to covered outpatient drugs, including access through pharmacy networks.

''(B) How any formulary used by the eligible entity functions.

''(C) Grievance and appeals procedures.

''(2) DISCLOSURE UPON REQUEST OF GENERAL COVERAGE, UTILIZATION, AND GRIEVANCE INFORMATION.—Upon request of an eligible beneficiary, the eligible entity shall provide the information described in section 1852(c)(2) (other than subparagraph (D)) to such beneficiary.

''(3) RESPONSE TO BENEFICIARY QUESTIONS.—Each eligible entity offering prescription drug coverage under this part shall have a mechanism for providing specific information to enrollees upon request. The entity shall make available, through an Internet website and in writing upon request, information on specific changes in its formulary.

''(c) ACCESS TO COVERED BENEFITS.—

''(1) ENSURING PHARMACY ACCESS.—

''(A) IN GENERAL.—Each eligible entity with a contract under this part shall permit any pharmacy located in the area covered by such contract to participate in the pharmacy network of the eligible entity if the pharmacy agrees to accept such operating terms as the eligible entity may specify, including any fee schedule, requirements relating to covered expenses, and quality standards relating to the provision of prescription drug coverage.

''(B) CONSTRUCTION.—Nothing in this paragraph shall be construed as requiring a pharmacy to participate in a pharmacy network of an eligible entity with a contract under this part to participate in any other coverage program of the eligible entity.

''(2) ACCESS TO NEGOTIATED PRICES FOR PRESCRIPTION DRUGS.—For requirements relating to the access of an eligible beneficiary to negotiated prices (including applicable discounts), see section 1860F(a).

''(3) REQUIREMENTS ON DEVELOPMENT AND APPLICATION OF FORMULARIES.—Insofar as an eligible entity with a contract under this part uses a formulary, the following requirements must be met:

''(A) FORMULARY COMMITTEE.—The eligible entity must establish a pharmaceutical and therapeutic committee that develops the formulary. Such committee shall include at least 1 physician and at least 1 pharmacist.

''(B) INCLUSION OF DRUGS IN ALL THERAPEUTIC CATEGORIES.—The formulary must include drugs within all therapeutic categories and classes of covered outpatient drugs (although not necessarily for all drugs within such categories and classes).

''(C) APPEALS AND EXCEPTIONS TO APPLICATION.—The entity must have, as part of the appeals process under subsection (f)(2), a process for appeals for denials of coverage based on such application of the formulary.

''(d) COST AND UTILIZATION MANAGEMENT; QUALITY ASSURANCE; MEDICATION THERAPY MANAGEMENT PROGRAM.—

''(1) IN GENERAL.—For purposes of providing access to negotiated benefits under section 1860F(a) and the catastrophic benefit described in section 1860F(b), the eligible entity shall have in place—

''(A) an effective cost and drug utilization management program, including appropriate incentives to use generic drugs, when appropriate;

''(B) quality assurance measures and systems to reduce medical errors and adverse drug interactions, including a medication therapy management program described in paragraph (2); and

''(C) a program to control fraud, abuse, and waste.

''(2) MEDICATION THERAPY MANAGEMENT PROGRAM.—

''(A) IN GENERAL.—A medication therapy management program described in this paragraph is a program of drug therapy management and medication administration provided by a community-based pharmacy that is designed to ensure that prescription drugs made available under this part are appropriately used to achieve therapeutic goals and reduce the risk of adverse events, including adverse drug interactions.

''(B) ELEMENTS.—Such program shall include—

''(i) enhanced beneficiary understanding of such appropriate use through beneficiary education, counseling, and other appropriate means; and

''(ii) increased beneficiary adherence with prescription medication regimens through medication refill reminders, special packaging, and other appropriate means.

''(C) DEVELOPMENT OF PROGRAM IN COOPERATION WITH LICENSED PHARMACISTS.—The program shall be developed in cooperation with licensed pharmacists and physicians.

''(D) CONSIDERATIONS IN PHARMACY FEES.—An eligible entity with a contract under this part shall establish fees for pharmacists, pharmacies, and others providing services under the medication therapy management program that take into account the resources and time used in implementing the program.

''(3) TREATMENT OF ACCREDITATION.—Section 1852(e)(4) (relating to treatment of accreditation) shall apply to prescription drug coverage provided under this part with respect to the following requirements, in the same manner as they apply to Medicare+Choice plans under part C with respect to the requirements described in a clause of section 1852(e)(4)(B):

''(A) Subsection (c)(1) (relating to access to covered benefits).

''(B) Subsection (g) (relating to confidentiality and accuracy of enrollee records).

''(e) GRIEVANCE MECHANISM.—Each eligible entity shall provide meaningful procedures for hearing and resolving grievances between the organization (including any entity or individual through which the eligible entity provides covered benefits) and eligible beneficiaries enrolled with the entity under this part in accordance with section 1852(f).

''(f) COVERAGE DETERMINATIONS, RECONSIDERATIONS, AND APPEALS.—

''(1) IN GENERAL.—An eligible entity shall meet the requirements of section 1852(g) with respect to covered benefits under the prescription drug coverage it offers under this part in the same manner as such requirements apply to a Medicare+Choice organization with respect to benefits it offers under a Medicare+Choice plan under part C.

''(2) APPEALS OF FORMULARY DETERMINATIONS.—Under the appeals process under paragraph (1) an individual who is enrolled with an eligible entity with a contract under this part for prescription drug coverage may appeal any denial of coverage of a prescription drug to obtain coverage for a medically necessary covered outpatient drug that is not on the formulary of the eligible entity (established under subsection (c)) if the prescribing physician determines that the therapeutically similar drug that is on the formulary is not effective for the enrollee or has significant adverse effects for the enrollee.

''(g) CONFIDENTIALITY AND ACCURACY OF ENROLLEE RECORDS.—An eligible entity shall meet the requirements of section 1852(h) with respect to enrollees under this part in the same manner as such requirements apply to a Medicare+Choice organization with respect to enrollees under part C.

''ANNUAL ENROLLMENT FEE

''SEC. 1860E. (a) AMOUNT.—

''(1) IN GENERAL.—Except as provided in subsection (c), enrollment under the program under this part is conditioned upon payment of an annual enrollment fee of $25.

''(2) ANNUAL PERCENTAGE INCREASE.—

''(A) IN GENERAL.—In the case of any calendar year beginning after 2003, the dollar amount in paragraph (1) shall be increased by an amount equal to—

''(i) such dollar amount; multiplied by

''(ii) the inflation adjustment.

''(B) INFLATION ADJUSTMENT.—For purposes of subparagraph (A)(ii), the inflation adjustment for any calendar year is the percentage (if any) by which—

''(i) the average per capita aggregate expenditures for covered outpatient drugs in the United States for medicare beneficiaries, as determined by the Commissioner for the 12-month period ending in July of the previous year; exceeds

''(ii) such aggregate expenditures for the 12-month period ending with July 2003.

''(C) ROUNDING.—If any increase determined under clause (ii) is not a multiple of $1, such increase shall be rounded to the nearest multiple of $1.

''(b) COLLECTION OF ANNUAL ENROLLMENT FEE.—

''(1) IN GENERAL.—Unless the eligible beneficiary makes an election under paragraph (2), the annual enrollment fee described in subsection (a) shall be collected and credited to the Federal Supplementary Medical Insurance Trust Fund in the same manner as the monthly premium determined under section 1839 is collected and credited to such Trust Fund under section 1840.

''(2) DIRECT PAYMENT.—An eligible beneficiary may elect to pay the annual enrollment fee directly or in any other manner approved by the Commissioner. The Commissioner shall establish procedures for making such an election.

''(c) WAIVER.—The Commissioner shall waive the enrollment fee described in subsection (a) in the case of an eligible beneficiary whose income is below 200 percent of the poverty line.

''BENEFITS UNDER THE PROGRAM

''SEC. 1860F. (a) ACCESS TO NEGOTIATED PRICES.—

''(1) NEGOTIATED PRICES.—

''(A) IN GENERAL.—Subject to subparagraph (B), each eligible entity with a contract under this part shall provide each eligible beneficiary enrolled with the entity with access to negotiated prices (including applicable discounts) for such prescription drugs as the eligible entity determines appropriate. If such a beneficiary becomes eligible for the catastrophic benefit under subsection (b), the negotiated prices (including applicable discounts) shall continue to be available to the beneficiary for those prescription drugs for which payment may not be made under section 1860H(b). For purposes of this subparagraph, the term 'prescription drugs' is not limited to covered outpatient drugs, but does not include any over-the-counter drug that is not a covered outpatient drug.

''(B) LIMITATIONS.—

''(i) FORMULARY RESTRICTIONS.—Insofar as an eligible entity with a contract under this part uses a formulary, the negotiated prices (including applicable discounts) for prescription drugs shall only be available for drugs included in such formulary.

''(ii) AVOIDANCE OF DUPLICATE COVERAGE.—The negotiated prices (including applicable discounts) for prescription drugs shall not be available for any drug prescribed for an eligible beneficiary if payment for the drug is available under part A or B (but such negotiated prices shall be available if payment under part A or B is not available because the beneficiary has not met the deductible or has exhausted benefits under part A or B).

''(2) DISCOUNT CARD.—The Commissioner shall develop a uniform standard card format to be issued by each eligible entity that may be used by an enrolled beneficiary to ensure the access of such beneficiary to negotiated prices under paragraph (1).

''(3) ENSURING DISCOUNTS IN ALL AREAS.—The Commissioner shall develop procedures that ensure that each eligible beneficiary that resides in an area where no eligible entity has been awarded a contract under this part is provided with access to negotiated prices for prescription drugs (including applicable discounts).

''(b) CATASTROPHIC BENEFIT.—

''(1) IN GENERAL.—Subject to paragraph (4) (relating to eligibility for the catastrophic benefit) and any formulary used by the eligible entity with which the eligible beneficiary is enrolled, the catastrophic benefit shall be administered as follows:

''(A) BENEFICIARIES WITH ANNUAL INCOMES BELOW 200 PERCENT OF THE POVERTY LINE.—In the case of an eligible beneficiary whose modified adjusted gross income (as defined in paragraph (4)(E)) is below 200 percent of the poverty line, the beneficiary shall not be responsible for making a payment for a covered outpatient drug provided to the beneficiary in a year to the extent that the out-of-pocket expenses of the beneficiary for such drug, when added to the out-of-pocket expenses of the beneficiary for covered outpatient drugs previously provided in the year, exceed $1,200.

''(B) BENEFICIARIES WITH ANNUAL INCOMES BETWEEN 200 AND 400 PERCENT OF THE POVERTY LINE.—In the case of an eligible beneficiary whose modified adjusted gross income (as so defined) exceeds 200 percent, but does not exceed 400 percent, of the poverty line, the beneficiary shall not be responsible for making a payment for a covered outpatient drug provided to the beneficiary in a year to the extent that the out-of-pocket expenses of the beneficiary for such drug, when added to the out-of-pocket expenses of the beneficiary for covered outpatient drugs previously provided in the year, exceed $2,500.

''(C) BENEFICIARIES WITH ANNUAL INCOMES ABOVE 400 PERCENT OF THE POVERTY LINE.—In the case of an eligible beneficiary whose modified adjusted gross income (as so defined) exceeds 400 percent of the poverty line, the beneficiary shall not be responsible for making a payment for a covered outpatient drug provided to the beneficiary in a year to the extent that the out-of-pocket expenses of the beneficiary for such drug, when added to the out-of-pocket expenses of the beneficiary

for covered outpatient drugs previously provided in the year, exceed $5,000.

''(2) ANNUAL PERCENTAGE INCREASE.—

''(A) IN GENERAL.—In the case of any calendar year after 2003, the dollar amounts in paragraph (1) shall be increased by an amount equal to—

''(i) such dollar amount; multiplied by

''(ii) the inflation adjustment determined under section 1860E(a)(2)(B) for such calendar year.

''(B) ROUNDING.—If any increase determined under subparagraph (A) is not a multiple of $1, such increase shall be rounded to the nearest multiple of $1.

''(3) ELIGIBLE ENTITY NOT AT RISK FOR CATASTROPHIC BENEFIT.—

''(A) IN GENERAL.—The Commissioner, and not the eligible entity, shall be at risk for the provision of the catastrophic benefit under this subsection.

''(B) PROVISIONS RELATING TO PAYMENTS TO ELIGIBLE ENTITIES.—For provisions relating to payments to eligible entities for administering the catastrophic benefit under this subsection, see section 1860H.

''(4) CATASTROPHIC BENEFIT NOT AVAILABLE TO CERTAIN HIGH INCOME INDIVIDUALS.—

''(A) IN GENERAL.—An eligible beneficiary enrolled under this part whose modified adjusted gross income for a taxable year exceeds 600 percent of the poverty line shall not be eligible for the catastrophic benefit under this subsection.

''(B) BENEFICIARY STILL ELIGIBLE FOR DISCOUNT BENEFIT.—Nothing in subparagraph (A) shall be construed as affecting the eligibility of a beneficiary described in such subparagraph for the benefits under subsection (a).

''(C) PROCEDURES FOR DETERMINING MODIFIED ADJUSTED GROSS INCOME.—

''(i) IN GENERAL.—The Commissioner shall establish procedures for determining the modified adjusted gross income of eligible beneficiaries enrolled under this part.

''(ii) CONSULTATION.—The Commissioner shall consult with the Secretary of the Treasury in making the determinations described in clause (i).

''(iii) DISCLOSURE OF INFORMATION.—Notwithstanding section 6103(a) of the Internal Revenue Code of 1986, the Secretary of the Treasury may, upon written request from the Commissioner, disclose to officers and employees of the Medicare Prescription Drug Agency such return information as is necessary to make the determinations described in clause (i). Return information disclosed under the preceding sentence may be used by officers and employees of the Medicare Prescription Drug Agency only for the purposes of, and to the extent necessary in, making such determinations.

''(D) DEFINITION OF MODIFIED ADJUSTED GROSS INCOME.—In this paragraph, the term 'modified adjusted gross income' means adjusted gross income (as defined in section 62 of the Internal Revenue Code of 1986)—

''(i) determined without regard to sections 135, 911, 931, and 933 of such Code; and

''(ii) increased by the amount of interest received or accrued by the taxpayer during the taxable year which is exempt from tax under such Code.

''(5) ENSURING CATASTROPHIC BENEFIT IN ALL AREAS.—The Commissioner shall develop procedures for the provision of the catastrophic benefit under this subsection to each eligible beneficiary that resides in an area where there are no eligible entities that have been awarded a contract under this part.

''SELECTION OF ENTITIES TO PROVIDE PRESCRIPTION DRUG COVERAGE

''SEC. 1860G. (a) ESTABLISHMENT OF BIDDING PROCESS.—The Commissioner shall establish a process under which the Commissioner accepts bids from eligible entities and awards contracts to the entities to provide the benefits under this part to eligible beneficiaries in an area.

''(b) SUBMISSION OF BIDS.—Each eligible entity desiring to enter into a contract under this part shall submit a bid to the Commissioner at such time, in such manner, and accompanied by such information as the Commissioner may reasonably require.

''(c) AWARDING OF CONTRACTS.—

''(1) IN GENERAL.—The Commissioner shall, consistent with the requirements of this part and the goal of containing medicare program costs, award at least 2 contracts in each area, unless only 1 bidding entity meets the terms and conditions specified by the Commissioner under paragraph (2).

''(2) TERMS AND CONDITIONS.—The Commissioner shall not award a contract to an eligible entity under this section unless the Commissioner finds that the eligible entity is in compliance with such terms and conditions as the Commissioner shall specify.

''(3) COMPARATIVE MERITS.—In determining which of the eligible entities that submitted bids that meet the terms and conditions specified by the Commissioner under paragraph (2) to award a contract, the Commissioner shall consider the comparative merits of each of the bids.

''PAYMENTS TO ELIGIBLE ENTITIES FOR ADMINISTERING THE CATASTROPHIC BENEFIT

''SEC. 1860H. (a) IN GENERAL.—The Commissioner shall establish procedures for making payments to an eligible entity under a contract entered into under this part for—

''(1) providing covered outpatient prescription drugs to beneficiaries eligible for the catastrophic benefit in accordance with subsection (b); and

''(2) costs incurred by the entity in administering the catastrophic benefit in accordance with subsection (c).

''(b) PAYMENT FOR COVERED OUTPATIENT PRESCRIPTION DRUGS.—

''(1) IN GENERAL.—Except as provided in subsection (c) and subject to paragraph (2), the Commissioner may only pay an eligible entity for covered outpatient drugs furnished by the eligible entity to an eligible beneficiary enrolled with such entity under this part that is eligible for the catastrophic benefit under section 1860F(b).

''(2) LIMITATIONS.—

''(A) FORMULARY RESTRICTIONS.—Insofar as an eligible entity with a contract under this part uses a formulary, the Commissioner may not make any payment for a covered outpatient drug that is not included in such formulary.

''(B) NEGOTIATED PRICES.—The Commissioner may not pay an amount for a covered outpatient drug furnished to an eligible beneficiary that exceeds the negotiated price (including applicable discounts) that the beneficiary would have been responsible for under section 1860F(a).

''(c) PAYMENT FOR ADMINISTRATIVE COSTS.—

''(1) PROCEDURES.—The procedures established under subsection (a)(1) shall provide for payment to the eligible entity of an administrative fee for each prescription filled by the entity for an eligible beneficiary—

''(A) who is enrolled with the entity; and

''(B) to whom subparagraph (A), (B), or (C) of section 1860F(b)(1) applies with respect to a covered outpatient drug.

''(2) AMOUNT.—The fee described in paragraph (1) shall be—

''(A) negotiated by the Commissioner; and

''(B) consistent with such fees paid under private sector pharmaceutical benefit contracts.

''(d) SECONDARY PAYER PROVISIONS.—The provisions of section 1862(b) shall apply to the benefits provided under this part.

''DETERMINATION OF INCOME LEVELS

''SEC. 1860I. (a) PROCEDURES.—The Commissioner shall establish procedures for determining the income levels of eligible beneficiaries for purposes of sections 1860E(c) and 1860F(b).

''(b) PERIODIC REDETERMINATIONS.—Such income determinations shall be valid for a period (of not less than 1 year) specified by the Commissioner.

''APPROPRIATIONS

''SEC. 1860J. There are authorized to be appropriated from time to time, out of any moneys in the Treasury not otherwise appropriated, to the Federal Supplementary Medical Insurance Trust Fund established under section 1841, an amount equal to the amount by which the benefits and administrative costs of providing the benefits under this part exceed the enrollment fees collected under section 1860E.

''SUBPART 2—ESTABLISHMENT OF THE MEDICARE PRESCRIPTION DRUG AGENCY

''MEDICARE PRESCRIPTION DRUG AGENCY

''SEC. 1860S. (a) ESTABLISHMENT.—There is established, as an independent agency in the executive branch of the Government, a Medicare Prescription Drug Agency (in this part referred to as the 'Agency').

''(b) DUTY.—It shall be the duty of the Agency to administer the Medicare Outpatient Prescription Drug Discount and Security Program under subpart 1.

''COMMISSIONER; DEPUTY COMMISSIONER; OTHER OFFICERS

''SEC. 1860T. (a) COMMISSIONER OF MEDICARE PRESCRIPTION DRUGS.—

''(1) APPOINTMENT.—There shall be in the Agency a Commissioner of Medicare Prescription Drugs (in this subpart referred to as the 'Commissioner') who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) COMPENSATION.—The Commissioner shall be compensated at the rate provided for level I of the Executive Schedule.

''(3) TERM.—

''(A) IN GENERAL.—The Commissioner shall be appointed for a term of 6 years.

''(B) CONTINUANCE IN OFFICE.—In any case in which a successor does not take office at the end of a Commissioner's term of office, such Commissioner may continue in office until the appointment of a successor.

''(C) DELAYED APPOINTMENTS.—A Commissioner appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term.

''(D) REMOVAL.—An individual serving in the office of Commissioner may be removed from office only under a finding by the President of neglect of duty or malfeasance in office.

''(4) RESPONSIBILITIES.—The Commissioner shall be responsible for the exercise of all powers and the discharge of all duties of the Agency, and shall have authority and control over all personnel and activities thereof.

''(5) PROMULGATION OF RULES AND REGULATIONS.—

''(A) IN GENERAL.—The Commissioner may prescribe such rules and regulations as the Commissioner determines necessary or appropriate to carry out the functions of the Agency.

''(B) RULEMAKING.—The regulations prescribed by the Commissioner shall be subject to the rulemaking procedures established under section 553 of title 5, United States Code.

''(6) DELEGATION OF AUTHORITY.—

''(A) IN GENERAL.—The Commissioner may assign duties, and delegate, or authorize successive redelegations of, authority to act and to render decisions, to such officers and employees of the Agency as the Commissioner may find necessary.

''(B) EFFECT OF DELEGATION.—Within the limitations of such delegations, redelegations, or assignments, all official acts and decisions of such officers and employees shall have the same force and effect as though performed or rendered by the Commissioner.

''(7) CONSULTATION WITH SECRETARY OF HEALTH AND HUMAN SERVICES.—The Commissioner and the Secretary shall consult, on an ongoing basis, to ensure the coordination of the programs administered by the Commissioner with the programs administered by the Secretary under this title and under title XIX.

''(b) DEPUTY COMMISSIONER OF MEDICARE PRESCRIPTION DRUGS.—

''(1) APPOINTMENT.—There shall be in the Agency a Deputy Commissioner of Medicare Prescription Drugs (in this subpart referred to as the 'Deputy Commissioner') who shall be appointed by the President, by and with the advice and consent of the Senate.

''(2) TERM.—

''(A) IN GENERAL.—The Deputy Commissioner shall be appointed for a term of 6 years.

''(B) CONTINUANCE IN OFFICE.—In any case in which a successor does not take office at the end of a Deputy Commissioner's term of office, such Deputy Commissioner may continue in office until the entry upon office of such a successor.

''(C) DELAYED APPOINTMENT.—A Deputy Commissioner appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term.

''(3) COMPENSATION.—The Deputy Commissioner shall be compensated at the rate provided for level II of the Executive Schedule.

''(4) DUTIES.—

''(A) IN GENERAL.—The Deputy Commissioner shall perform such duties and exercise such powers as the Commissioner shall from time to time assign or delegate.

''(B) ACTING COMMISSIONER.—The Deputy Commissioner shall be Acting Commissioner of the Agency during the absence or disability of the Commissioner, unless the President designates another officer of the Government as Acting Commissioner, in the event of a vacancy in the office of the Commissioner.

''(c) CHIEF ACTUARY.—

''(1) APPOINTMENT.—

''(A) IN GENERAL.—There shall be in the Agency a Chief Actuary, who shall be appointed by, and in direct line of authority to, the Commissioner.

''(B) QUALIFICATIONS.—The Chief Actuary shall be appointed from individuals who have demonstrated, by their education and experience, superior expertise in the actuarial sciences.

''(C) DUTIES.—The Chief Actuary shall serve as the chief actuarial officer of the Agency, and shall exercise such duties as are appropriate for the office of the Chief Actuary and in accordance with professional standards of actuarial independence.

''(2) COMPENSATION.—The Chief Actuary shall be compensated at the highest rate of basic pay for the Senior Executive Service under section 5382(b) of title 5, United States Code.

''ADMINISTRATIVE DUTIES OF THE COMMISSIONER

''SEC. 1860U. (a) PERSONNEL.—

''(1) IN GENERAL.—The Commissioner may employ, without regard to chapter 31 of title 5, United States Code, such officers and employees as are necessary to administer the activities to be carried out through the Medicare Prescription Drug Agency.

''(2) FLEXIBILITY WITH RESPECT TO CIVIL SERVICE LAWS.—

''(A) IN GENERAL.—The staff of the Medicare Prescription Drug Agency shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and, subject to subparagraph (B), shall be paid without regard to the provisions of chapters 51 and 53 of such title (relating to classification and schedule pay rates).

''(B) MAXIMUM RATE.—In no case may the rate of compensation determined under subparagraph (A) exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(b) BUDGETARY MATTERS.—

''(1) SUBMISSION OF ANNUAL BUDGET.—The Commissioner shall prepare an annual budget for the Agency, which shall be submitted by the President to Congress without revision, together with the President's annual budget for the Agency.

''(2) APPROPRIATIONS REQUESTS.—

''(A) STAFFING AND PERSONNEL.—Appropriations requests for staffing and personnel of the Agency shall be based upon a comprehensive workforce plan, which shall be established and revised from time to time by the Commissioner.

''(B) ADMINISTRATIVE EXPENSES.—Appropriations for administrative expenses of the Agency are authorized to be provided on a biennial basis.

''(c) SEAL OF OFFICE.—

''(1) IN GENERAL.—The Commissioner shall cause a Seal of Office to be made for the Agency of such design as the Commissioner shall approve.

''(2) JUDICIAL NOTICE.—Judicial notice shall be taken of the seal made under paragraph (1).

''(d) DATA EXCHANGES.—

''(1) DISCLOSURE OF RECORDS AND OTHER INFORMATION.—Notwithstanding any other provision of law (including subsections (b), (o), (p), (q), (r), and (u) of section 552a of title 5, United States Code)—

''(A) the Secretary shall disclose to the Commissioner any record or information requested in writing by the Commissioner for the purpose of administering any program administered by the Commissioner, if records or information of such type were disclosed to the Administrator of the Health Care Financing Administration in the Department of Health and Human Services under applicable rules, regulations, and procedures in effect before the date of enactment of the Medicare Rx Drug Discount and Security Act of 2001; and

''(B) the Commissioner shall disclose to the Secretary or to any State any record or information requested in writing by the Secretary to be so disclosed for the purpose of administering any program administered by the Secretary, if records or information of such type were so disclosed under applicable rules, regulations, and procedures in effect before the date of enactment of the Medicare Rx Drug Discount and Security Act of 2001.

''(2) EXCHANGE OF OTHER DATA.—The Commissioner and the Secretary shall periodically review the need for exchanges of information not referred to in paragraph (1) and shall enter into such agreements as may be necessary and appropriate to provide information to each other or to States in order to meet the programmatic needs of the requesting agencies.

''(3) ROUTINE USE.—

''(A) IN GENERAL.—Any disclosure from a system of records (as defined in section 552a(a)(5) of title 5, United States Code) pursuant to this subsection shall be made as a routine use under subsection (b)(3) of section 552a of such title (unless otherwise authorized under such section 552a).

''(B) COMPUTERIZED COMPARISON.—Any computerized comparison of records, including matching programs, between the Commissioner and the Secretary shall be conducted in accordance with subsections (o), (p), (q), (r), and (u) of section 552a of title 5, United States Code.

''(4) TIMELY ACTION.—The Commissioner and the Secretary shall each ensure that timely action is taken to establish any necessary routine uses for disclosures required under paragraph (1) or agreed to under paragraph (2).

''MEDICARE COMPETITION AND PRESCRIPTION DRUG ADVISORY BOARD

''SEC. 1860V. (a) ESTABLISHMENT OF BOARD.—There is established a Medicare Prescription Drug Advisory Board (in this section referred to as the 'Board').

''(b) ADVICE ON POLICIES; REPORTS.—

''(1) ADVICE ON POLICIES.—On and after the date the Commissioner takes office, the Board shall advise the Commissioner on policies relating to the Medicare Outpatient Prescription Drug Discount and Security Program under subpart 1.

''(2) REPORTS.—

''(A) IN GENERAL.—With respect to matters of the administration of subpart 1, the Board shall submit to Congress and to the Commissioner of Medicare Prescription Drugs such reports as the Board determines appropriate. Each such report may contain such recommendations as the Board determines appropriate for legislative or administrative changes to improve the administration of such subpart. Each such report shall be published in the Federal Register.

''(B) MAINTAINING INDEPENDENCE OF BOARD.—The Board shall directly submit to Congress reports required under subparagraph (A). No officer or agency of the United States may require the Board to submit to any officer or agency of the United States for approval, comments, or review, prior to the submission to Congress of such reports.

''(c) STRUCTURE AND MEMBERSHIP OF THE BOARD.—

''(1) MEMBERSHIP.—The Board shall be composed of 7 members who shall be appointed as follows:

''(A) PRESIDENTIAL APPOINTMENTS.—

''(i) IN GENERAL.—Three members shall be appointed by the President, by and with the advice and consent of the Senate.

''(ii) LIMITATION.—Not more than 2 such members may be from the same political party.

''(B) SENATORIAL APPOINTMENTS.—Two members (each member from a different political party) shall be appointed by the President pro tempore of the Senate with the advice of the Chairman and the Ranking Minority Member of the Committee on Finance of the Senate.

''(C) CONGRESSIONAL APPOINTMENTS.—Two members (each member from a different political party) shall be appointed by the Speaker of the House of Representatives, with the advice of the Chairman and the Ranking Minority Member of the Committee on Ways and Means of the House of Representatives.

''(2) QUALIFICATIONS.—The members shall be chosen on the basis of their integrity, impartiality, and good judgment, and shall be individuals who are, by reason of their education, experience, and attainments, exceptionally qualified to perform the duties of members of the Board.

''(d) TERMS OF APPOINTMENT.—

''(1) IN GENERAL.—Subject to paragraph (2), each member of the Board shall serve for a term of 6 years.

''(2) CONTINUANCE IN OFFICE AND STAGGERED TERMS.—

''(A) CONTINUANCE IN OFFICE.—A member appointed to a term of office after the commencement of such term may serve under such appointment only for the remainder of such term.

''(B) STAGGERED TERMS.—The terms of service of the members initially appointed under this section shall begin on January 1, 2002, and expire as follows:

''(i) PRESIDENTIAL APPOINTMENTS.—The terms of service of the members initially appointed by the President shall expire as designated by the President at the time of nomination, 1 each at the end of—

''(I) 2 years;

''(II) 4 years; and

''(III) 6 years.

''(ii) SENATORIAL APPOINTMENTS.—The terms of service of members initially appointed by the President pro tempore of the Senate shall expire as designated by the President pro tempore of the Senate at the time of nomination, 1 each at the end of—

''(I) 3 years; and

''(II) 6 years.

''(iii) CONGRESSIONAL APPOINTMENTS.—The terms of service of members initially appointed by the Speaker of the House of Representatives shall expire as designated by the Speaker of the House of Representatives at the time of nomination, 1 each at the end of—

''(I) 4 years; and

''(II) 5 years.

''(C) REAPPOINTMENTS.—Any person appointed as a member of the Board may not serve for more than 8 years.

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

''(e) CHAIRPERSON.—A member of the Board shall be designated by the President to serve as Chairperson for a term of 4 years, coincident with the term of the President, or until the designation of a successor.

''(f) EXPENSES AND PER DIEM.—Members of the Board shall serve without compensation, except that, while serving on business of the Board away from their homes or regular places of business, members may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government employed intermittently.

''(g) MEETING.—

''(1) IN GENERAL.—The Board shall meet at the call of the Chairperson (in consultation with the other members of the Board) not less than 4 times each year to consider a specific agenda of issues, as determined by the Chairperson in consultation with the other members of the Board.

''(2) QUORUM.—Four members of the Board (not more than 3 of whom may be of the same political party) shall constitute a quorum for purposes of conducting business.

''(h) FEDERAL ADVISORY COMMITTEE ACT.—The Board shall be exempt from the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

''(i) PERSONNEL.—

''(1) STAFF DIRECTOR.—The Board shall, without regard to the provisions of title 5, United States Code, relating to the competitive service, appoint a Staff Director who shall be paid at a rate equivalent to a rate established for the Senior Executive Service under section 5382 of title 5, United States Code.

''(2) STAFF.—

''(A) IN GENERAL.—The Board may employ, without regard to chapter 31 of title 5, United States Code, such officers and employees as are necessary to administer the activities to be carried out by the Board.

''(B) FLEXIBILITY WITH RESPECT TO CIVIL SERVICE LAWS.—

''(i) IN GENERAL.—The staff of the Board shall be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and, subject to clause (ii), shall be paid without regard to the provisions of chapters 51 and 53 of such title (relating to classification and schedule pay rates).

''(ii) MAXIMUM RATE.—In no case may the rate of compensation determined under clause (i) exceed the rate of basic pay payable for level IV of the Executive Schedule under section 5315 of title 5, United States Code.

''(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated, out of the Federal Supplemental Medical Insurance Trust Fund established under section 1841, and the general fund of the Treasury, such sums as are necessary to carry out the purposes of this section.''.

(b) CONFORMING REFERENCES TO PREVIOUS PART D.—

(1) IN GENERAL.—Any reference in law (in effect before the date of enactment of this Act) to part D of title XVIII of the Social Security Act is deemed a reference to part E of such title (as in effect after such date).

(2) SECRETARIAL SUBMISSION OF LEGISLATIVE PROPOSAL.—Not later than 6 months after the date of enactment of this section, the Secretary of Health and Human Services shall submit to the appropriate committees of Congress a legislative proposal providing for such technical and conforming amendments in the law as are required by the provisions of this section.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendment made by subsection (a) shall take effect on the date of enactment of this Act.

(2) TIMING OF INITIAL APPOINTMENTS.—The Commissioner and Deputy Commissioner of Medicare Prescription Drugs may not be appointed before March 1, 2002.

SEC. 3. COMMISSIONER AS MEMBER OF THE BOARD OF TRUSTEES OF THE MEDICARE TRUST FUNDS.

(a) IN GENERAL.—Section 1841(b) of the Social Security Act (42 U.S.C. 1395t(b)) is amended by striking ''and the Secretary of Health and Human Services, all ex officio,'' and inserting '', the Secretary of Health and Human Services, and the Commissioner of Medicare Prescription Drugs, all ex officio,''.

(b) EFFECTIVE DATE.—The amendment made by this subsection shall take effect on March 1, 2002.

SEC. 4. EXCLUSION OF PART D COSTS FROM DETERMINATION OF PART B MONTHLY PREMIUM.

Section 1839(g) of the Social Security Act (42 U.S.C. 1395r(g)) is amended—

(1) by striking ''attributable to the application of section'' and inserting ''attributable to—

''(1) the application of section'';

(2) by striking the period and inserting ''; and''; and

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

''(2) the Voluntary Medicare Outpatient Prescription Drug Discount and Security Program under part D.''.

SEC. 5. MEDIGAP REVISIONS.

Section 1882 of the Social Security Act (42 U.S.C. 1395ss) is amended by adding at the end the following new subsection:

''(v) MODERNIZATION OF MEDICARE SUPPLEMENTAL POLICIES.—

''(1) PROMULGATION OF MODEL REGULATION.—

''(A) NAIC MODEL REGULATION.—If, within 9 months after the date of enactment of the Medicare Rx Drug Discount and Security Act of 2001, the National Association of Insurance Commissioners (in this subsection referred to as the 'NAIC') changes the 1991 NAIC Model Regulation (described in subsection (p)) to revise the benefit package classified as 'J' under the standards established by subsection (p)(2) (including the benefit package classified as 'J' with a high deductible feature, as described in subsection (p)(11)) so that—

''(i) the coverage for outpatient prescription drugs available under such benefit package is replaced with coverage for outpatient prescription drugs that complements but does not duplicate the benefits for outpatient prescription drugs that beneficiaries are otherwise entitled to under this title;

''(ii) a uniform format is used in the policy with respect to such revised benefits; and

''(iii) such revised standards meet any additional requirements imposed by the Medicare Rx Drug Discount and Security Act of 2001;

subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policy holders on and after January 1, 2003, as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the 1991 NAIC Model Regulation as changed under this subparagraph (such changed regulation referred to in this section as the '2003 NAIC Model Regulation').

''(B) REGULATION BY THE SECRETARY.—If the NAIC does not make the changes in the 1991 NAIC Model Regulation within the 9-month period specified in subparagraph (A), the Secretary shall promulgate, not later than 9 months after the end of such period, a regulation and subsection (g)(2)(A) shall be applied in each State, effective for policies issued to policy holders on and after January 1, 2003, as if the reference to the Model Regulation adopted on June 6, 1979, were a reference to the 1991 NAIC Model Regulation as changed by the Secretary under this subparagraph (such changed regulation referred to in this section as the '2003 Federal Regulation').

''(C) CONSULTATION WITH WORKING GROUP.—In promulgating standards under this paragraph, the NAIC or Secretary shall consult with a working group similar to the working group described in subsection (p)(1)(D).

''(D) MODIFICATION OF STANDARDS IF MEDICARE BENEFITS CHANGE.—If benefits under part D of this title are changed and the Secretary determines, in consultation with the NAIC, that changes in the 2003 NAIC Model Regulation or 2003 Federal Regulation are needed to reflect such changes, the preceding provisions of this paragraph shall apply to the modification of standards previously established in the same manner as they applied to the original establishment of such standards.

''(2) CONSTRUCTION OF BENEFITS IN OTHER MEDICARE SUPPLEMENTAL POLICIES.—Nothing in the benefit packages classified as 'A' through 'I' under the standards established by subsection (p)(2) (including the benefit package classified as 'F' with a high deductible feature, as described in subsection (p)(11)) shall be construed as providing coverage for benefits for which payment may be made under part D.

''(3) APPLICATION OF PROVISIONS AND CONFORMING REFERENCES.—

''(A) APPLICATION OF PROVISIONS.—The provisions of paragraphs (4) through (10) of subsection (p) shall apply under this section, except that—

''(i) any reference to the model regulation applicable under that subsection shall be deemed to be a reference to the applicable 2003 NAIC Model Regulation or 2003 Federal Regulation; and

''(ii) any reference to a date under such paragraphs of subsection (p) shall be deemed to be a reference to the appropriate date under this subsection.

''(B) OTHER REFERENCES.—Any reference to a provision of subsection (p) or a date applicable under such subsection shall also be considered to be a reference to the appropriate provision or date under this subsection.''.

By Mr. BENNETT:

S. 1240. A bill to provide for the acquisition of land and construction of an interagency administrative and visitor facility at the entrance to American Fork Canyon, Utah, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. BENNETT. Mr. President, I rise today to introduce the Timpanogos Interagency Land Exchange Act of 2001.

Before I explain the details of my legislation I would like to share with my colleagues a bit of the area's history. So everyone understands the lay of the land, Timpanogos Cave is in American Fork Canyon, which is a 45–50 minute drive south of Salt Lake City. Now that my colleagues have a general idea of the location let me share some information on the designation of the cave. After being solicited by a group of Utahns familiar with Timpanogos Cave, President Warren G. Harding, invoking the Antiquities Act, designated the Timpanogos Cave National Monument on October 14, 1922. It just so happens that today is the 77th anniversary of the dedication of the Timpanogos Cave National Monument. The dedication took place on July 25, 1924. The Secretary of the Interior at that time, Hubert Work, invited a group of journalists from New York City on a five week tour of the recently created national parks and monuments in the west. Ostensibly, the tour had been organized to publicize the features of the new parks of the quickly growing National Park Service. After spending over a month visiting National Parks, the group arrived at Timpanogos Cave National Monument of the 25th of July where Mr. Alvah Davison, a noted New York publisher, gave the dedication speech.

I believe it is fitting on the 77th anniversary of the dedication of the Timpanogos Cave National Monument to introduce legislation that will enhance the unique visitor experience at this site. The Timpanogos Interagency Land Exchange Act of 2001 authorizes the exchange of 266 acres of United States Forest Service land for 37 acres of private land. This newly acquired land will serve as the site for a new visitor center and administrative offices of the Pleasant Grove Ranger district of the Uinta National Forest and the Timpanogos Cave National Monument. My legislation also authorizes the construction of the new interagency facility. This new facility, which will be located near the mouth of American Fork Canyon in the town of Highland, UT, will not only benefit the visiting public, but will also result in better coordination between the NPS and USFS.

The land exchange requires the Secretary of Agriculture's approval and must conform with the ''Uniform Appraisal Standards for Federal Land Acquisitions.'' Furthermore, the exchange is being conducted with a private landowner who is willing to trade his property for various USFS parcels on the Uinta National Forest.

The necessity for this legislation is ten years overdue. The original visitor center at Timpanogos Cave was built as part of the NPS's Mission '66 program. Unfortunately it burned down in 1991. In 1992, as an emergency measure, the NPS began use of a 20 foot by 60 foot double-wide trailer to serve temporarily as a make-shift visitor center. The trailer still serves today as the visitor center. The trailer is not suitable for the monument's annual visitation of 125,000 people. On high visitation days the center is easily overrun by the public. Additionally, the center suffers from rock-fall that has caused significant damage to the roof of the trailer and raises obvious safety issues.

The NPS will not be the only beneficiary of this new site. As I stated before,the Pleasant Grove Ranger District of the Uinta National Forest will also be getting a new home. Currently, the Pleasant Grove Ranger District is housed in a 1950's era building that was not designed for today's staffing requirements or modern day computer and communications needs. It is simply too small and too outdated. The new facility will meet the space needs of the ranger district and be more technology friendly. Furthermore, the public now will be able to visit one conveniently located office to inquire about NPS and USFS activities.

I view the Timpanogos Interagency Land Exchange Act of 2001 as simple legislation that will correct a decade old problem. I look forward to working with the Committee on Energy and Natural Resources to move this legislation quickly.

By Mr. SPECTER:

S. 1241. A bill to amend the Fair Labor Standards Act of 1938 to permit certain youth to perform certain work with wood products; to the Committee on Health, Education, Labor, and Pensions.

Mr. SPECTER. Mr. President, I have sought recognition today to introduce legislation designed to permit certain youths, those exempt from attending school, between the ages of 14 and 18 to work in sawmills under special safety conditions and close adult supervision. I introduced identical measures in the 105th and 106th Congresses. Similar legislation introduced by my distinguished colleague, Representative JOSEPH R. PITTS, has already passed in the House twice before. I am hopeful the Senate will also enact this important issue.

As the former Chairman of the Labor, Health and Human Services and Education Appropriations Subcommittee, I have strongly supported increased funding for the enforcement of the important child safety protections contained in the Fair Labor Standards Act. I also believe, however, that accommodation must be made for youths who are exempt from compulsory school-attendance laws after the eighth grade. It is extremely important that youths who are exempt from attending school be provided with access to jobs and apprenticeships in areas that offer employment where they live.

The need for access to popular trades is demonstrated by the Amish community. In 1998, I toured an Amish sawmill in Lancaster County, PA, and had the opportunity to meet with some of my Amish constituency. In December 2000, Representative PITTS and I held a meeting in Gap, PA, with over 20 members of the Amish community to hear their concerns on this issue. On May 3, 2001, I chaired a hearing of the Labor, Health and Human Services and Education Appropriations Subcommittee to examine these issues.

At the hearing the Amish explained that while they once made their living almost entirely by farming, they have increasingly had to expand into other occupations as farmland has disappeared in many areas due to pressure from development. As a result, many of the Amish have come to rely more and more on work in sawmills to make their living. The Amish culture expects youth, upon the completion of their education at the age of 14, to begin to learn a trade that will enable them to become productive members of society. In many areas, work in sawmills is one of the major occupations available for the Amish, whose belief system limits the types of jobs they may hold. Unfortunately, these youths are currently prohibited by law from employment in this industry until they reach the age of 18. This prohibition threatens both the religion and lifestyle of the Amish.

Under my legislation, youths would not be allowed to operate power machinery, but would be restricted to performing activities such as sweeping, stacking wood, and writing orders. My legislation requires that the youths must be protected from wood particles or flying debris and wear protective equipment, all while under strict adult supervision. The Department of Labor must monitor these safeguards to insure that they are enforced.

The Department of Justice has raised serious concerns under the Establishment Clause with the House legislation. The House measure conferred benefits only to a youth who is a ''member of a religious sect or division thereof whose established teachings do not permit formal education beyond the eighth grade.'' By conferring the ''benefit'' of working in a sawmill only to the adherents of certain religions, the

Department argues that the bill appears to impermissibly favor religion to ''irreligion.'' In drafting my legislation, I attempted to overcome such an objection by conferring permission to work in sawmills to all youths who ''are exempted from compulsory education laws after the eighth grade.'' Indeed, I think a broader focus is necessary to create a sufficient range of vocational opportunities for all youth who are legally out of school and in need of vocational opportunities.

I also believe that the logic of the Supreme Court's 1972 decision in Wisconsin v. Yoder supports my bill. In Yoder, the Court held that Wisconsin's compulsory school attendance law requiring children to attend school until the age of 16 violated the Free Exercise Clause. The Court found that the Wisconsin law imposed a substantial burden on the free exercise of religion by the Amish since attending school beyond the eighth grade ''contravenes the basic religious tenets and practices of the Amish faith.'' I believe a similar argument can be made with respect to Amish youth working in sawmills. As their population grows and their subsistence through an agricultural way of life decreases, trades such as sawmills become more and more crucial to the continuation of their lifestyle. Barring youths from the sawmills denies these youths the very vocational training and path to self-reliance that was central to the Yoder Court's holding that the Amish do not need the final two years of public education.

I offer my legislation with the hope that my colleagues will work with me to provide relief for the Amish community. I am pleased to have received a commitment on the Senate floor from Senator KENNEDY, Chairman of the Committee on Health, Education, Labor, and Pensions, to hold a hearing on this issue, and I urge the timely consideration of my bill by the full Senate.

By Mr. GRAHAM (for himself, Mr. MURKOWSKI, Mr. REID, Mr. NELSON of Florida, Mr. INHOFE, Mr. WARNER, and Mr. BURNS):

S. 1243. A bill to amend the Internal Revenue Code of 1986 to treat spaceports like airports under the exempt facility bond rules; to the Committee on Finance.

Mr. GRAHAM. Mr. President, today I am introducing with my colleagues, Senators MURKOWSKI, REID of Nevada, NELSON of Florida, INHOFE, WARNER and BURNS legislation entitled the Spaceport Equality Act.

Currently airports, high speed rail, seaports, mass transit, and other transportation projects can raise money through the issuance of tax-exempt bonds. The Spaceport Equality Act amends the Internal Revenue Code to clarify that spaceports enjoy the same favorable tax treatment.

The U.S. aerospace industry manufactures nearly 70 percent of the world's satellites, but only 40 percent of the satellites that enter the atmosphere are launched by this country. Our Nation's spaceports are a vital component of the infrastructure needed to expand and enhance the U.S. role in the international space arena. The Spaceport Equality Act is an important step in increasing our competitive position in this emerging industry.

This bill will stimulate investment in expanding and modernizing our Nation's space launch facilities by lowering the cost of financing spaceport construction and renovation. Upon enactment, the bill will increase U.S. launch capacity, and enhance both our economic and national security.

The commercial space market is expected to become increasingly more competitive in the next decade. The ability to have a robust space launch capability is in our best interests economically as well as strategically.

My proposal does not provide direct Federal spending to our commercial space transportation industry. Instead, it creates the conditions necessary to stimulate private sector capital investment in infrastructure. This bill offers Congress the chance to help open a new age to space, where the States and local communities can themselves take part in space transportation.

To be state of the art in space requires state of the art financing on the ground. I urge my colleagues in the Senate to join us in this important effort by co-sponsoring this bill.

I ask unanimous consent that the text of the bill and a short summary of the bill be printed in the RECORD.

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

S. 1243

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 ''Spaceport Equality Act''.

SEC. 2. SPACEPORTS TREATED LIKE AIRPORTS UNDER EXEMPT FACILITY BOND RULES.

(a) IN GENERAL.—Paragraph (1) of section 142(a) of the Internal Revenue Code of 1986 (relating to exempt facility bonds) is amended to read as follows:

''(1) airports and spaceports,''.

(b) TREATMENT OF GROUND LEASES.—Paragraph (1) of section 142(b) of the Internal Revenue Code of 1986 (relating to certain facilities must be governmentally owned) is amended by adding at the end the following new subparagraph:

''(C) SPECIAL RULE FOR SPACEPORT GROUND LEASES.—For purposes of subparagraph (A), spaceport property which is located on land owned by the United States and which is used by a governmental unit pursuant to a lease (as defined in section 168(h)(7)) from the United States shall be treated as owned by such unit if—

''(i) the lease term (within the meaning of section 168(i)(3)) is at least 15 years, and

''(ii) such unit would be treated as owning such property if such lease term were equal to the useful life of such property.''.

(c) DEFINITION OF SPACEPORT.—Section 142 of the Internal Revenue Code of 1986 is amended by adding at the end the following new subsection:

''(l) SPACEPORT.—

''(1) IN GENERAL.—For purposes of subsection (a)(1), the term 'spaceport' means—

''(A) any facility directly related and essential to servicing spacecraft, enabling spacecraft to launch or reenter, or transferring passengers or space cargo to or from spacecraft, but only if such facility is located at, or in close proximity to, the launch site or reentry site, and

''(B) any other functionally related and subordinate facility at or adjacent to the launch site or reentry site at which launch services or reentry services are provided, including a launch control center, repair shop, maintenance or overhaul facility, and rocket assembly facility.

''(2) ADDITIONAL TERMS.—For purposes of paragraph (1)—

''(A) SPACE CARGO.—The term 'space cargo' includes satellites, scientific experiments, other property transported into space, and any other type of payload, whether or not such property returns from space.

''(B) SPACECRAFT.—The term 'spacecraft' means a launch vehicle or a reentry vehicle.

''(C) OTHER TERMS.—The terms 'launch', 'launch site', 'launch services', 'launch vehicle', 'payload', 'reenter', 'reentry services', 'reentry site', and 'reentry vehicle' shall have the respective meanings given to such terms by section 70102 of title 49, United States Code (as in effect on the date of enactment of this subsection).''.

(d) EXCEPTION FROM FEDERALLY GUARANTEED BOND PROHIBITION.—Paragraph (3) of section 149(b) of the Internal Revenue Code of 1986 (relating to exceptions) is amended by adding at the end the following new subparagraph:

''(E) EXCEPTION FOR SPACEPORTS.—Paragraph (1) shall not apply to any exempt facility bond issued as part of an issue described in paragraph (1) of section 142(a) to provide a spaceport in situations where—

''(i) the guarantee of the United States (or an agency or instrumentality thereof) is the result of payment of rent, user fees, or other charges by the United States (or any agency or instrumentality thereof), and

''(ii) the payment of the rent, user fees, or other charges is for, and conditioned upon, the use of the spaceport by the United States (or any agency or instrumentality thereof).''.

(e) CONFORMING AMENDMENT.—The heading for section 142(c) of the Internal Revenue Code of 1986 is amended by inserting '', SPACEPORTS,'' after ''AIRPORTS''.

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

THE SPACEPORT EQUALITY ACT

DESCRIPTION OF PRESENT LAW

Present law allows exempt facility bonds to be issued to finance certain transportation facilities, such as airports, docks and wharves, mass commuting facilities, high speed intercity rail facilities, and storage or training facilities directly related to the foregoing. Except for high-speed intercity rail facilities, these facilities must be owned by a governmental unit to be eligible for such financing. Exempt facility bonds for airports, docks and wharves, and governmentally-owned, high-speed intercity rail facilities are not subject to the private activity bond volume cap. Only 25% of the exempt facility bonds for a privately-owned, high-speed intercity rail facility require private activity bond volume cap.

Airports.—Treasury Department regulations provide that airport property eligible for exempt facility bond financing includes facilities that are directly related and essential to the servicing of aircraft, enabling aircraft to take off and land, and transferring

passengers or cargo to or from aircraft, but only if the facilities are located at, or in close proximity to, the take-off and landing area. The regulations also provide that airports include other functionally related and subordinate facilities at or adjacent to the airport, such as terminals, hangers, loading facilities, repair shops, maintenance or overhaul facilities, and land-based navigational aids such as radar installations. Facilities, the primary function of which is manufacturing rather than transportation, are not eligible for exempt facility bond financing.

Public Use Requirement.—Treasury Department regulations provide generally that, in order to qualify as an exempt facility, the facility must serve or be available on a regular basis for general public use, or be part of a facility so used, as contrasted with similar types of facilities that are constructed for the exclusive use of a limited number of nongovernmental persons in their trades or businesses. For example, a private dock or wharf leased to and serving only a single manufacturing plant would not qualify as a facility for general public use, but a hangar or repair facility at a municipal airport, or a dock or a wharf, would qualify even if it is leased or permanently assigned to a single nongovernmental person provided that person directly serves the general public, such as a common passenger carrier or freight carrier. Certain facilities, such as sewage and solid waste disposal facilities, are treated in all events as serving a general public use although they may be part of a nonpublic facility, such as a manufacturing facility used in the trade of business of a single manufacturer.

Federally Guaranteed Bonds.—Bonds directly or indirectly guaranteed by the United States (or any agency or instrument thereof) are not tax-exempt. The Treasury Department has not issued detailed regulations interpreting the prohibition of federal guarantees and the scope of the prohibition is unclear.

EXPLANATION OF SPACEPORT EQUALITY ACT

The Spaceport Equality Act clarifies that spaceports are eligible for exempt facility bond financing to the same extent as airports. As in the case of airports, the facilities must be owned by a governmental unit to be eligible for such financing.

The term ''spaceport'' includes facilities directly related and essential to servicing spacecraft, enabling spacecraft to take off or land, and transferring passengers or space cargo door from spacecraft, but only if the facilities are located at, or in close proximity to, the launch site. Space cargo includes satellites, scientific experiments, and other property transported into space, whether or not the cargo will return from space. The term ''spaceport'' also includes other functionally related and subordinate facilities at or adjacent to the spaceport, such as launch control centers, repair shops, maintenance or overhaul facilities, and rocket assembly facilities that must be located at or adjacent to the launch site. The term ''spaceport'' further includes storage facilities directly related to any governmentally-owned spaceport (including a spaceport owned by the U.S. Government.

It is intended that spaceports shall be treated in all respects as serving the general public and will therefore satisfy the public use requirements contained in present Treasury Department regulations. It is also intended that the use of spaceport facilities by the federal government will not prevent the spaceport facilities from being treated as serving the general public, will not prevent the spaceport from being treated as owned by a government unit, and will not otherwise render such facilities ineligible for exempt facility bond financing. In addition, the amendment specifies that payment by the federal government of rent, user fees, or other charges for the use of spaceport property will not be taken into account in determining whether bonds for spacesports are federally guaranteed as long as such payments are conditioned on the use of such property and not payable unconditionally and in all events.

By Mr. KENNEDY (for himself, Ms. SNOWE, Mr. ROCKEFELLER, Mr. CHAFEE, Ms. COLLINS, Mr. DASCHLE, Mr. BAUCUS, Mr. BREAUX, Mr. TORRICELLI, Mrs. LINCOLN, Mr. GRAHAM, Mr. BINGAMAN, Mr. KERRY, Mrs. CLINTON, and Mr. CORZINE).

S. 1244. A bill to amend titles XIX and XXI of the Social Security Act to provide for FamilyCare coverage for parents of enrolled children, and for other purposes; to the Committee on Finance.

Mr. KENNEDY. Mr. President, it's a privilege to join Senator SNOWE and Senator ROCKEFELLER and many others in introducing the Family Care Act of 2001 to expand health coverage to millions of families.

Families across America get up every day, go to work, play by the rules, and still cannot afford the health insurance they need to stay healthy and protect themselves when serious illness strikes. Family Care is a practical, common-sense solution for millions of hardworking families, and it deserves to be a national priority.

The legislation we are introducing today will provide health insurance to millions of Americans. And it does so without creating a new program or a new bureaucracy. It builds on the existing Children's Health Insurance Program. By allowing children *and* their parents to be covered, we can reduce the number of uninsured Americans by one-third.

Four years ago we worked together, Republicans and Democrats, to expand coverage to uninsured children in families whose income is too high for Medicaid but not enough to afford private health insurance. The Children's Health Insurance Program has already brought quality health care to over 3 million children, and many more are eligible.

Our bill is an important step to build on that initiative. Over 80 percent of children who are uninsured or enrolled in Medicaid or CHIP have uninsured parents. Expanding CHIP to cover parents as well as children will make a huge difference to millions of working families.

We also need to do more to help sign up the large number of children who are already eligible for health coverage but have never enrolled. The numbers are dramatic. Ninety-five percent of low-income uninsured children are eligible for Medicaid or CHIP. If we can sign up these children, we can give almost every child in America a real chance at a healthy childhood.

Our legislation includes steps to make it easier for families to register and stay covered. Patients will enroll, and will enroll their children, too.

We also know that many families lose coverage because complicated applications and burdensome requirements make it hard to stay insured. Our bill sees that families will have a simple application and that they won't have to enroll over and over again. It also makes sure that families they aren't excluded because that have simple assets like cars.

I am pleased that this legislation has so much support in the Finance Committee. In addition to Senator SNOWE, we have the support of every single Democrat in that committee. I hope that we can move on this legislation before the August recess.

These are long-overdue steps to give millions more Americans the health coverage they deserve. It's a significant step toward the day when every man, woman and child in America has affordable health coverage. The Nation needs both, and I'm hopeful that Congress will enact both as soon as possible.

I ask unanimous consent that the text of the bill and letters of support be printed in the RECORD.

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

S. 1244

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

SECTION 1. SHORT TITLE OF TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''FamilyCare Act of 2001''.

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

SEC. 2. RENAMING OF TITLE XXI PROGRAM.

(a) IN GENERAL.—The heading of title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) is amended to read as follows:

''TITLE XXI—FAMILYCARE PROGRAM''.

(b) PROGRAM REFERENCES.—Any reference in any provision of Federal law or regulation to ''SCHIP'' or ''State children's health insurance program'' under title XXI of the Social Security Act shall be deemed a reference to the FamilyCare program under such title.

SEC. 3. FAMILYCARE COVERAGE OF PARENTS UNDER THE MEDICAID PROGRAM AND TITLE XXI.

(a) INCENTIVES TO IMPLEMENT FAMILYCARE COVERAGE.—

(1) UNDER MEDICAID.—

(A) ESTABLISHMENT OF NEW OPTIONAL ELIGIBILITY CATEGORY.—Section 1902(a)(10)(A)(ii) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(ii)) is amended—

(i) by striking ''or'' at the end of subclause (XVII);

(ii) by adding ''or'' at the end of subclause (XVIII); and

(iii) by adding at the end the following:

''(XIX) who are individuals described in subsection (k)(1) (relating to parents of categorically eligible children);''.

(B) PARENTS DESCRIBED.—Section 1902 of the Social Security Act is further amended by inserting after subsection (j) the following:

''(k)(1)(A) Individuals described in this paragraph are individuals—

''(i) who are the parents of an individual who is under 19 years of age (or such higher age as the State may have elected under section 1902(l)(1)(D)) and who is eligible for medical assistance under subsection (a)(10)(A);

''(ii) who are not otherwise eligible for medical assistance under such subsection, under section 1931, or under a waiver approved under section 1115 or otherwise (except under subsection (a)(10)(A)(ii)(XIX)); and

''(iii) whose family income exceeds the income level applicable under the State plan under part A of title IV as in effect as of July 16, 1996, but does not exceed the highest income level applicable to a child in the family under this title.

''(B) In establishing an income eligibility level for individuals described in this paragraph, a State may vary such level consistent with the various income levels established under subsection (l)(2) based on the ages of children described in subsection (l)(1) in order to ensure, to the maximum extent possible, that such individuals shall be enrolled in the same program as their children.

''(C) An individual may not be treated as being described in this paragraph unless, at the time of the individual's enrollment under this title, the child referred to in subparagraph (A)(i) of the individual is also enrolled under this title.

''(D) In this subsection, the term 'parent' includes an individual treated as a caregiver for purposes of carrying out section 1931.

''(2) In the case of a parent described in paragraph (1) who is also the parent of a child who is eligible for child health assistance under title XXI, the State may elect (on a uniform basis) to cover all such parents under section 2111 or under this title.''.

(C) ENHANCED MATCHING FUNDS AVAILABLE IF CERTAIN CONDITIONS MET.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(i) in the fourth sentence of subsection (b), by striking ''or subsection (u)(3)'' and inserting '', (u)(3), or (u)(4)''; and

(ii) in subsection (u)—

(I) by redesignating paragraph (4) as paragraph (6), and

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

''(4) For purposes of subsection (b) and section 2105(a)(1):

''(A) FAMILYCARE PARENTS.—The expenditures described in this subparagraph are the expenditures described in the following clauses (i) and (ii):

''(i) PARENTS.—If the conditions described in clause (iii) are met, expenditures for medical assistance for parents described in section 1902(k)(1) and for parents who would be described in such section but for the fact that they are eligible for medical assistance under section 1931 or under a waiver approved under section 1115.

''(ii) CERTAIN PREGNANT WOMEN.—Expenditures for medical assistance for pregnant women under section 1902(l)(1)(A) in a family the income of which exceeds the income level applicable under section 1902(l)(2)(A) to a family of the size involved as of January 1, 2000.

''(iii) CONDITIONS.—The conditions described in this clause are the following:

''(I) The State has a State child health plan under title XXI which (whether implemented under such title or under this title) has an effective income level for children that is at least 200 percent of the poverty line.

''(II) Such State child health plan does not limit the acceptance of applications, does not use a waiting list for children who meet eligibility standards to qualify for assistance, and provides benefits to all children in the State who apply for and meet eligibility standards.

''(III) The State plans under this title and title XXI do not provide coverage for parents with higher family income without covering parents with a lower family income.

''(IV) The State does not apply an income level for parents that is lower than the effective income level (expressed as a percent of the poverty line) that has been specified under the State plan under title XIX (including under a waiver authorized by the Secretary or under section 1902(r)(2)), as of January 1, 2000, to be eligible for medical assistance as a parent under this title.

''(iv) DEFINITIONS.—For purposes of this subsection:

''(I) The term 'parent' has the meaning given such term for purposes of section 1902(k)(1).

''(II) The term 'poverty line' has the meaning given such term in section 2110(c)(5).''.

(D) APPROPRIATION FROM TITLE XXI ALLOTMENT FOR CERTAIN MEDICAID EXPANSION COSTS.—Subparagraph (B) of section 2105(a)(1) of the Social Security Act, as amended by section 14(a), is amended to read as follows:

''(B) FAMILYCARE PARENTS.—Expenditures for medical assistance that is attributable to expenditures described in section 1905(u)(4)(A).''.

(E) ONLY COUNTING ENHANCED PORTION FOR COVERAGE OF ADDITIONAL PREGNANT WOMEN.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(i) in the fourth sentence of subsection (b), by inserting ''(except in the case of expenditures described in subsection (u)(5))'' after ''do not exceed'';

(ii) in subsection (u), by inserting after paragraph (4) (as inserted by subparagraph (C)), the following:

''(5) For purposes of the fourth sentence of subsection (b) and section 2105(a), the following payments under this title do not count against a State's allotment under section 2104:

''(A) REGULAR FMAP FOR EXPENDITURES FOR PREGNANT WOMEN WITH INCOME ABOVE JANUARY 1, 2000 INCOME LEVEL AND BELOW 185 PERCENT OF POVERTY.—The portion of the payments made for expenditures described in paragraph (4)(A)(ii) that represents the amount that would have been paid if the enhanced FMAP had not been substituted for the Federal medical assistance percentage.''.

(2) UNDER TITLE XXI.—

(A) FAMILYCARE COVERAGE.—Title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) is amended by adding at the end the following:

''SEC. 2111. OPTIONAL FAMILYCARE COVERAGE OF PARENTS OF TARGETED LOW-INCOME CHILDREN.

''(a) OPTIONAL COVERAGE.—Notwithstanding any other provision of this title, a State child health plan may provide for coverage, through an amendment to its State child health plan under section 2102, of FamilyCare assistance for individuals who are targeted low-income parents in accordance with this section, but only if—

''(1) the State meets the conditions described in section 1905(u)(4)(A)(iii); and

''(2) the State elects to provide medical assistance under section 1902(a)(10)(A)(ii)(XIX), under section 1931, or under a waiver under section 1115 to individuals described in section 1902(k)(1)(A)(i) and elects an applicable income level for such individuals that consistent with paragraphs (1)(B) and (2) of section 1902(k), ensures to the maximum extent possible, that those individuals shall be enrolled in the same program as their children if their children are eligible for coverage under title XIX (including under a waiver authorized by the Secretary or under section 1902(r)(2)).''.

''(b) DEFINITIONS.—For purposes of this title:

''(1) FAMILYCARE ASSISTANCE.—The term 'FamilyCare assistance' has the meaning given the term child health assistance in section 2110(a) as if any reference to targeted low-income children were a reference to targeted low-income parents.

''(2) TARGETED LOW-INCOME PARENT.—The term 'targeted low-income parent' has the meaning given the term targeted low-income child in section 2110(b) as if the reference to a child were deemed a reference to a parent (as defined in paragraph (3)) of the child; except that in applying such section—

''(A) there shall be substituted for the income level described in paragraph (1)(B)(ii)(I) the applicable income level in effect for a targeted low-income child;

''(B) in paragraph (3), January 1, 2000, shall be substituted for July 1, 1997; and

''(C) in paragraph (4), January 1, 2000, shall be substituted for March 31, 1997.

''(3) PARENT.—The term 'parent' includes an individual treated as a caregiver for purposes of carrying out section 1931.

''(4) OPTIONAL TREATMENT OF PREGNANT WOMEN AS PARENTS.—A State child health plan may treat a pregnant woman who is not otherwise a parent as a targeted low-income parent for purposes of this section but only if the State has established an income level under section 1902(l)(2)(A)(i) for pregnant women that is at least 185 percent of the income official poverty line described in such section.

''(c) REFERENCES TO TERMS AND SPECIAL RULES.—In the case of, and with respect to, a State providing for coverage of FamilyCare assistance to targeted low-income parents under subsection (a), the following special rules apply:

''(1) Any reference in this title (other than subsection (b)) to a targeted low-income child is deemed to include a reference to a targeted low-income parent.

''(2) Any such reference to child health assistance with respect to such parents is deemed a reference to FamilyCare assistance.

''(3) In applying section 2103(e)(3)(B) in the case of a family provided coverage under this section, the limitation on total annual aggregate cost-sharing shall be applied to the entire family.

''(4) In applying section 2110(b)(4), any reference to 'section 1902(l)(2) or 1905(n)(2) (as

selected by a State)' is deemed a reference to the income level applicable to parents under section 1931 or under a waiver approved under section 1115, or, in the case of a pregnant woman described in subsection (b)(4), the income level established under section 1902(l)(2)(A).

''(5) In applying section 2102(b)(3)(B), any reference to children is deemed a reference to parents.''.

(B) ADDITIONAL ALLOTMENT FOR STATES PROVIDING FAMILYCARE.—

(i) IN GENERAL.—Section 2104 of the Social Security Act (42 U.S.C. 1397dd) is amended by inserting after subsection (c) the following:

''(d) ADDITIONAL ALLOTMENTS FOR STATE PROVIDING FAMILYCARE.—

''(1) APPROPRIATION; TOTAL ALLOTMENT.—For the purpose of providing additional allotments to States to provide FamilyCare coverage under section 2111, there is appropriated, out of any money in the Treasury not otherwise appropriated—

''(A) for fiscal year 2002, $2,000,000,000;

''(B) for fiscal year 2003, $2,000,000,000;

''(C) for fiscal year 2004, $3,000,000,000;

''(D) for fiscal year 2005, $3,000,000,000;

''(E) for fiscal year 2006, $6,000,000,000;

''(F) for fiscal year 2007, $7,000,000,000;

''(G) for fiscal year 2008, $8,000,000,000;

''(H) for fiscal year 2009, $9,000,000,000;

''(I) for fiscal year 2010, $10,000,000,000; and

''(J) for fiscal year 2011 and each fiscal year thereafter, the amount of the allotment provided under this paragraph for the preceding fiscal year increased by the percentage increase (if any) in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average).

''(2) STATE AND TERRITORIAL ALLOTMENTS.—

''(A) IN GENERAL.—In addition to the allotments provided under subsections (b) and (c), subject to paragraphs (3) and (4), of the amount available for the additional allotments under paragraph (1) for a fiscal year, the Secretary shall allot to each State with a State child health plan approved under this title—

''(i) in the case of such a State other than a commonwealth or territory described in clause (ii), the same proportion as the proportion of the State's allotment under subsection (b) (determined without regard to subsection (f)) to 98.95 percent of the total amount of the allotments under such section for such States eligible for an allotment under this subparagraph for such fiscal year; and

''(ii) in the case of a commonwealth or territory described in subsection (c)(3), the same proportion as the proportion of the commonwealth's or territory's allotment under subsection (c) (determined without regard to subsection (f)) to 1.05 percent of the total amount of the allotments under such section for commonwealths and territories eligible for an allotment under this subparagraph for such fiscal year.

''(B) AVAILABILITY AND REDISTRIBUTION OF UNUSED ALLOTMENTS.—In applying subsections (e) and (f) with respect to additional allotments made available under this subsection, the procedures established under such subsections shall ensure such additional allotments are only made available to States which have elected to provide coverage under section 2111.

''(3) USE OF ADDITIONAL ALLOTMENT.—Additional allotments provided under this subsection are not available for amounts expended before October 1, 2001. Such amounts are available for amounts expended on or after such date for child health assistance for targeted low-income children, as well as for FamilyCare assistance.

''(4) REQUIRING ELECTION TO PROVIDE FAMILYCARE COVERAGE.—No payments may be made to a State under this title from an allotment provided under this subsection unless the State has made an election to provide FamilyCare assistance.''.

(ii) CONFORMING AMENDMENTS.—Section 2104 of the Social Security Act (42 U.S.C. 1397dd) is amended—

(I) in subsection (a), by inserting ''subject to subsection (d),'' after ''under this section,'';

(II) in subsection (b)(1), by inserting ''and subsection (d)'' after ''Subject to paragraph (4)''; and

(III) in subsection (c)(1), by inserting ''subject to subsection (d),'' after ''for a fiscal year,''.

(C) NO COST-SHARING FOR PREGNANCY-RELATED BENEFITS.—Section 2103(e)(2) of the Social Security Act (42 U.S.C. 1397cc(e)(2)) is amended—

(i) in the heading, by inserting ''AND PREGNANCY-RELATED SERVICES'' after ''PREVENTIVE SERVICES''; and

(ii) by inserting before the period at the end the following: ''and for pregnancy-related services''.

(3) EFFECTIVE DATE.—The amendments made by this subsection apply to items and services furnished on or after October 1, 2001, whether or not regulations implementing such amendments have been issued.

(b) RULES FOR IMPLEMENTATION BEGINNING WITH FISCAL YEAR 2005.—

(1) REQUIRED COVERAGE OF FAMILYCARE PARENTS.—Section 1902(a)(10)(A)(i) of the Social Security Act (42 U.S.C. 1396a(a)(10)(A)(i)) is amended—

(A) by striking ''or'' at the end of subclause (VI);

(B) by striking the semicolon at the end of subclause (VII) and insert '', or''; and

(C) by adding at the end the following:

''(VIII) who are described in subsection (k)(1) (or would be described if subparagraph (A)(ii) of such subsection did not apply) and who are in families with incomes that do not exceed 100 percent of the poverty line applicable to a family of the size involved;''.

(2) EXPANSION OF AVAILABILITY OF ENHANCED MATCH UNDER MEDICAID FOR PRE-CHIP EXPANSIONS.—Paragraph (4) of section 1905(u) of the Social Security Act (42 U.S.C. 1396d(u)), as inserted by subsection (a)(1)(C), is amended—

(A) by amending clause (ii) of subparagraph (A) to read as follows:

''(ii) CERTAIN PREGNANT WOMEN.—Expenditures for medical assistance for pregnant women under section 1902(l)(1)(A) in a family the income of which exceeds the 133 percent of the income official poverty line.''; and

(B) by adding at the end the following:

''(B) CHILDREN IN FAMILIES WITH INCOME ABOVE MEDICAID MANDATORY LEVEL NOT PREVIOUSLY DESCRIBED.—The expenditures described in this subparagraph are expenditures (other than expenditures described in paragraph (2) or (3)) for medical assistance made available to any child who is eligible for assistance under section 1902(a)(10)(A) (other than under clause (i)) and the income of whose family exceeds the minimum income level required under subsection 1902(l)(2) (or, if higher, the minimum level required under section 1931 for that State) for a child of the age involved (treating any child who is 19 or 20 years of age as being 18 years of age).''.

(3) OFFSET OF ADDITIONAL EXPENDITURES FOR ENHANCED MATCH FOR PRE-CHIP EXPANSION; ELIMINATION OF OFFSET FOR REQUIRED COVERAGE OF FAMILYCARE PARENTS.—

(A) IN GENERAL.—Section 1905(u)(5) of the Social Security Act (42 U.S.C. 1396d(u)(5)), as added by subsection (a)(1)(E), is amended—

(i) by amending subparagraph (A) to read as follows:

''(A) REGULAR FMAP FOR EXPENDITURES FOR PREGNANT WOMEN WITH INCOME ABOVE 133 PERCENT OF POVERTY.—The portion of the payments made for expenditures described in paragraph (4)(A)(ii) that represents the amount that would have been paid if the enhanced FMAP had not been substituted for the Federal medical assistance percentage.''; and

(ii) by adding at the end the following:

''(B) FAMILYCARE PARENTS UNDER 100 PERCENT OF POVERTY.—Payments for expenditures described in paragraph (4)(A)(i) in the case of parents whose income does not exceed 100 percent of the income official poverty line applicable to a family of the size involved.

''(C) REGULAR FMAP FOR EXPENDITURES FOR CERTAIN CHILDREN IN FAMILIES WITH INCOME ABOVE MEDICAID MANDATORY LEVEL.—The portion of the payments made for expenditures described in paragraph (4)(B) that represents the amount that would have been paid if the enhanced FMAP had not been substituted for the Federal medical assistance percentage.''.

(B) CONFORMING AMENDMENTS.—Subparagraph (B) of section 2105(a)(1) of the Social Security Act, as amended by section 14(a) and subsection (a)(1)(D), is amended to read as follows:

''(B) CERTAIN FAMILYCARE PARENTS AND OTHERS.—Expenditures for medical assistance that is attributable to expenditures described in section 1905(u)(4), except as provided in section 1905(u)(5).''.

(4) EFFECTIVE DATE.—The amendments made by this subsection apply as of October 1, 2004, to fiscal years beginning on or after such date and to expenditures under the State plan on and after such date, whether or not regulations implementing such amendments have been issued.

(c) MAKING TITLE XXI BASE ALLOTMENTS PERMANENT.—Section 2104(a) of the Social Security Act (42 U.S.C. 1397dd(a)) is amended—

(1) by striking ''and'' at the end of paragraph (9);

(2) by striking the period at the end of paragraph (10) and inserting ''; and''; and

(3) by adding at the end the following:

''(11) for fiscal year 2008 and each fiscal year thereafter, the amount of the allotment provided under this subsection for the preceding fiscal year increased by the percentage increase (if any) in the medical care expenditure category of the Consumer Price Index for All Urban Consumers (United States city average).''.

(d) OPTIONAL APPLICATION OF PRESUMPTIVE ELIGIBILITY PROVISIONS TO PARENTS.—Section 1920A of the Social Security Act (42 U.S.C. 1396r–1a) is amended by adding at the end the following:

''(e) A State may elect to apply the previous provisions of this section to provide for a period of presumptive eligibility for medical assistance for a parent (as defined for purposes of section 1902(k)(1)) of a child with respect to whom such a period is provided under this section.''.

(e) CONFORMING AMENDMENTS.—

(1) ELIGIBILITY CATEGORIES.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended, in the matter before paragraph (1)—

(A) by striking ''or'' at the end of clause (xii);

(B) by inserting ''or'' at the end of clause (xiii); and

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

''(xiv) who are parents described (or treated as if described) in section 1902(k)(1),''.

(2) INCOME LIMITATIONS.—Section 1903(f)(4) of the Social Security Act (42 U.S.C. 1396b(f)(4)) is amended—

(A) effective October 1, 2004, by inserting ''1902(a)(10)(A)(i)(VIII),'' after ''1902(a)(10)(A)(i)(VII),''; and

(B) by inserting ''1902(a)(10)(A)(ii)(XIX),'' after ''1902(a)(10)(A)(ii)(XVIII),''.

(3) CONFORMING AMENDMENT RELATING TO NO WAITING PERIOD FOR PREGNANT WOMEN.—Section 2102(b)(1)(B) of the Social Security Act (42 U.S.C. 1397bb(b)(1)(B)) is amended—

(A) by striking '', and'' at the end of clause (i) and inserting a semicolon;

(B) by striking the period at the end of clause (ii) and inserting ''; and''; and

(C) by adding at the end the following:

''(iii) may not apply a waiting period (including a waiting period to carry out paragraph (3)(C)) in the case of a targeted low-income parent who is pregnant.''.

SEC. 4. AUTOMATIC ENROLLMENT OF CHILDREN BORN TO TITLE XXI PARENTS.

Section 2102(b)(1) of the Social Security Act (42 U.S.C. 1397bb(b)(1)) is amended by adding at the end the following:

''(C) AUTOMATIC ELIGIBILITY OF CHILDREN BORN TO A PARENT BEING PROVIDED FAMILYCARE.—Such eligibility standards shall provide for automatic coverage of a child born to an individual who is provided assistance under this title in the same manner as medical assistance would be provided under section 1902(e)(4) to a child described in such section.''.

SEC. 5. OPTIONAL COVERAGE OF LEGAL IMMIGRANTS UNDER THE MEDICAID PROGRAM AND TITLE XXI.

(a) MEDICAID PROGRAM.—Section 1903(v) of the Social Security Act (42 U.S.C. 1396b(v)) is amended—

(1) in paragraph (1), by striking ''paragraph (2)'' and inserting ''paragraphs (2) and (4)''; and

(2) by adding at the end the following:

''(4)(A) A State may elect (in a plan amendment under this title) to provide medical assistance under this title, notwithstanding sections 401(a), 402(b), 403, and 421 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996, for aliens who are lawfully residing in the United States (including battered aliens described in section 431(c) of such Act) and who are otherwise eligible for such assistance, within any of the following eligibility categories:

''(i) PREGNANT WOMEN.—Women during pregnancy (and during the 60-day period beginning on the last day of the pregnancy).

''(ii) CHILDREN.—Children (as defined under such plan), including optional targeted low-income children described in section 1905(u)(2)(B).

''(iii) PARENTS.—If the State has elected the eligibility category described in clause (ii), caretaker relatives who are parents (including individuals treated as a caregiver for purposes of carrying out section 1931) of children (described in such clause or otherwise) who are eligible for medical assistance under the plan.

''(B) In the case of a State that has elected to provide medical assistance to a category of aliens under subparagraph (A), no debt shall accrue under an affidavit of support against any sponsor of such an alien on the basis of provision of assistance to such category and the cost of such assistance shall not be considered as an unreimbursed cost.''.

(b) TITLE XXI.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended by adding at the end the following:

''(E) Section 1903(v)(4) (relating to optional coverage of categories of lawful resident alien children and parents), but only with respect to an eligibility category under this title, if the same eligibility category has been elected under such section for purposes of title XIX.''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2001, and apply to medical assistance and child health assistance furnished on or after such date, whether or not regulations implementing such amendments have been issued.

SEC. 6. OPTIONAL COVERAGE OF CHILDREN THROUGH AGE 20 UNDER THE MEDICAID PROGRAM AND TITLE XXI.

(a) MEDICAID.—

(1) IN GENERAL.—Section 1902(l)(1)(D) of the Social Security Act (42 U.S.C. 1396a(l)(1)(D)) is amended by inserting ''(or, at the election of a State, 20 or 21 years of age)'' after ''19 years of age''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1902(e)(3)(A) of the Social Security Act (42 U.S.C. 1396a(e)(3)(A)) is amended by inserting ''(or 1 year less than the age the State has elected under subsection (l)(1)(D))'' after ''18 years of age''.

(B) Section 1902(e)(12) of the Social Security Act (42 U.S.C. 1396a(e)(12)) is amended by inserting ''or such higher age as the State has elected under subsection (l)(1)(D)'' after ''19 years of age''.

(C) Section 1920A(b)(1) of the Social Security Act (42 U.S.C. 1396r–1a(b)(1)) is amended by inserting ''or such higher age as the State has elected under section 1902(l)(1)(D)'' after ''19 years of age''.

(D) Section 1928(h)(1) of the Social Security Act (42 U.S.C. 1396s(h)(1)) is amended by inserting ''or 1 year less than the age the State has elected under section 1902(l)(1)(D)'' before the period at the end.

(E) Section 1932(a)(2)(A) of the Social Security Act (42 U.S.C. 1396u–2(a)(2)(A)) is amended by inserting ''(or such higher age as the State has elected under section 1902(l)(1)(D))'' after ''19 years of age''.

(b) TITLE XXI.—Section 2110(c)(1) of the Social Security Act (42 U.S.C. 1397jj(c)(1)) is amended by inserting ''(or such higher age as the State has elected under section 1902(l)(1)(D))''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2001, and apply to medical assistance and child health assistance provided on or after such date, whether or not regulations implementing such amendments have been issued.

SEC. 7. APPLICATION OF SIMPLIFIED TITLE XXI PROCEDURES UNDER THE MEDICAID PROGRAM.

(a) APPLICATION UNDER MEDICAID.—

(1) IN GENERAL.—Section 1902(l) of the Social Security Act (42 U.S.C. 1396a(l)) is amended—

(A) in paragraph (3), by inserting ''subject to paragraph (5)'', after ''Notwithstanding subsection (a)(17),''; and

(B) by adding at the end the following:

''(5) With respect to determining the eligibility of individuals under 19 years of age (or such higher age as the State has elected under paragraph (1)(D)) for medical assistance under subsection (a)(10)(A) and, separately, with respect to determining the eligibility of individuals for medical assistance under subsection (a)(10)(A)(i)(VIII) or (a)(10)(A)(ii)(XIX), notwithstanding any other provision of this title, if the State has established a State child health plan under title XXI—

''(A) the State may not apply a resource standard;

''(B) the State shall use the same simplified eligibility form (including, if applicable, permitting application other than in person) as the State uses under such State child health plan with respect to such individuals;

''(C) the State shall provide for initial eligibility determinations and redeterminations of eligibility using verification policies, forms, and frequency that are no less restrictive than the policies, forms, and frequency the State uses for such purposes under such State child health plan with respect to such individuals; and

''(D) the State shall not require a face-to-face interview for purposes of initial eligibility determinations and redeterminations unless the State requires such an interview for such purposes under such child health plan with respect to such individuals.''.

(2) EFFECTIVE DATE.—The amendments made by paragraph (1) apply to determinations of eligibility made on or after the date that is 1 year after the date of the enactment of this Act, whether or not regulations implementing such amendments have been issued.

(b) PRESUMPTIVE ELIGIBILITY.—

(1) IN GENERAL.—Section 1920A(b)(3)(A)(i) of the Social Security Act (42 U.S.C. 1396r–1a(b)(3)(A)(i)) is amended by inserting ''a child care resource and referral agency,'' after ''a State or tribal child support enforcement agency,''.

(2) APPLICATION TO PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN UNDER MEDICAID.—Section 1920(b) of the Social Security Act (42 U.S.C. 1396r–1(b)) is amended by adding at the end after and below paragraph (2) the following flush sentence:

''The term 'qualified provider' includes a qualified entity as defined in section 1920A(b)(3).''.

(3) APPLICATION UNDER TITLE XXI.—

(A) IN GENERAL.—Section 2107(e)(1)(D) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended to read as follows:

''(D) Sections 1920 and 1920A (relating to presumptive eligibility).''.

(B) CONFORMING ELIMINATION OF RESOURCE TEST.—Section 2102(b)(1)(A) of such Act (42 U.S.C. 1397bb(b)(1)(A)) is amended—

(i) by striking '' and resources (including any standards relating to spenddowns and disposition of resources)''; and

(ii) by adding at the end the following: ''Effective 1 year after the date of the enactment of the FamilyCare Act of 2001, such standards may not include the application of a resource standard or test.''.

(c) AUTOMATIC REASSESSMENT OF ELIGIBILITY FOR TITLE XXI AND MEDICAID BENEFITS FOR CHILDREN LOSING MEDICAID OR TITLE XXI ELIGIBILITY.—

(1) LOSS OF MEDICAID ELIGIBILITY.—Section 1902(a) of the Social Security Act (42 U.S.C. 1396a(a)) is amended—

(A) by striking the period at the end of paragraph (65) and inserting ''; and'', and

(B) by inserting after paragraph (65) the following:

''(66) provide, in the case of a State with a State child health plan under title XXI, that before medical assistance to a child (or a parent of a child) is discontinued under this title, a determination of whether the child (or parent) is eligible for benefits under title XXI shall be made and, if determined to be so eligible, the child (or parent) shall be automatically enrolled in the program under such title without the need for a new application.''.

(2) LOSS OF TITLE XXI ELIGIBILITY AND COORDINATION WITH MEDICAID.—Section 2102(b)(42 U.S.C. 1397bb(b)) is amended—

(A) in paragraph (3), by redesignating subparagraphs (D) and (E) as subparagraphs (E) and (F), respectively, and by inserting after subparagraph (C) the following:

''(D) that before health assistance to a child (or a parent of a child) is discontinued under this title, a determination of whether the child (or parent) is eligible for benefits under title XIX is made and, if determined to be so eligible, the child (or parent) is automatically enrolled in the program under such title without the need for a new application;'';

(B) by redesignating paragraph (4) as paragraph (5); and

(C) by inserting after paragraph (3) the following new paragraph:

''(4) COORDINATION WITH MEDICAID.—The State shall coordinate the screening and enrollment of individuals under this title and under title XIX consistent with the following:

''(A) Information that is collected under this title or under title XIX which is needed to make an eligibility determination under the other title shall be transmitted to the appropriate administering entity under such other title in a timely manner so that coverage is not delayed and families do not have to submit the same information twice. Families shall be provided the information they need to complete the application process for coverage under both titles and be given appropriate notice of any determinations made on their applications for such coverage.

''(B) If a State does not use a joint application under this title and such title, the State shall—

''(i) promptly inform a child's parent or caretaker in writing and, if appropriate, orally, that a child has been found likely to be eligible under title XIX;

''(ii) provide the family with an application for medical assistance under such title and offer information about what (if any) further information, documentation, or other steps are needed to complete such application process;

''(iii) offer assistance in completing such application process; and

''(iv) promptly transmit the separate application under this title or the information obtained through such application, and all other relevant information and documentation, including the results of the screening process, to the State agency under title XIX for a final determination on eligibility under such title.

''(C) Applicants are notified in writing of—

''(i) benefits (including restrictions on cost-sharing) under title XIX; and

''(ii) eligibility rules that prohibit children who have been screened eligible for medical assistance under such title from being enrolled under this title, other than provisional temporary enrollment while a final eligibility determination is being made under such title.

''(D) If the agency administering this title is different from the agency administering a State plan under title XIX, such agencies shall coordinate the screening and enrollment of applicants for such coverage under both titles.

''(E) The coordination procedures established between the program under this title and under title XIX shall apply not only to the initial eligibility determination of a family but also to any renewals or redeterminations of such eligibility.''.

(3) EFFECTIVE DATE.—The amendments made by paragraphs (1) and (2) apply to individuals who lose eligibility under the medicaid program under title XIX, or under a State child health insurance plan under title XXI, respectively, of the Social Security Act on or after October 1, 2001 (or, if later, 60 days after the date of the enactment of this Act), whether or not regulations implementing such amendments have been issued.

(d) PROVISION OF MEDICAID AND CHIP APPLICATIONS AND INFORMATION UNDER THE SCHOOL LUNCH PROGRAM.—Section 9(b)(2)(B) of the Richard B. Russell National School Lunch Act (42 U.S.C. 1758(b)(2)(B)) is amended—

(1) by striking ''(B) Applications'' and inserting ''(B)(i) Applications''; and

(2) by adding at the end the following:

''(ii)(I) Applications for free and reduced price lunches that are distributed pursuant to clause (i) to parents or guardians of children in attendance at schools participating in the school lunch program under this Act shall also contain information on the availability of medical assistance under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and of child health and FamilyCare assistance under title XXI of such Act, including information on how to obtain an application for assistance under such programs.

''(II) Information on the programs referred to in subclause (I) shall be provided on a form separate from the application form for free and reduced price lunches under clause (i).''.

(e) 12-MONTHS CONTINUOUS ELIGIBILITY.—

(1) MEDICAID.—Section 1902(e)(12) of the Social Security Act (42 U.S.C. 1396a(e)(12)) is amended—

(A) by striking ''At the option of the State, the plan may'' and inserting ''The plan shall'';

(B) by striking ''an age specified by the State (not to exceed 19 years of age)'' and inserting ''19 years of age (or such higher age as the State has elected under subsection (l)(1)(D)) or, at the option of the State, who is eligible for medical assistance as the parent of such a child''; and

(C) in subparagraph (A), by striking ''a period (not to exceed 12 months) '' and inserting ''the 12-month period beginning on the date''.

(2) TITLE XXI.—Section 2102(b)(2) of such Act (42 U.S.C. 1397bb(b)(2)) is amended by adding at the end the following: ''Such methods shall provide 12-months continuous eligibility for children under this title in the same manner that section 1902(e)(12) provides 12-months continuous eligibility for children described in such section under title XIX. If a State has elected to apply section 1902(e)(12) to parents, such methods may provide 12-months continuous eligibility for parents under this title in the same manner that such section provides 12-months continuous eligibility for parents described in such section under title XIX.''.

(3) EFFECTIVE DATE.—

(A) IN GENERAL.—The amendments made by this subsection shall take effect on October 1, 2001 (or, if later, 60 days after the date of the enactment of this Act), whether or not regulations implementing such amendments have been issued.

SEC. 8. IMPROVING WELFARE-TO-WORK TRANSITION UNDER THE MEDICAID PROGRAM.

(a) MAKING PROVISION PERMANENT.—

(1) IN GENERAL.—Subsection (f) of section 1925 of the Social Security Act (42 U.S.C. 1396r–6) is repealed.

(2) CONFORMING AMENDMENT.—Section 1902(e)(1) of the Social Security Act (42 U.S.C. 1396a(e)(1)) is repealed.

(b) STATE OPTION OF INITIAL 12-MONTH ELIGIBILITY.—Section 1925 of the Social Security Act (42 U.S.C. 1396r–6) is amended—

(1) in subsection (a), by adding at the end the following:

''(5) OPTION OF 12-MONTH INITIAL ELIGIBILITY PERIOD.—A State may elect to treat any reference in this subsection to a 6-month period (or 6 months) as a reference to a 12-month period (or 12 months). In the case of such an election, subsection (b) shall not apply.''; and

(2) in subsection (b)(1), by inserting ''and subsection (a)(5)'' after ''paragraph (3)''.

(c) SIMPLIFICATION.—

(1) REMOVAL OF ADMINISTRATIVE REPORTING REQUIREMENTS FOR ADDITIONAL 6-MONTH EXTENSION.—Section 1925(b)(2) of the Social Security Act (42 U.S.C. 1396r–6(b)(2)) is amended—

(A) by striking subparagraph (B);

(B) in subparagraph (A)(i)—

(i) in the heading, by striking ''AND REQUIREMENTS'';

(ii) by striking ''(I)'' and all that follows through ''(II)'' and inserting ''(i)'';

(iii) by striking '', and (III)'' and inserting ''and (ii)'';

(iv) by redesignating such subparagraph as subparagraph (A) (with appropriate indentation); and

(C) in subparagraph (A)(ii)—

(i) in the heading, by striking ''REPORTING REQUIREMENTS AND'';

(ii) by striking ''notify the family of the reporting requirement under subparagraph (B)(ii) and'' and inserting ''provide the family with notification of''; and

(iii) by redesignating such subparagraph as subparagraph (B) (with appropriate indentation).

(2) REMOVAL OF REQUIREMENT FOR PREVIOUS RECEIPT OF MEDICAL ASSISTANCE.—Section 1925(a)(1) of the Social Security Act (42 U.S.C. 1396r–6(a)(1)) is amended—

(A) by inserting ''but subject to subparagraph (B)'' after ''any other provision of this title'';

(B) by redesignating the matter after ''REQUIREMENT.—'' as a subparagraph (A) with the heading ''IN GENERAL.—'' and with the same indentation as subparagraph (B) (as added by subparagraph (C)); and

(C) by adding at the end the following:

''(B) STATE OPTION TO WAIVE REQUIREMENT FOR 3 MONTHS PREVIOUS RECEIPT OF MEDICAL ASSISTANCE.—A State may, at its option, elect also to apply subparagraph (A) in the case of a family that had applied for and was eligible for such aid for fewer than 3 months during the 6 immediately preceding months described in such subparagraph.''.

(3) PERMITTING INCREASE OR WAIVER OF 185 PERCENT OF POVERTY EARNING LIMIT.—Section 1925(b)(3)(A)(iii)(III) of the Social Security Act (42 U.S.C. 1396r–6(b)(3)(A)(iii)(III)) is amended—

(A) by inserting ''(at its option)'' after ''the State''; and

(B) by inserting ''(or such higher percent as the State may specify)'' after ''185 percent''.

(4) EXEMPTION FOR STATES COVERING NEEDY FAMILIES UP TO 185 PERCENT OF POVERTY.—Section 1925 of the Social Security Act (42 U.S.C. 1396r–6), as amended by subsection (a), is amended—

(A) in each of subsections (a)(1) and (b)(1), by inserting ''but subject to subsection (f),'' after ''Notwithstanding any other provision of this title,''; and

(B) by adding at the end the following:

''(f) EXEMPTION FOR STATE COVERING NEEDY FAMILIES UP TO 185 PERCENT OF POVERTY.—

''(1) IN GENERAL.—At State option, the provisions of this section shall not apply to a State that uses the authority under section 1902(a)(10)(A)(ii)(XIX), section 1931(b)(2)(C), or otherwise to make medical assistance available under the State plan under this title to eligible individuals described in section 1902(k)(1), or all individuals described in section 1931(b)(1), and who are in families with gross incomes (determined without regard to work-related child care expenses of such individuals) at or below 185 percent of the income official poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Omnibus Budget Reconciliation Act of 1981) applicable to a family of the size involved.

''(2) APPLICATION TO OTHER PROVISIONS OF THIS TITLE.—The State plan of a State described in paragraph (1) shall be deemed to meet the requirements of section 1902(a)(10)(A)(i)(I).''.

(d) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2001, whether or not regulations implementing such amendments have been issued.

SEC. 9. ELIMINATION OF 100 HOUR RULE AND OTHER AFDC-RELATED ELIGIBILITY RESTRICTIONS.

(a) IN GENERAL.—Section 1931(b)(1)(A)(ii) of the Social Security Act (42 U.S.C. 1396u–

1(b)(1)(A)(ii)) is amended by inserting ''other than the requirement that the child be deprived of parental support or care by reason of the death, continued absence from the home, incapacity, or unemployment of a parent,'' after ''section 407(a),''.

(b) CONFORMING AMENDMENT.—Section 1905(a) of the Social Security Act (42 U.S.C. 1396d(a)) is amended, in the matter before paragraph (1), in clause (ii), by striking ''if such child is (or would, if needy, be) a dependent child under part A of title IV''.

(c) EFFECTIVE DATE.—The amendments made by this section apply to eligibility determinations made on or after October 1, 2001, whether or not regulations implementing such amendments have been issued.

SEC. 10. STATE GRANT PROGRAM FOR MARKET INNOVATION.

(a) IN GENERAL.—The Secretary of Health and Human Services (in this section referred to as the ''Secretary'') shall establish a program (in this section referred to as the ''program'') to award demonstration grants under this section to States to allow States to demonstrate the effectiveness of innovative ways to increase access to health insurance through market reforms and other innovative means. Such innovative means may include any of the following:

(1) Alternative group purchasing or pooling arrangements, such as purchasing cooperatives for small businesses, reinsurance pools, or high risk pools.

(2) Individual or small group market reforms.

(3) Consumer education and outreach.

(4) Subsidies to individuals, employers, or both, in obtaining health insurance.

(b) SCOPE; DURATION.—The program shall be limited to not more than 10 States and to a total period of 5 years, beginning on the date the first demonstration grant is made.

(c) CONDITIONS FOR DEMONSTRATION GRANTS.—

(1) IN GENERAL.—The Secretary may not provide for a demonstration grant to a State under the program unless the Secretary finds that under the proposed demonstration grant—

(A) the State will provide for demonstrated increase of access for some portion of the existing uninsured population through a market innovation (other than merely through a financial expansion of a program initiated before the date of the enactment of this Act);

(B) the State will comply with applicable Federal laws;

(C) the State will not discriminate among participants on the basis of any health status-related factor (as defined in section 2791(d)(9) of the Public Health Service Act (42 U.S.C. 300gg–91(d)(9)), except to the extent a State wishes to focus on populations that otherwise would not obtain health insurance because of such factors; and

(D) the State will provide for such evaluation, in coordination with the evaluation required under subsection (d), as the Secretary may specify.

(2) APPLICATION.—The Secretary shall not provide a demonstration grant under the program to a State unless—

(A) the State submits to the Secretary such an application, in such a form and manner, as the Secretary specifies;

(B) the application includes information regarding how the demonstration grant will address issues such as governance, targeted population, expected cost, and the continuation after the completion of the demonstration grant period; and

(C) the Secretary determines that the demonstration grant will be used consistent with this section.

(3) FOCUS.—A demonstration grant proposal under this section need not cover all uninsured individuals in a State or all health care benefits with respect to such individuals.

(d) EVALUATION.—The Secretary shall enter into a contract with an appropriate entity outside the Department of Health and Human Services to conduct an overall evaluation of the program at the end of the program period. Such evaluation shall include an analysis of improvements in access, costs, quality of care, or choice of coverage, under different demonstration grants.

(e) OPTION TO PROVIDE FOR INITIAL PLANNING GRANTS.—Notwithstanding the previous provisions of this section, under the program the Secretary may provide for a portion of the amounts appropriated under subsection (f) (not to exceed $5,000,000) to be made available to any State for initial planning grants to permit States to develop demonstration grant proposals under the previous provisions of this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated $100,000,000 for each fiscal year to carry out this section. Amounts appropriated under this subsection shall remain available until expended.

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

SEC. 11. LIMITATIONS ON CONFLICTS OF INTEREST.

(a) LIMITATION ON CONFLICTS OF INTEREST IN MARKETING ACTIVITIES.—

(1) TITLE XXI.—Section 2105(c) of the Social Security Act (42 U.S.C. 300aa–5(c)) is amended by adding at the end the following:

''(8) LIMITATION ON EXPENDITURES FOR MARKETING ACTIVITIES.—Amounts expended by a State for the use of an administrative vendor in marketing health benefits coverage to low-income children under this title shall not be considered, for purposes of subsection (a)(2)(D), to be reasonable costs to administer the plan unless the following conditions are met with respect to the vendor:

''(A) The vendor is independent of any entity offering the coverage in the same area of the State in which the vendor is conducting marketing activities.

''(B) No person who is an owner, employee, consultant, or has a contract with the vendor either has any direct or indirect financial interest with such an entity or has been excluded from participation in the program under this title or title XVIII or XIX or debarred by any Federal agency, or subject to a civil money penalty under this Act.''.

(b) PROHIBITION OF AFFILIATION WITH DEBARRED INDIVIDUALS.—

(1) MEDICAID.—Section 1903(i) of the Social Security Act (42 U.S.C. 1396b(i))is amended—

(A) by striking the period at the end of paragraph (20) and inserting ''; or''; and

(B) by inserting after paragraph (20) the following:

''(21) with respect to any amounts expended for an entity that receives payments under the plan unless—

''(A) no person with an ownership or control interest (as defined in section 1124(a)(3)) in the entity is a person that is debarred, suspended, or otherwise excluded from participating in procurement or non-procurement activities under the Federal Acquisition Regulation; and

''(B) such entity has not entered into an employment, consulting, or other agreement for the provision of items or services that are material to such entity's obligations under the plan with a person described in subparagraph (A).''.

(2) TITLE XXI.—Section 2107(e)(1) of the Social Security Act (42 U.S.C. 1397gg(e)(1)), as amended by sections 5(b) and 7(b)(3), is further amended—

(A) in subparagraph (B), by striking ''and (17)'' and inserting ''(17), and (21)''; and

(B) by adding at the end the following:

''(F) Section 1902(a)(67) (relating to prohibition of affiliation with debarred individuals).''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to expenditures made on or after October 1, 2001, whether or not regulations implementing such amendments have been issued.

SEC. 12. INCREASE IN CHIP ALLOTMENT FOR EACH OF FISCAL YEARS 2002 THROUGH 2004.

Paragraphs (5), (6), and (7) of section 2104(a) of the Social Security Act (42 U.S.C. 1397dd(a)) are amended by striking ''$3,150,000,000'' each place it appears and inserting ''$4,150,000,000''.

SEC. 13. DEMONSTRATION PROGRAMS TO IMPROVE MEDICAID AND CHIP OUTREACH TO HOMELESS INDIVIDUALS AND FAMILIES.

(a) AUTHORITY.—The Secretary of Health and Human Services may award demonstration grants to not more than 7 States (or other qualified entities) to conduct innovative programs that are designed to improve outreach to homeless individuals and families under the programs described in subsection (b) with respect to enrollment of such individuals and families under such programs and the provision of services (and coordinating the provision of such services) under such programs.

(b) PROGRAMS FOR HOMELESS DESCRIBED.—The programs described in this subsection are as follows:

(1) MEDICAID.—The program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.).

(2) CHIP.—The program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.).

(3) TANF.—The program under part of A of title IV of the Social Security Act (42 U.S.C. 601 et seq.).

(4) SAMHSA BLOCK GRANTS.—The program of grants under part B of title XIX of the Public Health Service Act (42 U.S.C. 300x–1 et seq.).

(5) FOOD STAMP PROGRAM.—The program under the Food Stamp Act of 1977 (7 U.S.C. 2011 et seq.).

(6) WORKFORCE INVESTMENT ACT.—The program under the Workforce Investment Act of 1999 (29 U.S.C. 2801 et seq.).

(7) WELFARE-TO-WORK.—The welfare-to-work program under section 403(a)(5) of the Social Security Act (42 U.S.C. 603(a)(5)).

(8) OTHER PROGRAMS.—Other public and private benefit programs that serve low-income individuals.

(c) APPROPRIATIONS.—For the purposes of carrying out this section, there is appropriated for fiscal year 2002, out of any funds in the Treasury not otherwise appropriated, $10,000,000, to remain available until expended.

SEC. 14. TECHNICAL AND CONFORMING AMENDMENTS TO AUTHORITY TO PAY MEDICAID EXPANSION COSTS FROM TITLE XXI APPROPRIATION.

(a) AUTHORITY TO PAY MEDICAID EXPANSION COSTS FROM TITLE XXI APPROPRIATION.—Section 2105(a) of the Social Security Act (42 U.S.C. 1397ee(a)) is amended to read as follows:

''(a) ALLOWABLE EXPENDITURES.—

''(1) IN GENERAL.—Subject to the succeeding provisions of this section, the Secretary shall pay to each State with a plan approved under this title, from its allotment under section 2104, an amount for each quarter equal to the enhanced FMAP of the following expenditures in the quarter:

''(A) CHILD HEALTH ASSISTANCE UNDER MEDICAID.—Expenditures for child health assistance under the plan for targeted low-income

children in the form of providing medical assistance for expenditures described in the fourth sentence of section 1905(b).

''(B) RESERVED.—[reserved].

''(C) CHILD HEALTH ASSISTANCE UNDER THIS TITLE.—Expenditures for child health assistance under the plan for targeted low-income children in the form of providing health benefits coverage that meets the requirements of section 2103.

''(D) ASSISTANCE AND ADMINISTRATIVE EXPENDITURES SUBJECT TO LIMIT.—Expenditures only to the extent permitted consistent with subsection (c)—

''(i) for other child health assistance for targeted low-income children;

''(ii) for expenditures for health services initiatives under the plan for improving the health of children (including targeted low-income children and other low-income children);

''(iii) for expenditures for outreach activities as provided in section 2102(c)(1) under the plan; and

''(iv) for other reasonable costs incurred by the State to administer the plan.

''(2) ORDER OF PAYMENTS.—Payments under a subparagraph of paragraph (1) from a State's allotment for expenditures described in each such subparagraph shall be made on a quarterly basis in the order of such subparagraph in such paragraph.

''(3) NO DUPLICATIVE PAYMENT.—In the case of expenditures for which payment is made under paragraph (1), no payment shall be made under title XIX.''.

(b) CONFORMING AMENDMENTS.—

(1) SECTION 1905(u).—Section 1905(u)(1)(B) of the Social Security Act (42 U.S.C. 1396d(u)(1)(B)) is amended by inserting ''and section 2105(a)(1)'' after ''subsection (b)''.

(2) SECTION 2105(c).—Section 2105(c)(2)(A) of the Social Security Act (42 U.S.C. 1397ee(c)(2)(A)) is amended by striking ''subparagraphs (A), (C), and (D) of''.

(c) EFFECTIVE DATE.—The amendments made by this section shall be effective as if included in the enactment of the Balanced Budget Act of 1997 (Public Law 105–33; 111 Stat. 251), whether or not regulations implementing such amendments have been issued.

SEC. 15. ADDITIONAL CHIP REVISIONS.

(a) LIMITING COST-SHARING TO 2.5 PERCENT FOR FAMILIES WITH INCOME BELOW 150 PERCENT OF POVERTY.—Section 2103(e)(3)(A) of the Social Security Act (42 U.S.C. 1397cc(e)(3)(A)) is amended—

(1) by striking ''and'' at the end of clause (i);

(2) by striking the period at the end of clause (ii) and inserting ''; and''; and

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

''(iii) total annual aggregate cost-sharing described in clauses (i) and (ii) with respect to all such targeted low-income children in a family under this title that exceeds 2.5 percent of such family's income for the year involved.''.

(b) REPORTING OF ENROLLMENT DATA.—

(1) QUARTERLY REPORTS.—Section 2107(b)(1) of such Act (42 U.S.C. 1397gg(b)(1)) is amended by adding at the end the following: ''In quarterly reports on enrollment required under this paragraph, a State shall include information on the age, gender, race, ethnicity, service delivery system, and family income of individuals enrolled.''.

(2) ANNUAL REPORTS.—Section 2108(b)(1)(B)(i) of such Act (42 U.S.C. 1397hh(b)(1)(B)(i)) is amended by inserting ''primary language of enrollees,'' after ''family income,''.

(c) EMPLOYER COVERAGE WAIVER CHANGES.—Section 2105(c)(3) of such Act (42 U.S.C. 1397ee(c)(3)) is amended—

(1) by redesignating subparagraphs (A) and (B) as clauses (i) and (ii) and indenting appropriately;

(2) by designating the matter beginning with ''Payment may be made'' as a subparagraph (A) with the heading ''IN GENERAL'' and indenting appropriately; and

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

''(B) APPLICATION OF REQUIREMENTS.—In carrying out subparagraph (A)—

''(i) the Secretary shall not require a minimum employer contribution level that is separate from the requirement of cost-effectiveness under subparagraph (A)(i), but a State shall identify a reasonable minimum employer contribution level that is based on data demonstrating that such a level is representative to the employer-sponsored insurance market in the State and shall monitor employer contribution levels over time to determine whether substitution is occurring and report the findings in annual reports under section 2108(a);

''(ii) the State shall establish a waiting period of at least 6 months without group health coverage, but may establish reasonable exceptions to such period and shall not apply such a waiting period to a child who is provided coverage under a group health plan under section 1906;

''(iii) subject to clause (iv), the State shall provide satisfactory assurances that the minimum benefits and cost-sharing protections established under this title are provided, either through the coverage under subparagraph (A) or as a supplement to such coverage; and

''(iv) coverage under such subparagraph shall not be considered to violate clause (iii) because it does not comply with requirements relating to reviews of health service decisions if the enrollee involved is provided the option of being provided benefits directly under this title.

''(C) ACCESS TO EXTERNAL REVIEW PROCESS.—In carrying out subparagraph (A), if a State provides coverage under a group health plan that does not meet the following external review requirements, the State must give applicants and enrollees (at initial enrollment and at each redetermination of eligibility) the option to obtain health benefits coverage other than through that group health plan:

''(i) The enrollee has an opportunity for external review of a—

''(I) delay, denial, reduction, suspension, or termination of health services, in whole or in part, including a determination about the type or level of services; and

''(II) failure to approve, furnish, or provide payment for health services in a timely manner.

''(ii) The external review is conducted by the State or a impartial contractor other than the contractor responsible for the matter subject to external review.

''(iii) The external review decision is made on a timely basis in accordance with the medical needs of the patient. If the medical needs of the patient do not dictate a shorter time frame, the review must be completed—

''(I) within 90 calendar days of the date of the request for internal or external review; or

''(II) within 72 hours if the enrollee's physician or plan determines that the deadline under subclause (I) could seriously jeopardize the enrollee's life or health or ability to attain, maintain, or regain maximum function (except that a State may extend the 72-hour deadline by up to 14 days if the enrollee requests an extension).

''(iv) The external review decision shall be in writing.

''(v) Applicants and enrollees have an opportunity—

''(I) to represent themselves or have representatives of their choosing in the review process;

''(II) timely review their files and other applicable information relevant to the review of the decision; and

''(III) fully participate in the review process, whether the review is conducted in person or in writing, including by presenting supplemental information during the review process.''.

(d) EFFECTIVE DATE.—The amendments made by this section apply as of October 1, 2001, whether or not regulations implementing such amendments have been issued.

NATIONAL WOMEN'S LAW CENTER,
Washington, DC, July 24, 2001.

Hon. EDWARD M. KENNEDY,
Hon. OLYMPIA SNOWE,
U.S. Senate, Washington, DC.

DEAR SENATORS KENNEDY AND SNOWE: We would like to thank you for your leadership in introducing the ''FamilyCare Act of 2001,'' which would allow states to provide health insurance coverage for millions of women. This is such a critical women's health issue that over one hundred organizations working on women's health throughout the nation have endorsed the bill. The list of these organizations follows:

ORGANIZATIONS ADDRESSING WOMEN'S HEALTH THAT ENDORSE THE FAMILYCARE ACT OF 2001

9to5 National Association of Working Women
AFL–CIO
Abortion Access Project
Abortion Rights Fund of Western Massachusetts
ACCESS/Women's Health Rights Coalition
African American Women Evolving
Alan Guttmacher Institute
American Association of University Women
American College of Nurse-Midwives
American College of Obstetricians and Gynecologists
American Counseling Association
American Federation of Teachers
American Medical Women's Association
American Public Health Association
Americans for Democratic Action
Association of Maternal and Child Health Programs
Association of Reproductive Health Professionals
Boston Women's Health Book Collective
California Women's Law Center
Catholics for a Free Choice
Center for Community Change
Center for Reproductive Law and Policy
Center for Women Policy Studies
Central Conference of American Rabbis
Child Care Law Center
Choice USA
Church Women United
Coalition of Labor Union Women
Connecticut Association for Human Services
Connecticut Sexual Assault Crisis Services
Connecticut Women's Health Campaign
Contact Center
FamiliesUSA
Family Planning Advocates of New York State
Family Violence Prevention Fund
Family Voices
Feminist Majority
Feminist Women's Health Center
Florida NOW
Friends of Midwives, CT
Hadassah
Human Rights Campaign
Human Services Coalition of Dade County
Jewish Women International
Jewish Women's Coalition, Inc.
Juneau Pro-Choice Coalition
Justice for Women Working Group of the National Council of Churches
Lutheran Office for Governmental Affairs, ELCA

McAuley Institute
Maine Women's Health Campaign
March of Dimes
Mexican American Legal Defense and Education Fund
Ms. Foundation for Women
National Abortion and Reproductive Rights Action League
National Abortion Federation
National Asian Women's Health Organization
National Association of Commissions on Women
National Association of Community Health Centers, Inc.
National Association of Nurse Practitioners in Women's Health
National Association of Public Hospitals and Health Systems
National Association of Social Workers
National Black Nurses Association
National Black Women's Health Project
National Center for Policy Research for Women and Families
National Center on Poverty Law
National Center on Women and Aging
National Coalition Against Domestic Violence
National Council of Churches of Christ in the USA
National Council of Jewish Women
National Council of Women's Organizations
National Family Planning and Reproductive Health Association
National Health Law Program
National Hispanic Council on Aging
National Hispanic Medical Association
National Network of Abortion Funds
National Organization for Women
National Partnership for Women and Families
National Training Center on Domestic and Sexual Violence
National Women's Health Network
National Women's Law Center
National Women's Political Caucus
New York Affiliate of the National Abortion and Reproductive Rights Action League (NARAL/NY)
Northwest Connecticut Chapter of the Older Women's League
Northwest Women's Law Center
NOW Legal Defense and Educational Fund
Ohio Empowerment Coalition
Oregon Law Center
Planned Parenthood Federation of America
Progressive Leadership Alliance of Nevada
Project WISE/Project Inform
Religious Coalition for Reproductive Choice
Religious Network of Equality for Women
Service Employees International Union
Society for Women's Health Research
Texas Council on Family Violence
Union of American Hebrew Congregations
Unitarian Universalist Association of Congregations
Welfare Law Center
Welfare Rights Initiative
Westchester Coalition for Legal Abortion
Wider Opportunities for Women
Women Employed
Women Empowered Against Violence, Incorporated
Women Leaders Online
Women of Reform Judaism
Women Work!
Women's Emergency Network
Women's International Public Health Network
Working for Equality and Economic Liberation
YWCA of the USA
Zeta Phi Beta Sorority

Sincerely,

MARCIA D. GREENBERGER,
Co-President.
REGAN RALPH,
Vice President, Women's Health and Reproductive Rights.

AMERICAN ACADEMY OF PEDIATRICS,
Washington, DC, July 24, 2001.

Hon. EDWARD M. KENNEDY,
U.S. Senate,
Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the 55,000 members of the American Academy of Pediatrics, I am writing to express the Academy's strong support of the Family Care Act of 2001. This legislation takes critical steps to ensure that every child in the United States has access to affordable quality health care. We are pleased that you and your colleagues have put this measure forward and we look forward to working with you in the coming months to ensure that the bill's provisions become law.

In addition to the important expansion of coverage options under Medicaid and SCHIP, including those for pregnant women and immigrant children and their families, we strongly endorse the numerous components of the legislation that will make getting enrolled, and staying enrolled, in Medicaid and SCHIP simpler for children and families. By expanding the types of entities that are able to perform presumptive eligibility determinations, consolidating application and enrollment procedures and providing for automatic redetermination of eligibility, states can ensure that children and families have seamless access to quality care.

We appreciate your continued attention to the health care needs of our nation's children. If we can be of assistance in your efforts, please do not hesitate to contact me at (202) 347–8600.

Sincerely,

GRAHAM NEWSON,
Director,
Department of Federal Affairs.

AMERICAN HOSPITAL ASSOCIATION,
Washington, DC, July 24, 2001.

Hon. EDWARD M. KENNEDY,
Chairman, Committee on Health, Education, Labor, and Pensions, U.S. Senate, Russell Building, Washington, DC.

DEAR CHAIRMAN KENNEDY: The American Hospital Association (AHA), which represents 5,000 hospitals, health care systems, networks, and other providers of care, shares your goal of expanding access to health care coverage for the nation's over 42 million uninsured Americans. As you know, eight out of every 10 uninsured persons lives in a working family. Ten million of the uninsured are children. The uninsured are concentrated disproportionately in low-income families. And while health care coverage by itself does not guarantee good health or access to appropriate health services, the absence of health care coverage is a major contributor to poor health.

AHA supports an array of legislative proposals that would expand coverage to low-income people, including those that would build on current programs such as Medicaid and the State Children's Health Insurance Program (S–CHIP), and those that would use changes in the tax code to bolster coverage. Therefore, AHA strongly supports the objective of your bipartisan legislation, the Family Care Act of 2001, sponsored with Senator Snowe. Your legislation embraces, as one option, expanding state options to allow coverage of the parents of children covered by S–CHIP. We support provisions that would improve state options for Medicaid coverage for children, pregnant women, and those making the transition from welfare to work. Furthermore, we applaud your provisions that would simplify applications, increased outreach activities, and create state grant programs to encourage market innovation in health care insurance. AHA believes these are good first steps toward lowering the number of the uninsured.

In addition to expanding public programs, AHA supports other measures that utilize the tax code to make health care insurance more affordable for low-income working families. Toward that end, AHA also supports the bipartisan REACH Act drafted by Senators Jeffords, Snowe, Frist, Chafee, Breaux, Lincoln and Carper; and the bipartisan Fair Care for the Uninsured Act (S. 683) sponsored by Senators Santorum and Torricelli. Both of these bills would establish refundable tax credits to help low-income families purchase health care insurance.

Our nation's hospitals see every day that the absence of health coverage is a significant barrier to care, reducing the likelihood that people will get appropriate preventive, diagnostic and chronic care. AHA supports your efforts to help more low-income families to get the health care coverage they need and deserve. We thank you for your leadership and we look forward to working with you to advance the Family Care Act of 2001.

Sincerely,

RICK POLLACK,
Executive Vice President.

NATIONAL ASSOCIATION OF CHILDREN'S HOSPITALS,
Alexandria, VA, July 24, 2001.

Hon. EDWARD KENNEDY,
Hon. OLYMPIA SNOWE,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY AND SENATOR SNOWE: On behalf of the National Association of Children's Hospitals (N.A.C.H.), which represents over 100 children's hospitals nationwide, I want to express our strong support for your introduction of the ''FamilyCare Act of 2001.''

As providers of care to all children, regardless of their economic status, children's hospitals devote more than 40% of their patient care to children who rely on Medicaid or are uninsured, and more than three-fourths of their patient-care to children with chronic and congenital conditions. These hospitals have extensive experience in assisting families to enroll eligible children in Medicaid and SCHIP. They are keenly aware of the importance of addressing the challenges that states face in enrolling this often hard to reach population of eligible children.

In particular, N.A.C.H. appreciates your efforts to simplify and coordinate the application process for SCHIP and Medicaid, as well as to provide new tools for states to use in identifying and enrolling families. We strongly support your provision guaranteeing continuous 12-month eligibility for children and parents, which will address one major problem in assuring coverage for eligible children.

N.A.C.H. also applauds your provisions that continue children's coverage as the first priority of the SCHIP program, including (1) requiring states to first cover children up to 200% of poverty and eliminating waiting lists in the SCHIP program before covering parents, and (2) requiring every child who loses coverage under Medicaid or SCHIP to be automatically screened for other avenues of eligibility and if found eligible, enrolled immediately in that program.

N.A.C.H. further supports your legislation's provision to give states additional flexibility under SCHIP and Medicaid to cover legal immigrant children. In states with high proportions of uninsured children, such as California, Texas and Florida, the federal government's bar on coverage of legal immigrant children helps contribute to

the fact that Hispanic children represent the highest rate of uninsured children of all major racial and ethnic minority groups. Your provision to ensure coverage of legal immigrant children would be extremely useful in improving this situation.

N.A.C.H. greatly appreciates your efforts to provide all children with the best possible chance at starting out and staying healthy. We welcome and look forward to working with you to pass the ''FamilyCare Act of 2001.''

Sincerely,

LAWRENCE A. MCANDREWS,
President and CEO.

MARCH OF DIMES,
Washington, DC, July 24, 2001.

Hon. EDWARD KENNEDY,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: On behalf of more than 3 million volunteers and 1600 staff members of the March of Dimes, I want to commend you for introducing the ''Family Care Act of 2001.'' The March of Dimes is committed to increasing access to appropriate and affordable health care for women, infants and children and supports the targeted approach to expanding the State Children's Health Insurance Program contained in the Family Care proposal.

The ''Family Care Act of 2001'' contains a number of beneficial provisions that would expand and improve SCHIP. The March of Dimes strongly supports giving states the option to cover low-income pregnant women in Medicaid and SCHIP programs with an enhanced matching rate. We understand that Family Care would allow states to cover uninsured parents of children enrolled in Medicaid and SCHIP as well as uninsured first-time pregnant women. SCHIP is the only major federally-funded program that denies coverage to pregnant women while providing coverage to their infants and children. We know prenatal care improves birth outcomes. Expanding health insurance coverage for low-income pregnant women has bipartisan support in both the House and Senate.

The March of Dimes also supports Family Care provisions to require automatic enrollment of children born to SCHIP parents; automatic screening of every child who loses coverage under Medicaid or SCHIP to determine eligibility for other health programs; and distribution of information on the availability of Medicaid and SCHIP through the school lunch program. The March of Dimes also supports giving states the option to provide Medicaid and SCHIP benefits to children and pregnant women who arrived legally to the United States after August 23, 1996, and to people ages 19 and 20. The National Governors Association recently endorsed this proposal as part of its legislation policy platform.

Finally, we commend you for raising issues such as the elimination of assets tests in Medicaid and CHIP for parents and children as well as providing for guaranteed continuous 12-month eligibility for parents and children enrolled in Medicaid and CHIP. While controversial, we hope states would voluntarily adopt these provisions which would provide the kind of continuity that is so important for keeping families insured.

We thank you for your leadership in introducing the ''Family Care Act of 2001'' and are eager to work with you to achieve approval of this much needed legislation.

Sincerely,

ANNA ELEANOR ROOSEVELT,
Vice Chair, Board of Trustees; Chair, National Public Affairs Committee.

Dr. JENNIFER L. HOWSE,
President.

THE CATHOLIC HEALTH ASSOCIATION,
Washington, DC, July 24, 2001.

Hon. EDWARD M. KENNEDY,
Russell Senate Office Building,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: On behalf of the Catholic Health Association of the United States (CHA), the national leadership organization of more than 2,000 Catholic healthcare sponsors, systems, facilities, and related organizations, I write to thank you for your efforts to expand health coverage for uninsured low-income families. CHA shares your commitment to the goal of accessible and affordable care for all, and we strongly support the ''Family Care Act of 2001'' as an important step toward that goal.

The ''Family Care Act of 2001'' would allow states to extend Medicaid and State Children's Health Insurance Program (SCHIP) coverage to parents of children already eligible for these programs. Most of these individuals are working but do not have incomes sufficient to afford the high cost of private insurance. Family Care is a cost-effective way to address this problem. Not only would it reduce the number of uninsured parents but it would also improve enrollment of uninsured low-income children in Medicaid and SCHIP at a time when more than 10 million children still do not have health coverage. While a number of states have already initiated efforts to expand SCHIP to parents and to eliminate enrollment barriers, much more needs to be done. Moreover, the additional funding called for in your bill is essential if states are to proceed with the assurance of federal support for their coverage expansion efforts.

We are also pleased that your bill would address gaps in Medicaid and SCHIP coverage for pregnant women and legal immigrants.

Catholic hospitals and healthcare systems provide inpatient and outpatient care in 48 states and more than 360 local areas. Every day we see the impact that lack of health insurance has on families' access to coordinated and high-quality health care. With a substantial federal surplus, Congress and the administration simply must make addressing this problem a national priority. We applaud your leadership in introducing the ''Family Care Act of 2001'' and look forward to working with you and your colleagues to advance this important bill.

Sincerely,

Rev. MICHAEL D. PLACE, STD,
President and CEO.

CHILDRENS DEFENSE FUND,
Washington, DC, July 24, 2001.

Hon. EDWARD M. KENNEDY,
U.S. Senate, Russell Senate Office Building,
Washington, DC.

DEAR SENATOR KENNEDY: We are taking this opportunity to thank you for your work on the FamilyCare Act and your intention to introduce the bill in the current Congress. This proposal has the strong support of the Children's Defense Fund because it provides and strengthens health care coverage for uninsured children and their parents. Building on the successes of Medicaid and the Children's Health Insurance Program (CHIP), this legislation will increase coverage for uninsured children, provide funding for health insurance coverage for the uninsured parents of Medicaid and CHIP-eligible children, and simplify the enrollment process for Medicaid and CHIP to make the programs more family friendly.

We look forward to working with you for passage of the FamilyCare Act by the Congress.

Sincerely,

GREGG, HAIFLEY,
Deputy Director Health Division.

By Mr. KENNEDY:

S. 1247. A bill to establish a grant program to promote emotional and social development and school readiness; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, I am proud to introduce the Foundations for Learning Act. I want to thank my son, PATRICK for his leadership in developing this legislation. This bill is an extremely important piece of legislation that addresses the whole child's early development.

There is no question that healthy emotional and social development are critical to school success. The development of curiosity, self-direction, the ability to cooperate with peers and to exhibit self-control are essential before a child can be ready to learn. Children whose lives are threatened by socioeconomic disadvantage, violence, family disruption and diagnosed disabilities are at a severe disadvantage in the classroom. There is no question these children cannot perform at their highest academic potential.

While we are all concerned about reading readiness and children's readiness to learn, we cannot ignore the underlying factors that enable them to learn. We know that children cannot learn when they are hungry or sleepy, but rarely do we stop to think about their emotional ability to learn. Children who are angry, afraid or cannot control their own emotions, or have no sense of self-direction, and ability to resolve conflicts with peers are not ready to learn either.

Last month, a national study reported that children who receive more than 30 hours per week of non-parental child care exhibit higher levels of aggressive behavior than those who spend less than 10 hours per week in comparable settings. The study called national attention to the quality of child care that parents entrust the care of their young children to. It also rekindled the Nation's interest in the early years and how these years contribute to a young children's development. As we debate investments in early care and education, we must not underestimate the need to look at the social and emotional readiness of the child that leads to later academic readiness.

Studies are showing that increasing numbers of children are unprepared to cope with the demand of school, not because they lack the academic tools, but because they lack the social skills and emotional self-regulation necessary to succeed. In a survey of kindergarten teachers, 46 percent said that at least half of their class had difficulty following directions, 34 percent reported half of the class or more had difficulty working as part of a group, and 20 percent said at least half of the class had

problems with social skills. Is it a surprise that children who cannot follow simple directions and get along with their peers cannot learn to read?

According to the latest data, 61 percent of children under age 4 are in regularly scheduled child care. With such a high percentage of our youngest children in child care and with such certainty as we have that early care and education has a long-lasting if not permanent impact on an individual's social and academic development, we cannot deny the necessity of ensuring that those providers are equipped to work with all of our children including those with emotional and behavioral problems.

Neither can we deny that the most important relationship in a child's life is the one with his or her parents. It is absolutely essential to the child's future success that the parent-child relationship be as healthy as possible. Without a close, dependable relationship with a healthy and responsible adult, a child's potential for growth could be severely and permanently impaired. We must provide high quality education and support not only for children but also for their parents.

The goal of this legislation is to enable all children to enter school ready to learn by focusing on the social and emotional development of children ages 0–5. The bill would accomplish this by: providing family support initiatives such as parent training and home visitation to provide intensive early interventions to families of at-risk children; providing consultations and professional development opportunities for child care workers and hiring of behavioral specialists by early childhood service providers and the development of curriculum for use in early childhood settings; providing early intervention services to at-risk children to promote their emotional and social development; and by developing community resources and linkages between early childhood service providers to enhance the quality of services to children.

This bill will help communities lay the foundation for school readiness by providing funding to integrate emotional and social development support services into early childhood programs and strengthening the capacity of parents to constructively manage behavior problems.

Study after study had shown that intervention can work to increase the quality of early care and educational experiences that children receive. Study after study has shown that financial resources are essential to improving quality of early care and education. Study after study has shown that investments in young children can save costs of adolescents' incarceration tomorrow. Investing in young children is well worth the investment. If we're serious about adequately preparing our children for school and for life, we must provide communities, families, child care providers with the necessary resources to support the development of a healthy whole child.

I hope that my colleagues will join me in supporting and pushing this important legislation.

By Mr. KERRY (for himself, Mr. CHAFEE, Mr. REED, Mr. JEFFORDS, Mr. SARBANES, Mr. LEAHY, Mr. WELLSTONE, Mr. DAYTON, Mrs. FEINSTEIN, Mr. LEVIN, Mr. SCHUMER, Mr. DURBIN, Ms. STABENOW, Mrs. BOXER, Mr. KENNEDY, Mr. CORZINE, and Mr. DODD):

S. 1248. A bill to establish a National Housing Trust Fund in the Treasury of the United States to provide for the development of decent, safe, and affordable, housing for low-income families, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Mr. KERRY. Mr. President, our Nation is facing an affordable housing crisis. Recent changes in the housing market have limited the availability of affordable housing across the country while the growth in our economy in the last decade has dramatically increased the cost of housing that remains. That is why, along with sixteen cosponsors, I am proposing to address the severe shortage of affordable housing by introducing legislation that will establish a National Affordable Housing Trust Fund.

The Affordable Housing Trust Fund that is established in this legislation would create an affordable housing production program, ensuring that new rental units are built for those who most need assistance extremely low-income families, including working families. The goal is to create long-term affordable, mixed-income developments in areas with the greatest opportunities for low-income families. Seventy-five percent of Trust Fund assistance will be given out, based on need, through matching grants to states. The States will allocate funds on a competitive basis to projects that meet Federal requirements, such as mixed-income projects and long-term affordability, and to address local needs. The remainder of the funding will be competitively awarded by the Department of Housing and Urban Development, HUD, to intermediaries such as the Enterprise Foundation, which will be required to leverage private funds. A portion of the Trust Fund will be used to promote home ownership activities for low-income Americans.

Funding for the Trust Fund would be drawn from excess revenue generated by the Federal Housing Administration and Government National Mortgage Administration beyond the amounts necessary to ensure their safety and soundness. These Federal housing programs generate billions of dollars in excess income, which currently go to the general Treasury for use on other Federal priorities. It is time to stop taking housing money out of housing programs. These excess funds should be used to help alleviate the current housing crisis. According to current projections, approximately $5.7 billion will be available for the Trust Fund in the first year and $2 billion will be available each year thereafter.

The need for affordable housing is great. While many Americans have benefitted from the growing economy over the past decade, it has also fueled a dramatic increase in the cost of housing. Many working families have been unable to keep up with these increases. HUD estimates that more than five million American households have what is considered ''worst case'' housing needs. Many of these families are spending more than half their income for housing or are living in severely substandard housing. Since 1990, the number of families who have ''worst case'' housing needs has increased by 12 percent, that's 600,000 more American families that cannot afford a decent and safe place to live. Recent growth in our economy also has squeezed many working families out of tight housing markets across the country. On average, a person needs to earn more than $11 per hour just to afford the median rent on a two-bedroom apartment in the United States. There is not one metropolitan area in the country where a minimum wage earner can afford to pay the rent for a two-bedroom apartment. This hourly figure is dramatically higher in many metropolitan areas, an hourly wage of $22 is needed in San Francisco; $21 on Long Island; $17 in Boston; $16 in the D.C. area; $14 in Seattle and Chicago; and, $13 in Atlanta.

Mikala Bembery is a single mother with two boys who now lives in Framingham, MA. Her family's housing story is not unique for many low-and moderate income families in Massachusetts and across the nation. In 1995, Mikala lost her full-time job and could not make the rent on the fair market apartment in which she and her children lived. While she quickly got a part-time job, for the next two years, the Bembery family was forced to live with friends or in rooming houses because they did not initially qualify for either a shelter or a Federal Section 8 subsidy. Finally, after appealing HUD's decision and months of delay, Mikala was given a Section 8 voucher for her family. You would think that obtaining a Section 8 voucher would allow the Bembery family to find affordable housing. However, because there is a dramatic shortage of affordable housing in Massachusetts, it took several months of searching to find a new apartment for her family. Every available apartment was viewed by hundreds of people and landlords were able to pick and choose whom they wanted. Because of Mikala's strong work history, she and her family were finally able to move into a new apartment two years after she lost her full time job. Although, Mikala kept working and her children stayed in school throughout their ordeal, this family is still struggling to rebuild their lives.

Working families in this country are increasingly finding themselves unable to afford housing. A person trying to live in Boston would have to make more than $35,000, annually, just to afford a 2-bedroom apartment. This means teachers, janitors, social workers, police officers and other full time workers may have trouble affording even a modest 2-bedroom apartment.

At the same time, there has been a tremendous decline in the available stock of affordable housing. Between 1993 and 1995, there was a 900,000 decline in the number of affordable rental units available to very low-income families. From 1996 to 1998, there was another 19 percent decline in the number of affordable housing units. This amounted to a dramatic reduction of 1.3 million affordable housing units available to low-income Americans. Making matters worse, many current affordable housing providers are deciding to opt-out of their Section 8 contracts or are prepaying their HUD-insured mortgages. These decisions have limited further the availability of affordable housing across the country. Many more providers will be able to opt-out of their Section 8 contracts in the next few years, further limiting the availability of affordable housing in our nation. This decline has already forced many working families eligible for Section 8 vouchers in Boston, Massachusetts to live outside the City there is no affordable housing available.

The loss of affordable housing has exacerbated the housing crisis in this country, and the Federal Government must take action. We have the resources, yet we are not devoting these resources to fix the problem. Despite the fact that more families are unable to afford housing, we have decreased federal spending on critical housing programs over time. Between 1978 and 1995, the number of households receiving housing assistance was increased by almost three million. From 1978 through 1984, we provided an additional 230,000 families with housing assistance each year. This number dropped significantly to 126,000 additional households each year from 1985 through 1995.

In 1996, this Nation's housing policy went all the way back to square one—not only was there no increase in families receiving housing assistance, but the number of assisted units actually decreased. From 1996 to 1998, the number of HUD assisted households dropped by 51,000.

During this time of rising rents, increased housing costs, and the loss of affordable housing units, it is incomprehensible that we are not doing more to increase the amount of housing assistance available to working families. Unfortunately, President Bush and Republicans in the Congress have again failed to assist working families in obtaining decent affordable housing. From fiscal year 1995 to fiscal year 1999, Republicans in control of the Congress diverted or rescinded more than $20 billion from federal housing programs for other uses.

This year, many Republicans in the Congress and the Bush Administration have supported more than $2 billion in additional cuts for the Department of Housing and Urban Development budget. These cuts include terminating the Drug Elimination Program, reducing funding for the Community Development Block Grant, and funds incremental Section 8 vouchers for 53,500 fewer families. Thankfully, under the leadership of the Democrats in the Senate and Chairman BARBARA MIKULSKI, the worst of these cuts have been restored in the Senate FY 2002 VA–HUD and Independent Agencies Appropriations bill. Nevertheless, we still have much more work to do. The Commonwealth of Massachusetts is expected to receive a reduction in federal assistance at a time when my State has the greatest need. The future is even bleaker. These reductions at HUD follow the enactment of a tax plan that will make it almost impossible for any significant increases in the HUD's budget over the next decade. We need to bring housing resources back up to where they belong and the National Affordable Housing Trust Fund will provide desperately needed funds to begin production of affordable housing in the United States. Enacting the Housing Trust Fund legislation is an important step in the right direction to add resources to housing and to help begin producing housing again.

We can no longer ignore the lack of affordable housing, and the impact it is having on families and children around the country. It is not clear to me why this lack of housing has not caused more uproar. How many families need to be pushed out of their homes and into the streets, before action is taken. I believe it is time for our Nation to take a new path, one that ensures that every American, especially our children, has the opportunity to live in decent and safe housing. Everyone knows that decent housing, along with neighborhood and living environment, play enormous roles in shaping young lives. Federal housing assistance, has benefitted millions of low-income children across the nation and has helped in developing stable home environments. However, too many children currently live in families that have substandard housing or are homeless. These children are less likely to do well in school and less likely to be productive citizens. Because of the positive affect that this legislation would have on America's children, the Trust Fund was included in the Act to Leave No Child Behind, a comprehensive proposal by the Children's Defense Fund to assist in the development of our Nation's children.

I also believe that our Nation deserves a program that would assist in maintaining the affordable housing stock that already exists. I am working with Senator JAMES JEFFORDS in developing legislation to help preserve our affordable housing stock. It is my hope that this legislation will be taken up and passed this Congress so that we can avoid losing any more affordable units. However, we must also focus on producing additional housing, which is exactly what this Housing Trust Fund will do.

I urge you to support this legislation which restores our commitment to providing affordable housing for all families. We can no longer turn our backs on those families who struggle every day just to put a roof over their heads.

Mr. LEAHY. Mr. President, I rise today in support of the National Affordable Housing Trust Fund Act of 2001. This is an important piece of legislation that will help address the lack of affordable housing available in our Nation today.

For far too long we have neglected our Nation's stock of affordable housing, allowing too many properties to fall by the wayside. Between 1995 to 1997 the nation lost 370,000 affordable rental units, nearly 5 percent of the housing available to low-income families. These homes were lost to deterioration, demolition, or simply because landlords opted out of Federal programs in order to secure more lucrative rents.

Unfortunately these units were not replaced at a pace adequate enough to address the need. Our most vulnerable populations, the low-income, the elderly, and working families, have been left with the difficult task of finding an apartment or a house that they can afford. Roughly five million households in the United States have ''worst case'' housing needs. These families are spending over 50 percent of their incomes on rent alone, leaving precious little to put groceries on the table, gas in their cars, or buy clothes for their kids.

In my home State of Vermont, the situation is no different. Production of new housing has stalled, prices for rental units have dramatically increased, and rental vacancy rates are at an all time low. The competition for housing, any housing at all, is so great that many low and middle-income families must stay in hotels, school dorms, and homeless shelters until they can find a permanent place. This results in a huge personal and emotional loss to the families and drives up the needs for additional State and Federal social services dollars to help these people in their time of crisis.

For those fortunate enough to find an apartment available for rent, few are able to afford the rent that the market demands. It is estimated that the average person would have to earn over $11 dollars per hour to afford a two bedroom apartment at the Fair Market Rent.

While Vermont has a dedicated community of State officials, no profit organizations, advocates and affordable housing developers working to ensure

the housing needs of our State's population are met, the resources are simply not available to construct the number of units necessary to alleviate the problem. As a result the number of homeless families in the state are rising.

In Chittenden County, Vermont's most populous region, the number of families seeking services from homeless shelters has risen 400 percent in three years, over half of these families are working families, unable to afford a place to live even while holding down a job. This is a trend we see spreading throughout the state. We cannot allow this to continue.

The creation of a National Affordable Housing Trust Fund will go a long way to help address this situation. By harnessing revenues generated by other Federal housing programs, States, communities and non-profit organizations, will be able to leverage local funds for new housing construction in the most needy areas.

I cannot think of a time in recent history when it has been more important to reaffirm the federal government's commitment to the housing needs of this country, and I am proud to rise as a cosponsor of this bill. There is a long road ahead of us in our endeavor to create a National Affordable Housing Trust Fund, and I look forward to working with my colleagues to ensure that the final product is fair and equitable to all regions of the country, including rural and small states.

I urge my colleagues to join me in support of this legislation.

By Mr. WELLSTONE (for himself, Mrs. MURRAY, Mr. SCHUMER, Mr. DODD, Mr. DAYTON, Mrs. CLINTON, and Mr. INOUYE):

S. 1249. A bill to promote the economic security and safety of victims of domestic and sexual violence, and for other purposes; to the Committee on Finance.

Mr. WELLSTONE. Mr. President, along with my colleagues, Senators MURRAY, SCHUMER, DODD, DAYTON, CLINTON and INOUYE, I am introducing legislation that if adopted would have a most profound and even life-saving effect on people who are victims of domestic and sexual violence and their families. It is called the Victims' Economic Security and Safety Act. Similar to the Battered Women's Economic Security and Safety Act, which I introduced last session, the legislation acknowledges that the impact of domestic and sexual violence extends far beyond the moment the abuse occurs. It strikes at the heart of victims' and their families' economic self sufficiency. As a result, many victims are unable to provide for their own or their children's safety. Too often they are forced to choose between protecting themselves from abuse and keeping a roof over their head. This is a choice that no mother should have to make. Nor should any person face the double tragedy of first being abused and then losing a job, health insurance or any other means of self sufficiency because they were abused.

In response to this cycle of violence and dependence, and in response to domestic and sexual violence's devastating impact on a victim's financial independence, this legislation would help to ensure the economic security of victims of domestic violence, sexual assault and stalking so they are better able to provide permanent safety for themselves and their children and so they are not forced, because of economic dependence, to stay in an abusive relationship. In the fight against violence against women, and after the passage of the Violence Against Women Act of 2000, this legislation is a next, critical step.

The link between poverty and domestic and sexual abuse is clear. For example, according to the United States Conference of Mayors, domestic violence is the fourth leading cause of homelessness. A 2000 study conducted by the Manpower Research and Development Corporation of Minnesota's welfare program, the Minnesota Family Investment Program, showed that 49 percent of single-parent long term recipients were in abusive relationships while they were receiving or had recently been receiving MFIP benefits. A 1998 GAO study found that when compared with women who report never experiencing abuse, women who report having been abused experience more spells of unemployment; greater job turnover; and significantly higher rates of receipt of welfare, Medicaid and food stamps.

Economic dependence is a clear reason people who are in abusive relationships may return to abusers or even may not be able to leave abusive situations in the first place. Abusers will go to great lengths to sabotage their partner's ability to have a job or get an education so that their partners will remain dependent on them. If we want battered women and victims of sexual violence to be able to escape the dangerous, often life-threatening situations in which they are trapped, they need the economic means to do so. Yet, victims of domestic and sexual violence face very serious challenges to self-sufficiency every day.

Multiple studies of domestic violence victims who were working while being abused found that as many as 60 percent of respondents said they had been reprimanded at work for behaviors related to the abuse, such as being late to work, and as many as 52 percent said they had lost their jobs because of the abuse. Almost 50 percent of sexual assault survivors reported they had lost their jobs or were forced to quit in the aftermath of the assaults. A study from the National WorkPlace Resource Center on Domestic Violence found that abusive husbands and partners harass 74 percent of employed battered women at work.

The effects of this are felt not only by the victims of such abuse and their families, but also by employers and the nation as a whole. From the perspective of employers, a 1999 CNN report found that 37 percent of domestic violence victims said that domestic violence impacted their ability to do their job and 24 percent said it caused them to be late from work. A survey of employers confirmed this—49 percent of corporate executives said that domestic violence harmed their company's productivity. The Bureau of National Affairs has estimated that domestic violence costs employers between $3 billion and $5 billion in lost time and productivity each year. Ninety-four percent of corporate security and safety directors at companies nationwide rank domestic violence as a high security concern, and homicide continues to be the leading cause of death of women in the workplace. The United States Department of Labor, in 2000 reported that Domestic Violence accounted for 27 percent of all incidents of workplace violence.

More generally, prior to 1994, the Congress gathered years of testimony and evidence as to the negative impact of gender violence in the national economy and found that gender violence costs the economy $10 billion per year.

Victims need to be able to deal with these problems without fear of being fired and without fear of losing their livelihoods and their children's livelihoods. Corporations, too, need to be able to ensure their employee's safety and productivity. That is the goal of this legislation. VESSA would help break down the economic barriers that prevent victims from leaving their batterer or abuser, protect victims from violence in the workplace and mitigate the negative economic effects of violence on employers and on the national economy.

The bill would provide emergency leave for employees who need to address the effects of domestic and sexual assault. That way, if a victim had to go to court to get a restraining order or leave work to find shelter, the victim could take limited leave without facing the prospect of being fired, demoted or financially penalized.

The bill would also extend unemployment compensation to people who are forced to leave their job to provide for their safety or their children's safety. As mentioned above, homicide is the leading cause of death for women in the workplace, 15 percent of these deaths are due to domestic violence, 11 percent of all rapes occur at the workplace. These grim statistics do not begin to address the many women that are physically injured or otherwise harassed at work each day. Often, the only way to escape that kind of brutal stalking is for a victim to leave her job so she can relocate to a safer place. In circumstances in which a victim is forced to leave a job to ensure her own safety, unemployment compensation should be available to her, so that she does not have to make the terrible choice of risking her safety to ensure her livelihood.

Further, VESSA would prohibit discrimination in employment against victims because of domestic and sexual assault. Victims should not be fired or passed over for promotions for reasons beyond their control. Maintaining a victim's dependence is the insidious goal of an abuser. The abuser must never be rewarded for his crime and a victim should never face severe punishment because of being abused.

The bill would also prohibit insurance providers from discriminating against such victims because of a history of domestic and sexual assault. Such discrimination only forces people to lie about their victimization and avoid medical treatment until it is too late. It punishes victims for a perpetrator's crime.

Finally, the bill recognizes the positive role that companies can play in helping victims of domestic and sexual violence at the same time that they can increase their own productivity. It would provide a tax credit to businesses that implement workplace safety and education programs to combat violence against women.

For women attempting to escape a violent environment, this legislation could be a lifeline. I urge that all my colleagues support it so that we can help ensure that no more women are forced to trade their family's personal safety for their economic livelihood. I urge that my colleagues support it so that no more women have to face the double violation of first being assaulted and second losing their job or their self-sufficiency because of it. In what seems to many like a hopeless situation, we can take very strong actions to improve the safety and the lives of the millions of victims of domestic and sexual violence. The cycle too many people face can end. Today we have the opportunity not just to help victims escape violence, but also to provide for so many people a light at the end of a very dark tunnel. Today we can give victims hope that they will not only survive, but that they will be able to maintain or regain their independence and have a safe, happy and productive future. I urge my colleagues to join me in support of this bill and to cosponsor this bill.

Mrs. MURRAY. Mr. President, I am proud to join with my colleagues, Senators WELLSTONE and SCHUMER, to introduce the Victims Economic Safety and Security Act, VESSA. VESSA will help our country take the next step forward to protest victims of domestic violence. In 1994, our country took a dramatic step forward by passing the historic Violence Against Women Act, VAWA. This landmark legislation brought together social service providers, victim advocates, law enforcement, and the courts to respond to the immediate threat of violence. VAWA has been a success in meeting the immediate challenges. But there is still work to be done.

Between 1993 and 1998 the average annual number of physical attacks on intimate partners was 1,082,110. Eighty-seven percent of these were committed against women. According to recent government estimates, more than 900,000 women are raped every year in the United States. Women who are victims of abuse are especially vulnerable to changes in employment, pay, and benefits. Because of these factors they need legal protection.

Today, it's time to take the next step. Our bill will protect victims who are forced to flee their jobs. Today a woman can receive unemployment compensation if she leaves her job because her husband must relocate. But if that same woman must leave her job because she's fleeing abuse, she can't receive unemployment compensation. That's wrong, and our bill will protect those victims.

Our bill will also protect victims by allowing them unpaid time to get the help they need. Today, a woman can use the Family Medical Leave Act, FMLA, to care for a sick or injured spouse. But a woman cannot use FMLA leave to go to court to stop abuse. Our bill will correct these fatal flaws.

Finally, our bill will protect victims of domestic violence from insurance discrimination. Insurance companies have classified domestic violence as a high risk behavior. That punishes women who are victims. Once again, women must sacrifice their economic safety net if they choose to come forward and seek help from violence. Title IV of VESSA would prohibit discrimination in all lines of insurance against victims of domestic violence, stalking and sexual assault.

I am proud of the guidance we've received from advocates in crafting this legislation. I want to thank them for their efforts and their commitment to breaking the cycle of violence. I want to particularly acknowledge the efforts of the advocates in Washington State who have provided invaluable input in drafting this legislation. Without the grassroots support for our communities, we couldn't have passed VAWA in the first place. Their support and leadership will help us take this critical next step in passing VESSA.

AMENDMENTS SUBMITTED AND PROPOSED

SA 1063. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

SA 1064. Mr. GRAHAM proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) supra.

SA 1065. Mr. GRAMM (for himself, Mr. MCCAIN, and Mr. DOMENICI) proposed an amendment to amendment SA 1030 submitted by Mrs. MURRAY and intended to be proposed to the amendment SA 1025 proposed by Mrs. MURRAY to the bill (H.R. 2299) supra.

SA 1066. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1067. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1068. Mr. LOTT submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1069. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1070. Mr. CRAPO (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1071. Mr. FITZGERALD (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1072. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1073. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1074. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1075. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1076. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1077. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1078. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1079. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1080. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1081. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1082. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1083. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1084. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1085. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1086. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1087. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1088. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1089. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1090. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1091. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1092. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1093. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1094. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1095. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1096. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1097. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1098. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1099. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1100. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1101. Mr. MCCAIN submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1102. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1103. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1104. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1105. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1106. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1107. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1108. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1109. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1110. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1111. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1112. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1113. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1114. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1115. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1116. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1117. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1118. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1119. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1120. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1121. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1122. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1123. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1124. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1125. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1126. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1127. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1128. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1129. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1130. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1131. Ms. COLLINS (for herself, Ms. SNOWE, Mr. SCHUMER, Mr. BAUCUS, Mr. BINGAMAN, Mr. INHOFE, Mrs. CLINTON, Mr. BURNS, Mr. BROWNBACK, Mr. AKAKA, Mr. JEFFORDS, and Mr. NELSON, of Nebraska) submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1132. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1133. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1134. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1135. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1136. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1137. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1138. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1139. Mr. GRAMM (for himself, Mr. MCCAIN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1140. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1141. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1142. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1143. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1144. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1145. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1146. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1147. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1148. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1149. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1150. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1151. Mr. GRAHAM (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1152. Mr. ALLARD (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1153. Mr. BAYH (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill H.R. 2299, supra; which was ordered to lie on the table.

SA 1154. Mr. MURKOWSKI proposed an amendment to the bill S. 1218, to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006.

SA 1155. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill S. 723, to amend the Public Health Service Act to provide for human embryonic stem cell generation and research; which was referred to the Committee on Health, Education, Labor, and Pensions.

SA 1156. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill S. 723, supra; which was referred to the Committee on Health, Education, Labor, and Pensions.

SA 1157. Mr. SMITH, of New Hampshire (for himself, Mr. HARKIN, and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 2500, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 1063. Mr. KERRY submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 19, strike the end period and insert a semicolon.

On page 78, between lines 19 and 20, insert the following:

(3) the Administrator of the Environmental Protection Agency, in coordination with the Secretary of Transportation and in consultation with State agencies charged with developing and implementing State implementation plans, provides to Congress an evaluation of the impacts of implementing the cross-border trucking provisions of the North American Free Trade Agreement on public health, welfare, and the environment, including—

(A) attainment and maintenance of the national primary and secondary ambient air quality standards for any air pollutant under section 109 of the Clean Air Act (42 U.S.C. 7409); and

(B) emissions of toxic air pollutants; and

(4) if the Administrator of the Environmental Protection Agency finds, after considering the results of the study required by this subsection, that regulation of cross-border trucking is necessary to prevent adverse effects on public health, welfare, and the environment (including attainment of national ambient air quality standards), the Administrator, in consultation with the Secretary of Transportation and the United States Trade Representative, shall develop and implement appropriate and necessary regulations, consistent with the obligations specified under the North American Free Trade Agreement, to prevent the adverse effects, and provide to Congress necessary and appropriate legislative proposals, consistent with the obligations specified under the North American Free Trade Agreement, to prevent the adverse effects.

SA 1064. Mr. GRAHAM proposed an amendment to amendment SA 1025 submitted by Mrs. MURRAY and intended to be proposed to the bill (H.R. 2299) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

On page 17, line 11, insert after ''projects'' the following: ''that are designed to achieve the goals and purposes set forth in section 5203 of the Intelligent Transportation Systems Act of 1998 (subtitle C of title V of Public Law 105–178; 112 Stat. 453; 23 U.S.C. 502 note)''.

SA 1065. Mr. GRAMM (for himself, Mr. MCCAIN, and Mr. DOMENICI) proposed an amendment to amendment SA 1030 submitted by Mrs. MURRAY and intended to be proposed to the amendment SA 1025 proposed by Mrs. MURRAY to the bill (H.R. 2299) making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; as follows:

At the end of the amendment, insert the following: ''*Provided,* That notwithstanding any other provision of this section, and consistent with United States obligations under the North American Free Trade Agreement, nothing in this section shall be applied so as to discriminate against Mexico by imposing any requirements on a Mexican motor carrier that seeks to operate in the United States that do not exist with regard to United States and Canadian motor carriers, in recognition of the fact that the North American Free Trade Agreement is an agreement among three free and equal nations, each of which has recognized rights and obligations under that trade agreement.''.

SA 1066. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 39 line 24, strike the period and insert ''; and

''$2,000,000 for San Bernardino, California Metrolink project.''.

SA 1067. Mrs. FEINSTEIN submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 33, line 14, insert before the semicolon '', including $350,000 for Alameda Contra Costa Transit District, buses and bus facility''.

SA 1068. Mr. LOTT submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 16, line 10, after ''Code:'', insert the following: ''$5,000,000 shall be available to the State of Mississippi for construction of facilities to house the Center for Advanced Vehicular Systems and Engineering Extension Facility, to remain available until expended;''.

SA 1069. Mr. VOINOVICH submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. PROTECT SOCIAL SECURITY SURPLUSES ACT OF 2001.

(a) SHORT TITLE.—This section may be cited as the ''Protect Social Security Surpluses Act of 2001''.

(b) REVISION OF ENFORCING DEFICIT TARGETS.—Section 253 of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 903) is amended—

(1) by striking subsection (b) and inserting the following:

''(b) EXCESS DEFICIT; MARGIN.—The excess deficit is, if greater than zero, the estimated deficit for the budget year, minus the margin for that year. In this subsection, the margin for each fiscal year is 0.5 percent of estimated total outlays for that fiscal year.'';

(2) by striking subsection (c) and inserting the following:

''(c) ELIMINATING EXCESS DEFICIT.—Each non-exempt account shall be reduced by a dollar amount calculated by multiplying the baseline level of sequesterable budgetary resources in that account at that time by the uniform percentage necessary to eliminate an excess deficit.''; and

(3) by striking subsections (g) and (h).

(c) MEDICARE EXEMPT.—The Balanced Budget and Emergency Deficit Control Act of 1985 is amended—

(1) in section 253(e)(3)(A), by striking clause (i); and

(2) in section 256, by striking subsection (d).

(d) ECONOMIC AND TECHNICAL ASSUMPTIONS.—Notwithstanding section 254(j) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 904(j)), the Office of Management and Budget shall use the economic and technical assumptions underlying the report issued pursuant to section 1106 of title 31, United States Code, for purposes of determining the excess deficit under section 253(b) of the Balanced Budget and Emergency Deficit Control Act of 1985, as added by subsection (b).

(e) APPLICATION OF SEQUESTRATION TO BUDGET ACCOUNTS.—Section 256(k) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 906(k)) is amended by—

(1) striking paragraph (2); and

(2) redesignating paragraphs (3) through (6) as paragraphs (2) through (5), respectively.

(f) STRENGTHENING SOCIAL SECURITY POINTS OF ORDER.—

(1) IN GENERAL.—Section 312 of the Congressional Budget Act of 1974 (2 U.S.C. 643) is amended by inserting at the end the following:

''(g) STRENGTHENING SOCIAL SECURITY POINT OF ORDER.—It shall not be in order in the House of Representatives or the Senate to consider a concurrent resolution on the budget (or any amendment thereto or conference report thereon) or any bill, joint resolution, amendment, motion, or conference report that would violate or amend section 13301 of the Budget Enforcement Act of 1990.''.

(2) SUPER MAJORITY REQUIREMENT.—

(A) POINT OF ORDER.—Section 904(c)(1) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

(B) WAIVER.—Section 904(d)(2) of the Congressional Budget Act of 1974 is amended by inserting ''312(g),'' after ''310(d)(2),''.

(3) ENFORCEMENT IN EACH FISCAL YEAR.—The Congressional Budget Act of 1974 is amended in—

(A) section 301(a)(7) (2 U.S.C. 632(a)(7)), by striking ''for the fiscal year'' through the period and inserting ''for each fiscal year covered by the resolution''; and

(B) section 311(a)(3) (2 U.S.C. 642(a)(3)), by striking beginning with ''for the first fiscal year'' through the period and insert the following: ''for any of the fiscal years covered by the concurrent resolution.''.

(g) EFFECTIVE DATE.—This section and the amendments made by this section shall apply to fiscal years 2002 through 2006.

SA 1070. Mr. CRAPO (for himself and Mr. CRAIG) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 81, between lines 13 and 14, insert the following:

SEC. 350. (a) IN GENERAL.—Section 47109 of title 49, United States Code, is amended by redesignating subsection (c) as subsection (d) and inserting after subsection (b) the following:

''(c) GRANDFATHER RULE.—

''(1) IN GENERAL.—In the case of any project approved after September 30, 2001, at an airport that has less than .25 percent of the total number of passenger boardings at all commercial service airports, and that is located in a State containing unappropriated and unreserved public lands and nontaxable Indian lands (individual and tribal) of more than 5 percent of the total area of all lands in the State, the Government's share of allowable costs of the project shall be increased by the same ratio as the basic share of allowable costs of a project divided into the increased (Public Lands States) share of allowable costs of a project as shown on documents of the Federal Aviation Administration dated August 3, 1979, at airports for which the basic share was 80 percent on August 3, 1979. provided that this subsection shall apply only if—

''(A) the State contained unappropriated and unreserved public lands and nontaxable Indian lands of more than 5 percent of the total area of all lands in the State on August 3, 1979; and

''(B) the application under subsection (b), does not increase the Government's share of allowable costs of the project

''(2) LIMITATION.—The Government's share of allowable project costs determined under this subsection shall not exceed the lesser of 93.75 percent or the highest percentage Government share applicable to any project in any State under subsection (b).''.

(b) CONFORMING AMENDMENT.—Subsection (a) of Section 47109, title 49, United States Code, is amended by striking ''Except as provided in subsection (b)'', and inserting in lieu thereof ''Except as provided in subsection (b) or subsection (c)''.

SA 1071. Mr. FITZGERALD (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 55, line 1, insert ''preserving service at Chicago Meigs Airport ('Meigs Field'),'' after ''Airport.''.

SA 1072. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, line 18, insert ''and'' after the semicolon.

On page 75, beginning with line 23, strike through line 2 on page 76

On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1073. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 7, insert ''and'' after the semicolon.

On page 78, beginning in line 14, strike ''vehicles; and'' and insert ''vehicles.''.

On page 78, strike lines 16 through 19.

SA 1074. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 16 through 22.

On page 75, line 23, strike ''(v)'' and insert ''(iv)''.

On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1075. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike line 9 through 25.

On page 78, line 1, strike ''(F)'' and insert ''(E)''.

On page 78, line 8, strike ''(G)'' and insert ''(F)''.

On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1076. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 19 through 24.

On page 77, line 1, strike ''(D)'' and insert ''(C)''.

On page 77, line 9, strike ''(E)'' and insert ''(D)''.

On page 78, line 1, strike ''(F)'' and insert ''(E)''.

On page 78, line 8, strike ''(G)'' and insert ''(F)''.

On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1077. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, line 19, strike ''and based''.

SA 1078. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 3 through 6, and insert the following:

''(vi) requiring motor carrier safety inspectors to be on duty during all operating hours at all United States-Mexico border crossings used by commercial vehicles;''.

SA 1079. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 5 through 7.

On page 73, line 8, strike ''(C)'' and insert ''(B)''.

On page 73, line 12, strike ''(D)'' and insert ''(C)''.

On page 73, line 19, strike ''(E)'' and insert ''(D)''.

On page 74, line 1, strike ''(F)'' and insert ''(E)''.

On page 74, line 5, strike ''(G)'' and insert ''(F)''.

On page 74, line 12, strike ''(H)'' and insert ''(G)''.

On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1080. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, beginning with line 23, strike through line 4 on page 73 and insert the following:

''(A)(i) requires a safety review of such motor carrier to be performed before the carrier is granted conditional operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border, and before the carrier is granted permanent operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border; and

''(ii) requires the safety review to include verification of available performance data and safety management programs, including drug and alcohol testing, drivers' qualifications, drivers' hours-of-service records, records of periodic vehicle inspections, insurance, and other information necessary to determine the carrier's preparedness to comply

with Federal motor carrier safety rules and regulations;''.

SA 1081. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, line 15, strike ''Between United States and Mexico.'' and insert ''In the United States.''.

In the following places, strike ''Mexican'' and insert ''foreign'';

(1) Page 72, line 18.
(2) Page 73, line 6.
(3) Page 73, line 10.
(4) Page 73, line 13.
(5) Page 74, line 14.
(6) Page 76, line 4.
(7) Page 77, line 5.
(8) Page 77, line 15.
(9) Page 77, line 18.
(10) Page 78, line 3.
(11) Page 78, line 10.
(12) Page 78, line 20.

On pages 72 through 78, strike ''United States-Mexico'' each place it appears and insert ''United States''.

On page 76, line 14, strike ''in Mexico'' and insert ''Outside the United States''.

On page 77, beginning in line 9, strike ''the Mexican government'' and insert ''the government of any foreign country that shares a border with the United States''.

On page 78, line 16, strike ''in Mexico'' and insert ''in any foreign country that shares a border with the United states''.

On page 78, beginning in line 21, strike ''Mexico-domiciled motor carrier'' and insert ''motor carrier domiciled in any foreign country that shares a border with the United States''.

SA 1082. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, line 13, strike ''on-site''.

SA 1083. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, line 18, insert ''and'' after the semicolon.

On page 75, beginning with line 23, strike through line 2 on page 76.

On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1084. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 16 through 22.

On page 75, line 23, strike ''(v)'' and insert ''(iv)''.

On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1085. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike line 9 through 25.

On page 78, line 1, strike ''(F)'' and insert ''(E)''.

On page 78, line 8, strike ''(G)'' and insert ''(F)''.

On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1086. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 7, insert ''and'' after the semicolon.

On page 78, beginning in line 14, strike ''vehicles; and'' and insert ''vehicles.''.

On page 78, strike lines 16 through 19.

SA 1087. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72 starting on line 23 strike ''full safety compliance review of the carrier consistent with the safety fitness evaluation procedures set forth in part 385 of title 49. Code of Federal Regulations, and gives the carrier a satisfactory rating'' and insert ''safety review which includes verification of available performance data and safety management programs, including drug and alcohol testing, drivers' qualifications, drivers' hours-of-service records, records of periodic vehicle inspections, insurance, and other information necessary to determine the carriers preparedness to comply with Federal motor carrier safety rules and regulations''.

SA 1088. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73 line 5 strike ''compliance'' and line 7 following ''facilities'' insert ''where warranted by safety considerations of the availability of safety performance data.''

SA 1089. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73 line 9 strike ''electronically'' and insert in a ''timely manner.

SA 1090. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73 starting on line 16 strike ''including hours-of-service rules under part 395 of title 49, Code of Federal Regulations.''

SA 1091. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74 starting on line 5 strike ''Weigh-In-Motion (WIM) systems as well as fixed scales suitable for enforcement action and requires that inspectors verify by either means the weight of each commercial vehicle entering the United States at such a crossing'' and insert ''a means suitable for enforcement of determining the weight of commercial vehicles entering the United States at such a crossing.''

SA 1092. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74 line 21 strike ''regulations'' and insert regulations, policies, or interim final rules.''

SA 1093. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75 starting on line 3 strike '', that include the administration of a proficiency examination''.

SA 1094. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76 strike all after ''(2) the'' through page 78 line 19.

SA 1095. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment

intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, strike lines 1 through 4.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, strike ''(H)'' and insert ''(G)''.
On page 74, strike ''(I)'' and insert ''(H)''.

SA 1096. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, strike lines 5 through 11.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1097. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, strike lines 12 through 20.
On page 74, line 21, strike ''(J)'' and insert ''(H)''.

SA 1098. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 5 through 9.
On page 75, line 10, strike ''(iii)'' and insert ''(ii)''.
On page 75, line 16, strike ''(iv)'' and insert ''(iii)''.
On page 75, line 23, strike ''(v)'' and insert ''(iv)''.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1099. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 10 through 15.
On page 75, line 16, strike ''(iv)'' and insert ''(iii)''.
On page 75, line 23, strike ''(v)'' and insert ''(iv)''.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1100. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 16 through 22.
On page 75, line 23, strike ''(v)'' and insert ''(iv)''.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1101. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, beginning with line 14, strike through line 24 on page 78.

SA 1102. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, line 7, insert ''and'' after the semicolon.
On page 78, beginning in line 14, strike ''vehicles; and'' and insert ''vehicles.''.
On page 78, strike lines 16 through 19.

SA 1103. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike lines 9 through 25.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1104. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 16 through 22.
On page 75, line 23, strike ''(v)'' and insert ''(iv)''.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1105. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, line 18, insert ''and'' after the semicolon.
On page 75, beginning with line 23, strike through line 2 on page 76.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1106. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, beginning with line 23, strike through line 4 on page 73.
On page 73, line 5, strike ''(B)'' and insert ''(A)''.
On page 73, line 8, strike ''(C)'' and insert ''(B)''.
On page 73, line 12, strike ''(D)'' and insert ''(C)''.
On page 73, line 19, strike ''(E)'' and insert ''(D)''.
On page 74, line 1, strike ''(F)'' and insert ''(E)''.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 5, strike ''(I)'' and insert ''(H)''.

SA 1107. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 5 through 7.
On page 73, line 8, strike ''(C)'' and insert ''(B)''.
On page 73, line 12, strike ''(D)'' and insert ''(C)''.
On page 73, line 19, strike ''(E)'' and insert ''(D)''.
On page 74, line 1, strike ''(F)'' and insert ''(E)''.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1108. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 8 through 11.
On page 73, line 12, strike ''(D)'' and insert ''(C)''.
On page 73, line 19, strike ''(E)'' and insert ''(D)''.
On page 74, line 1, strike ''(F)'' and insert ''(E)''.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1109. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the

bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 12 through 18.
On page 73, line 19, strike ''(E)'' and insert ''(D)''.
On page 74, line 1, strike ''(F)'' and insert ''(E)''.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1110. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 19 through 24.
On page 74, line 1, strike ''(F)'' and insert ''(E)''.
On page 74, line 5, strike ''(G)'' and insert ''(F)''.
On page 74, line 12, strike ''(H)'' and insert ''(G)''.
On page 74, line 21, strike ''(I)'' and insert ''(H)''.

SA 1111. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 75, line 23, strike through page 76 line 2.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1112. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 3 through 7.

SA 1113. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 10 through 12.
On page 76, line 13, strike ''(B)'' and insert ''(A)''.
On page 76, line 19, strike ''(C)'' and insert ''(B)''.
On page 77, line 1, strike ''(D)'' and insert ''(C)''.
On page 77, line 9, strike ''(E)'' and insert ''(D)''.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1114. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 13 through 18.
On page 76, line 19, strike ''(C)'' and insert ''(B)''.
On page 77, line 1, strike ''(D)'' and insert ''(C)''.
On page 77, line 9, strike ''(E)'' and insert ''(D)''.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1115. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 19 through 24.
On page 77, line 1, strike ''(D)'' and insert ''(C)''.
On page 77, line 9, strike ''(E)'' and insert ''(D)''.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1116. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike lines 1 through 8.
On page 77, line 9, strike ''(E)'' and insert ''(D)''.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1117. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike lines 9 through 25.
On page 78, line 1, strike ''(F)'' and insert ''(E)''.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1118. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, strike lines 1 through 7.
On page 78, line 8, strike ''(G)'' and insert ''(F)''.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1119. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, strike lines 22 through 25; on page 75, strike lines 1 through 4.
On page 75, line 5, strike ''(ii)'' and insert ''(i)''.
On page 75, line 10, strike ''(iii)'' and insert ''(ii)''.
On page 75, line 16, strike ''(iv)'' and insert ''(iii)''.
On page 75, line 23, strike ''(v)'' and insert ''(iv)''.
On page 76, line 3, strike ''(vi)'' and insert ''(v)''.

SA 1120. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, beginning with line 21, strike through line 7 on page 76.

SA 1121. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, strike lines 8 through 15.
On page 78, line 16, strike ''(H)'' and insert ''(G)''.

SA 1122. Mr. MCCAIN (for himself and Mr. GRAMM) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, strike lines 16 through 24.

SA 1123. Mr. INHOFE submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title III, add the following:

SEC. 350. (a) Congress makes the following findings:

(1) Section 345 of the National Highway System Designation Act of 1995 authorizes limited relief to drivers of certain types of commercial motor vehicles from certain restrictions on maximum driving time and on-duty time.

(2) Subsection (c) of that section requires the Secretary of Transportation to determine by rulemaking proceedings that the exemptions granted are not in the public interest and adversely affect the safety of commercial motor vehicles.

(3) Subsection (d) of that section requires the Secretary of Transportation to monitor the safety performance of drivers of commercial motor vehicles who are subject to an exemption under section 345 and report to Congress prior to the rulemaking proceedings.

(b) It is the sense of Congress that the Secretary of Transportation should not take any action that would diminish or revoke any exemption in effect on the date of the enactment of this Act for drivers of vehicles under section 345 of the National Highway System Designation Act of 1995 (Public Law 104–59; 109 Stat. 613; 49 U.S.C. 31136 note) unless the requirements of subsections (c) and (d) of such section are satisfied.

SA 1124. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 47, strike line 19 and all that follows through page 53, line 12.

SA 1125. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows;

On page 49, lines 8 through 10, strike ''the Woodrow Wilson Memorial Bridge Authority Act of 1995,''.

SA 1126. Mr. ALLEN submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 49, strike lines 3 through 18 and insert the following:

''(4) distribute the obligation limitation for Federal-aid highways less $2,000,000,000 for such fiscal year under section 105 of title 23, United States Code (relating to minimum guarantee) so that the amount of obligation authority available for that section is equal to the amount determined by multiplying the ratio determined under paragraph (3) by $2,000,000,000;''.

SA 1127. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 81, strike lines 3 through 13.

SA 1128. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 15, line 3, strike ''$10,000,000'' and insert ''$23,000,000''.

SA 1129. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 15, line 3, strike ''$10,000,000'' and insert ''$23,000,000''.

On page 81, strike lines 3 through 13.

SA 1130. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 61, beginning on line 21, strike ''This paragraph'' and all that follows through ''(b)'' on line 24, and insert the following:

Such section is further amended by inserting ''(a)'' before the first sentence and by adding at the end the following new subsections:

''(b) A shipyard or depot-level maintenance and repair facility of the Department of Defense located at a home port for a Coast Guard vessel shall be treated in the same manner as a Coast Guard yard or other Coast Guard specialized facility for the purposes of competition for and assignment of maintenance and repair workloads of the Coast Guard.

''(c)''.

SA 1131. Ms. COLLINS (for herself, Ms. SNOWE, Mr. SCHUMER, Mr. BAUCUS, Mr. BINGAMAN, Mr. INHOFE, Mrs. CLINTON, Mr. BURNS, Mr. BROWNBACK, Mr. AKAKA, Mr. JEFFORDS, and Mr. NELSON of Nebraska) submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 81, strike lines 3 through 13 and insert the following:

SEC. 349. (a) AMOUNT AVAILABLE IN FISCAL YEAR 2002 FOR ESSENTIAL AIR SERVICE PROGRAM.—Notwithstanding any other provision of law, $63,000,000 shall be available in fiscal year 2002 for purposes of the Essential Air Service program under subchapter II of chapter 417 of title 49, United States Code.

(b) SOURCE OF FUNDS.—The amount available under subsection (a) shall be derived as follows:

(1) First, from user fees collected by the Secretary of Transportation in fiscal year 2002 for flights over the United States that do not involve a landing in the United States, with the amount of such user fees used for that purpose not to exceed $50,000,000.

(2) Second and notwithstanding the limitation in the third proviso under the heading ''GRANTS-IN-AID FOR AIRPORTS'' in title I of this Act, from amounts transferred by the Administrator of the Federal Aviation Administration from amounts in the Airport and Airway Trust Fund established under section 9502 of the Internal Revenue Code of 1986 (26 U.S.C. 9502) that are available under that heading.

SA 1132. Ms. COLLINS submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

Strike section 332.

SA 1133. Mrs. HUTCHISON submitted an amendment intended to be proposed by her to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 74, strike lines 5 through 11, and insert the following:

''(G) determines the average number of commercial motor vehicles per month entering the United States at each United States-Mexico border crossing and equips any such crossing at which 250 or more commercial vehicles per month are entering with a means of determining the weight of such vehicles;''.

SA 1134. Mr. BOND submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

Strike Sec. 343 and insert the following:

SEC. 343. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO.

No funds limited or appropriated in this Act may be obligated or expended for the review or processing of an application by a Mexican motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States–Mexico border until—

(1) the Federal Motor Carrier Safety Administration—

(A)(i) requires a safety review of the carrier before granting conditional and, again, before granting permanent authority to any such carrier;

(ii) requires that such safety review shall, at a minimum, include the verification of available safety performance data necessary to determine the carrier's preparedness to comply with United States motor carrier safety rules and regulations;

(B) requires that any such safety compliance review should take place onsite at the Mexican motor carrier's facilities where such onsite review is necessary to ensure compliance with United States motor carrier safety rules and regulations;

(C) requires a policy whereby Federal and State inspectors randomly verify electronically the status and validity of the license of drivers of Mexican motor carrier commercial vehicles crossing the border;

(D) gives a distinctive Department of Transportation number to each Mexican

motor carrier operating beyond the commercial zone to assist inspectors in enforcing motor carrier safety regulations including hours-of-service rules under part 395 of title 49, Code of Federal Regulations;

(E) requires—

(i) inspections of all commercial vehicles of Mexican motor carriers authorized, or seeking authority to operate beyond United States municipalities and commercial zones on the United States–Mexico border that do not display a valid Commercial Vehicle Safety Alliance in accordance with the requirements for a Level I inspection under the criteria of the North American Standard Inspection (as defined in section 350.105 of title 49, Code of Federal Regulations), including examination of the driver, vehicle exterior and vehicle under-carriage, and

(ii) a Commercial Vehicle Safety Alliance decal to be affixed to each such commercial vehicle upon completion of the inspection required by clause (i) or a re-inspection if the vehicle has met the criteria for the Level I inspection when no component parts were hidden from view and no evidence of a defect was present, and

(iii) that any such decal, when affixed, expire at the end of a period of not more than 90 days, but nothing in this paragraph shall be construed to preclude the Administration from requiring re-inspection of a vehicle bearing a valid inspection decal or from requiring that such a decal be removed when it is determined that such vehicle has a safety violation subsequent to the inspection for which the decal was granted;

(F) requires State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce them or notify Federal authorities of such violations;

(G) initiates a study to determine whether (i) to equip significant United States-Mexico border crossings with Weigh-In-Motion (WIM) systems as well as fixed scales suitable for enforcement action and (ii) to require that inspectors verify by either means the weight of each commercial vehicle entering the United States at such a crossing;

(H) the Federal Motor Carrier Safety Administration has implemented a policy to ensure that no Mexican motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed in the United States; and

(I) publishes in final form regulations or issues policies—

(i) under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 nt.) that establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards, that include the administration of a proficiency examination;

(ii) under section 31148 of title 49, United States Code, that implement measures to improve training and provide for the certification of motor carrier safety auditors;

(iii) under sections 218(a) and (b) of that Act (49 U.S.C. 31133 nt.) establishing standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border;

(iv) under section 219(d) of that Act (49 U.S.C. 14901 nt.) that prohibit foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States;

(v) under section 219(a) of that Act (49 U.S.C. 14901 ni.) that prohibit foreign motor carriers from operating in the United States that is found to have operated illegally in the United States; and

(vi) under which a commercial vehicle operated by a Mexican motor carrier may not enter the United States at a border crossing unless an inspector is on duty or transmits to the Congress within 30 days of the date of enactment of this Act, a notice in writing that it will not be able to complete such rulemaking or issue such policy, that explains why it will not be able to complete such rulemaking or policy, and the date by which it expects to complete such rulemaking or policy; and

(2) the Department of Transportation Inspector General reports in writing to the Secretary of Transportation and the Congress that he will periodically report on—

(A) all new inspector positions funded under this Act have been filled and the inspectors have been fully trained;

(B) each inspector conducting on-site safety compliance reviews in Mexico consistent with the safety fitness evaluation procedures set forth in part 385 of title 49, Code of Federal Regulations, is fully trained as a safety specialist;

(C) the requirement of subparagraph (B) has not been met by transferring experienced inspectors from other parts of the United States to the United States-Mexico border, undermining the level of inspection coverage and safety elsewhere in the United States;

(D) the Federal Motor Carrier Safety Administration has implemented a policy to ensure compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by Mexican motor carriers seeking authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(E) there is adequate capacity at each United States-Mexico border crossing used by Mexican motor carrier commercial vehicles to conduct a sufficient number of meaningful vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of said inspections;

For purposes of this section, the term ''Mexican motor carrier'' shall be defined as a Mexico-domiciled motor carrier operating beyond United States municipalities and commercial zones on the United States-Mexico border.

SA 1135. Mr. SHELBY submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the bill, insert the following:

SEC. . Of the funds provided under ''Transit Planning and Research'', $375,000 shall be available for a traffic mitigation feasibility study for Auburn University.

SA 1136. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the the table, as follows:

At the appropriate place in the bill, insert the following:

SEC. . Notwithstanding any other provision of law, the conveyance authorized by section 416(a)(1)(H) of Public Law 105–383 shall take place within 3 months after the date of enactment of this Act. Notwithstanding the previous sentence, the conveyance shall include the property under lease as of June 1, 2000 and otherwise be subject to subsections (a)(2) (a)(3), (b), and (c) of section 416 of Public Law 105–383.

SA 1137. Mr. STEVENS submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place in the bill, insert the following:

SEC. . Section 41703 of title 49, United States Code, is amended by inserting the following subsection at the end of subsection (c):

(d) AIR CARGO VIA ALASKA.—For purposes of (c) of this section, cargo taken on or off any aircraft at a place in Alaska in the course of transportation of that cargo by one or more air carriers in either direction between any place in the Untied States and a place not in the United States shall not be deemed to have broken its international journey in, be taken on in, or be destined for Alaska.

SA 1138. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 73, strike lines 5 through 7.

SA 1139. Mr. GRAMM (for himself, Mr. MCCAIN, and Mr. DOMENICI) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 343, insert the following: ''*Provided*, That notwithstanding any other provision of this section, and consistent with United States obligations under the North American Free Trade Agreement, nothing in this section shall be applied so as to discriminate against Mexico by imposing any requirements on a Mexican motor carrier that seeks to operate in the United States that do not exist with regard to United States and Canadian motor carriers, in recognition of the fact that the North American Free Trade Agreement is an agreement among three free and equal nations, each of which has recognized rights and obligations under that trade agreement.''.

SA 1140. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 78, strike subparagraph (H) on lines 16 through 19.

SA 1141. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of

Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike the semicolon on line 22 and all that follows through the parentheses on page 76, line 3, and insert the following: ''; and

''(?)''.

SA 1142. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the end of section 343, insert the following: ''*Provided*, That not withstanding any other provision of this section, nothing in this section shall be applied in a manner that the President finds to be in violation of the North American Free Trade Agreement.''

SA 1143. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 3 through 7, and insert the following:

''(vi) requiring motor carrier safety inspectors to be on duty during all operating hours at all United States-Mexico border crossings used by commercial vehicles; and''.

SA 1144. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 76, strike lines 19 through 24.

SA 1145. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, strike lines 9 through 25.

SA 1146. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike line 16 and all that follows through ''(v)'' on page 75, line 23, and insert in lieu thereof ''(vi)''.

SA 1147. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, line 17, strike ''for'' and insert in lieu thereof: ''prior to January 1, 2001 for''.

SA 1148. Mr. DOMENICI submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 72, beginning with line 14, strike through line 24 on page 78 and insert the following:

SEC. 343. SAFETY OF CROSS-BORDER TRUCKING BETWEEN UNITED STATES AND MEXICO.—No funds limited or appropriated by this Act may be obligated or expended for the review or processing of an application by a motor carrier for authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border until—

(1) the Federal Motor Carrier Safety Administration—

(A)(i) requires a safety review of such motor carrier to be performed before the carrier is granted conditional operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border, and before the carrier is granted permanent operating authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border;

(ii) requires the safety review to include verification of available performance data and safety management programs, including drug and alcohol testing, drivers' qualifications, drivers' hours-of-service records, records of periodic vehicle inspections, insurance, and other information necessary to determine the carrier's preparedness to comply with Federal motor carrier safety rules and regulations; and

(iii) requires that every commercial vehicle operating beyond United States municipalities and commercial zones on the United States-Mexico border, that is operated by a motor carrier authorized to operate beyond those municipalities and zones, display a valid Commercial Vehicle Safety Alliance decal obtained as a result of a Level I North American Standard Inspection, or a Level V Vehicle-Only Inspection, whenever that vehicle is operating beyond such municipalities and zones, and requires any such motor carrier operating a vehicle in violation of this requirement to pay a fine of up to $10,000 for such violation;

(B) establishes a policy that any safety review of such a motor carrier should be conducted onsite at the motor carrier's facilities where warranted by safety considerations or the availability of safety performance data;

(C) requires Federal and State inspectors, in conjunction with a Level I North American Standard Inspection, to verify, electronically or otherwise, the license of each driver of such a motor carrier's commercial vehicle crossing the border, and institutes a policy for random electronic verification of the license of drivers of such motor carrier's commercial vehicles at United States-Mexico border crossings;

(D) gives a distinctive Department of Transportation number to each such motor carrier to assist inspectors in enforcing motor carrier safety regulations, including hours-of-service rules under part 395 of title 49, Code of Federal Regulations;

(E) requires State inspectors whose operations are funded in part or in whole by Federal funds to check for violations of Federal motor carrier safety laws and regulations, including those pertaining to operating authority and insurance;

(F) authorizes State inspectors who detect violations of Federal motor carrier safety laws or regulations to enforce such laws and regulations or to notify Federal authorities of such violations;

(G)(i) determines that there is a means of determining the weight of such motor carrier commercial vehicles at each crossing of the United States-Mexico border at which there is a sufficient number of such commercial vehicle crossings; and

(ii) initiates a study to determine which crossings should also be equipped with weigh-in-motion systems that would enable State inspectors to verify the weight of each such commercial vehicle entering the United States at such a crossing;

(H) has implemented a policy to ensure that no such motor carrier will be granted authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border unless that carrier provides proof of valid insurance with an insurance company licensed in the United States;

(I) issues a policy—

(i) requiring motor carrier safety inspectors to be on duty during all operating hours at all United States-Mexico border crossings used by commercial vehicles;

(ii) with respect to standards for the determination of the appropriate number of Federal and State motor carrier inspectors for the United States-Mexico border (under sections 218(a) and (b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31133) nt.)); and

(iii) with respect to prohibiting foreign motor carriers from operating in the United States that are found to have operated illegally in the United States (under section 219(a) of that Act (49 U.S.C. 14901 nt.)); and

(J) completes its rulemaking—

(i) to establish minimum requirements for motor carriers, including foreign motor carriers, to ensure they are knowledgeable about Federal safety standards (under section 210(b) of the Motor Carrier Safety Improvement Act of 1999 (49 U.S.C. 31144 nt.)),

(ii) to implement measures to improve training and provide for the certification of motor carrier safety auditors (under section 31148 of title 49, United States Code), and

(iii) to prohibit foreign motor carriers from leasing vehicles to another carrier to transport products to the United States while the lessor is subject to a suspension, restriction, or limitation on its right to operate in the United States (under section 219(d) of that Act (49 U.S.C. 14901 nt.)),

or transmits to the Congress, within 30 days after the date of enactment of this Act, a notice in writing that it will not be able to complete any such rulemaking, that explains why it will not be able to complete the rulemaking, and that states the date by which it expects to complete the rulemaking; and

(2) until the Department of Transportation Inspector General certifies in writing to the Secretary of Transportation and to the Senate Committee on Commerce, Science, and Transportation, the Senate Committee on Appropriations, the House of Representatives Committee on Transportation and Infrastructure, and the House of Representatives Committee on Appropriations that the Inspector General will report in writing to the Secretary and to each such Committee—

(A) on the number of Federal motor carrier safety inspectors hired, trained as safety specialists, and prepared to be on duty during hours of operation fat the United States-Mexico border by January 1, 2002;

(B) periodically—

(i) on the adequacy of the number of Federal and State inspectors at the United States-Mexico border; and

(ii) as to whether the Federal Motor Carrier Safety Administration is ensuring compliance with hours-of-service rules under part 395 of title 49, Code of Federal Regulations, by such motor carriers;

(iii) as to whether United States and Mexican enforcement databases are sufficiently integrated and accessible to ensure that licenses, vehicle registrations, and insurance information can be verified at border crossings or by mobile enforcement units; and

(iv) as to whether there is adequate capacity at each United States-Mexico border crossing used by motor carrier commercial vehicles to conduct a sufficient number of vehicle safety inspections and to accommodate vehicles placed out-of-service as a result of the inspections.

In this section, the term ''motor carrier'' means a motor carrier domiciled in Mexico that seeks authority to operate beyond United States municipalities and commercial zones on the United States-Mexico border.

Provided, That notwithstanding any other provision of this section, and consistent with United States obligations under the North American Free Trade Agreement, nothing in this section shall be applied so as to discriminate against Mexico by imposing any requirements on a Mexican motor carrier that seeks to operate in the United States that do not exist with regard to United States and Canadian motor carriers, in recognition of the fact that the North American Free Trade Agreement is an agreement among three free and equal nations, each of which has recognized rights and obligations under that trade agreement.

SA 1149. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 55, line 2, insert after ''access,'' the following: ''fully utilizing Illinois Chicago-area reliever and general aviation airports including Aurora, DuPage, Lake in the Hills, Lansing, Lewis University, Palwaukee, Schaumburg, and Waukegan,''.

SA 1150. Mr. FEINGOLD submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. . General Mitchell International Airport in Milwaukee, Wisconsin shall be considered as an alternative airport in any plan relating to alleviating congestion at O'Hare International Airport.

SA 1151. Mr. GRAHAM (for himself and Ms. SNOWE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 81, between lines 13 and 14, insert the following:

SEC. 350. (a) INCREASE IN AMOUNT FOR OPERATIONAL EXPENSES OF COAST GUARD FOR LAW ENFORCEMENT OPERATIONS.—(1) The amount appropriated or otherwise made available for the Coast Guard under title I under the heading ''COAST GUARD'' under the paragraph ''Operating Expenses'' is hereby increased by $31,100,000.

(2) The amount available for the Coast Guard under the paragraph referred to in paragraph (1) by reason of that paragraph shall be available for the Coast Guard for purposes of law enforcement operations.

(b) Increase in Amount Available for Aviation Capability of Coast Guard for Law Enforcement Operations.—(1) The amount appropriated or otherwise made available for the Coast Guard under title I under the heading ''COAST GUARD'' under the paragraph ''Acquisition, Construction, and Improvements'' under the proviso relating to the acquisition of new aircraft and increasing aviation capability is hereby increased by $15,000,000.

(2) The amount available for the Coast Guard under the proviso referred to in paragraph (1) by reason of that paragraph shall be available for the Coast Guard for the acquisition of new aircraft and increases in aviation capability for purposes of law enforcement operations.

SA 1152. Mr. ALLARD (for himself and Mr. INHOFE) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 20, lines 13 through 16, strike ''$230,681,878 shall be set aside for the programs authorized under sections 1118 and 1119 of the Transportation Equity Act for the 21st Century, as amended;'' and insert ''$1,000,000 shall be set aside for the program authorized under section 118(c) of title 23, United States Code, to be used for the project at Interstate Route 25 north of Raton, New Mexico; $229,681,878 shall be set aside for the programs authorized under sections 1118 and 1119 of the Transportation Equity Act for the 21st Century, of which none of the funds may be used to conduct the United States Routes 64 and 87 Ports-to-Plains corridor study, New Mexico;''.

SA 1153. Mr. BAYH (for himself and Mr. LUGAR) submitted an amendment intended to be proposed by him to the bill H.R. 2299, making appropriations for the Department of Transportation and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

On page 54, line 24, insert after ''the State of Illinois,'' the following: ''the State of Indiana,''.

On page 54, line 25, insert after ''affected communities'' the following: ''(including affected communities in Northwest Indiana).''

SA 1154. Mr. MURKOWSKI proposed an amendment to the bill S. 1218, to extend the authorities of the Iran and Libya Sanctions Act of 1996 until 2006; as follows:

At the appropriate place, insert the following:

SECTION 1. SHORT TITLE AND FINDINGS.

(a) This Title can be cited as the 'Iraq Petroleum Import Restriction Act of 2001.'

(b) FINDINGS.—Congress finds that—

(i) the government of the Republic of Iraq:

(A) has failed to comply with the terms of United Nations Security Council Resolution 687 regarding unconditional Iraqi acceptance of the destruction, removal, or rendering harmless, under international supervision, of all nuclear, chemical and biological weapons and all stocks of agents and all related subsystems and components and all research, development, support and manufacturing facilities, as well as all ballistic missiles with a range greater than 150 kilometers and related major parts, and repair and production facilities and has failed to allow United Nations inspectors access to sites used for the production or storage of weapons of mass destruction.

(B) routinely contravenes the terms and conditions of UNSC Resolution 661, authorizing the export of petroleum products from Iraq in exchange for food, medicine and other humanitarian products by conducting a routine and extensive program to sell such products outside of the channels established by UNSC Resolution 661 in exchange for military equipment and materials to be used in pursuit of its program to develop weapons of mass destruction in order to threaten the United States and its allies in the Persian Gulf and surrounding regions.

(C) has failed to adequately draw down upon the amounts received in the Escrow Account established by UNSC Resolution 986 to purchase food, medicine and other humanitarian products required by its citizens, resulting in massive humanitarian suffering by the Iraqi people.

(D) conducts a periodic and systematic campaign to harass and obstruct the enforcement of the United States and United Kingdom-enforced ''No-Fly Zones'' in effect in the Republic of Iraq.

(E) routinely manipulates the petroleum export production volumes permitted under UNSC Resolution 661 in order to create uncertainty in global energy markets, and therefore threatens the economic security of the United States.

(ii) further imports of petroleum products from the Republic of Iraq are inconsistent with the national security and foreign policy interests of the United States and should be eliminated until such time as they are not so inconsistent.

SEC. 2. PROHIBITION ON IRAQI-ORIGIN PETROLEUM IMPORTS.

The direct or indirect import from Iraq of Iraqi-origin petroleum and petroleum products is prohibited, notwithstanding an authorization by the Committee established by UNSC Resolution 661 or its designee, or any other order to the contrary.

SEC. 3. TERMINATION/PRESIDENTIAL CERTIFICATION.

This Act will remain in effect until such time as the President, after consultation with the relevant committees in Congress, certifies to the Congress that:

(a) the United States is not engaged in active military operations in enforcing ''No-Fly Zones'' in Iraq, supporting United Nations sanctions against Iraq, preventing the smuggling by of Iraqi-origin petroleum and petroleum products in violation of UNSC Resolution 986, complying with United Nations Security Council Resolution 687 by eliminating weapons of mass destruction, or otherwise preventing threatening action by Iraq against the United States or its allies; and

(b) resuming the importation of Iraqi-origin petroleum and petroleum products would not be inconsistent with the national security and foreign policy interests of the United States.

SEC. 4. HUMANITARIAN INTERESTS.

It is the sense of the Senate that the President should make all appropriate efforts to

ensure that the humanitarian needs of the Iraqi people are not negatively affected by this Act, and should encourage through public, private, domestic and international means the direct or indirect sale, donation or other transfer to appropriate non-governmental health and humanitarian organizations and individuals within Iraq of food, medicine and other humanitarian products.

SEC. 5. DEFINITIONS.

(a) ''661 Committee.'' The term 661 Committee means the Security Council Committee established by UNSC Resolution 661, and persons acting for or on behalf of the Committee under its specific delegation of authority for the relevant matter or category of activity, including the overseers appointed by the UN Secretary-General to examine and approve agreements for purchases of petroleum and petroleum products from the Government of Iraq pursuant to UNSC Resolution 986.

(b) ''UNSC Resolution 661.'' The term UNSC Resolution 661 means United Nations Security Council Resolution No. 661, adopted August 6, 1990, prohibiting certain transactions with respect to Iraq and Kuwait.

(c) ''UNSC Resolution 986.'' The term UNSC Resolution 986 means United Nations Security Council Resolution 98, adopted April 14, 1995.

SEC. 6. EFFECTIVE DATE.

The prohibition on importation of Iraqi origin petroleum and petroleum products shall be effective 30 days after enactment of this Act.

SA 1155. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill S. 723, to amend the Public Health Service Act to provide for human embryonic stem cell generation and research; which was referred to the Committee on Health, Education, Labor, and Pensions, as follows:

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON HUMAN CLONING.

(a) SHORT TITLE.—This section may be cited as the ''Human Cloning Prohibition Act of 2001''.

(b) FINDINGS.—Congress finds that—

(1) some individuals have announced that they will attempt to clone human beings using the technique known as somatic cell nuclear transfer already used with limited success in cloning sheep and other animals;

(2) nearly all scientists agree that such attempts pose a massive risk of producing children who are stillborn, unhealthy, or severely disabled, and considered opinion is virtually unanimous that such attempts are therefore grossly irresponsible and unethical;

(3) efforts to create human beings by cloning mark a new and decisive step toward turning human reproduction into a manufacturing process in which children are made in laboratories to preordained specifications and, potentially, in multiple copies;

(4) creating cloned live-born human children (sometimes called ''reproductive cloning'') begins by creating cloned human embryos, a process which some also propose as a way to create embryos for research or as sources of cells and tissues for possible treatment of other humans;

(5) the prospect of creating new human life solely to be exploited and destroyed in this way has been condemned on moral grounds by many, as displaying a profound disrespect for life, and recent scientific advances indicate that there are fruitful and morally unproblematic alternatives to this approach;

(6)(A) it will be nearly impossible to ban attempts at ''reproductive cloning'' once cloned human embryos are available in the laboratory because—

(i) cloning would take place within the privacy of a doctor-patient relationship;

(ii) the transfer of embryos to begin a pregnancy is a simple procedure; and

(iii) any government effort to prevent the transfer of an existing embryo, or to prevent birth once transfer has occurred would raise substantial moral, legal, and practical issues; and

(B) so, in order to be effective, a ban on human cloning must stop the cloning process at the beginning; and

(7) collaborative efforts to perform human cloning are conducted in ways that affect interstate and even international commerce, and the legal status of cloning will have a great impact on how biotechnology companies direct their resources for research and development.

(c) PROHIBITION ON HUMAN CLONING.—

(1) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 15, the following:

''CHAPTER 16—HUMAN CLONING

''Sec.
''301. Definitions.
''302. Prohibition on human cloning.

''§ 301. Definitions

''In this chapter:

''(1) HUMAN CLONING.—The term 'human cloning' means human asexual reproduction, accomplished by introducing the nuclear material of a human somatic cell into a fertilized or unfertilized oocyte whose nucleus has been removed or inactivated to produce a living organism (at any stage of development) with a human or predominantly human genetic constitution.

''(2) SOMATIC CELL.—The term 'somatic cell' means a diploid cell (having a complete set of chromosomes) obtained or derived from a living or deceased human body at any stage of development.

''§ 302. Prohibition on human cloning

''(a) IN GENERAL.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce—

''(1) to perform or attempt to perform human cloning;

''(2) to participate in an attempt to perform human cloning; or

''(3) to ship or receive the product of human cloning for any purpose.

''(b) IMPORTATION.—It shall be unlawful for any person or entity, public or private, to import the product of human cloning for any purpose.

''(c) PENALTIES.—

''(1) IN GENERAL.—Any person or entity that is convicted of violating any provision of this section shall be fined under this section or imprisoned not more than 10 years, or both.

''(2) CIVIL PENALTY.—Any person or entity that is convicted of violating any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than $1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than $1,000,000.

''(d) SCIENTIFIC RESEARCH.—Nothing in this section shall restrict areas of scientific research not specifically prohibited by this section, including research in the use of nuclear transfer or other cloning techniques to produce molecules, DNA, cells other than human embryos, tissues, organs, plants, or animals other than humans.''.

(2) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

''16. Human Cloning ..... 301''.

(d) SENSE OF CONGRESS.—It is the sense of Congress that—

(1) the Federal Government should advocate for and join an international effort to prohibit human cloning, as defined in section 301 of title 18, United States Code, as added by this section; and

(2) the President should commission a study, to be conducted by the National Bioethics Advisory Commission or a successor group, of the arguments for and against the use of cloning to produce human embryos solely for research, which study should—

(A) include a discussion of the need (if any) for human cloning to produce medical advances, the ethical and legal aspects of human cloning, and the possible impact of any decision to permit human cloning for research upon efforts to prevent human cloning for reproductive purposes;

(B) include a review of new developments in cloning technology which may require that technical changes be made to subsection (c), to maintain the effectiveness of this section in prohibiting the asexual production of a new human organism that is genetically virtually identical to an existing or previously existing human being; and

(C) be submitted to Congress and the President for review not later than 5 years after the date of enactment of this Act.

SA 1156. Mr. BROWNBACK submitted an amendment intended to be proposed by him to the bill S. 723, to amend the Public Health Service Act to provide for human embryonic stem cell generation and research; which was referred to the Committee on Health, Education, Labor, and Pensions; as follows:

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON THE CREATION OF HUMAN EMBRYOS FOR RESEARCH PURPOSES.

(a) IN GENERAL.—Title 18, United States Code, is amended by inserting after chapter 15 the following:

''CHAPTER 16—HUMAN EMBRYO CREATION

''Sec.
''301. Definition.
''302. Prohibition on the creation of human embryos for research purposes.

''§ 301. Definition

''In this chapter the term 'human embryo' includes any organism not protected as a human subject under part 46 of title 45, Code of Federal Regulations, as of the date of enactment of this chapter, that is derived by fertilization, parthenogenesis, cloning, or any other means from one or more human gametes or human diploid cells.

''§ 302. Prohibition on the creation of human embryos for research purposes

''(a) IN GENERAL.—It shall be unlawful for any person or entity, public or private, in or affecting interstate commerce to create a human embryo for research purposes.

''(b) PENALTIES.—

''(1) IN GENERAL.—Any person or entity that is convicted of violating any provision of this section shall be fined under this section or imprisoned not more than 10 years, or both.

''(2) CIVIL PENALTY.—Any person or entity that is convicted of violating any provision of this section shall be subject to, in the case of a violation that involves the derivation of a pecuniary gain, a civil penalty of not less than $1,000,000 and not more than an amount equal to the amount of the gross gain multiplied by 2, if that amount is greater than $1,000,000.

''(c) SCIENTIFIC RESEARCH.—Nothing in this section shall restrict areas of scientific research not specifically prohibited by this section.''.

(b) CLERICAL AMENDMENT.—The table of chapters for part I of title 18, United States Code, is amended by inserting after the item relating to chapter 15 the following:

''16. Human Embryo Creation ..... 311''.

SA 1157. Mr. SMITH of New Hampshire (for himself, Mr. HARKIN, and Mr. HATCH) submitted an amendment intended to be proposed by him to the bill H.R. 2500, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2002, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, add the following:

SEC. . None of the funds made available in this Act may be used by the Department of Justice or the Department of State to file a motion in any court opposing a civil action against any Japanese person or corporation for compensation or reparations in which the plaintiff alleges that, as an American prisoner of war during World War II, he or she was used as slave or forced labor.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. HARKIN. Mr. President, I would like to announce that the Committee on Agriculture, Nutrition, and Forestry will meet on July 26, 2001 in SR–328A at 10:30 a.m. The purpose of this hearing will be to consider nominations for positions at the Department of Agriculture.

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 nomination has been added to a full committee hearing previously announced for Friday, July 27, at 9:30 a.m. in SD–366 for the purpose of receiving testimony on H.R. 308, to establish the Guam War Claims Review Commission, and H.R. 309, to provide for the determination of withholding tax rates under the Guam income tax.

The committee will also receive testimony on the nomination of Theresa Alvillar-Speake to be Director of the Office of Minority Economic Impact, Department of Energy.

For further information, please call Sam Fowler at 202/224–3607.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON AGRICULTURE, NUTRITION, AND FORESTRY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Agriculture, Nutrition, and Forestry be authorized to meet during the session of the Senate on Wednesday, July 25, 2001. The purpose of this meeting will be to mark up the short-term farm assistance package.

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

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Wednesday, July 25, 2001, at 9:30 a.m. on the nomination of Mary Sheila Gall to be Chairman of the Consumer Product Safety Commission.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, July 25 at 9:30 a.m. to conduct a hearing. The committee will receive testimony on legislative proposals relating to comprehensive electricity restructuring legislation, including electricity provisions of S. 388 and S. 597, and electricity provisions contained in S. 1273 and S. 2098 of the 106th Congress.

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

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Energy and Natural Resources be authorized to meet during the session of the Senate on Wednesday, July 25 for purposes of conducting a Full Committee business meeting which is scheduled to begin at 9:45 a.m. The purpose of this business meeting is to consider the nomination of Dan. R. Brouillette to be an Assistant Secretary of Energy (Congressional and Intergovernmental Affairs).

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

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 25, 2001, at 11 a.m. in SD–419, to hold a nomination hearing on Thomas C. Hubbard, of Tennessee, to be Ambassador tot he Republic of Korea. Additional nominees to be announced.

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

COMMITTEE ON FOREIGN RELATIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session of the Senate on Wednesday, July 25, 2001, at 2 p.m. to hold a nomination hearing on:

Carole Brookins, of Indiana, to be United States Executive Director of the International Bank for Reconstruction and Development;

Ross J. Connelly, of Maine, to be Executive Vice President of Overseas Private Investment Corporation;

Jeanne L. Phillips, of Texas, to be Representative of the United States of America to the Organization for Economic Cooperation and Development, with the rank of Ambassador; and

Randall Quarles, of Utah, to be United States Executive Director of the International Monetary Fund.

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

COMMITTEE ON GOVERNMENTAL AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs be authorized to meet on Wednesday, July 25, 2001 at 9:30 a.m. for a hearing regarding ''Rating Entertainment Ratings: How Well Are They Working for Parents and What Can Be Done To Improve Them?''

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

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on Fulfilling the Promise of Genetics Research: Ensuring Non-Discrimination in Health Insurance and Employment during the session of the Senate on Wednesday, July 25, 2001, at 9:30 a.m.

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

COMMITTEE ON INDIAN AFFAIRS

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Indian Affairs be authorized to meet on July 25, 2001, at 10:30 a.m. in room 216 Hart Senate Building to conduct a hearing on the Indian Gaming Regulatory Act.

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

COMMITTEE ON THE JUDICIARY

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a hearing on Wednesday, July 25, 2001, at 10:00 a.m., in Dirksen 226, on ''S. 1157, the Dairy Consumers and Producers Protection Act of 2001.''

TENTATIVE WITNESS LIST

Panel I: Daniel Smith, Esq., Executive Director, Northeast Interstate Dairy Compact Commission, Montpelier, VT; Gover Norquist, President, Americans for Tax Reform, Washington, D.C.; Stephen Burrington, Esq., Vice President, Conservation Law Foundation, Boston, MA, and Burt Neuborne, Esq., New York University School of Law, New York.

Panel II: The Honorable Jonathan Healy, Commissioner of Agriculture, Commonwealth of Massachusetts, Boston, MA; The Honorable Harold Brubaker, State Representative, State of North Carolina, Asheboro, NC; Senator Lois Pines, Esq., former Massachusetts State Senator, Newton, MA; Dr. James Beatty, Economist, Louisiana State University, Franklinton, LA; and Richard Groder, Wisconsin Farm Bureau, Mineral Point, WI.

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

SUBCOMMITTEE ON ECONOMIC POLICY

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee

on Economic Policy of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on Wednesday, July 25, 2001, to conduct a hearing on ''Risks of a Growing Balance of Payments Deficit.''

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

SUBCOMMITTEE ON INTERNATIONAL SECURITY, PROLIFERATION AND FEDERAL SERVICES

Mr. REID. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs' Subcommittee on International Security Proliferation and Federal Services be authorized to meet on Wednesday, July 25, 2001 at 2:30 p.m. for a hearing regarding S. 995, the Whistleblower Protection Act Amendments.

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

SUBCOMMITTEE ON STRATEGIC

Mr. REID. Mr. President, I ask unanimous consent that the Subcommittee on Strategic of the Committee on Armed Services be authorized to meet during the session of the Senate on Wednesday, July 25, 2001, at 9:00 a.m., in open session to receive testimony on global power projection, in review of the Defense Authorization Request for fiscal year 2002.

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

SUBCOMMITTEE ON TECHNOLOGY, TERRORISM AND GOVERNMENT INFORMATION

Mr. REID. Mr. President, I ask unanimous consent that the Committee on the Judiciary Subcommittee on Technology, Terrorism and Government Information be authorized to meet to conduct a hearing on Wednesday, July 25, 2001 at 2:00 p.m. in SD–226, on ''Improving Our Ability to Fight Cybercrime: Oversight of the National Infrastructure Protection Center.''

WITNESS LIST

Panel I: Ron Dick, Director, National Infrastructure Protection Center; Mr. Robert F. Dacey, Director, Information Security Issues, General Accounting Office; Ms. Sallie McDonald, Assistant Commissioner, Office of Information Assurance and Critical Infrastructure Protection, General Services Administration; and Mr. James A. Savage, Jr., Deputy Special Agent in Charge, Financial Crimes Division, Secret Service.

Panel II: Mr. Michehl R. Gent, President, North American Electric Reliability Council, and Mr. Christopher Klaus, Founder and Chief Technology Officer, Internet Security Systems, Inc.

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

PRIVILEGE OF THE FLOOR

Mr. WELLSTONE. Madam President, I ask unanimous consent that Joe Steinberg, an intern in our office, be allowed to be on the floor during today's deliberations.

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

Mr. GRAHAM. Madam President, I ask unanimous consent that Andrea Witt and Matthew Baggett of my staff be allowed the privilege of the floor during the duration of debate on this legislation.

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

Mr. WELLSTONE. Madam President, I ask unanimous consent that Stephanie Zawistowski be granted floor privileges.

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

Mr. SMITH of Oregon. Madam President, I ask unanimous consent that Scott Holmer of my office be granted floor privileges.

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

UNANIMOUS CONSENT AGREEMENT—H.R. 2299

Mr. REID. Mr. President, I ask unanimous consent that second-degree amendments to the Transportation Appropriations Act may be filed until 12:30 p.m. tomorrow, Thursday.

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

NOMINATION DISCHARGED

Mr. REID. Mr. President, as in executive session, I ask unanimous consent that the HELP Committee be discharged from further consideration of the following nomination and that it be placed on the Executive Calendar: Josefina Carbonell, of Florida, to be Assistant Secretary for Aging, Department of Health and Human Services.

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

ORDERS FOR THURSDAY, JULY 26, 2001

Mr. REID. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 12 noon, Thursday, July 26. I further ask consent that on Thursday, immediately following the prayer and the pledge, the Journal of proceedings be approved to date, the morning hour be deemed expired, the time for the two leaders be reserved for their use later in the day, and there be 1 hour of debate equally divided between Senators DASCHLE and LOTT or their designees prior to the 1 p.m. cloture vote on the substitute amendment to the Transportation Act.

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

PROGRAM

Mr. REID. Mr. President, as has been outlined, the Senate will convene at 12 noon tomorrow, with 1 hour of debate prior to a 1 p.m. cloture vote on the substitute amendment to the Transportation Appropriations Act.

ADJOURNMENT UNTIL TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent that the Senate adjourn under the previous order.

There being no objection, the Senate, at 7:15 p.m., adjourned until Thursday, July 26, 2001, at 12 noon.

NOMINATIONS

Executive nominations received by the Senate July 25, 2001:

DEPARTMENT OF THE TREASURY

JAMES GILLERAN, OF CALIFORNIA, TO BE DIRECTOR OF THE OFFICE OF THRIFT SUPERVISION FOR THE REMAINDER OF THE TERM EXPIRING OCTOBER 23, 2002, VICE ELLEN SEIDMAN, RESIGNED.

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

KENNETH M. DONOHUE, SR., OF VIRGINIA, TO BE INSPECTOR GENERAL, DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT, VICE SUSAN GAFFNEY, RESIGNED.

NUCLEAR REGULATORY COMMISSION

NILS J. DIAZ, OF FLORIDA, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF FIVE YEARS EXPIRING JUNE 30, 2006. (REAPPOINTMENT)

ENVIRONMENTAL PROTECTION AGENCY

MARIANNE LAMONT HORINKO, OF VIRGINIA, TO BE ASSISTANT ADMINISTRATOR, OFFICE OF SOLID WASTE, ENVIRONMENTAL PROTECTION AGENCY, VICE TIMOTHY FIELDS, JR., RESIGNED.

DELTA REGIONAL AUTHORITY

P. H. JOHNSON, OF MISSISSIPPI, TO BE FEDERAL COCHAIRPERSON, DELTA REGIONAL AUTHORITY. (NEW POSITION)

DEPARTMENT OF STATE

JOSEPH M. DETHOMAS, OF PENNSYLVANIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF ESTONIA.

PATRICK FRANCIS KENNEDY, OF ILLINOIS, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF CAREER MINISTER, TO BE REPRESENTATIVE OF THE UNITED STATES OF AMERICA TO THE UNITED NATIONS FOR THE U.N. MANAGEMENT AND REFORM, WITH THE RANK OF AMBASSADOR, VICE DONALD STUART HAYS.

MICHAEL E. MALINOWSKI, OF THE DISTRICT OF COLUMBIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE KINGDOM OF NEPAL.

ARLENE RENDER, OF VIRGINIA, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO THE REPUBLIC OF COTE D'IVOIRE.

AGENCY FOR INTERNATIONAL DEVELOPMENT

PATRICK M. CRONIN, OF THE DISTRICT OF COLUMBIA, TO BE AN ASSISTANT ADMINISTRATOR OF THE UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT, VICE THOMAS H. FOX, RESIGNED.

NATIONAL FOUNDATION ON THE ARTS AND THE HUMANITIES

BRUCE COLE, OF INDIANA, TO BE CHAIRPERSON OF THE NATIONAL ENDOWMENT FOR THE HUMANITIES FOR A TERM OF FOUR YEARS, VICE WILLIAM R. FERRIS, TERM EXPIRING.

CONFIRMATIONS

Executive nominations confirmed by the Senate July 25, 2001:

DEPARTMENT OF HEALTH AND HUMAN SERVICES

WADE F. HORN, OF MARYLAND, TO BE ASSISTANT SECRETARY FOR FAMILY SUPPORT, DEPARTMENT OF HEALTH AND HUMAN SERVICES.

SMALL BUSINESS ADMINISTRATION

HECTOR V. BARRETO, JR., OF CALIFORNIA, TO BE ADMINISTRATOR OF THE SMALL BUSINESS ADMINISTRATION.

THE ABOVE NOMINATIONS WERE APPROVED SUBJECT TO THE NOMINEES' COMMITMENT TO RESPOND TO REQUESTS TO APPEAR AND TESTIFY BEFORE ANY DULY CONSTITUTED COMMITTEE OF THE SENATE.