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Senate

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

PRAYER

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

Almighty God, help us see the invisible movement of Your spirit in people and in events. Beyond our everyday world of ongoing responsibilities and the march of secular history, with its sinister and frightening possibilities, You call us to another world of suprasensible reality which is the mainspring of the universe, the environment of our everyday existence, and our very life and strength at this moment. Help us to know that You are present, working out Your purposes, and have plans for us. Give us eyes to see Your invisible presence working through people, arranging details, solving complexities, and bringing good out of whatever difficulties we entrust to You.

We begin this new week affirming our loyalty to You, dear God, and to our great Nation. Grant the Senators eyes to see You as the unseen but ever-present Sovereign. Then help them to claim Your promise: "Call to me, and I will answer you, and show you great and mighty things, which you do not know." Through Christ our Lord and Saviour. Amen.

PLEDGE OF ALLEGIANCE

The President pro tempore led the Pledge of Allegiance, as follows:

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

RESERVATION OF LEADER TIME

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

RECOGNITION OF ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The Senator from Nevada is recognized.

SCHEDULE

Mr. REID. Mr. President, today we have the opportunity to file amendments on the antiterrorism legislation. The last 2 weeks have been very productive in the Senate. We completed the very big, important, supplemental appropriations bill providing for many important things, not the least of which is, because of September 11, homeland security.

The work done—I have said this on the floor on a number of occasions—by the Appropriations Committee, led by the President pro tempore and Senator STEVENS, is a hallmark piece of legislation. I certainly hope we can get this out of conference in basically the same form that it left the Senate. It is very important legislation, important for the country. Not only does it take care, as I have indicated, of the homeland defense measures, but it also gives additional support to our troops. And there is money there for some of the other things we are doing in international relations. We ran out of money for disabled veterans. There are many things there that need to be done.

In addition to that, we were able to get up the hate crimes legislation. We on this side are terribly disappointed the minority would not allow us to go forward on that. We thought we were threatened. I guess they, the minority, followed through on their threat that they were going to basically kill this bill by offering all kinds of amendments. They were unable to do that, but they did prevent cloture from being invoked.

The debt limit is now out. It is important. I am disappointed that the country has turned on its head basically. Last year at this time, we had a

\$4.7 trillion surplus. We now are basically spending in the red. That is too bad. But we had to extend the debt limit. We did that. It was the responsible action. I hope the House will follow suit without games being played there.

We were able to dispose of the estate tax. I was interested. I listened on public radio Saturday to Bill Gates's father, Mr. Gates, talking about why he believed the estate tax was an important part of America. Remember, this is Bill Gates's father. He basically said he wanted his children well taken care of, and he wanted his grandchildren well taken care of, but it wasn't right to have no tax on an \$85 billion estate. That is basically what his son has. We were able to get rid of that.

Finally, we were able to have a good debate on the terrorism legislation dealing with the insurance aspect of it. Now, in the morning at 9:45, I feel confident we will invoke cloture on that very important legislation. We have been trying to move forward since last year in December.

We have had a productive time. After this week, we have 1 week prior to going out for the Fourth of July recess. The leader announced on Friday that as soon as we complete the antiterrorism insurance legislation, we are going to go to the Defense authorization bill. That is also extremely important. Senators LEVIN and WARNER have worked very hard on that legislation. It is always a bill where there are lots of amendments. I think this year will be no different. But it is something we will finish prior to the July 4 recess.

We have our work cut out for us. I hope those people who have amendments to offer on this legislation will do so.

As I have indicated, there will be no votes today. The vote will occur tomorrow morning on cloture. All first-degree amendments must be filed before 4 p.m. today. All second-degree amendments must be filed before 9:40 a.m. tomorrow.

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



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S5623

TERRORISM RISK INSURANCE ACT
OF 2002

The PRESIDENT pro tempore. Under the previous order, the Senate will now resume consideration of S. 2600, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2600) to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism.

Pending:

Brownback amendment No. 3843, to prohibit the patentability of human organisms.

Ensign amendment No. 3844 (to amendment No. 3843), to prohibit the patentability of human organisms.

The PRESIDENT pro tempore. What is the will of the Senate?

The Senator from Kansas, Mr. BROWNBACK.

AMENDMENT NO. 3843

Mr. BROWNBACK. Mr. President, I thank the Senator from Nevada for bringing up the issues. They are important ones before the country.

We are on the terrorism reinsurance bill, an amendment I have pending on this bill. The amendment I have pending has to deal with the issue of whether you can patent a human embryo, patent a person, whether you can patent a clone. I regret we are considering this amendment in this way. It was my hope that we would be able to have a set amount of time on the floor to be able to openly debate the overall issue of human cloning. I was hopeful we would be able to have that debate in February or March of this year, but things came up, apparently, and we were not able to take this debate forward.

I am left with the only recourse I have as a Member of this body, and that is presenting amendments to the body to consider the issue of whether or not we should proceed forward with the issue of human cloning, which is proceeding forward in America today. I think the wise course of action at this time is for us, overall, to have a moratorium on human cloning of all types for a 2-year time period. This will enable us to sort out what people really think and where this science would take us. I would favor a ban on human cloning, in order that we would not create human beings just for research purposes or for spare parts. But those issues will be left, perhaps, to address later this year.

For now, we have a narrow issue before the body, and that is whether or not human clones should be allowed to be patented. The Patent Office has issued a statement that it believes they should not grant patents on human clones, that this is a violation of the 13th amendment to the Constitution on slavery.

The Patent and Trademark Office has a longstanding policy of not permitting patents on people. Within the past year, they have awarded a patent to the University of Missouri on the process of human cloning, as well as what

is referred to as the products of that process.

It is clear that while the Patent and Trademark Office has an announced policy and, in view of recent patents that have been issued, as well as the fate of some of the patents that are currently pending, that the Congress should codify the view of the PTO in order to remove any ambiguity. We need to make it clear to the Patent Office that a human embryo created by a cloning process is a person, not a piece of property, not livestock that can be owned, and therefore should not be allowed to be patented. But there is a rub here because the Patent Office is being asked to issue these patents on people. They are saying, no, we should not grant these. A number of lawyers are challenging that and saying: What is a human clone? What is the young human embryo. They are stating: It is not a person, it is a piece of property; therefore, we can patent this. That is why we want to have clarity coming out of the Congress—a clear determination that you cannot patent a person. That should be illegal and should back up the position of the Patent and Trademarks Office.

We all know this debate is really about the future of humanity. It is moving at a very rapid rate. Just a few years ago, the debate was over whether or not the Federal Government should subsidize the destruction of embryos for the purpose of harvesting their inner-cell mass. That debate was over the disposition of human embryos already in existence.

Then the debate moved to whether or not embryos can be specifically created for their destruction. Human cloning—and whether or not we should utilize some of the most recent developments in the field of science—to create embryos for research purposes has been one of the latest debates. The next debate will be the issue of whether or not we can take outside genetic material and put it into the human species to the point where it can be reproduced in future generations of humans—where one generation of humans would decide the future of following generations. That is called germ line manipulation, and that will be up next.

This involves the issue of slavery again. It is a debate about whether or not individuals, and whether or not corporate America, can in fact patent and therefore control the destiny of a group of humans.

It is clear, as several have already commented, that the patenting of people could very well lead to a commercial eugenics movement—where people and traits are bought and sold by those in a position of power and authority.

The time will come—if this is allowed to continue—where human attributes are determined by a parents' pocketbook perhaps, rather than nature.

Human cloning tampers with nature in a very significant way. Now what some in the corporate world want to do

is start trafficking in human embryos—creating human embryo farms where embryos are mass produced on assembly lines by specific specifications and harvested for parts.

These corporate interests are now trying to begin patenting the people they produce. As my colleagues are well aware, the University of Missouri has already been granted a patent on the human cloning process.

The time for clarity is now. This disturbing bioindustrialization of life is continuing as I speak on the Senate floor. This debate is no longer about yet another step down the path toward a brave new world; it is, as the commentator Charles Krauthammer put it, “downhill skiing.” It is not just a step, it is downhill skiing. We need to stop it now.

By denying private companies the ability to patent a human person, and barring them from patenting the process of human cloning, we will be sending a very clear message that it is unacceptable to turn people into property and then buy and sell them as if they were commodities.

We should not allow corporate America to traffic in human embryos. By preventing the patenting of people, we will be stopping this practice.

My amendment makes clear that it is not acceptable to patent people and not acceptable to patent the process of human cloning for the purpose and process of making people.

This is a very important issue—one that demands our immediate attention. I urge my colleagues to vote against cloture on the terrorism reinsurance bill so that we can have our debate on the emerging biotech sector that I have mentioned.

I want to address a couple of other issues. I have a letter I want to put forward for Members of the body to consider. It is from the President of the Biotechnology Industry Organization on the issue of patenting people and of embryos, Carl Feldbaum. He was writing to an individual and stated their organization's opposition to the patenting of human embryos.

He states this:

Thank you for your thoughtful letter, which posed reasonable, provocative questions. With regard to the primary question you raised, BIO opposes patents on cloned human embryos. Many issues surrounding the research remain to be resolved, but on that matter our position is decided.

That is from Carl Feldbaum, President of Biotechnology Industry Organization, the lead organization for biotechnology, which is opposed to the patenting of people.

I ask unanimous consent that this letter be printed in the RECORD at the end of my statement.

(See exhibit 1.)

Mr. BROWNBACK. Mr. President, I urge Members to look at this. Here is the lead organization in the country that one might think is probably most in favor of patenting clones; yet they state they are opposed to it.

By passing this amendment to ban the patenting of human clones, it does not ban, does not stop, does not even slow down the issue of human cloning. That will proceed. The research is allowed. I don't think it should be. I think we should join the House and the President in calling for an end to human cloning. This body has not done that. But this amendment does not address that issue. The only issue in front of the body in this amendment is whether or not the Patent Office will be allowed to patent human embryos and human clones. That is the only issue involved in this amendment—whether or not that patenting will occur.

If my amendment passes, we will say: Patent Office, do not allow patents of human clones or embryos, but if people want to continue research on human clones, they can do so. If they want to continue to develop human clones, they can do so. I don't think it is wise or the right thing. I think it should stop, but that is not involved in this amendment. This is strictly about the issue of whether patents can be issued on a human clone. In that sense, it is a very clear issue of the division of what do you think a clone is? A person or property? In our jurisprudence system, it is one or the other—a person or a piece of property. If it is a piece of property, it can be patented. If it is a person, it cannot. That is against the 13th amendment to the Constitution on antislavery. If it is property, it can be patented.

So it really goes to your fundamental view of how you view young life, the human embryo. Is it a person on the continuum of life, or is it a piece of property to be disposed of as its master chooses? Which is it? That is the issue in front of this body—whether this young human at this stage, if it were nurtured to grow into a full birth, full human, by anybody's definition, is considered a person or property.

Now, some arguments were put forward last week on what this would do in the field of human cloning. Again, I state to my colleagues that it is not going to ban human cloning. This would simply limit the patenting process of human clones, and this is something that the Patent Office seeks clarifying authority on as well.

For those reasons, I urge my colleagues to support this amendment, to not support the cloture motion on terrorism reinsurance. This is the only vehicle we have open to us to be able to get these important and vital issues in front of the body.

We would like to get a clear up-or-down vote on this issue, and this is what we need to do to get that vote before the body. I hope my colleagues will study this carefully and realize what they are and are not voting on with this particular motion.

CLOTURE MOTION

Mr. BROWNBAC. Mr. President, I send a cloture motion to the desk.

The PRESIDENT pro tempore. 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, do hereby move to bring to a close debate on the Brownback amendment No. 3843:

Jon Kyl, Jeff Sessions, Don Nickles, Jim Inhofe, John Ensign, Rick Santorum, Michael B. Enzi, Bob Smith, Chuck Hagel, Mitch McConnell, Tim Hutchinson, George Allen, Peter Fitzgerald, Trent Lott, Sam Brownback, Larry E. Craig.

The PRESIDENT pro tempore. The Senator from Kansas, Mr. BROWNBAC.

Mr. BROWNBAC. Mr. President, I admit filing a cloture motion is a very strong statement to make. However, I believe I have been very patient. The Senate has a responsibility to begin addressing this very important issue. It started last fall. We thought we were going to get it addressed in the February-March timeframe, and now we are in June.

My cloture motion is meant to ensure that if the majority leader fails to invoke cloture on the underlying bill, we will then get a vote on this amendment of patenting people. The Senate needs to begin voting on these issues, and I am going to begin trying to get votes on my amendment as we go along the process.

I was a little surprised last week to see that the Senate majority leader filed a cloture motion on the terrorism insurance bill so quickly—another parliamentary move to close debate on this very important issue of human patenting. I had hoped we could have had a fair debate and vote on my amendment. Unfortunately, the leadership is trying to prevent my amendment coming to a vote. Therefore, in the event the majority leader fails to invoke cloture on the underlying bill tomorrow, I am going to get a vote on my amendment, and that is what I seek.

This should be a clear issue for people to decide where they stand on the issue of patenting of human clones and human embryos. That is why I filed this cloture motion.

Mr. President, I yield the floor.

The PRESIDENT pro tempore. What is the will of the Senate?

The Senator from Nevada, Mr. REID.

Mr. REID. Mr. President, there has been some discussion as to why the majority leader filed a motion to invoke cloture. Remember, last week we finished work on a bill and were asked by those who said they favored a discussion and favored the antiterrorism legislation to go to it on Wednesday, and they said: Give us an extra day. Of course, the extra day did not mean anything. Basically, there were no amendments filed. One amendment was filed, and we waited and waited. Then Friday was the same.

We have a lot of work to do. As the President pro tempore knows, we have

all the appropriations bills to do. They are going to have to be done in a very condensed period of time. As soon as we get some numbers, all the subcommittee chairs in the Senate will be anxious to proceed.

Again, as the Presiding Officer knows, we tried very hard when we were doing the supplemental appropriations bill to get some numbers, complete it, have it a part of that legislation, but people objected. That is too bad because we could this week be marking up some appropriations bills.

In the Senate, we have a finite amount of time to do an infinite number of items. I certainly support the majority leader filing a motion to invoke cloture, and in the future, when people are not serious about offering amendments to legislation, then he should do so again.

We have been very patient waiting for people to file amendments on legislation. We just cannot stand around in quorum calls all day and then deal with amendments that have nothing to do with the basic legislation that the whole country says is important.

I understand the seriousness of the Senator from Kansas. He believes very deeply in what he is trying to do. I admire his conviction. But others have different convictions and feel just as strongly. The Senator will have other opportunities to move this issue. Also, the majority leader lived up to his commitment to the Senator from Kansas. He said he would make sure there was an opportunity to bring this up.

A unanimous consent request was offered. The only thing wrong with it was who got to vote last. The Senator from Kansas, for reasons he believes are important, would not agree to the unanimous consent request because he did not get the last vote. As a result of that, we are in the posture of these issues being brought up on unrelated legislation.

I think the best thing to do is to bring up a freestanding bill and deal with the issues he believes are important. It can be debated on both sides. It would be a clean way to do it. Everyone realizes—the Banking Committee is dealing with terrorism insurance legislation—no matter what happens, something dealing with cloning is not going to stay in conference. It is a banking bill. We would be better off with a freestanding bill.

I personally do not understand why my friend, the distinguished senior Senator from Kansas, would not accept the unanimous consent request, but that is a decision he made. I still underscore the fact that he has a right to do what he is doing, and the majority leader has a right to do what he is doing to terminate debate on this bill which I am confident and hopeful will happen in the morning.

Mr. BROWNBAC. Mr. President, I would like to respond to the Senator from Nevada. I have a great deal of respect for Senator REID and for what he is doing. There was a unanimous consent request propounded before, and I

agreed not to amend the basic bill on cloning. We had it agreed to with no amendments. I have a series of four or five amendments. This was not going to be an open debate about the issue. This was going to be two cloture motion votes at the end. There were to be no amendments, which I thought was a relinquishing of my rights, and we would just do two cloture motion votes. The order of the cloture motions became very important.

If we are going to have two votes on a very big issue, the last one is going to be the one that would have the most possibility. Most Members of the body believe we should be doing something on cloning. If the first one does not get 60, it is highly likely the second one will be in a better position because a number of Members of the body may say, I am with you on this because something needs to be done on cloning, and would peel over and vote for the second cloture motion.

I gave up a lot of ground and rights by agreeing to a tight timeframe and only two votes on arguably one of the biggest bioethical issues of our era. When we were not given a better position in the vote, it looked to me that the process was set to come up with a certain outcome. I cannot agree to that, not after this much effort has been put into the overall issue. That is why I disagreed to the unanimous consent request, and that is why I am bringing this issue up now. We need to get it considered. This is a vehicle on which we can consider it.

We have a limited number of legislative days. The body needs to speak on these important issues. I think it is better if we just pull this issue up for a vote even before the cloture motion vote so it is a clean issue and people can decide. It does not remove the issue of cloning. Cloning can continue to take place in America and will, whether this amendment passes or not. This is strictly about whether the process of creating human beings or the human person itself can be patented. I think that this vote should be relatively easy for most Members of this body to take. That is why I bring it forward and continue to ask that the cloture petition of the majority leader not be agreed to at this time so we can consider this important legislation.

I thank the floor manager for being willing to work with us. He has been very gracious and thoughtful, but I wanted to express my reasons for wanting to take the stance that I did.

EXHIBIT 1

BIOTECHNOLOGY INDUSTRY ORGANIZATION,

Washington, DC, April 26, 2002.

Mr. WILLIAM KRISTOL,
Chairman, Stop Human Cloning, Washington,
DC.

DEAR MR. KRISTOL: Thank you for your thoughtful letter, which posed reasonable, provocative questions. With regard to the primary question you raised, BIO opposes patents on cloned human embryos. Many issues surrounding the research remain to be resolved, but on that matter our position is decided.

I would like very much to discuss in person and at length your other concerns about our industry, and stem cell research in particular. Perhaps we can arrange something after the Brownback vote. Although I wish we had begun this conversation before the issues became so polarized, I welcome the opportunity you've opened for a dialogue.

Sincerely,

CARL B. FELDBAUM,
President.

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

The PRESIDENT pro tempore. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. REID. Mr. President, I ask unanimous consent that, notwithstanding the recess of the Senate, Members may still file amendments until 3 p.m. today.

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

Mr. HOLLINGS. Madam President, I rise to address the pending legislation, S. 2600 which is designed to provide financial assistance to the insurance industry concerning coverages and losses due to acts of terrorism—for the purpose of ensuring the continued availability of terrorism insurance coverage. I must say from the outset that I disagree with this legislation, not based on its aims, but the manner in which the legislation is structured and the way it seeks to accomplish its stated goals.

This is an issue that the Senate sought to address last fall, during the height of the national market and security crises that were precipitated by the September 11 terrorist attacks. In light of the fact that our commercial markets had never experienced a terrorist attack and losses in the magnitude that occurred on September 11, a great deal of uncertainty was stirred in the marketplace. Claiming that they had no experience in pricing such events, insurance companies threatened wholesale cancellations of terrorism coverage by the end of the year of 2001. Given these circumstances—and the severe threat that was posed to the stability of key industries and markets—clearly Congress was compelled to act.

Consequently, I, along with Senator MCCAIN, decided it was necessary for the Commerce Committee to take action. We made this decision in light of the Commerce Committee's longstanding jurisdiction over the business of insurance, and given that the committee had been working on legislation to address the availability of property and casualty insurance in areas prone to natural disasters, which involved issues similar to those relating to terrorism insurance. I would like to emphasize that the Commerce Committee has exercised jurisdiction over the business of insurance for the past 50

years. We have considered legislation relating to: the creation of risk pools and special insurance funds for insuring against natural disasters; the repeal of McCarran-Ferguson Act and the Federal regulation of insurance; Federal oversight of the solvency of insurance companies; the prohibition of discrimination in the sale of insurance; insurance redlining; Federal regulation of automobile insurance; and the availability of liability and property and casualty insurance, which are the very issues this legislation seeks to address.

The committee convened a hearing, which included testimony from Treasury Secretary O'Neill, as well as state insurance officials, academics, the Consumer Federation of America, CFA, the National Taxpayers Union, NTU, and the insurance industry. I should note that the main point that was emphasized by the independent witnesses is that a program could and should be designed to ensure the insurance companies used their own resources to provide the necessary backstop to stabilize the market. As they, and state officials advised, the best way to do this was through the creation of a risk pool.

Following the hearing, along with Senator MCCAIN and other members of the committee, I began to work with state regulators, CFA and NTU to craft legislation along these lines. Senator MCCAIN and I came to an agreement except for on the matter of punitive damages. Consequently, we introduced two separate bills—S. 1743, my bill, and S. 1744, his bill—both of which would have required a payback by the companies.

I will briefly describe my legislation. As I noted, the legislation was constructed from risk pool proposals submitted by the insurance industry, state insurance commissioners, the Consumer Federation of America, CFA, and the National Taxpayers Union. It has been endorsed by 13 current state insurance commissioners—Republican and Democrat.

The legislation would establish a risk pool through the creation of a national fund—known as the National Terrorism Fund hereinafter referred to as "the fund". The fund will be created within the U.S. Department of Commerce, in conjunction with a 10-member Advisory Committee, which would include the Secretary of Treasury, State insurance regulators, and insurance industry representatives.

The fund will be capitalized through an annual assessment of 3 percent of an insurer's previous calendar year direct written gross premiums. The companies writing coverages for the major property and casualty lines would be required to participate.

All commercial insurance companies will be required to participate in the fund. Providers of personal insurance coverage will have the option of participating if they believe they need additional reinsurance.

Companies will be authorized to pass through the 3 percent assessment to

their policyholders. Companies seeking to raise rates beyond these levels will be required to report and justify, with substantial evidence, such actions to State insurance regulators. This is designed to deter companies from using terrorism as an excuse to raise rates overall. Additionally, the bill will maintain enforcement of states' fair trade practices and fair claims practices and laws.

Each participating insurer would have a 10 percent retention level based on its previous year's direct written premiums. Once a company suffers losses due to terrorism that exceeds its retention level, the company would be permitted to receive payments from the fund. For example, if a company has direct written premiums of \$100 million, its retention would be \$10 million. Some have advised that the retention level should be as high as 20 percent. The bill originally contained a 20 percent retention, but it was lowered to 10 percent in response to concerns by the industry.

Once a company has met its retention levels, the fund will cover its remaining losses as follows: 90 percent during the first year (90/10). For the second and third years, a company will be permitted to select the amount of coverage from the following options: 90 percent coverage of losses for a premium of 5 percent of its direct written premiums and surplus; 80 percent coverage for a 4 percent premium; and 70 percent coverage for 3 percent premium.

If at any time during the 3 years of the program, the losses from the participating companies exceed the fund's capacity, the fund will be authorized to borrow, from the Federal Treasury, moneys to cover the losses up to \$100 billion. The fund, through assessments on all participating companies, would be required to repay the loan. The fund and the companies would be given as long as 20 years, if necessary, to repay the loans at standard market interest. If there are outstanding loans due after the expiration of the fund on December 31, 2004, the companies will continue to be assessed until the loans are repaid.

If at the end of the program the fund has a positive balance, the participating companies would be allowed to recoup the funds—based on the proportion of each company's contribution—contingent upon a guarantee that the money will be placed in a special catastrophic reserve account. That account could be used only to pay for losses related to terrorism, and major catastrophes, earthquakes, hurricanes, and tsunamis. Any company seeking to use the money for other purposes would be subject to criminal penalties.

I should also note that as time began to run out last year, I received a call from Secretary O'Neill offering to work together to ensure the passage of a measure to deal with the crisis. I accepted the invitation and had my staff and the administration officials working together the next morning on a

compromise bill. We agreed to work upon the outlines of a 1-year stopgap measure. Unfortunately, the Secretary met strong objections from the Republican side of the Chamber.

I still believe that any legislation that is passed at this point should require a payback. This is especially the case given reports that the market has stabilized and insurance coverage is available for most businesses. The bill before us essentially provides for 2 years of potential unnecessary payments to insurance companies, who could reap a windfall at the expense of the taxpayers.

I also believe that this legislation should not be used as a vehicle for Federal tort reform. This issue killed the bill last year, and may very well derail it this year.

RECESS

Mr. REID. I ask unanimous consent that the Senate stand in recess until 3 p.m. today.

Thereupon, the Senate, at 2:42 p.m., recessed until 3 p.m. and reassembled when called to order by the Presiding Officer (Mr. AKAKA).

The PRESIDING OFFICER. In my capacity as a Senator from the State of Hawaii, I suggest the absence of a quorum.

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 not to exceed 5 minutes each.

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

THE REESTABLISHMENT OF THE SENATE NATO OBSERVER GROUP

Mr. DASCHLE. Mr. President, today the Senate Republican Leader and I are pleased to reestablish the bipartisan Senate NATO Observer Group, or SNOG. We originally established the SNOG in April 1997 to advise the full Senate on the historic first round of enlargement of the North Atlantic Treaty Organization, NATO. It served as an important line of communication between the Senate and NATO and the Senate and candidate countries in the months prior to the July 1997 NATO summit in Madrid at which Poland, the Czech Republic, and Hungary were admitted to the alliance. The SNOG and the information it generated was central to the Senate's ratification of the protocols of accession in April 1998.

The Senate debate in 1998 foreshadowed further enlargement of

NATO, and in June 2001, the North Atlantic Council determined that NATO would admit at least one candidate country at the November 2002 summit in Prague. In reestablishing the SNOG, we are asking this bipartisan group of our colleagues to closely monitor the enlargement process and to keep the rest of the Senate fully informed as we move to another historic decision at Prague. The SNOG will work with the Administration, our NATO allies, and the NATO candidate countries, of which there are nine. The fact that nine countries have been designated as candidates only highlights the importance of the SNOG in assessing each country's progress in meeting the qualifications for accession and reporting to the Senate on that progress.

The Senate takes its constitutional role of advise and consent on treaties very seriously. The protocols of accession signed by new NATO members are considered amendments to the North Atlantic Treaty and will require the advice and consent of the Senate. The inclusion of new member countries into NATO involves a commitment, under Article V of the Treaty, to defend those countries in case of attack—a solemn commitment and one we will not undertake lightly. It is in the security interests of the United States to see NATO expanded, to create a Europe that is whole and free. But it is also the solemn responsibility of the U.S. Senate to look carefully at any new commitments to which American troops might be subject.

The SNOG will be chaired by the Chairman of the Senate Foreign Relations Committee, Senator JOSEPH BIDEN of Delaware, and co-chaired by Senator HELMS. The Senate Majority Leader and Republican Leader will be members, *ex officio*. The other Democratic Senators on the SNOG will be Senators ROBERT BYRD of West Virginia, JEAN CARNAHAN of Missouri, MAX CLELAND of Georgia, BYRON DORGAN of North Dakota, RICHARD DURBIN of Illinois, TOM HARKIN of Iowa, DANIEL INOUE of Hawaii, TIM JOHNSON of South Dakota, MARY LANDRIEU of Louisiana, PATRICK LEAHY of Vermont, CARL LEVIN of Michigan, JOSEPH LIEBERMAN of Connecticut, BARBARA MIKULSKI of Maryland, PAUL SARBANES of Maryland, ROBERT TORRICELLI of New Jersey, and PAUL WELLSTONE of Minnesota.

Mr. LOTT. Mr. President, I am pleased to join Senator DASCHLE in reestablishing the Senate NATO Observer Group. When we first established the SNOG in April 1997, I emphasized that the Senate be in on the ground floor of the NATO enlargement process. Because it was bipartisan, the SNOG cut across party lines as well as committee jurisdictions, and ensured that the Senate would be heard both during the NATO enlargement process and after the decisions were taken in Madrid. Today, by reestablishing the SNOG, we are ensuring that the Senate will be fully informed prior to the next round

of enlargement this November in Prague and in its consideration of ratification.

On June 15, 2001, President Bush gave an historic speech in Warsaw, Poland at which he said that "all of Europe's new democracies, from the Baltic to the Black Sea and all that lie between, should have the same chance for security and freedom, and the same chance to join the institutions of Europe, as Europe's old democracies." His audience, the Poles, understood what he was talking about. Less than two decades ago, they suffered under the oppressive weight of the Soviet Union. Today, they enjoy freedom, protected by their membership in NATO. As the Senate considers the expansion of NATO to include other Eastern European countries, we should remember the words of the President. We must also act deliberately, examining the qualifications of each candidate country and the commitments that their accession to NATO entails. It is for that purpose that we are reestablishing the SNOG.

The other Republican Senators on the SNOG will be WAYNE ALLARD of Colorado, SAM BROWNBACK of Kansas, BEN NIGHTHORSE CAMPBELL of Colorado, THAD COCHRAN of Mississippi, MIKE DEWINE of Ohio, MIKE ENZI of Wyoming, CHUCK HAGEL of Nebraska, MITCH MCCONNELL of Kentucky, DON NICKLES of Oklahoma, PAT ROBERTS of Kansas, RICK SANTORUM of Pennsylvania, JEFF SESSIONS of Alabama, GORDON SMITH of Oregon, TED STEVENS of Alaska, GEORGE VOINOVICH of Ohio, and JOHN WARNER of Virginia.

IN HONOR OF BECKY MILLS

Mr. REID. Mr. President, I rise today to honor a fine public servant, great Nevadan, and friend, Ms. Becky Mills. On May 3, 2002, after nearly 25 years of employment with the National Park Service, Becky retired from her position as Superintendent of Great Basin National Park.

Becky Mills learned to love the great outdoors as a young child. Her grandfather took her on camping and fishing trips to Yosemite, where she interacted with Park Rangers around the campfire, and her participation in the Girl Scouts allowed her to explore more national parks: Yellowstone, Sequoia/Kings Canyon, Grand Canyon, Zion, Bryce, Lake Mead, and others.

Her lifelong interest in nature contributed to her decision to dedicate her life to protecting the environment. While hiking to the Mount Everest Base Camp in the Himalayas in the fall of 1976, Becky decided to change careers so her professional life would match her personal commitment to the environment. Becky joined the National Park Service in May of 1978 as Regional Chief of Youth Programs for the Pacific West Region. Her decision proved to be beneficial for the Park Service and, ultimately, for Nevada.

In 1995 Becky was appointed Superintendent of Great Basin National

Park in Nevada. In this capacity, she worked to protect and enhance the natural and cultural resources of the park and the surrounding lands and community. To help preserve the park's history, Becky has been instrumental in planning and designing a new Great Basin National Park Visitor Learning Center. Her dedication to the Park Service, and particularly to the people of east-central Nevada is both inspirational and much appreciated.

I extend to her my most sincere congratulations and appreciation for her commitment to Great Basin National Park, the environment, and public service.

POEMS ON SEPTEMBER 11

Mr. REID. Mr. President, I received two poems written by a constituent of mine, Ira Somers from Nevada, about the terrorist attacks of September 11. Reading these poems, I was reminded of the country's great sorrow following that tragic day and the ensuing strength and compassion that Americans demonstrated afterwards as they came to the aid of those in need, made donations, cleaned up, and put their lives back together. But what struck me most was the poet's reminder to reaffirm and continue this spirit, to seek out ways every day to lend a helping hand and to promote peace and goodwill.

I would like to share these two poems written by Ira Somers. I ask unanimous consent that the poems be printed in the RECORD.

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

THE DAY OF NINE-ONE-ONE

(Written the day of the memorial service for this event)

It began as a quiet day
Lives were normal in every way.
The sun arose with fullest light
And moved the shadows of the night.
But this was not to last for long,
Two big giants tall and strong
Which seemed to stand for what is good
Were struck by evil where they stood.
'Twas on the day of nine-one-one
That they were lost to everyone.
There they were, and now they're not,
And where they stood's a gruesome spot.
How could these giants of our day
Be brought to naught in such a way
To leave this mass of jumbled parts
And bring such grief to all our hearts?
We sensed the feelings of despair
In those who walked most everywhere
To find the ones that they had lost
And bring them back at any cost.
Souls were touched by the kindly deeds
Of those who toiled for other's needs,
And how they struggled day and night
Against this wrong that had no right.
A vicious crash at the Pentagon
Tore at the souls of every one,
And word of heroes in the air
Brought tears to eyes most everywhere.
We all can learn from such great loss
To look at need before the cost
When giving help to anyone
And not say quit 'til peace has won.

POST NINE-ONE-ONE

(Written the day the recovery and cleanup operations were concluded by a ceremony at the World Trade Center site)

There where those giants stood so tall
They've cleared away and moved it all,
And nothing's left for one to see
But empty space with memories.

Thinking back to pre-nine-one-one
And the kinds of things we'd have done.
No red flag would have caused a stir
We were so vain and so cocksure.

But hearts were changed by nine-one-one
Which touched the souls of everyone.
There was oneness not seen before
With firm resolve there'd be no more.

Now, time can take a ho-hum toll
So let's not slack on our real goal.
To these vile men this was no game
And there are more who'd do the same.

In all we do let us never cease
To be a force in the cause of peace,
And let the acts of that sad day
Change our lives in permanent ways.

Let us avoid all selfish goals
And lift our sites and pledge our souls
To always stand and work as one,
And keep it up 'til peace has won.

GAO REPORT ON CAMBODIA

Mr. MCCONNELL. Mr. President, the conclusion of the General Accounting Office's, GAO, recently released report on Cambodia is deeply troubling—but comes as no surprise to those of us who have long followed developments in that country.

While GAO has noted some progress by the Royal Government of Cambodia, RGC, to implement public finance, military, and land management reforms, the lack of headway in other areas—including legal and judicial, public administration, anticorruption, and forestry management—is glaringly absent.

Until the RGC fully implements legal reforms and embraces the rule of law, the international community has no choice but to consider any and all progress in Cambodia as limited and impermanent.

The obstacles to good governance in Cambodia are many, but the lack of political will by the ruling Cambodian People's Party, CPP, to implement much needed reforms poses the single greatest challenge to meaningful democratic, economic and social development.

The abuses of Prime Minister Hun Sen and the CPP are legion, and it is past time that the international community holds them accountable for their repressive actions. This Senator has not forgotten the many innocent Cambodians killed and injured in the March 1997 grenade attack in Phnom Penh, or the Prey Veng farmers who continue to gather in the capital following massive floods caused by the Cambodian military's rampant illegal logging.

The international community would be wise to hold the RGC accountable not for what it says, but for what it does. In this respect, donors should aggressively and relentlessly push for

credible parliamentary elections next year, through which the Cambodian people can freely choose new leadership.

In the post-September 11 world, America can no longer afford to turn a blind eye to authoritarian and lawless regimes. Just as Cambodia has become a haven for the Asian underworld, America should be concerned that terrorists and their finances will seek refuge in that lawless country.

COMMENDATION OF THE NATIONAL ASSOCIATION OF LETTER CARRIERS' 10TH ANNUAL "STAMP OUT HUNGER" FOOD DRIVE

Mr. AKAKA. Mr. President, I rise with pleasure today to commend the National Association of Letter Carriers, NALC for their unprecedented commitment to answering the call of reducing hunger in the United States. Over 30 million Americans go hungry everyday. In the summer months, the problem is particularly acute because the demand for emergency food is high and donations are at their lowest yearly point. However, on May 11, almost 62.7 million pounds of food was collected in the 10th Annual "Stamp Out Hunger" food drive as a result of the dedication of NALC members.

Through a combined effort by the Priority Mail division of the U.S. Postal Service and the Campbell Soup Company, postcards promoting the food drive were delivered to over 100 million postal customers in all 50 States, the District of Columbia, Guam, and Puerto Rico. Then, on May 11, in addition to their daily postal duties, letter carriers volunteered to pick up donations, sort through them, and deliver the contributions to local community food banks. About 1,500 local NALC branches throughout the U.S. were involved in the drive.

Others involved in the success of the nation's largest one-day effort to combat hunger were Saturn-UAW Union partnership Initiative, local United Ways, the AFL-CIO, and Family Circle creator and cartoonist Bill Keane. The Campbell Soup Company donated one million pounds of canned goods.

The National Association of Letter Carriers is the union of city delivery carriers employed by the U.S. Postal Service which has a long tradition of participating in community service. The NALC "Stamp Out Hunger" food drive is just one example of the members' generosity and commitment to the communities that they serve.

It is fitting that we applaud the sense of community displayed by the members of the NALC, who like their fellow postal workers, have demonstrated their dedication and pride in carrying out their daily jobs. I urge my colleagues to join me in commending the National Association of Letter Carriers, their sponsors, and the millions of Americans who donated food on May 11. Their generosity will help ease the

plight of hunger for millions for men, women, and children in the United States.

ADDITIONAL STATEMENTS

TRIBUTE TO MATTHEW EVANS

• Mr. WARNER. Mr. President, I rise to recognize a valued member of our Senate family, Matthew Evans, the Senior Landscape Architect here at the United States Capitol, who was recently honored by the National Arbor Day Foundation with their 2002 Good Steward Award.

Through the years, Matthew has earned numerous awards including the American Society of Landscape Architects' once-in-a-century Centennial Medallion in recognition of the Capitol Grounds as a national landmark for outstanding landscape architecture. Gardens designed by him have been featured in films and magazines. These awards recognize him for his outstanding professional abilities and his invaluable contributions to our U.S. Capitol Building and Grounds.

We are fortunate to have Matthew's practiced eye and professional skill at work for us here at the Capitol. He and his staff are meticulous in the care they provide a preserve and enhance the grounds of this treasured national landmark. Matthew also collaborates with countless groups and representatives from other government agencies, civic organizational and community groups to ensure that the many important ceremonial and special events held on these historic grounds occur in a way that protects and preserves our invaluable greenery.

Each day of the year, thousands of Americans as well as foreign dignitaries and guests tour our Capitol and grounds. Many of them linger to snap photos and to view the magnificent old trees and beautiful plantings here on our Capitol grounds. These landscape treasures add immeasurably to the memories our visitors carry away from their visits here. Matthew Evans now faces perhaps the greatest challenge of his career. He must protect, to the greatest extent possible, the trees and grounds of the Capitol during the construction of the new Visitors Center and then restore this historic property to its beautiful state. We all wish him well in this important endeavor.

I congratulate Matthew on receiving the prestigious Good Steward Award and I thank him for his dedicated service. I am glad to know he will be continuing his skillful and wise stewardship of the invaluable architectural landscape legacy we enjoy here at the U.S. Capitol.●

NATIONAL HISTORY DAY

• Mrs. FEINSTEIN. Mr. President, today I stand to honor three outstanding California students: Michael

Crowe, Jennifer McWilliams, and Heather Scott.

These students are finalists in the National History Day Contest. They are also among 15 students who have been selected from a national pool of 700,000 to display their work at the White House Visitors Center this week.

National History Day is a year-long event in which students prepare exhibits, papers, documentaries, and performances to explain not only the "who" and the "what" of history but also the "why."

In his performance "Castro, Cuba, and the Revolution the World Will Never Forget," Michael Crowe, a seventh grader at Fruitvale Junior High School in Bakersfield, explores the relations between the United States, Cuba, and Russia during the Cold War.

As part of his research, Michael spoke to former Secretary of Defense Robert McNamara and to CBS anchorman Walter Cronkite.

He also gained a unique perspective on the era by interviewing the children of Fidel Castro and Nikita Khrushchev.

Working together, eighth graders Jennifer McWilliams and Heather Scott, who also attend Fruitvale Junior High, created an exhibit entitled "On the Trail to Revolution: Ho Chi Minh and the Vietnam War."

In addition to speaking with Robert McNamara and Walter Cronkite, the girls interviewed veterans, refugees, and a Vietnamese expatriate who lived in Vietnam during the war to understand the conflict and its effects on our Nation.

Like other National History Day participants, Michael, Jennifer, and Heather chose their topics last fall. They spent a year conducting extensive research and analyzing past events.

Michael, Jennifer, and Heather then joined over half a million other students and entered their National History Day projects in local competitions.

From these local competitions, approximately 2,000 participants are chosen to proceed to the national finals. There, they compete for cash and scholarships.

Michael, Jennifer, and Heather are among this year's finalists, an accomplishment remarkable in itself. However, these students also demonstrated great enthusiasm and superior effort while completing their projects.

This earned them the privilege of exhibiting their work at the White House Visitors Center.

Michael, Jennifer, and Heather performed truly first-rate research and demonstrated initiative and dedication beyond their years. Their projects are of exceptional quality.

These young people have earned my sincere admiration, and I congratulate them on their achievements.●

LOCAL LAW ENFORCEMENT ACT OF 2001

• Mr. SMITH of Oregon. Mr. President, I rise today to speak about hate crimes

legislation I introduced with Senator KENNEDY in March of last year. The Local Law Enforcement Act of 2001 would add new categories to current hate crimes legislation sending a signal that violence of any kind is unacceptable in our society.

I would like to describe a terrible crime that occurred April 27, 2001 at Kent State University in Ohio. Mikell Nagy, an openly gay university student, was eating breakfast with friends when he heard someone make an anti-gay comment toward another friend across the room. When Mr. Nagy went to see if his friend was okay, a man walked up behind him, called him "fag-got" and punched him in the face. According to witnesses, blood was pouring from cuts above his left eye and his two front teeth were chipped during the incident.

I believe that government's first duty is to defend its citizens, to defend them against the harms that come out of hate. The Local Law Enforcement Enhancement Act of 2001 is now a symbol that can become substance. I believe that by passing this legislation and changing current law, we can change hearts and minds as well.●

HONORING CAPTAIN STEPHEN A. PRINCE

● Mr. HOLLINGS. Mr. President, I want to pay tribute to a native of Greenville, SC, Captain Stephen A. Price. He will soon be retiring after a distinguished 26-year career in the Navy, most recently as the division chief at the Defense Logistics Agency's Business Development and Supply Chain Integration, Fort Belvoir, VA.

Captain Price has served in a number of challenging positions. At sea, he participated in the highly successful maiden deployment of the USS *John C. Stennis* to the Arabian Gulf. He also served as an officer on the USS *Ashtabula* and the USS *John L. Hall*. His shore assignments, in the Area of Supply, have taken him to four States and to Iceland. His personal awards include three Meritorious Service Medals; and from the Navy and Marine Corps, two Commendation and two Achievement Medals.

We all appreciate Captain Prince's service to our Nation. I wish him, his wife Linda, and their two daughters, the very best; and I hope they have more opportunities to return home to South Carolina to visit Captain Prince's family currently residing in Myrtle Beach.●

25TH ANNIVERSARY OF SUNLINE TRANSIT AGENCY

● Mrs. BOXER. Mr. President, I am proud to take this moment to salute the incredible 25-year record of SunLine Transit Agency, which provides service to the Coachella Valley. SunLine Transit Agency is a leader in clean fuels technology, operating all its transit buses and other vehicles on alternate fuels.

SunLine is clearly ahead of its time. It was the first public transit agency in the nation to convert its fleet to cleaner burning natural gas, the first to co-develop, with private and public sector partners, renewable hydrogen generation and education facilities, and the lead agency in the Coachella Valley's award-winning U.S. Department of Energy Clean Cities program.

SunLine's clean fuel buses have driven 25 million clean air miles, and have carried 4 million passengers per year in 1999, 2000 and 2001. SunLine has hosted visitors from near and far, including foreign ministers, ambassadors, energy officials, automakers and energy providers. It has also helped other transit properties and fleet operators around the world convert to clean fuels.

I had the great pleasure to tour SunLine's state-of-art facilities and meet its wonderful staff. Last February, I presented the agency with my Conservation Champion Award and took a ride in its hydrogen powered SunBug. As I stood under the brilliant blue sky of the Coachella Valley, I felt proud knowing that California's SunLine Transit Agency is leading the way for the nation with innovative approaches to provide renewable energy.

I would like to extend my sincere congratulations to Richard Cromwell, III, General Manager and CEO of SunLine, and all of SunLine's staff. They have successfully made it a leader for California and the Nation.●

MESSAGES FROM THE PRESIDENT

Messages from the President of the United States were communicated to the Senate by Ms. Evans, one of his secretaries.

EXECUTIVE MESSAGES REFERRED

As in executive session the Presiding Officer laid before the Senate messages from the President of the United States submitting sundry nominations which were referred to the appropriate committees.

(The nominations received today are printed at the end of the Senate proceedings.)

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-7463. A communication from the Paralegal, Federal Transit Administration, Department of Transportation, transmitting, pursuant to law, the report of a rule entitled "Clean Fuels Formula Grant Program" (RIN2132-AA64) received on June 7, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-7464. A communication from the Senior Attorney, Federal Register Officer, Financial Management Service, Department of the Treasury, transmitting, pursuant to law, the

report of a rule entitled "Indorsement and Payment of Checks Drawn on the United States Treasury" (RIN1510-AA45) received on May 23, 2002; to the Committee on Banking, Housing, and Urban Affairs.

EC-7465. A communication from the Congressional Review Coordinator, Policy and Program Development, Animal and Plant Health Inspection Service, Department of Agriculture, transmitting, pursuant to law, the report of a rule entitled "Tuberculosis in Cattle and Bison; State and Zone Designations; Texas" (Doc. No. 02-021-1) received on June 10, 2002; to the Committee on Agriculture, Nutrition, and Forestry.

EC-7466. A communication from the Chairperson, National Council on Disability, transmitting, pursuant to law, the report of a Anti-deficiency Act violation totaled \$183,500; to the Committee on Appropriations.

EC-7467. A communication from the Fish and Wildlife Service, Department of the Interior, transmitting, pursuant to law, the report of a rule entitled "Injurious Wildlife Species; Brushtail Possum (*Trichosurus vulpecula*)" (RIN1018-AE34) received on June 6, 2002; to the Committee on Environment and Public Works.

EC-7468. A communication from the Administrator of the National Aeronautics and Space Administration, transmitting, a draft of proposed legislation entitled "National Aeronautics and Space Administration Authorization Act, 2003"; to the Committee on Commerce, Science, and Transportation.

EC-7469. A communication from the Secretary of Labor, transmitting, pursuant to law, a report entitled "The Department of Labor's 2001 Findings on the Worst Forms of Child Labor"; to the Committee on Finance.

EC-7470. A message from the President of the United States, transmitting, pursuant to law, Presidential Determination Number 2002-20, relative to Vietnam; to the Committee on Finance.

EC-7471. A communication from the Secretary of Veterans Affairs, transmitting, a draft of proposed legislation entitled "Veteran's Programs Amendments Act of 2002"; to the Committee on Veterans' Affairs.

EC-7472. A communication from the Assistant Secretary of Legislative Affairs, Department of State, transmitting, pursuant to section 402(a) of the USA-PATRIOT Act (P.L. 107-56), the report of final regulations "to implement procedures for the taking of fingerprints" and "to establish the conditions for the use of the information received from the Federal Bureau of Investigation" in order to protect security and confidentiality of that information; to the Committee on Foreign Relations.

EC-7473. A communication from the Assistant Administrator for Human Resources and Education, National Aeronautics and Space Administration, transmitting, pursuant to law, the report of a vacancy and a nomination for the position of Inspector General; to the Committee on Commerce, Science, and Transportation.

PETITIONS AND MEMORIALS

The following petitions and memorials were laid before the Senate and were referred or ordered to lie on the table as indicated:

POM-250. A joint resolution adopted by the Legislature of the State of Wyoming relative to judicial taxation; to the Committee on the Judiciary.

JOINT RESOLUTION NO. 2

Whereas, separation of powers is fundamental to the United States Constitution and the power of the federal government is strictly limited; and

Whereas, under the United States Constitution, the states are to determine public policy; and

Whereas, it is the duty of the judiciary to interpret the law, not to create law; and

Whereas, federal district courts, with the acquiescence of the United States Supreme Court, continue to order states to levy or increase taxes in violation of the United States Constitution and the legislative process; and

Whereas, the time has come for the people of this great nation and their duly elected representatives in state government, to reaffirm, in no uncertain terms, that the authority to tax under the Constitution of the United States is retained by the people who, by their consent alone, do delegate such power to tax explicitly to those duly elected representatives in the legislative branch of government whom they choose, such representatives being directly responsible and accountable to those who have elected them; and

Whereas, several states have petitioned the United States Congress to propose an amendment to the Constitution of the United States of America which was previously introduced in Congress; and

Whereas, the amendment seeks to prevent federal courts from levying or increasing taxes without representation of the people and against the people's wishes: Now, therefore, be it

Resolved by the Members of the Legislature of the State of Wyoming:

1. That the Congress of the United States expeditiously propose and submit to the Legislatures of the several States for ratification an amendment to the Constitution of the United States to add a new article providing as follows: "Neither the Supreme Court nor any inferior court of the United States shall have the power to instruct or order a state or a political subdivision thereof, or an official of such a state or political subdivision, to levy or increase taxes."

2. That this resolution constitutes a continuing application in accordance with Article V of the Constitution of the United States.

3. That the Legislatures of each of the several states comprising the United States are urged to apply to the United States Congress requesting that the referenced amendment to the United States Constitution be submitted to the states for ratification.

4. That the Secretary of State transmit copies of this resolution to the President of the United States Senate, the Speaker of the House of Representatives of the United States, each Member of the Wyoming Congressional Delegation, and the Secretary of State and the presiding officers of both Houses of the Legislatures of each of the other States in the Union.

POM-251. A joint resolution adopted by the Legislature of the State of Wyoming relative to a health care pilot program for the Arapahoe and Shoshone Tribes on the Wind River Reservation; to the Committee on Appropriations.

JOINT RESOLUTION No. 1

Whereas, the United States government has historically, by treaty, accepted responsibility for the health care services of the Arapahoe and Shoshone tribal members;

Whereas, there exists a growing health care disparity between tribal members and other groups in Wyoming;

Whereas, inflation has eroded the purchasing power of the Indian Health Service appropriation and Indian health care service costs have increased substantially in the last ten (10) years but federal funding for that care has remained essentially the same;

Whereas, Indian health contract care has financially impacted the quality of medical

care and services provided, the quality of health facilities available and provided an economic boost to communities surrounding the Wind River Reservation and this impact needs to be studied: Now, therefore, be it

Resolved by the members of the Legislature of the State of Wyoming:

Section 1. That the Wyoming State Legislature endorses the establishment of a tribal health care services pilot program to study these areas of concern.

Section 2. That the Wyoming State Legislature strongly encourages the United States to appropriate monies for the establishment of a tribal health care services pilot program on the Wind River Reservation.

Section 3. That the Wyoming State Legislature strongly encourages the United States to appropriate monies to adequately pay for the increased costs of tribal health care because it affects the level and quality of health care available to, and provided for, all citizens in Fremont, Hot Springs and Natrona Counties.

Section 4. That the Secretary of State of Wyoming transmit copies of this resolution to the President of the United States, to the President of the Senate and the Speaker of the House of Representatives of the United States Congress.

POM-252. A joint resolution adopted by the Legislature of the State of Maine relative to restore equitable distribution of federal highway funding to states and municipalities; to the Committee on Appropriations.

JOINT RESOLUTION

Whereas, states and municipalities depend heavily upon federal money to supplement transportation projects; and

Whereas, Maine's highway fund is already facing a \$40,000,000 structural gap; and

Whereas, Maine is a rural state and depends heavily on its roads, bridges and highways for transporting consumer goods to the marketplace; and

Whereas, states and municipalities are set to lose 11% of anticipated transportation funding; and

Whereas, maintaining vital state and national infrastructure should take priority over alternative pet projects: Now, therefore, be it

Resolved, That We, your Memorialists, respectfully urge the President of the United States and the Congress of the United States to restore the federal highway funding commitment to states and municipalities and to pursue equitable and fair distribution of federal dollars for transportation ventures; and be it further

Resolved, That suitable copies of this resolution, duly authenticated by the Secretary of State, be transmitted to the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives and each Member of the Maine Congressional Delegation.

POM-253. A resolution adopted by the Senate of the General Assembly of the Commonwealth of Pennsylvania relative to the rights of women in Afghanistan; to the Committee on Foreign Relations.

SENATE RESOLUTION

Whereas, During the past four years, the Taliban had gained military control over virtually all of Afghanistan; and

Whereas, The Taliban's earliest action upon establishing rule in Kabul was to impose strict segregation of clinics and hospitals by gender and to prohibit access by women and girls; and

Whereas, The Taliban had prohibited most women from working, required the wearing of an enveloping burqa on pain of punish-

ment, denies girls access to schooling, prohibited women from leaving their homes without a close male family member for escort and imposed other draconian restrictions on women's mobility and access to humanitarian aid, health care and education; and

Whereas, A full-length study of the effects of the Taliban's policies on women's health and human rights, conducted by the human rights organization Physicians for Human Rights (PHR), was published in the August 1998 edition of the Journal of the American Medical Association; and

Whereas, The study, which has been revisited and updated in 1999 and 2000, showed that 81% of respondents reported a decline in their mental health, 42% met the criteria for post-traumatic stress disorder, 97% met the criteria for major depression and 86% demonstrated significant symptoms of anxiety; and

Whereas, The women interviewed by PHR overwhelmingly rejected the Taliban's interpretation of Islam and of Afghan history and culture and expressed their strong support for women's equality and immediate access to health care and education; and

Whereas, In July 1998, the Taliban ordered all humanitarian nongovernmental organizations out of Afghanistan for refusing to move their living quarters into a facility on the outskirts of Kabul which lacked water and electricity; and

Whereas, The vicious and unprecedented attack on the United States on September 11, 2001, that resulted in thousands upon thousands of deaths of American citizens, has been linked to the Taliban; and

Whereas, Subsequent attacks on Afghanistan by the United States Armed Forces as well as civil unrest between Afghan factions have led to the fall of the Taliban in some Afghan cities, including Kabul; and

Whereas, The new Afghan government has made efforts to restore the voice of Afghan women by naming two women to cabinet-level positions, including Health Minister and the Minister of Women's Affairs; and

Whereas, While these very recent developments in Afghanistan seem to indicate a movement toward establishing women's rights and restoring their civil liberties, a great deal of time and money needs to be invested to elevate the status of women and to allow them full participation in society: Therefore be it

Resolved, That the Senate of the Commonwealth of Pennsylvania condemn the Taliban's discrimination against women; and be it further

Resolved, That the Senate of the Commonwealth of Pennsylvania memorialize the President and the Congress of the United States to publicly disapprove of these atrocities, take whatever steps necessary to end the discrimination and violence against women and urge the full restoration of their rights; and be it further

Resolved, That the Senate of Pennsylvania urge the United States Government, as well as the United Nation's humanitarian organizations, to provide whatever assistance may be necessary to the new government of Afghanistan for the purpose of restoring the rights of Afghan women; and be it further

Resolved, That copies of this resolution be transmitted to the President of the United States, to the presiding officers of each house of Congress and to each member of Congress from Pennsylvania.

POM-254. A concurrent resolution adopted by the Senate of the Legislature of the State of Michigan relative to the addition of Estonia, Latvia, and Lithuania into the North Atlantic Treaty Organization; to the Committee on Foreign Relations.

SENATE CONCURRENT RESOLUTION NO. 6

Whereas, For more than fifty years, the North Atlantic Treaty Organization (NATO) has played a pivotal role in promoting stability and peace in Europe. This highly successful venture is predicated on the commitment of its member nations to ideals that closely parallel the precepts of democracy, internationally recognized human rights, and civilian control of the military that are fundamental to the United States; and

Whereas, Since its establishment, NATO has gradually expanded its membership to reflect the changing face of Europe. Countries that have joined this alliance have shared the same commitment to the long-term strength and stability of the region that is vital to our nation and the world. The most recent additions have in common the peaceful transition to a free-market economy after long years under the yoke of Communism; and

Whereas, The Baltic nations of Latvia, Estonia, and Lithuania have clearly demonstrated the principles of NATO. These three countries, each with strong dedication to peace and exemplary records of resisting oppression, have a great deal to contribute to the alliance. Latvia, Estonia, and Lithuania have set examples of the ideals of freedom through their institutions and cultures. The addition of these nations to NATO will only make more secure the bonds of peace and democracy: Now, therefore, be it

Resolved by the senate (the house of representatives concurring), That we memorialize the President and the Congress of the United States to support the addition of Estonia, Latvia, and Lithuania into the North Atlantic Treaty Organization; and be it further

Resolved, That copies of this resolution be transmitted to the Office of the President of the United States, the President of the United States Senate, the Speaker of the United States House of Representatives, and the members of the Michigan congressional delegation.

POM-255. A resolution adopted by the Senate of the Legislature of the State of Virginia relative to women in Afghanistan; to the Committee on Foreign Relations.

SENATE RESOLUTION NO. 603

Whereas, The Taliban regime has not recognized international human rights treaties agreed to by previous governments and the international community, citing irrelevance to its culture and Islamic law; and

Whereas, Under Taliban rule, Afghan women have been subjected to a brutal system of gender apartheid and extreme repression, including being banned from schools, prohibited from working, forbidden from leaving their homes and being forced to wear head-to-toe burka shrouds; and

Whereas, Afghan women have been subjected to harsh punishments in the form of public beatings in the name of "religion and culture" upon violation of Taliban decrees; and

Whereas, These decrees have caused a virtual collapse of the educational system, a complete disregard of human and civil rights and have had a disastrous impact on health care systems in Afghanistan; and

Whereas, These decrees represent a striking departure from past religious and cultural practices in Afghanistan; and

Whereas, The United Nations General Assembly adopted the Convention on the Elimination of All Forms of Discrimination Against Women (CEDAW) in 1979; and

Whereas, The United States became a party to CEDAW but never ratified the convention; and

Whereas, There have been 16 ratifications and accessions of CEDAW including Iraq,

Egypt, Saudi Arabia, Germany, Great Britain and Canada, with the most recent country, Mauritania, ratifying CEDAW on May 10, 2001; and

Whereas, Notable exceptions of countries not yet ratifying CEDAW besides the United States include Iran and Afghanistan; and

Whereas, The United States has joined with the United Nations in attempting to include women in all aspects of the humanitarian, reconstruction and redevelopment efforts in Afghanistan as well as in the reestablishment of a constitutional democracy in Afghanistan; and

Whereas, After years of being subjected and brutally repressed by the Taliban regime, Afghan women should enjoy full and equal participation in every level of Afghan society without discrimination: Therefore, be it

Resolved by the Senate, That the Senate hereby urges the government of the United States ratify the United Nations Convention on the Elimination of All Forms of Discrimination Against Women; and be it further

Resolved, That the senate hereby urges the government of the United States accelerate and strengthen efforts to ensure that Afghan women have a full and equal role in every aspect of the reconstruction process and the reestablishment of a constitutional democracy in post-Taliban Afghanistan in which women have full and equal civil and human rights and social justice; and be it further

Resolved, That the Clerk of the Senate is hereby directed to forward a copy of this resolution to the President of the United States, the Speaker of the United States House of Representatives and the President of the United States Senate.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. JEFFORDS, from the Committee on Environment and Public Works, with an amendment in the nature of a substitute:

S. 1917: A bill to provide for highway infrastructure investment at the guaranteed funding level contained in the Transportation Equity Act for the 21st Century. (Rept. No. 107-163).

By Mr. JEFFORDS, from the Committee on Environment and Public Works, without amendment and an amendment to the title:

S. 2024: A bill to amend title 23, United States Code, to authorize use of electric personal assistive mobility device on trails and pedestrian walkways constructed or maintained with Federal-aid highway funds. (Rept. No. 107-164).

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. CORZINE (for himself, Mr. TORRICELLI, and Mr. KENNEDY):

S. 2628. A bill to amend part A of title IV of the Social Security Act to require a State to promote financial education under the temporary assistance to needy families program and to allow financial education to count as a work activity under that program; to the Committee on Finance.

By Mr. DASCHLE (for Mr. TORRICELLI):

S. 2629. A bill to provide for an agency assessment, independent review, and Inspector General report on privacy and data protection policies of Federal agencies, and for other purposes; to the Committee on Governmental Affairs.

By Mr. INOUE:

S. 2630. A bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II and surviving spouses of such veterans, and for other purposes; to the Committee on Veterans' Affairs.

ADDITIONAL COSPONSORS

S. 198

At the request of Mr. CRAIG, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 198, a bill to require the Secretary of the Interior to establish a program to provide assistance through States to eligible weed management entities to control or eradicate harmful, nonnative weeds on public and private land.

S. 1114

At the request of Mr. SPECTER, the name of the Senator from South Carolina (Mr. HOLLINGS) was added as a cosponsor of S. 1114, a bill to amend title 38, United States Code, to increase the amount of educational benefits for veterans under the Montgomery GI Bill.

S. 1785

At the request of Mr. CLELAND, the name of the Senator from Oklahoma (Mr. INHOFE) was added as a cosponsor of S. 1785, a bill to urge the President to establish the White House Commission on National Military Appreciation Month, and for other purposes.

S. 2025

At the request of Mr. HUTCHINSON, the name of the Senator from Louisiana (Ms. LANDRIEU) was added as a cosponsor of S. 2025, a bill to amend title 38, United States Code, to increase the rate of special pension for recipients of the Medal of Honor and to make that special pension effective from the date of the act for which the recipient is awarded the Medal of Honor and to amend title 18, United States Code, to increase the criminal penalties associated with misuse or fraud relating to the Medal of Honor.

S. 2053

At the request of Mr. FRIST, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 2053, a bill to amend the Public Health Service Act to improve immunization rates by increasing the distribution of vaccines and improving and clarifying the vaccine injury compensation program, and for other purposes.

S. 2070

At the request of Mr. BINGAMAN, the name of the Senator from Massachusetts (Mr. KENNEDY) was added as a cosponsor of S. 2070, a bill to amend part A of title IV to exclude child care from the determination of the 5-year limit on assistance under the temporary assistance to needy families program, and for other purposes.

S. 2210

At the request of Mr. BIDEN, the name of the Senator from Minnesota

(Mr. WELLSTONE) was added as a cosponsor of S. 2210, a bill to amend the International Financial Institutions Act to provide for modification of the Enhanced Heavily Indebted Poor Countries (HIPC) Initiative.

S. 2215

At the request of Mrs. BOXER, the name of the Senator from Arizona (Mr. KYL) was added as a cosponsor of S. 2215, a bill to halt Syrian support for terrorism, end its occupation of Lebanon, stop its development of weapons of mass destruction, cease its illegal importation of Iraqi oil, and by so doing hold Syria accountable for its role in the Middle East, and for other purposes.

S. 2239

At the request of Mr. SARBANES, the names of the Senator from Georgia (Mr. MILLER) and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 2239, a bill to amend the National Housing Act to simplify the downpayment requirements for FHA mortgage insurance for single family homebuyers.

S. 2246

At the request of Mr. DODD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 2246, a bill to improve access to printed instructional materials used by blind or other persons with print disabilities in elementary and secondary schools, and for other purposes.

S. 2250

At the request of Mr. CORZINE, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 2250, a bill to amend title 10, United States Code, to reduce the age for receipt of military retired pay for nonregular service from 60 to 55.

S. 2428

At the request of Mr. KERRY, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 2428, a bill to amend the National Sea Grant College Program Act.

S. 2471

At the request of Ms. CANTWELL, the name of the Senator from Washington (Mrs. MURRAY) was added as a cosponsor of S. 2471, a bill to provide for the independent investigation of Federal wildland firefighter fatalities.

S. 2482

At the request of Mr. WYDEN, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 2482, a bill to direct the Secretary of the Interior to grant to Deschutes and Crook Counties in the State of Oregon a right-of-way to West Butte Road.

S. 2490

At the request of Mr. TORRICELLI, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from South Dakota (Mr. JOHNSON) were added as cosponsors of S. 2490, a bill to amend title XVIII of the Social Security Act to ensure the quality of, and access to, skilled nursing facility services under the medicare program.

S. 2570

At the request of Ms. COLLINS, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 2570, a bill to temporarily increase the Federal medical assistance percentage for the medicaid program, and for other purposes.

S. 2577

At the request of Mr. FITZGERALD, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 2577, a bill to repeal the sunset of the Economic Growth and Tax Relief Reconciliation Act of 2001 with respect to the exclusion from Federal income tax for restitution received by victims of the Nazi Regime.

S. 2591

At the request of Ms. MIKULSKI, the names of the Senator from Iowa (Mr. HARKIN) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 2591, a bill to reauthorize the Mammography Quality Standards Act, and for other purposes.

S. 2611

At the request of Mr. REED, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. 2611, a bill to reauthorize the Museum and Library Services Act, and for other purposes.

S. 2626

At the request of Mr. KENNEDY, the names of the Senator from Rhode Island (Mr. CHAFEE) and the Senator from New York (Mrs. CLINTON) were added as cosponsors of S. 2626, a bill to protect the public health by providing the Food and Drug Administration with certain authority to regulate tobacco products.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. CORZINE (for himself, Mr. TORRICELLI, and Mr. KENNEDY):

S. 2628. A bill to amend part A of title IV of the Social Security Act to require a State to promote financial education under the temporary assistance to needy families program and to allow financial education to count as a work activity under that program; to the Committee on Finance.

Mr. CORZINE. Mr. President, I rise today with my colleagues Senators TORRICELLI and KENNEDY to introduce the Financial Literacy for Self-Sufficiency Act.

Our bill would require states to promote financial education through their TANF, Temporary Assistance to Needy Families, programs. Financial education, education that promotes an understanding of consumer, and personal finance concepts, is extremely important for all families, and is especially important for low-income families who are moving from welfare to work.

While TANF focuses on moving families off cash assistance and into work, it fails to provide recipients with the tools they need to maximize their earn-

ings and manage their expenses in order to achieve financial stability once they are employed. If we truly expect to move these families to achieve financial independence, we must give them the tools they will need to make that transition.

One of these tools is a bank account. Millions of low-income families remain outside of the formal banking system, with many of them spending too much of their hard-earned dollars at costly check cashing operations. In fact, more than eight million families earning under \$25,000 a year lack a checking or savings account. A study conducted by the United States Department of the Treasury in 2000 found that a worker earning \$12,000 a year would pay approximately \$250 a year just to cash their payroll checks at such an outlet. And, nearly 16 percent of the checks cashed at check cashing outlets are government benefits checks, including welfare benefit checks.

In addition to expanding the number of banks that do business in low-income communities, educating low-income unbanked families about the benefits of formal checking and savings accounts can significantly improve access to financial services.

But, financial education isn't just about bank accounts and savings. It is also about protecting low-income families from predatory lending and devastating credit arrangements. Financial education that addresses abusive lending practices can help prevent unaffordable loan payments, equity stripping, and foreclosure. I strongly support legislative efforts to end predatory lending practices in our country, but until we do, ensuring that consumers are aware of unfair and abusive loan terms is a measure that will provide them some protection from these tactics.

Finally, families leaving welfare for work face many challenges, including securing child care and transportation. One challenge that often is not mentioned, however, is the challenge of transitioning from a benefits-based income to a wage income. Financial literacy programs that educate families transitioning from welfare to work about taxes and tax benefits that they may be eligible for, such as the Department Care Tax Credit and the Earned Income Tax Credit, will ensure that they have access to these important work benefits.

The Financial Literacy for Self-Sufficiency Act will allow states to use their TANF funds to collaborate with community-based organizations, banks, and community colleges to create financial education programs for low-income families receiving welfare and for those transitioning from welfare to work. As Federal Reserve Chairman Alan Greenspan has noted, "Educational and training programs may be the most critical service offered by community-based organizations to enhance the ability of lower-income households to accumulate assets."

I hope members of the Senate Finance Committee will join my colleagues Senator TORRICELLI and Senator KENNEDY and me in promoting financial education for our nation's TANF recipients when they act to create a reauthorization framework for our Nation's welfare program.

I ask unanimous consent that the text of the legislation be printed in the RECORD.

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

S. 2628

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 "TANF Financial Education Promotion Act of 2002".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) Most recipients of assistance under the temporary assistance to needy families program established under part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.) and individuals moving toward self-sufficiency operate outside the financial mainstream, paying high costs to handle their finances and saving little for emergencies or the future.

(2) Currently, personal debt levels and bankruptcy filing rates are high and savings rates are at their lowest levels in 70 years. The inability of many households to budget, save, and invest prevents them from laying the foundation for a secure financial future.

(3) Financial planning can help families meet near-term obligations and maximize their longer-term well being, especially valuable for populations that have traditionally been underserved by our financial system.

(4) Financial education can give individuals the necessary financial tools to create household budgets, initiate savings plans, and acquire assets.

(5) Financial education can prevent vulnerable customers from becoming entangled in financially devastating credit arrangements.

(6) Financial education that addresses abusive lending practices targeted at specific neighborhoods or vulnerable segments of the population can prevent unaffordable payments, equity stripping, and foreclosure.

(7) Financial education speaks to the broader purpose of the temporary assistance to needy families program to equip individuals with the tools to succeed and support themselves and their families in self-sufficiency.

SEC. 3. REQUIREMENT TO PROMOTE FINANCIAL EDUCATION UNDER TANF.

(a) STATE PLAN.—Section 402(a)(1)(A) of the Social Security Act (42 U.S.C. 602(a)(1)(A)) is amended by adding at the end the following:

"(vii) Establish goals and take action to promote financial education, as defined in section 407(j), among parents and caretakers receiving assistance under the program through collaboration with community-based organizations, financial institutions, and the Cooperative State Research, Education, and Extension Service of the Department of Agriculture."

(b) INCLUSION OF FINANCIAL EDUCATION AS A WORK ACTIVITY.—Section 407 of the Social Security Act (42 U.S.C. 607) is amended—

(1) in subsection (c)(1)—

(A) in subparagraph (A), by striking "(12)" and inserting "(12), or (13)"; and

(B) in subparagraph (B), by striking "(or (12))" and inserting "(12), or (13)";

(2) in subsection (d)—

(A) in paragraph (11), by striking "and" at the end;

(B) in paragraph (12), by striking the period and inserting "; and"; and

(C) by adding at the end the following:

"(13) financial education, as defined in subsection (j)."; and

(3) by adding at the end the following:

"(j) DEFINITION OF FINANCIAL EDUCATION.—In this part, the term 'financial education' means education that promotes an understanding of consumer, economic, and personal finance concepts, including the basic principles involved with earning, budgeting, spending, saving, investing, and taxation."

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2002.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3850. Mr. MCCONNELL submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table.

SA 3851. Mr. LEAHY (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3852. Mr. NELSON, of Florida submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3853. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3854. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3855. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3856. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3857. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3858. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3859. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3860. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3861. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3862. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3863. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3864. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3865. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3866. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3867. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3868. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3869. Mr. HATCH (for himself and Mr. MCCONNELL) submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3870. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3871. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3872. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3873. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3874. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3875. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3876. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3877. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3878. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3879. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3880. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3881. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3882. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3883. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3884. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3885. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3886. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3887. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, supra; which was ordered to lie on the table.

SA 3888. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, *supra*; which was ordered to lie on the table.

SA 3889. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, *supra*; which was ordered to lie on the table.

SA 3890. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, *supra*; which was ordered to lie on the table.

TEST OF AMENDMENTS

SA 3850. Mr. McCONNELL submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 30, after line 17, insert the following:

(f) **LIMITATIONS ON DAMAGES AND ATTORNEYS' FEES.**—In any action brought under subsection (a), reasonable attorneys' fees for work performed shall be subject to the discretion of the court, but in no event shall any attorney charge, demand, receive, or collect for services rendered, fees or compensation in an amount in excess of 25 percent of the damages ordered by the court to be paid under this section, or in excess of 20 percent of any court-approved settlement made of any claim cognizable under this section, and any attorney who charges, demands, receives, or collects for services rendered in connection with such claim any amount in excess of that allowed under this section, if recovery be had, shall be fined not more than \$2,000 or imprisoned not more than 1 year, or both.

SA 3851. Mr. LEAHY (for himself and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 14, line 9, insert before "but" the following: "or that had an application pending under applicable State law on September 11, 2001,".

SA 3852. Mr. NELSON of Florida submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 30, after line 17, add the following:

TITLE —HOLOCAUST VICTIMS INSURANCE RELIEF

SEC. 01. SHORT TITLE.

This title may be cited as the "Holocaust Victims Insurance Relief Act of 2002".

SEC. 02. FINDINGS AND PURPOSE.

(a) **FINDINGS.**—Congress finds the following:

(1) The Holocaust, including the murder of 6,000,000 European Jews, the systematic destruction of families and communities, and the wholesale theft of their assets, was one of the most tragic crimes in modern history.

(2) When Holocaust survivors or heirs of Holocaust victims presented claims to insurance companies after World War II, many were rejected because the claimants did not have death certificates or physical posses-

sion of policy documents that had been confiscated by the Nazis.

(3) In many instances, insurance company records are the only proof of the existence of insurance policies belonging to Holocaust victims.

(4) Holocaust survivors and their descendants have been fighting for decades to persuade insurance companies to settle unpaid insurance claims.

(5) In 1998, the International Commission on Holocaust Era Insurance Claims (in this section referred to as the "ICHEIC") was established by the National Association of Insurance Commissioners in cooperation with several European insurance companies, European regulators, representatives of international Jewish organizations, and the State of Israel, to expeditiously address the issue of unpaid insurance policies issued to Holocaust victims.

(6) On July 17, 2000, the United States and Germany signed an Executive Agreement in support of the German Foundation "Remembrance, Responsibility, and the Future", which designated the ICHEIC to resolve all insurance claims that were not paid or were nationalized during the Nazi era.

(7) The ICHEIC will not accept claims applications received after September 30, 2002.

(8) Three years into the process of addressing the issue of unpaid insurance policies, companies continue to withhold thousands of names on dormant accounts.

(9) As of June 15, 2001, more than 84 percent of the 72,675 claims applications filed with the ICHEIC remained idle because the claimants could not identify the company holding the policy.

(10) Insurance companies doing business in the United States have a responsibility to ensure the disclosure of insurance policies of Holocaust victims that they or their related companies may have issued, to facilitate the rapid resolution of questions concerning these policies, and to eliminate the further victimization of policyholders and their families.

(11) State legislatures in California, Florida, New York, Minnesota, Washington, and elsewhere have been challenged in efforts to implement laws that restrict the ability of insurers to engage in business transactions in those States until the insurers publish the names of Holocaust-era policyholders.

(b) **PURPOSE.**—The purpose of this title is to provide information about Holocaust-era insurance policies to Holocaust victims and their heirs and beneficiaries to enable them to expeditiously file their rightful claims under the policies.

SEC. 03. HOLOCAUST INSURANCE REGISTRY.

(a) **ESTABLISHMENT AND MAINTENANCE.**—Chapter 21 of title 44, United States Code, is amended by adding at the end the following:

"§ 2119. Holocaust Insurance Registry

"(a) **ESTABLISHMENT.**—The Archivist shall establish and maintain a collection of records that shall—

"(1) be known as the Holocaust Insurance Registry; and

"(2) consist of the information provided to the Archivist under section 05 of the Holocaust Victims Insurance Relief Act of 2002.

"(b) **PUBLIC ACCESSIBILITY.**—The Archivist shall make all such information publicly accessible and searchable by means of the Internet and by any other means the Archivist deems appropriate."

(b) **CLERICAL AMENDMENT.**—The table of sections at the beginning of chapter 21 of title 44, United States Code, is amended by adding at the end the following:

"2119. Holocaust Insurance Registry."

SEC. 04. FULL DISCLOSURE OF HOLOCAUST-ERA POLICIES BY INSURERS.

(a) **REQUIREMENT.**—In accordance with subsection (b), an insurer shall file a report with

the Secretary of the Treasury and the Secretary of State that contains the following information:

(1) The first name, last name, date of birth, and domicile of the policyholder of each covered policy issued by the insurer or a related company of the insurer.

(2) The name of the entity that issued the covered policy.

(3) The name of the entity that is responsible for the liabilities of the entity that issued the covered policy.

(4) The extent to which claims made under each covered policy have been paid.

(b) **PROPER FILING.**—A filing under subsection (a) shall be made not later than the earlier of 30 days after the date of the enactment of this Act or September 1, 2002, in an electronic format approved jointly by the Archivist of the United States and the Secretary of the Treasury.

SEC. 05. PROVISION OF INFORMATION TO ARCHIVIST.

The Secretary of the Treasury shall provide to the Archivist of the United States any information filed with the Secretary under section 04(a) promptly after the filing of such information.

SEC. 06. PENALTY.

The Secretary of the Treasury shall assess a civil penalty of not less than \$5,000 for each day that an insurer fails to comply with the requirements of section 04, as determined by the Secretary.

SEC. 07. USE OF AMOUNTS RECEIVED AS CIVIL PENALTIES.

To the extent or in the amounts provided in advance in appropriation Acts, the Archivist of the United States may use amounts received by the Government as civil penalties under section 06 to maintain the Holocaust Insurance Registry.

SEC. 08. NOTIFICATION.

(a) **INITIAL NOTIFICATION.**—Not later than 60 days after the date of enactment of this Act and periodically thereafter, the Secretary of the Treasury shall notify the commissioner of insurance of each State of the identity of each insurer that has failed to comply with the requirements of section 04 or has not satisfied any civil penalty for which the insurer is liable under section 06.

(b) **REQUESTS BY STATES.**—On request by the commissioner of insurance of a State concerning an insurer operating in that State, the Secretary of the Treasury shall inform the commissioner of insurance whether the insurer has failed to comply with the requirements of section 04 or has not satisfied any civil penalty for which the insurer is liable under section 06.

SEC. 09. STATE HOLOCAUST CLAIMS REPORTING STATUTES.

(a) **PREEMPTION.**—Nothing in this Act preempts the right of any State to adopt or enforce any State law requiring an insurer to disclose information regarding insurance policies that may have been confiscated or stolen from victims of Nazi persecution.

(b) **SENSE OF CONGRESS.**—It is the sense of Congress that—

(1) if any litigation challenging any State law described in subsection (a) is dismissed because the commissioner of insurance of the State chooses to rely on this Act and no longer seeks to enforce the State law, each party should bear its own legal fees and costs; and

(2) ICHEIC should extend its deadline for accepting applications to resolve unpaid claims against covered policies until January 1, 2003.

SEC. 10. DEFINITIONS.

In this Act:

(1) **COMMISSIONER OF INSURANCE.**—The term "commissioner of insurance" means the

highest ranking officer of a State responsible for regulating insurance.

(2) COVERED POLICY.—The term “covered policy” means any life, dowry, education, or property insurance policy that was—

(A) in effect at any time after January 30, 1933, and before December 31, 1945; and

(B) issued to a policyholder domiciled in any area of the European Continent that was occupied or controlled by Nazi Germany or by any ally or sympathizer of Nazi Germany at any time during the period described in subparagraph (A).

(3) INSURER.—The term “insurer” means any person engaged in the business of insurance in United States interstate or foreign commerce, if the person or a related company of the person issued a covered policy, regardless of when the related company became a related company of the insurer.

(4) RELATED COMPANY.—The term “related company” means an affiliate, as that term is defined in section 104(g) of the Gramm-Leach-Bliley Act.

SA 3853. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, line 5, strike “21” and insert “28”.

SA 3854. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, line 5, strike “21” and insert “25”.

SA 3855. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, line 5, strike “21” and insert “29”.

SA 3856. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, line 5, strike “21” and insert “30”.

SA 3857. Mr. FITZGERALD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, line 5, strike “21” and insert “27”.

SA 3858. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 27, strike lines 9 through 20 and insert the following:

“Act; and

“(B) during the period beginning on the”.

SA 3859. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 27, lines 14 and 15, strike “prior approval or”.

SA 3860. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 27, lines 14 and 15, strike “to prior approval or a waiting period” and insert “to a waiting period greater than 60 days”.

SA 3861. Mrs. BOXER submitted an amendment intended to be proposed by her to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 27, lines 14 and 15, strike “to prior approval or a waiting period” and insert “to a waiting period of excessive duration”.

SA 3862. Mr. SPECTER submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 29, strike line 1 and all that follows through page 30, line 17, and insert the following:

SEC. 10. PROCEDURES FOR CIVIL ACTIONS.

(a) FEDERAL CAUSE OF ACTION.—

(1) IN GENERAL.—There shall exist a Federal cause of action for claims arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for such claims, except as provided in subsection (f).

(2) PREEMPTION OF STATE ACTIONS.—All State causes of action of any kind for claims arising out of or resulting from an act of terrorism that are otherwise available under State law, are hereby preempted, except as provided in subsection (f).

(b) GOVERNING LAW.—The substantive law for decision in an action described in subsection (a)(1) shall be derived from the law, including applicable choice of law principles, of the State in which the act of terrorism giving rise to the action occurred, except to the extent that—

(1) the law, including choice of law principles, of another State is determined to be applicable to the action by the district court hearing the action; or

(2) otherwise applicable State law (including that determined under paragraph (1), is inconsistent with or otherwise preempted by Federal law.

(c) FEDERAL JURISDICTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, not later than 90 days after the date of the occurrence of an act of terrorism, the Judicial Panel on Multidistrict Litigation shall assign a single Federal district court to conduct pretrial and trial proceedings in all pending and future civil actions for claims arising out of or resulting from that act of terrorism.

(2) SELECTION CRITERIA.—The Judicial Panel on Multidistrict Litigation shall select and assign the district court under para-

graph (1) based on the convenience of the parties and the just and efficient conduct of the proceedings.

(3) JURISDICTION.—The district court assigned by the Judicial Panel on Multidistrict Litigation shall have original and exclusive jurisdiction over all actions under paragraph (1). For purposes of personal jurisdiction, the district court assigned by the Judicial Panel on Multidistrict Litigation shall be deemed to sit in all judicial districts in the United States.

(4) TRANSFER OF CASES FILED IN OTHER FEDERAL COURTS.—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a Federal district court other than the Federal district court assigned by the Judicial Panel on Multidistrict Litigation under paragraph (1) shall be transferred to the Federal district court so assigned.

(5) REMOVAL OF CASES FILED IN STATE COURTS.—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a State court shall be removable to the Federal district court assigned by the Judicial Panel on Multidistrict Litigation under paragraph (1).

(d) APPROVAL OF SETTLEMENTS.—Any settlement between the parties of a civil action described in this section for claims arising out of or resulting from an act of terrorism shall be subject to prior approval by the Secretary after consultation by the Secretary with the Attorney General.

(e) LIMITATION ON DAMAGES.—

(1) IN GENERAL.—Punitive or exemplary damages shall not be available for any losses in any action described in subsection (a)(1), including any settlement described in subsection (d), except where—

(A) punitive or exemplary damages are permitted by applicable State law; and

(B) the harm to the plaintiff was caused by a criminal act or course of conduct for which the defendant was convicted under Federal or State criminal law, including a conviction based on a guilty plea or plea of nolo contendere.

Conviction under subparagraph (B) shall establish liability for punitive or exemplary damages resulting from the harm referred to in subparagraph (B) and the assessment of such damages shall be determined in a civil lawsuit.

(2) PROTECTION OF TAXPAYER FUNDS.—Any amounts awarded in, or granted in settlement of, an action described in subsection (a)(1) that are attributable to punitive or exemplary damages allowable under paragraph (1) of this subsection shall not count as insured losses for purposes of this Act.

(f) CLAIMS AGAINST TERRORISTS.—Nothing in this section shall in any way be construed to limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(g) EFFECTIVE PERIOD.—This section shall apply only to actions described in subsection (a)(1) arising out of or resulting from acts of terrorism that occur during the effective period of the Program, including any applicable extension period.

SEC. 11. CRIMINAL OFFENSE FOR AIDING OR FACILITATING A TERRORIST INCIDENT.

(a) IN GENERAL.—Chapter 113B of title 18, United States Code, is amended by adding at the end the following:

“§ 2339C. Aiding and facilitating a terrorist incident

“(a) OFFENSE.—Whoever, acting with willful and malicious disregard for the life or

safety of others, by such action leads to, aggravates, or is a cause of property damage, personal injury, or death resulting from an act of terrorism as defined in section 3 of the Terrorism Risk Insurance Act of 2002 shall be subject to a fine not more than \$10,000,000 or imprisoned not more than 15 years, or both.

“(b) PRIVATE RIGHT OF ACTION.—Any person may request the Attorney General to initiate a criminal prosecution pursuant to subsection (a). In the event the Attorney General refuses, or fails to initiate such a criminal prosecution within 90 days after receiving a request, upon petition by any person, the appropriate United States District Court shall appoint an Assistant United States attorney pro tempore to prosecute an offense described in subsection (a) if the court finds that the Attorney General abused his or her discretion by failing to prosecute.”.

(b) CHAPTER ANALYSIS.—The chapter analysis for chapter 113B of title 18, United States Code, is amended by adding at the end the following:

“2399C. Aiding and facilitating a terrorist incident.”.

SA 3863. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

Beginning on page 9, line 13, strike all through page 16, line 9, and insert in lieu thereof the following:

(7) PERSON.—The term “person” means any individual, business or nonprofit entity (including those organized in the form of a partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(8) PROGRAM.—The term “Program” means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(9) PROPERTY AND CASUALTY INSURANCE.—The term “property and casualty insurance”—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (6)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(10) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(11) STATE.—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(12) UNITED STATES.—The term “United States” means all States of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) AUTHORITY OF THE SECRETARY.—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) CONDITIONS FOR FEDERAL PAYMENTS.—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

(i) of the underlying claim; and

(ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.—Each insurance company that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) PARTICIPATION BY SELF INSURED ENTITIES.—

(1) DETERMINATION BY THE SECRETARY.—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) PARTICIPATION.—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) SHARED INSURANCE LOSS COVERAGE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002, shall be equal to 90 percent of that portion of the amount of

aggregate insured losses that exceeds \$10,000,000,000.

(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$20,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

SA 3864. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

Beginning on page 9, line 13, strike all line 9 on page 16, and insert in lieu thereof the following:

(7) PERSON.—The term “person” means any individual, business or nonprofit entity (including those organized in the form of a partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(8) PROGRAM.—The term “Program” means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(9) PROPERTY AND CASUALTY INSURANCE.—The term “property and casualty insurance”—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (6)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(10) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(11) STATE.—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(12) UNITED STATES.—The term “United States” means all States of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) AUTHORITY OF THE SECRETARY.—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) CONDITIONS FOR FEDERAL PAYMENTS.—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

(i) of the underlying claim; and

(ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.—Each insurance company that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) PARTICIPATION BY SELF INSURED ENTITIES.—

(1) DETERMINATION BY THE SECRETARY.—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) PARTICIPATION.—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) SHARED INSURANCE LOSS COVERAGE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000.

(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds

\$10,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

SA 3865. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 8, strike lines 13 through line 4 on page 10, and re-number the paragraphs accordingly.

On page 15, strike lines 5 through line 9 on page 16, and insert in lieu thereof the following:

“2002, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000.

“(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).”.

SA 3866. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, strike lines 13 through line 4 on page 10, and insert in lieu thereof the following:

“(7) Participating insurance company deductible.—The term “participating insurance company deductible” means a participating insurance company’s market share, multiplied by \$10,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002.”.

On page 16, strike lines 6 through 9, and insert in lieu thereof the following:

“2003, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).”.

SA 3867. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

Beginning on page 9, line 13, strike all through page 16, line 9, and insert in lieu thereof the following:

(7) PARTICIPATING INSURANCE COMPANY DEDUCTIBLE.—The term “participating insurance company deductible” means a participating insurance company’s market share, multiplied by \$10,000,000,000, with respect to insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002.

(8) PERSON.—The term “person” means any individual, business or nonprofit entity (including those organized in the form of a

partnership, limited liability company, corporation, or association), trust or estate, or a State or political subdivision of a State or other governmental unit.

(9) PROGRAM.—The term “Program” means the Terrorism Insured Loss Shared Compensation Program established by this Act.

(10) PROPERTY AND CASUALTY INSURANCE.—The term “property and casualty insurance”—

(A) means commercial lines of property and casualty insurance;

(B) includes personal lines of property and casualty insurance, if a notification is made in accordance with paragraph (6)(B); and

(C) does not include—

(i) Federal crop insurance issued or reinsured under the Federal Crop Insurance Act (7 U.S.C. 1501 et seq.); or

(ii) private mortgage insurance, as that term is defined in section 2 of the Homeowners Protection Act of 1998 (12 U.S.C. 4901).

(11) SECRETARY.—The term “Secretary” means the Secretary of the Treasury.

(12) STATE.—The term “State” means any State of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Commonwealth of the Northern Mariana Islands, American Samoa, Guam, and each of the United States Virgin Islands.

(13) UNITED STATES.—The term “United States” means all States of the United States.

SEC. 4. TERRORISM INSURED LOSS SHARED COMPENSATION PROGRAM.

(a) ESTABLISHMENT OF PROGRAM.—

(1) IN GENERAL.—There is established in the Department of the Treasury the Terrorism Insured Loss Shared Compensation Program.

(2) AUTHORITY OF THE SECRETARY.—Notwithstanding any other provision of State or Federal law, the Secretary shall administer the Program, and shall pay the Federal share of compensation for insured losses in accordance with subsection (e).

(b) CONDITIONS FOR FEDERAL PAYMENTS.—No payment may be made by the Secretary under subsection (e), unless—

(1) a person that suffers an insured loss, or a person acting on behalf of that person, files a claim with a participating insurance company;

(2) the participating insurance company provides clear and conspicuous disclosure to the policyholder of the premium charged for insured losses covered by the Program and the Federal share of compensation for insured losses under the Program—

(A) in the case of any policy covering an insured loss that is issued on or after the date of enactment of this Act, in the policy, at the time of offer, purchase, and renewal of the policy; and

(B) in the case of any policy that is issued before the date of enactment of this Act, not later than 90 days after that date of enactment;

(3) the participating insurance company processes the claim for the insured loss in accordance with its standard business practices, and any reasonable procedures that the Secretary may prescribe; and

(4) the participating insurance company submits to the Secretary, in accordance with such reasonable procedures as the Secretary may establish—

(A) a claim for payment of the Federal share of compensation for insured losses under the Program;

(B) written verification and certification—

(i) of the underlying claim; and

(ii) of all payments made for insured losses; and

(C) certification of its compliance with the provisions of this subsection.

(c) MANDATORY PARTICIPATION; MANDATORY AVAILABILITY.—Each insurance company

that meets the definition of a participating insurance company under section 3—

(1) shall participate in the Program;

(2) shall make available in all of its property and casualty insurance policies (in all of its participating lines), coverage for insured losses; and

(3) shall make available property and casualty insurance coverage for insured losses that does not differ materially from the terms, amounts, and other coverage limitations applicable to losses arising from events other than acts of terrorism.

(d) PARTICIPATION BY SELF INSURED ENTITIES.—

(1) DETERMINATION BY THE SECRETARY.—The Secretary may, in consultation with the NAIC, establish procedures to allow participation in the Program by municipalities and other governmental or quasi-governmental entities (and by any other entity, as the Secretary deems appropriate) operating through self insurance arrangements that were in existence on September 11, 2001, but only if the Secretary makes a determination with regard to participation by any such entity before the occurrence of an act of terrorism in which the entity incurs an insured loss.

(2) PARTICIPATION.—If the Secretary makes a determination to allow an entity described in paragraph (1) to participate in the Program, all reports, conditions, requirements, and standards established by this Act for participating insurance companies shall apply to any such entity, as determined to be appropriate by the Secretary.

(e) SHARED INSURANCE LOSS COVERAGE.—

(1) FEDERAL SHARE.—

(A) IN GENERAL.—Subject to the cap on liability under paragraph (2) and the limitation under paragraph (6), the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on the date of enactment of this Act and ending at midnight on December 31, 2002—

(i) shall be equal to 80 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) does not exceed \$10,000,000,000; and

(ii) shall be equal to 90 percent of that portion of the amount of aggregate insured losses that—

(I) exceeds the participating insurance company deductibles required to be paid for those insured losses; and

(II) exceeds \$10,000,000,000.

(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be equal to 90 percent of that portion of the amount of aggregate losses that exceeds \$10,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).

SA 3868. Mr. GRAMM submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 9, strike lines 13 through line 4 on page 10, and re-number the paragraphs accordingly.

On page 15, strike lines 6 through line 9 on page 16 and insert in lieu thereof the following:

“2002, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$10,000,000,000.

“(B) EXTENSION PERIOD.—If the Program is extended in accordance with section 6, the Federal share of compensation under the Program to be paid by the Secretary for insured losses resulting from an act of terrorism occurring during the period beginning on January 1, 2003 and ending at midnight on December 31, 2003, shall be equal to 90 percent of that portion of the amount of aggregate insured losses that exceeds \$20,000,000,000, subject to the cap on liability in paragraph (2) and the limitation under paragraph (6).”.

SA 3869. Mr. HATCH (for himself and Mr. McCONNELL) submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 29, strike line 1 and all that follows through page 30, line 17, and insert the following:

SEC. 10. PROCEDURES FOR CIVIL ACTIONS.

(a) FEDERAL CAUSE OF ACTION.—

(1) IN GENERAL.—There shall exist a Federal cause of action for claims arising out of or resulting from an act of terrorism, which shall be the exclusive cause of action and remedy for such claims, except as provided in subsection (f).

(2) PREEMPTION OF STATE ACTIONS.—All State causes of action of any kind for claims arising out of or resulting from an act of terrorism that are otherwise available under State law, are hereby preempted, except as provided in subsection (f).

(b) GOVERNING LAW.—The substantive law for decision in an action described in subsection (a)(1) shall be derived from the law, including applicable choice of law principles, of the State in which the act of terrorism giving rise to the action occurred, except to the extent that—

(1) the law, including choice of law principles, of another State is determined to be applicable to the action by the district court hearing the action; or

(2) otherwise applicable State law (including that determined under paragraph (1), is inconsistent with or otherwise preempted by Federal law.

(c) FEDERAL JURISDICTION.—

(1) IN GENERAL.—Notwithstanding any other provision of law, not later than 90 days after the date of the occurrence of an act of terrorism, the Judicial Panel on Multidistrict Litigation shall assign a single Federal district court to conduct pretrial and trial proceedings in all pending and future civil actions for claims arising out of or resulting from that act of terrorism.

(2) SELECTION CRITERIA.—The Judicial Panel on Multidistrict Litigation shall select and assign the district court under paragraph (1) based on the convenience of the parties and the just and efficient conduct of the proceedings.

(3) JURISDICTION.—The district court assigned by the Judicial Panel on Multidistrict Litigation shall have original and exclusive jurisdiction over all actions under paragraph (1). For purposes of personal jurisdiction, the district court assigned by the Judicial Panel on Multidistrict Litigation shall be deemed to sit in all judicial districts in the United States.

(4) TRANSFER OF CASES FILED IN OTHER FEDERAL COURTS.—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a Federal district

court other than the Federal district court assigned by the Judicial Panel on Multidistrict Litigation under paragraph (1) shall be transferred to the Federal district court so assigned.

(5) REMOVAL OF CASES FILED IN STATE COURTS.—Any civil action for claims arising out of or resulting from an act of terrorism that is filed in a State court shall be removable to the Federal district court assigned by the Judicial Panel on Multidistrict Litigation under paragraph (1).

(d) APPROVAL OF SETTLEMENTS.—Any settlement between the parties of a civil action described in this section for claims arising out of or resulting from an act of terrorism shall be subject to prior approval by the Secretary after consultation by the Secretary with the Attorney General.

(e) LIMITATION ON DAMAGES.—

(1) IN GENERAL.—Punitive or exemplary damages shall not be available for any losses in any action described in subsection (a)(1), including any settlement described in subsection (d), except where—

(A) punitive or exemplary damages are permitted by applicable State law; and

(B) it is proven beyond a reasonable doubt that the harm to the plaintiff was caused by the defendant's malicious conduct.

(2) PROTECTION OF TAXPAYER FUNDS.—Any amounts awarded in, or granted in settlement of, an action described in subsection (a)(1) that are attributable to punitive or exemplary damages allowable under paragraph (1) of this subsection shall not count as insured losses for purposes of this Act.

(f) CLAIMS AGAINST TERRORISTS.—Nothing in this section shall in any way be construed to limit the ability of any plaintiff to seek any form of recovery from any person, government, or other entity that was a participant in, or aider and abettor of, any act of terrorism.

(g) EFFECTIVE PERIOD.—This section shall apply only to actions described in subsection (a)(1) arising out of or resulting from acts of terrorism that occur during the effective period of the Program, including any applicable extension period.

SA 3870. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 4, line 14, insert “(a) IN GENERAL.—” before “In”.

On page 5, line 3, insert “or vessel” after “air carrier”.

On page 8, line 21, insert before the semicolon “, or had pending on that date an application for such license or admission”.

On page 9, line 19, strike “the period” and all that follows through line 22 and insert the following: “the 1-year period beginning on the date of enactment of this Act; and”.

On page 10, beginning on line 2, strike “the period” and all that follows through “2003” on line 3, and insert “the 1-year period beginning on the day after the date of expiration of the period described in subparagraph (A)”.

On page 10, line 17, insert before the semicolon “, including workers’ compensation insurance”.

On page 10, line 24, strike “or”.

On page 11, line 4, strike the period and insert the following: “; or

“(iii) financial guaranty insurance.”.

On page 11, line 14, strike “all States” and insert “the several States, and includes the territorial sea”.

On page 11, between lines 14 and 15, insert the following:

(b) RULE OF CONSTRUCTION FOR DATES.—With respect to any reference to a date in this Act, such day shall be construed—

(1) to begin at 12:01 a.m. on that date; and
(2) to end at midnight on that date.

On page 12, line 15, insert “on a separate line item” after “Act.”.

On page 12, line 19, insert “as a line item described in subparagraph (A),” before “not”.

On page 15, line 3, strike “the period” and all that follows through line 6, and insert “the 1-year period beginning on the date of enactment of this Act—”.

On page 16, beginning on line 4, strike “the period” and all that follows through “2003” on line 6, and insert the following: “the 1-year period beginning on the day after the date of expiration of the period described in subparagraph (A)”.

On page 16, between lines 19 and 20, insert the following:

(D) PROHIBITION ON DUPLICATIVE COMPENSATION.—The Federal share of compensation for insured losses under the Program shall be reduced by the amount of compensation provided by the Federal Government for those insured losses under any other Federal insurance or reinsurance program.

On page 21, line 2, strike “at midnight on December 31, 2002” and insert “1 year after the date of enactment of this Act”.

On page 21, beginning on line 7, strike “until midnight on December 31, 2003” and insert “beginning on the day after the date of expiration of the initial 1-year period of the Program”.

On page 21, beginning on line 16, strike “at midnight on December 31, 2003” and insert “1 year after the date of commencement of such extension period”.

On page 22, beginning on line 13, strike “at midnight on December 31, 2002” and insert “1 year after the date of enactment of this Act”.

On page 23, line 19, insert “5(d),” before “and”.

On page 23, line 25, strike “10(b)” and insert “9(b)”.

On page 24, line 7, strike “2003” and insert “the second year of the Program, if the Program is extended in accordance with this section”.

On page 24, line 15, insert before the period “, including long-term care”.

On page 26, between lines 16 and 17, insert the following:

(I) STUDY OF RESERVES FOR CERTAIN TYPES OF INSURANCE FOR TERRORIST OR OTHER CATASTROPHIC EVENTS.—

(1) IN GENERAL.—The Secretary shall conduct a study of issues relating to permitting insurance companies that provide property and casualty insurance, life insurance, and other lines of insurance coverage to establish deductible reserves against losses for future acts of terrorism, including—

(A) whether such tax-favored reserves would promote—

(i) insurance coverage of risks of terrorism; and

(ii) the accumulation of additional resources needed to satisfy potential claims resulting from such risks;

(B) the lines of business for which such reserves would be appropriate, including whether such reserves for property and casualty insurance should be applied to personal or commercial lines of business;

(C) how the amount of such reserves would be determined;

(D) how such reserves would be administered;

(E) a comparison of the Federal tax treatment of such reserves with other insurance reserves permitted under Federal tax laws;

(F) an analysis of the use of tax-favored reserves for catastrophic events, including acts of terrorism, under the tax laws of foreign countries; and

(G) whether it would be appropriate to permit similar reserves for other future cata-

strophic events, such as natural disasters, taking into account the factors under the preceding paragraphs.

(2) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to Congress on the results of the study under paragraph (1), together with recommendations for amending the Internal Revenue Code of 1986, or other appropriate action.

SA 3871. Mr. HATCH submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 30, strike lines 4 through 7 and insert the following:

(C) BAN ON PUNITIVE DAMAGES.—Punitive damages are not permitted in any action under this Act.

SA 3872. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 5, line 3, insert “or vessel” after “air carrier”.

SA 3873. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table, as follows:

On page 8, line 21, insert before the semicolon “, or had pending on that date an application for such license or admission”.

SA 3874. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table, as follows:

On page 9, line 19, strike “the period” and all that follows through line 22 and insert the following: “the 1-year period beginning on the date of enactment of this Act; and”.

SA 3875. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table, as follows:

On page 10, beginning on line 2, strike “the period” and all that follows through “2003” on line 3, and insert “the 1-year period beginning on the day after the date of expiration of the period described in subparagraph (A)”.

SA 3876. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 10, line 17, insert before the semicolon “, including workers’ compensation insurance”.

SA 3877. Mr. DODD submitted an amendment intended to be proposed by

him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 11, line 4, strike the period and insert the following: “; or

“(iii) financial guaranty insurance.”.

SA 3878. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 11, line 14, strike “all States” and insert “the several States, and includes the territorial sea”.

SA 3879. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 11, between lines 14 and 15, insert the following:

(14) RULE OF CONSTRUCTION FOR DATES.—With respect to any reference to a date in this Act, such day shall be construed—

(A) to begin at 12:01 a.m. on that date; and

(B) to end at midnight on that date.

SA 3880. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 26, between lines 16 and 17, insert the following:

(I) STUDY OF RESERVES FOR CERTAIN TYPES OF INSURANCE FOR TERRORIST OR OTHER CATASTROPHIC EVENTS.—

(1) IN GENERAL.—The Secretary shall conduct a study of issues relating to permitting insurance companies that provide property and casualty insurance, life insurance, and other lines of insurance coverage to establish deductible reserves against losses for future acts of terrorism, including—

(A) whether such tax-favored reserves would promote—

(i) insurance coverage of risks of terrorism; and

(ii) the accumulation of additional resources needed to satisfy potential claims resulting from such risks;

(B) the lines of business for which such reserves would be appropriate, including whether such reserves for property and casualty insurance should be applied to personal or commercial lines of business;

(C) how the amount of such reserves would be determined;

(D) how such reserves would be administered;

(E) a comparison of the Federal tax treatment of such reserves with other insurance reserves permitted under Federal tax laws;

(F) an analysis of the use of tax-favored reserves for catastrophic events, including acts of terrorism, under the tax laws of foreign countries; and

(G) whether it would be appropriate to permit similar reserves for other future catastrophic events, such as natural disasters, taking into account the factors under the preceding paragraphs.

(2) REPORT.—Not later than 6 months after the date of enactment of this Act, the Secretary shall submit a report to Congress on

the results of the study under paragraph (1), together with recommendations for amending the Internal Revenue Code of 1986, or other appropriate action.

SA 3881. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On Page 24, line 7, strike "2003" and insert "the second year of the Program, if the Program is extended in accordance with this section".

SA 3882. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 24, line 15, insert before the period "including long-term care".

SA 3883. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 21, strike lines 1 through page 22, line 14 and insert the following:

(1) IN GENERAL.—The Program shall terminate 1 year after the date of enactment of this Act, unless the Secretary—

(A) determines, after considering the report and finding required by this section, that the Program should be extended for one additional year, beginning on the day after the date of expiration of the initial 1-year period of the Program; and

(B) promptly notifies the Congress of such determination and the reasons therefor.

(2) DETERMINATION FINAL.—The determination of the Secretary under paragraph (1) shall be final, and shall not be subject to judicial review.

(3) TERMINATION AFTER EXTENSION.—If the Program is extended under paragraph (1), the Program shall terminate 1 year after the date of commencement of such extension period.

(b) REPORT TO CONGRESS.—Not later than 9 months after the date of enactment of this Act, the Secretary shall submit a report to Congress—

(1) regarding—

(A) the availability of insurance coverage for acts of terrorism;

(B) the affordability of such coverage, including the effect of such coverage on premiums; and

(C) the capacity of the insurance industry to absorb future losses resulting from acts of terrorism, taking into account the profitability of the insurance industry; and

(2) that considers—

(A) the impact of the Program on each of the factors described in paragraph (1); and

(B) the probable impact on such factors and on the United States economy if the Program terminates 1 year after the date of enactment of this Act.

SA 3884. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 12, strike lines 15 through 19 and insert the following: "of enactment of this Act, on a separate line item in the policy, at the time of offer, purchase, and renewal of the policy; and

"(B) in the case of any policy that is issued before the date of enactment of this Act, as a line item described in subparagraph (A) not".

SA 3885. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 15, line 3, strike "the period" and all that follows through line 6, and insert "the 1-year period beginning on the date of enactment of this Act—".

SA 3886. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 16, beginning on line 4, strike "the period" and all that follows through "2003" on line 6, and insert the following: "the 1-year period beginning on the day after the date of expiration of the period described in subparagraph (A)".

SA 3887. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 16, between lines 19 and 20, insert the following:

(D) PROHIBITION ON DUPLICATIVE COMPENSATION.—The Federal share of compensation for insured losses under the Program shall be reduced by the amount of compensation provided by the Federal Government for those insured losses under any other Federal insurance or reinsurance program.

SA 3888. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 21, line 2, strike "at midnight on December 31, 2002" and insert "1 year after the date of enactment of this Act".

SA 3889. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 23, line 19, insert "5(d)," before "and".

SA 3890. Mr. DODD submitted an amendment intended to be proposed by him to the bill S. 2600, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table; as follows:

On page 23, line 25, strike "10(b)" and insert "9(b)".

ORDER FOR RECORD TO REMAIN OPEN UNTIL 4 P.M.

Mr. REID. Mr. President, I ask unanimous consent that the RECORD remain open today until 4 p.m., for the introduction of legislation and the submission of statements, notwithstanding the adjournment of the Senate.

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

PROGRAM

Mr. REID. Mr. President, for the information of all Senators, as I announced earlier today and I state again, the Senate will convene tomorrow at 9:30 and will vote on cloture on the terrorism insurance bill at 9:45.

Senators have until 9:40 tomorrow morning to file second-degree amendments.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

Mr. REID. Mr. President, if there is no further business to come before the Senate, I ask unanimous consent the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 3:27 p.m., adjourned until Tuesday, June 18, 2002, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate June 17, 2002:

CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD

JOHN S. BRESLAND, OF NEW JERSEY, TO BE A MEMBER OF THE CHEMICAL SAFETY AND HAZARD INVESTIGATION BOARD FOR A TERM OF FIVE YEARS, VICE DEVRA LEE DAVIS.

NUCLEAR REGULATORY COMMISSION

JEFFREY S. MERRIFIELD, OF NEW HAMPSHIRE, TO BE A MEMBER OF THE NUCLEAR REGULATORY COMMISSION FOR THE TERM OF FIVE YEARS EXPIRING JUNE 30, 2007. (REAPPOINTMENT)

BROADCASTING BOARD OF GOVERNORS

NORMAN J. PATTIZ, OF CALIFORNIA, TO BE A MEMBER OF THE BROADCASTING BOARD OF GOVERNORS FOR A TERM EXPIRING AUGUST 13, 2004. (REAPPOINTMENT)

DEPARTMENT OF STATE

ELLEN R. SAUERBREY, OF MARYLAND, FOR THE RANK OF AMBASSADOR DURING HER TENURE OF SERVICE AS THE REPRESENTATIVE OF THE UNITED STATES OF AMERICA ON THE COMMISSION ON THE STATUS OF WOMEN OF THE ECONOMIC AND SOCIAL COUNCIL OF THE UNITED NATIONS.

IN THE AIR FORCE

THE FOLLOWING OFFICER FOR APPOINTMENT IN THE UNITED STATES AIR FORCE TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 624:

To be brigadier general

COL. FREDERICK F. ROGGERO, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE RESERVE OF THE ARMY TO THE GRADE INDICATED UNDER TITLE 10, U.S.C., SECTION 12203:

To be brigadier general

COL. STEVEN J. HASHEM, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES ARMY MEDICAL SERVICE CORPS AND FOR REGULAR APPOINTMENT UNDER TITLE 10 U.S.C., SECTIONS 624 AND 3064:

To be major

NANETTE S. PATTON, 0000