United States
of America

Congressional Record

PROCEEDINGS AND DEBATES OF THE *106th* CONGRESS, FIRST SESSION

Vol. 145 WASHINGTON, MONDAY, NOVEMBER 8, 1999 *No. 156*

Senate

The Senate met at 12 noon and was called to order by the President pro tempore [Mr. THURMOND].

NOTICE

If the 106th Congress, 1st Session, adjourns sine die on or before November 10, 1999, a final issue of the Congressional Record for the 106th Congress, 1st Session, will be published on November 30, 1999, in order to permit Members to revise and extend their remarks.

All material for insertion must be signed by the Member and delivered to the respective offices of the Official Reporters of Debates (Room HT–60 or S–123 of the Capitol), Monday through Friday, between the hours of 10:00 a.m. and 3:00 p.m. through November 29. The final issue will be dated November 30, 1999, and will be delivered on Wednesday, December 1, 1999.

If the 106th Congress does not adjourn until a later date in 1999, the final issue will be printed at a date to be announced.

None of the material printed in the final issue of the Congressional Record may contain subject matter, or relate to any event that occurred after the sine die date.

Senators' statements should also be submitted electronically, either on a disk to accompany the signed statement, or by e-mail to the Official Reporters of Debates at ''Records@Reporters''.

Members of the House of Representatives' statements may also be submitted electronically by e-mail or disk, to accompany the signed statement, and formatted according to the instructions for the Extensions of Remarks template at http://clerkhouse.house.gov. The Official Reporters will transmit to GPO the template formatted electronic file only after receipt of, and authentication with, the hard copy, signed manuscript. Deliver statements (and template formatted disks, in lieu of e-mail) to the Official Reporters in Room HT–60.

Members of Congress desiring to purchase reprints of material submitted for inclusion in the Congressional Record may do so by contacting the Congressional Printing Management Division, at the Government Printing Office, on 512–0224, between the hours of 8:00 a.m. and 4:00 p.m. daily.

By order of the Joint Committee on Printing.

WILLIAM M. THOMAS, *Chairman.*

NOTICE

Effective January 1, 2000, the subscription price of the Congressional Record will be $357 per year, or $179 for 6 months. Individual issues may be purchased for $3.00 per copy. The cost for the microfiche edition will remain $141 per year; single copies will remain $1.50 per issue. This price increase is necessary based upon the cost of printing and distribution.

MICHAEL F. DiMARIO, *Public Printer.*

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

PRAYER

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

Dear God, You have shown us that any week without Your grace and guidance makes us weak. So as we begin this new workweek, we dedicate ourselves to trust in Your goodness, to walk with You humbly, to listen to You attentively, and to serve You obediently. We ask for quiet and peaceful hearts, alert and agile minds, and ready, responsive wills.

Remind the Senators that there is enough time in any one day to do what You require and artesian strength to accomplish what You desire. Free them from tension and tiredness, worry and anxiety. Give spinning wheels good tread. Help them to trust as if everything depended on You and work knowing that You depend on them to accomplish Your best for the Nation.

We love You, Father, and we commit this week to be an expression of that love. You are our Lord and Savior. Amen.

PLEDGE OF ALLEGIANCE

The Honorable CHUCK HAGEL, a Senator from the State of Nebraska, 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.

RECOGNITION OF THE ACTING MAJORITY LEADER

The PRESIDENT pro tempore. The acting majority leader is recognized.

Mr. THOMAS. I thank the Chair.

SCHEDULE

Mr. THOMAS. Today, the Senate will be in a period of morning business until 2 p.m. Following morning business, the Senate will resume debate on the bankruptcy reform legislation. By a previous consent agreement, the minority leader, or his designee, will be recognized at 3 p.m. to offer an amendment relative to minimum wage, which will then be set aside so that the majority leader, or his designee, can be recognized to offer an amendment relative to business costs. Votes on these amendments have been set to occur at 10:30 on Tuesday. The leader has announced there will be at least one vote at 5:30 p.m. today in relation to the bankruptcy bill.

I thank my colleagues for their attention.

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The PRESIDING OFFICER. Under the previous order, there will now be a period for the transaction of morning business with Senators allowed to speak for 5 minutes therein.

Under the previous order, the time until 1 p.m. shall be under the control of the Senator from Wyoming, Mr. THOMAS, or his designee.

The Senator from Wyoming.

ACCOMPLISHMENTS OF THE SENATE

Mr. THOMAS. Mr. President, let me first thank my friend from New Hampshire for coming down. We have morning business now for 2 hours, and we intend to talk about some of the issues before us during this first hour. I am going to at some point—and I hope the Senator will also—talk a little bit about some of the things we have accomplished this year. I understand the media is always interested in the conflicts and where we have controversy. And that is fine. But they do not always talk about the things we have accomplished, the things we have done with the budget, the fact we have spent less in growth this year than we have for a number of years, the fact that we are setting aside Social Security and have proposals out there to strengthen Social Security. We have done a lot for education; indeed, authorized more money to be spent than the administration asked for and allowed for it to be spent on the local level. These are things that are terribly important.

Defense is probably the singular most important thing the Federal Government has to assume. The expenditures of defense have gone down ever since the gulf war. This year we have raised them because in order to fill out the mission the military has, there must be more resources to be able to encourage people to come into the military and to stay there.

We have talked about tax relief, and, indeed, sent to the President a bill which would have given tax relief to all citizens of this country in various ways rather than spending it. Unfortunately, it was vetoed. We will be back with tax relief. When we have an excess amount of money, that is where it ought to go, back to the people who have paid it.

In health care, we have done some things and intend to do more before the week is over; and bankruptcy.

I wish to say I hope before we finish we can put some emphasis on the positive things that we have done for the good of this country.

I yield to my good friend from New Hampshire, who has done a superb job on the appropriations bills, and continues to do so, whatever time he may consume.

Mr. GREGG. I thank the Senator from Wyoming for his courtesy in yielding me some time. I especially thank him for his commitment to making the American people aware through floor statements of how much we have accomplished and how many positive things have occurred in this Congress.

As he mentioned, the most positive is that we have a balanced budget for the first time in generations; that for the first time in years, 20 years or so, the Social Security trust fund money is going to be used for Social Security, which is one of the most important things we could do and thus preserve it for the benefit of senior citizens and the next generation of senior citizens. Something that is really an incredibly positive stride in the way we have dealt with ourselves in this Nation and has led in large part to the economic prosperity that we now experience is the fact that the Government has finally decided to live within its means. That is a result, in my opinion, of a Congress which has aggressively disciplined spending of the Federal Government.

In fact, I recall when this Congress was first elected, a Republican Congress, the President had sent up his budget for the year, and it projected $200 billion deficits for as far as the eye could see. I think the year was 1996, and for the next 10 years it was $200 billion of deficits every year for as far as we could see.

Well, we in the Republican Congress, the first Republican Congress in 40 years, said that was not acceptable; we were going to have to live within our means. Others said it was not doable. We proved it was doable.

That is a positive event. We now have multiple billions of dollars of surplus, a big enough surplus so we will have no impact on Social Security in this budgeting cycle.

What I wanted to speak about, however, beyond the good news, is the issue that has caused us to sort of grind through the process of wrapping up the appropriations bills, specifically the demand by the President in a number of areas of appropriations accounts. The first one I wish to talk about is the demand by the President that we expand his classroom teacher proposal.

Now, the Congress has fully funded to the tune of $1.2 billion. The amount of money that the President initially requested for class size in his original request was for $1.2 billion, the purpose of which was to add teachers to the classroom. Teachers to the classroom may be a good idea in the $1.2 billion that has been put on the table to accomplish that, but the difference between the two sides is not in the dollars; it is in the way those dollars should be spent.

The President's proposal and the proposal coming from the other side of the aisle is that $1.2 billion shall be spent as the people in Washington tell the local people to spend it; it will be spent under a command-and-control process where the administration, the people of the Department of Education, the people of the national labor unions, and the legislators on the other side of the aisle tell the local school districts, tell the States, tell the local principals, tell the local school boards: You must use this money for the purposes of hiring teachers. You must use it for the purposes of hiring teachers. It is a command-and-control, top-down directive

from Washington telling local school districts how to operate their schools. We, on the other hand, on our side of the aisle, have proposed this $1.2 billion be used for schoolteachers, if that is what the local school district wants. But we have also said—and I will read the language to you—''If the local educational agency determines that it wishes to use the funds for purposes other than class size reduction as part of a local strategy for improving academic achievement, funds may be used for promotional development activities, teacher training, and any other local need that is designated to improve student performance.''

What we are saying on our side of the aisle is that we do not think that a one-shoe-fits-all approach; we don't think that a command-and-control, top-down approach is the right way to manage local education or to manage any education for that matter.

What we believe very strongly is that we should put the dollars on the table. We should make those dollars available to the local schools. And we should say to the local schools: If you need more teachers, here are the dollars to hire those teachers. But if you have determined, under a procedure for obtaining higher academic achievement, you don't need more teachers but what you need are better teachers, and therefore you want to train your teachers, or what you need is to keep a teacher who is about to leave, and therefore you need to pay that teacher a little bit more money, or what you need is a class that has some sort of teacher's aide capability in it, such an individual, but also computer technologies, you should be able to do that.

So we are saying in the context of improving the education, most importantly ''improving the students' performance,'' which is the exact words we use, you can use this money for other areas of teacher enhancement and of assisting teachers to be better teachers.

Why are we saying that? Why aren't we saying what the White House and President Clinton say and what the Senators on the other side of the aisle say, which is you must do it our way; you must hire teachers, and that is what will make for better education? Why aren't we doing that? Because that doesn't work. That doesn't work.

Study after study has concluded that it is not necessarily the class size ratio that is critical to education. It happens to be more than that. I think anybody who has ever been involved in any level of education knows this. It is intuitively obvious through inspection—which was what one of my professors used to say in college, and we used to make fun of him for saying that—that there is a lot more to a classroom than the ratio of teacher to students.

If you have a terrible teacher—I have said this on the floor before—who can't teach you a subject matter, if you put 10 kids with that teacher, or 20 kids with that teacher, they are still not going to learn. If you have an excellent teacher who knows how to handle the subject matter, the odds are that the size of the class, if it varies within five or so children, is not going to affect the quality of that education a whole lot. In fact, this is what studies have shown.

In fact, Eric Hanushek at the University of Rochester, an economist, studied 300 other studies that have been done on this issue and concluded as follows: Looking at 300 different studies, class size reduction has not worked. Furthermore, the quality of the teacher is the most important factor in education, and it is much more important to the class than class size.

A National Commission on Teaching and America's Future found the following: The thing that has the least impact on increasing student achievement, the least impact, is class size. The thing that has the greatest impact is teacher education and the capability of the teacher.

In the State of Washington, which happens to be the home of the sponsor of this original proposal of the top-down control approach, Senator MURRAY's State, a Joint Legislative Audit and Review Committee found: ''High quality teachers and family environment have a far greater effect on student performance than marginally reducing the class size.''

It is not our job in Washington to tell the local school districts that they must hire a teacher so that they can get their class size to some arbitrary number. The President has picked 18 to 1. I note that by picking that number he has managed to qualify 42 of the States already because 42 States already have a class size ratio that is 18 to 1 or better.

There are only nine States and the District of Columbia that do not have the ratio higher than 18 to 1. Arbitrarily, people on that side of the aisle are all knowledgeable and are saying to every school board in America, 18 to 1, and that is it. If you don't have 18 to 1, we are not going to give you the money. You have to hire new teachers, and that is it. That is what it is going to be.

We are saying: Here is the money, American school system. You take that money and you choose whether you need it for a new teacher or whether you need it to make that teacher you already have a better teacher, and you tie it to standards. You tie it to professional development standards and you tie it to student performance standards.

That is a much better way to do it than to try to manage every classroom in America from right here in Washington.

As I said earlier, it is as if those on the other side of the aisle want to take the leader's desk and run a string out to every classroom in America, and that string tells that school what they are going to have to do. If they don't like what it is going to do, they are going to pull that string in running from that desk on the Democratic side of the aisle.

I do not know how many classrooms there are in America. It would probably have to be what? I will take a guess. A million—a million strings running off that desk all over America, intertwined. It is going to get awfully messy and confusing—a big jumbled mess—and nothing is going to happen. We are not going to improve education at all.

I think it is a much brighter idea, it is a much more appropriate idea, and it is a much fairer idea to say to the school systems that happen to know what they are doing because they are involved in it—at least every school district in America that I have ever dealt with is very concerned, first, about education: Here are the dollars. You use it to improve your teachers. You use it to improve your classrooms. You use it, most importantly, to improve student performance.

This is what this debate on the budget has come down to. There really aren't too many other big issues out there today. This is what the whole budget debate has come down to—whether or not we are going to run the classrooms from Washington, whether or not we are going to demand that classrooms across America do exactly what we tell them to do by hiring a new teacher in order to get these funds, or whether we are going to allow the schools across America—the teachers, the principals, the parents, and the school boards—to decide how best to use that money in order to improve teaching in the classroom.

The President has made his stand on this ground. To say the least, I think it is bad ground, a bad idea, and a bad stance.

Ironically, at the same time the teacher and class size issue became a cause celebre for holding up the budget process, the other item holding up the budget process involves the President's demand for 30,000 to 50,000 additional police officers. This is a little bit different. This was before the committee that I chair, the Commerce, State, Justice Committee.

The President put forward a program about 3 years ago. He said we want 100,000 new officers. The Congress agreed with him: Let's try to put 100,000 new officers on the street in America. The Congress funded 100,000 new officers. We put on the table and in the budget the money necessary to pay for 100,000 new officers. The program has run out. The authorization has ended.

The President came forward and said, I want another 30,000 to 50,000 officers on top of the initial 100,000 officers.

First off, there was no program. The Congress didn't agree to that. We agreed to 100,000. We didn't agree to another 30,000 to 50,000. It was a political statement. He held a poll and had some focus group rushing into his office in the morning saying, ''Mr. President,

Mr. President, putting police officers on the street really pumps well. Let's do another 30,000 to 50,000.'' That is how they came to the conclusion. They did not have any hearings or even look at the program they have in place because if they had looked at the program they had in place, they would have realized that of the 100,000 officers we put the money on the table for—the Congress did our work to pay for them—the administration has only been able to hire 60,000. They are still 40,000 short of the initial 100,000. But they want to go out and hire another 30,000. They can't do it physically because they haven't been able to hire these offerers. It takes 12 months to do the program. They are not going to get the 100,000 in next year. So they can't possibly do another 30,000 to 50,000.

Equally ironic, where did they find the money in their budget to fund the additional 30,000 to 50,000 officers? Remember, these are local police officers in towns that you and I live in across America. These aren't Federal police officers; these aren't FBI agents or even police officers in this Capitol. These are local police officers. Where did they find the money? They took the money out of the funds we were going to use to fund 1,000 extra Border Patrol agents.

What is the responsibility of the Federal Government? What is our responsibility? It is to protect our borders. Those are Federal agents. Those aren't local agents. Instead of funding the 3,000 new agents who were supposed to be funded and on whom we agreed, for whom we had authorized and appropriated, we were going to appropriate the last 1,000 this year. The administration said: No, we are not going to hire the extra 1,000 Border Patrol agents; we will take the money from that program and put it into hiring an additional 30,000 to 50,000 local police officers for a program that cannot even fulfill its first tranche of police officers, which was supposed to be 100,000.

That is an interesting priority. Think about it. What this administration is saying is, we don't care about the borders as much as we care about putting out a political statement which happens to poll well, which we know has no substantive effect because we know we can't hire the officers. Maybe they didn't know it; they should have. All they had to do was ask the people at the Justice Department. Assume they knew it—putting out a political statement on which we know they cannot fulfill the specifics. They knew, going into this proposal, they could not hire an additional 30,000 to 50,000 officers because they had not even hired the first 100,000 officers. They were 40,000 short, and it takes 12 months to put the officers on the books and bring them on board.

This instead of hiring the Border Patrol personnel to improve our southern borders from being the sieve they are where tens of thousands of illegal aliens come across on a weekly basis. I think it was in the Douglas area of Arizona they arrested nearly 40,000 people in a week. Unbelievable numbers of illegal aliens are coming across the border, placing huge demands on our society in the area of health care, in the area of law enforcement, in the area of schooling. These are huge cost demands on our society, policing those borders so legal immigrants can come across, legal workers can come across. Instead, illegal people are breaking the law to get into this country.

Instead of doing that which happens to be a primary function of the Federal Government, they took the money and used it to set up this specious statement that they were going to add another 30,000 to 50,000 police officers. Now they insist on it. The irony is, they insist on it as part of the budget process wrap-up. They are insisting on adding the extra police officers when they cannot even hire them. Why? PR. It is that simple. It polls well.

The class size statement polls well. On the polling statement, the substance is so fundamentally flawed. They are taking control of local school districts and saying local school districts don't know whether they need a new teacher; we will tell them they need a new schoolteacher. Although they may know they don't need a new teacher, they need to train the teachers better. That philosophy is fundamentally flawed.

The statement to reduce class size is great polling. We will administer cops on the street. Great polling. They are holding up the entire budget of the Government of the United States, which happens to include a lot of other important things.

For example, in my bill, which involves the police officers, we have the funding for the FBI, the funding for the DEA, funding for the INS, funding for the FTC, which is very involved in trying to keep seniors from being fraudulently attacked on the Internet with scams. We have the funding for the FEC, obviously very involved in the different issues of how we manage this e-commerce marketplace in which we are functioning today. We have the funding for the State Department; We have funding for the whole Justice Department, funding for the whole judicial system. All of that is being held up because this administration wants to put out a political statement—not a substantive statement, because they can't do it, as I just pointed out. They cannot accomplish what they claim they will do. They know it. They want a political statement. Then they want to put forward a horrendous policy on class size because it polls well. They are holding up the budget to do that. It is another example of the superficiality of the way this administration approaches issues.

Time and time again for 7 years, we have seen issues put forward not for the purposes of resolving a plan but for the purposes of scoring a political point by this White House. Now they are willing to put at risk the functioning of the entire law enforcement structure of the Federal Government for all intents and purposes over what is basically a political issue, a political statement. It has no substance at all. It has no purpose and can accomplish nothing because it can't be accomplished in this next year. Maybe 2 years from now, when they catch up to doing the full 40,000 officers they still have to do, they can come forward and reasonably say we need another 30,000 officers. That may be true.

Once again, we see the shallowness of this administration is only exceeded by their brazenness. Unfortunately, a number of Federal agencies and the American people will suffer as a result of that.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank the Senator from New Hampshire.

I have to imagine how different the needs of the school district in Wyoming are compared to Philadelphia. I certainly subscribe to the idea we ought to help with the resources, but let the local school districts decide for themselves what it is they need. The basic class size in Wyoming happens to be less than 18.

I am very pleased to have on the floor of the Senate the Senator from Idaho, another western Senator, who is also chairman of our policy committee.

I yield as much time as he desires.

Mr. CRAIG. Mr. President, I thank my colleague from Wyoming for allowing me time this morning.

MICROSOFT

Mr. CRAIG. Mr. President, I have listened to the Senator from New Hampshire speak in what I call the common sense of New Hampshire. I think all Members have been frustrated by this administration running a flag up the pole every morning at the White House to see which way the wind is blowing and then not only attempting to shift Government policy but oftentimes bringing Government to an entire halt until they can determine if the direction in which they are heading is the right direction.

Another example of a misdirected effort by this administration was announced on Friday. I think all Members were paying attention to some degree and were anxious to hear how a Federal judge could decide to run the technological world in which we are living better than the marketplace itself. Sure enough, on Friday, Thomas Penfield Jackson, the judge down at the Justice Department who examined the ins and outs of Microsoft and the marketplace, has determined that Microsoft is a predatory monopoly.

I am no expert in this field, and I am not going to hold myself out on the floor this morning to be so. I ask unanimous consent to have printed in the RECORD two editorials.

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

U.S. DEPARTMENT OF MICROSOFT?

At its highest levels, the educational system is still capable of giving its money's worth, and taxpayers certainly spent enough to educate Thomas Penfield Jackson on Microsoft's struggle to manage what it pleased the judge Friday to call the company's ''monopoly'' in computer operating systems. We guess now the government is going to have to run Microsoft.

We also see the failure of Microsoft's strategy, which was to deny the meaning of its own actions, lest those actions retroactively be found illegal because the court pins the label ''monopoly'' on it. That was unfortunate. Microsoft had a strong case to make that it had behaved in the only way any rational competitor could have.

Microsoft should have argued that we have a monopoly because our customers want us to have one. There is a great deal more software in the world than there would otherwise be, because software designers can invest in creating products knowing there is an installed base of compatible operating systems that won't soon be displaced. And consumers know that they can lay out a thousand bucks or more for a PC without taking a Betamax-vs.-VHS gamble that their investment will be rendered obsolete.

What benefits our consumers is a barrier to our competitors, but as Judge Jackson points out, our real competitor is not ''another product within the same software category, but rather a technological advance that renders the boundaries defining the category obsolete.'' What the judge calls our attempts to maintain our ''applications barrier is entry'' is simply our way of making sure our investment in Windows—and our customers' investment—remains viable in the face of these technological advances. Take our behavior toward Netscape. Browsing the web has become the central purpose of the PC for millions of users. If we had not aggressively promoted our browser, it would have been tantamount to helping Netscape cannibalize our business, using our own platform to render us obsolete while we stood by watching.

If Microsoft cannot act rationally in its own interest, the alternative is a government administrator to take over the business and run it for the benefit of Microsoft's competitors. Outside a Nader thought-bubble, there can't be many people who don't see this cure as worse than the disease. Northwest University Law Professor Larry Downes, writing in USA Today, notes a ''precedent for a remedy of doing nothing; that is, for finding Microsoft guilty but recognizing that there was no court-administered solution that could solve the problem any better than letting the market try to work it out on its own.''

What makes this less than academic is that, even without the government turning Microsoft into a public utility, the paradigm shift is happening and everybody in the business knows it. A host of new developments has already shrunk Microsoft's control over cyberspace, and events are on the way to delivering new forms of web computing that won't even require Windows.

Judge Jackson has deferred the question of whether Microsoft violated the law for a later ruling, but he hasn't left much to the imagination. If he takes his arguments and the incoherent assumptions of antitrust seriously, the only remedy is to turn Windows into a regulated utility, possibly breaking the company up.

No wonder he has repeatedly hinted he would be relieved if the parties would settle. An appeals court would likely overturn any draconian verdict against Microsoft—if a post-Clinton Justice Department hadn't already settled the case. Microsoft has mounted such a lame effort partly because it's relying on the federal circuit court of appeals. On Friday, in a significant ruling related to a private antitrust lawsuit against Intel, that court noted the ''Sherman act does not convert all harsh commercial actions into antitrust violations.''

By the time Microsoft reaches the appellate level, the computing world will have moved on and historians will have to be summoned to remind us what the argument was all about. Judge Jackson will have sat through the antitrust ''case of the century'' only to see it waddle off and expire with a whimper behind some shrub. He can't have that, so he's banging the pots and pans and trying to scare Bill Gates into settling. How much more splendid to be this generation's Judge Greene, tinkering with future releases of Windows the way Judge Green spent 10 years tinkering with AT&T and the baby bells.

But let's get to the real bottom line. Washington's crusade against Microsoft has fulfilled its purpose, serving as a great lever to pry open the wallets of Silicon Valley. Where three years ago the technology plutocrats spent their surplus income on racing yachts and Ferraris and charity, now they patriotically send donations to Washington to support the fixer class and its retinue in the style to which it would like to become accustomed. Steve Case of AOL likes to say the future of technology will be decided in the political arena rather than the marketplace. Be careful what you wish for.

PUNSIHING MICROSOFT

(By Robert A. Levy)

Here's the lesson that high-tech companies can glean from Judge Thomas Penfield Jackson's findings in the Microsoft case: If you're sufficiently ambitious, competent, and hard-working; if you're willing to risk your time and fortune; if you succeed at rising above your competition by serving customers with better products; then watch out, because our government will come down on your neck with the force and effect of a guillotine. Judge Jackson's knee-jerk recitation of the Justice Department's line is a mockery of objectivity, scornful of the facts, and congenial only to those who prefer a sterile marketplace in which vigorous competition becomes legally actionable.

Let's start with the judge's big picture: an industry crippled because Microsoft's competitors are unable to innovate. Yet how to explain Netscape's 410 billion price tag, or continued market leadership by Microsoft arch-rivals Oracle, Intuit, AOL, Sun Microsystems, and Real-Networks? How to explain Apple's growth in both sales and profits? Indeed, if Microsoft's ''prodigious market power'' and ''immense profits'' have been used to stifle innovation, then how to explain the incredible success of Linux, which now runs more Web sites than any other server operating system?

In an unguarded moment, Sun's CEO, Scott McNealy, recently crowed that ''Windows is dead'' when it comes to new software applications, Mr. McNealy may be right. Despite Judge Jackson's snapshot view of the software market, the Internet has profoundly and permanently altered the dynamics. Will Microsoft lose out to consumer electronics products? Mr. McNealy doesn't know, and neither does Judge Jackson. But those products are out there, they're selling well, and they are competition.

What about Web-based software—probably the most formidable threat to Microsoft's dominance? Instead of buying and selling applications like word processors and speadsheets, users can rent the same functions from Internet services—or get them free if they sit through advertising.

The only essential user program is a Web browser. As the Wall Street Journal put it: ''If users don't need PCs with Microsoft's Windows operating system or Intel chips—the vaunted market power of the duo called Wintel doesn't seem so unshakable.''

The important points is this: Many desktop machines that access Web-based servers are ''Windows-less'' products, and Microsoft's major OEM customers are climbing on the band wagon. Gateway is building a line with no Microsoft software at all, and may jointly market it with AOL, which is a major Gateway investor. Dell also plans to bring out a line of Internet computers, some without Microsoft software. Compaq's chief executive observes that its new generation of products will ''redefine Internet access.''

Another industry executive stated that ''the Internet gives people a platform to do most of the things they need to do on a PC without a cumbersome and expensive operating system.''

Judge Jackson, infinitely wiser about such matters now that he knows how to use his computer, has an astonishing two fold response to the emergence of Web-based servers. First, he contends that ''Windows has retarded, and perhaps altogether extinguished'' the server threat. That contention has a surreal quality: Judge Jackson describes an event that never actually happened but, if it had happened, it would have crippled competition. The same dialetic creeps into his anecdotal chronicle of Microsoft's persecution of Intel, Apple, and Compaq, as well as Microsoft's supposed market-splitting with Netscape. ''OK, so this thing Microsoft tried to do never did materialize. The other guy never agreed to it and ultimately he did what he wanted. But what a hobbling impact on innovation if things had gone otherwise.'' Judge Jackson's second justification for discounting Web-based servers is even stranger. He claims that viable competition from server-based applications ''is not imminent for at least the next few years.'' His projection is surely too conservative.

Venture capitalists report that they haven't seen a business plan for conventional packaged software in more than six months. Mr. McNealy predicts that fewer than 50 percent of the devices accessing the Internet will be Windows-equipped PCs by the year 2002, just a little over two years from now. Mr. McNealy has put Sun Micro systems' money where his mouth is—acquiring Star Division so he can convert its Star Office product into a free, Internet-based service that can be run directly by any user with any Web browser.

But more important, Judge Jackson's ''not imminent for a few years'' forecast has to be placed in context. He plans on issuing his conclusions of law in this case early next year. Then a hearing on remedies in the spring, with a possible summer decision. Then we can expect a year or so before the United States Court of Appeals finishes its review. Then another year for the Supreme Court's deliberations. Finally, even if Microsoft loses at each stage and remedies are imposed, they will not be effective overnight. In other words, the market will certainly have obviated any remedies before they can have an impact.

Meanwhile, Microsoft behaves not like a monopolist but like a company whose every survival is at stake. Its prices are down and its technology is struggling to keep pace with an explosion of fresh software products. Facing competition from new operating systems, consumer electronics, and Web-based

servers, Microsoft now operates in a world where anyone running a browser will soon have the same capabilities as today's Window users. That is why the government should keep it's hands off.

Mr. CRAIG. Mr. President, one editorial is by Robert Levy, a senior fellow of constitutional studies at the CATO Institute. He starts his op-ed piece:

Here's the lesson that high-tech companies can glean from Judge Thomas Penfield Jackson's findings in the Microsoft case: If you're sufficiently ambitious, competent, and hard-working; if you're willing to risk your time and fortune; if you succeed at rising above your competition by serving customers with better products; then watch out, because our government will come down on your neck with the force and effect of a guillotine.

The editorial in the Wall Street Journal probably sums it up best of all. There is no question my colleagues from the other side of the aisle—or should I say their political machinery as expressed by—I don't want to call them outbursts, but certainly the expressions of our Attorney General, Janet Reno, are best summed up when they discussed the Microsoft case this morning in the Wall Street Journal. Here is their concluding paragraph:

But let's get to the real bottom line. Washington's crusade against Microsoft has fulfilled its purpose, serving as a great lever to pry open the wallets of the Silicon Valley. Where three years ago the technological plutocrats spent their surplus income on racing yachts and Ferraris and charity, now they patriotically send donations to Washington to support the fixer class and its retinue in the style to which it would like to become accustomed.

Steve Case of AOL, who happens to be on the other side of this issue, recognizes the problem, though. He says the future of technology will be decided in the political arena rather than the marketplace. My guess is, if that is true, your computers will not be working as well tomorrow as they are working today.

I came to the floor this morning to join with my colleague from Wyoming, not to discuss the Microsoft case; that is going to get played out over time, and I think we are going to have a Federal judge who will try to run the technology business of this country. Maybe we need to decide to start a new agency of our Federal Government called U.S. Department of Microsoft. If it is as profitable as Microsoft, maybe we can make a lot more money without taxing the American public to allow our Democrat colleagues on the other side of the aisle to spend it.

Certainly Microsoft is now making as much as $1 billion a month in cash to spend. It is obvious somebody else wants their hands on that or wants to break up that very profitable business.

VIOLENCE IN AMERICA

Mr. CRAIG. Mr. President, what I came to the floor to talk about is a combination of issues that come together in the issue of violence. We watched the great tragedy as a fellow entered a workplace in Hawaii the week before last and killed some of his coworkers. Last week in Seattle, another man went into a business and shot and killed individuals. All of us, as Americans, are tremendously frustrated by this expression of violence or people seeming to want to solve their personal problems by acting in a very violent fashion. The Washington Post poll on Sunday showed that the No. 2 issue among Republicans was violence in the schools; the No. 4 issue among Democrats, violence in the schools; the No. 2 issue among Independents in America was violence, violence in the schools.

Our President last week suggested we live in a very violent society, when in fact violence is down substantially in our country. It is true that it is. We have come off a very violent year, but over the last 7 years the average rate of acts of violence is dropping, in the broad sense. Yet we have had some of these tremendously public-attention-gathering events that caused the American public to be concerned, as they are.

Of course, the issue I want to speak briefly about this morning is the question of how we fix this violent expression in our society. Last week, the President, Janet Reno, and AL GORE said there is a quick and easy way to fix it: We just need to pass a few more laws; gun laws, that is. We need to add to the 25,000 to 30,000 gun laws that are already on the books. If we do that, we will make America a safer place in which to live. Or at least we will say, politically, to meet the polls the Washington Post presented to us on Sunday, that if we pass the laws, the public at least will think America is a safer place in which to live. By that, we will be able to curry their political favor in the next election.

If gun laws make America a safer place, then what happened in Hawaii should not have happened; what happened in Seattle should not have happened; what happened in Littleton, CO, at Columbine High School, should not have happened—because there are laws to stop that. Mr. President, 13 laws were violated, tragically, by those two young men who later took their lives at Columbine High School in Littleton, CO, after they had killed so many of their classmates. But there was a law to stop them. Then why did it happen?

I do not know the answer to why it happened. I do know they broke a lot of laws to cause it to happen. Yet our President last week, and the Vice President, and the Attorney General said give us more laws and the world will be a safer place. We have all been on this floor discussing, for well over a year, our frustrations with problems with our culture, problems with our public schools. People are acting out their frustrations in violent ways by taking other people's lives. My guess is, you cannot legislate a fix on that one.

There are other problems within our society that have to be addressed. So let me focus for just a moment on Hawaii. There, we all know what happened. The fellow has been caught. We all know now he probably, during that act, was mentally incompetent, mentally in trouble, mentally deranged. But his actions cost lives.

His actions happened in a unique environment, though. Hawaii has more gun laws, to control gun ownership and gun usage, than any other State in the United States. So would logic not follow, at least the logic of the President and the Vice President and the Attorney General, if that were so, Hawaii should have been a terribly safe place? Hawaii is the only State in the Nation where you not only register every gun you have with the local and State authorities, you also register the bullets—you register the ammunition. Somehow, politicians in the State legislature in Hawaii thought that would make Hawaii a safe place—the only State in the Nation.

It just so happens, Janet Reno and AL GORE and the President want us to do the same in this country. But it did not stop the individual who killed his colleagues in Hawaii.

How about a permit to purchase? Of course, that is exactly what some of our colleagues would want here. Hawaii requires a permit to purchase any kind of gun—not just one permit for multiple purchases but a permit for every purchase—and a full background check, and the requirement that you must be at least 21 years of age to own a gun.

What about assault pistols and Saturday night specials and all those kinds of buzzwords about guns that have become villains here on the floor for political purposes? All of those are outlawed in Hawaii. It is against the law to own them. It is against the law to have them. All of that is the law in Hawaii. The man who did the killings in Hawaii had met all of the requirements of the law. Yet the law did not protect the citizens whose families now mourn their death.

How about high-capacity magazines? That was a fully debated issue here on the floor of the Senate this past year. I was on the floor with Senator HATCH and Senator LAUTENBERG on that issue after Littleton. It is against the law in Hawaii.

Then there are the restrictions on places of possession, where you simply cannot have a gun: A business; you can't travel with one, only in the owner's home and in very restricted places; or if you are traveling from the home to the firing range or the pistol range for target practice, you may have a gun on your person. Those are tough laws in Hawaii. Yet people are dead. Of course, I mentioned transportation and the restriction on transportation. All of those are parts of the laws that guard citizens against the violent acts of others with the use of a firearm in the State of Hawaii.

The President, the Vice President, and the Attorney General seem not to understand that or, if they do, they are

finding another reason to express a need for greater gun control in this country. I am not sure what that need is. We all know our citizens are concerned about violence.

We all know we have citizens in our country who act out their frustrations in violent ways. It is tragic that we believe we can simply turn to Congress that will pass a law and, therefore, the violence will go away.

Are the President and the Vice President and the Attorney General trying to hide something? Are they trying to hide the fact that during the Clinton administration arrests and prosecutions of citizens who violate Federal firearms laws has dropped by over 70 percent?

Is the President trying to mask the fact that the Puerto Rican terrorists to whom he offered clemency were violators of Federal firearms laws and they killed American citizens?

Is this President, once again, trying to throw up a political smokescreen by simply saying we need more laws against the use of guns or the ownership of guns or the second amendment rights when he, the President, in my opinion, has violated the intent of the laws as they now stand? If you do not use the law, if you do not prosecute under the law, if you do not enforce the law, then the laws are no good.

That is the message I send to Bill Clinton today: Mr. Clinton, look at your own record. Your own Attorney General has let it be known to U.S. attorneys around the country that it is not worth their time to go after violators of Federal firearms laws.

There is a great program down in Richmond, VA, where a Federal prosecutor said to the local police: You arrest them and I will throw them away, I will put them behind bars if they use a gun in the commission of a crime. Crime dropped precipitously but, more important, crimes with a gun involved dropped dramatically. One fellow was arrested at a 7–Eleven with a stick, and after he was arrested, the local police said: Why are you robbing a 7–Eleven with a stick?

He said: Because if I used a firearm, they will lock me up down here.

Mr. President, Bill Clinton, don't you get the message now? We have plenty of laws on the books if we had an Attorney General who was a real cop, a supercop, a tough person who was saying to her U.S. attorneys: Let's put them behind bars if they use guns; let's throw those kids out of school who take a gun to school. They do not have the right to be in our schools if they are putting the rest of our kids in jeopardy.

Last year that happened over 3,000 times and only 13 were prosecuted. Sorry, Mr. President, sorry, Mr. Vice President, sorry, Ms. Attorney General, passing laws does not a safer world make. Enforcing the ones we have, being concerned about the culture, being concerned about the kids, their parents, and their educators in a way that not only makes a safe school but makes a concerned citizen is going to drop violence in America. Do not give the American public a political placebo by simply passing another law.

I thank my colleague from Wyoming, and I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

Mr. THOMAS. Mr. President, I thank my friend from Idaho. Certainly, this is one of the issues that is contentious and will, I suppose, be debated some more. I agree with the notion we need to do something more than passing more laws. It has no evidence of success.

INTERIOR APPROPRIATIONS BILL

Mr. THOMAS. Mr. President, one of the bills currently being considered, and is very important to the West particularly, is the Interior funding bill, the bill that funds the Interior Department, national parks, the Bureau of Land Management, Fish and Wildlife Service, and others. It is relatively small compared to others. It is around $13 billion, $14 billion. I never thought I would suggest that is small, but compared to $360 billion it is relatively small.

It has been tied up for a number of reasons. It has to do with the so-called land legacy the administration has been pushing recently, the idea of purchasing a great amount of land that has something to do with S. 25 that will bring in dollars from the Outer Continental Shelf royalties to be used in this area.

The controversy is over the purchase of additional lands. There are some good things about S. 25—taking some more money from oil royalties and using them for parks. I am chairman of the Parks Subcommittee, and I met this morning with the new advisory committee that will be focusing on concessions. The parks are more and more in demand, more and more people are coming to them, and more and more people are taking advantage of the parks, one of the legacies of this country. We are having problems with the upkeep of the infrastructure that must be done to preserve historic and natural values. I support that.

The park system, of course, has to be part of another section of parks, and that is local and State parks. National parks are not designed to provide all the services that people need. In communities, these are local responsibilities. Ball parks, for example, are put in by State and local parks. So they, too, need additional funding.

One of the interesting areas, particularly those in the West where they do a great deal of wild game hunting, is a thing called teaming for wildlife. In our State, for example, the funds that go to the game and fish department come from the purchase of licenses for game animals. They spend a great deal of their time dealing with animals that are not game animals that are threatened, endangered.

The problem, however, is the administration insists on having $1 billion a year to spend as they choose to buy land. This week, we had a hearing on the Forest Service setting aside 40 million acres by fiat, by administrative decree, to be used for de facto wilderness, if they choose, when under the law clearly to set aside land of that kind is the responsibility of the Congress.

We are having increasing difficulty with that. I do not know whether it is driven by the President's desire to have a legacy, to be a latter century Theodore Roosevelt, or whether it is the environmental aspect of the Gore campaign. The fact is, the White House is not a monarchy; it does not decide to do these things individually. There has to be a cooperative arrangement with the Congress, whether it is purchasing or whether it is assigning different designations to land. That is the way it is, and it needs to be preserved in that fashion, in my judgment.

We need to move forward with the Interior bill. It is one of about three bills that remains out of the 13, which is kind of surprising because it is one upon which most people here agree. There are a couple of things in it that are being used which I think are not realistic. One has to do with permits for grazing on Forest Service lands. Ranchers in the West—they have their base lands, of course—use grazing so we can have multiple use of public lands and forests, have grazing leases. In order to renew those leases, there needs to be a study. No one argues with the idea there needs to be a study. Unfortunately, they have not been able to keep up with the number of studies that need to be made, and so the study is not made before the permit expires and the Federal Government says: That's too bad, you're out of luck; take your cows and go home—when it has nothing to do with the permittee having not gotten the job done.

What this amendment to the Interior bill says is the permit will be renewed for a period of time until this study can be made. If the study is made and there have to be changes, then there can be changes. That is held up somehow by the White House, and they are making a big thing and separating that out.

The other is on oil royalties. We worked a long time trying to get fairness in oil royalties, taking out some of the charges and costs before the Government takes over, and percentage of royalties. We have not come to an agreement. This simply says, let's set it aside until the Congress and the executive department can come together. Again, not a willingness to work in a team fashion.

I am hopeful we can get by those kinds of things this week. We are aiming to get out of here in 3 days, in fact. The fact is, it is possible.

There are really only about three bills that need to be determined. Everyone knows what changes need to be

focused on, what kind of concessions need to be made on both sides to make this happen. Usually, as we come down to the end, it is amazing how quickly some things can be done as opposed to when they just stretch out in the future.

So our goals are to have no Government shutdown—certainly that is the Republican position for the rest of this year—we are settled on not having any new taxes to finance this year's new programs—we certainly have an adequate amount of money—and we are committed to paying down the publicly held debt and to protecting the Social Security surplus. These are the kinds of things I think everyone can agree upon if we can get to it this time.

Mr. President, I yield the floor and suggest the absence of a quorum.

The bill clerk proceeded to call the roll.

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

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

TERRORISM AND ABORTION

Mr. REID. Mr. President, last Thursday, I was reading the morning newspaper in Washington when I came across an article describing for, lack of a better description, the emotional stress of a doctor, Steven Dixon. Dr. Dixon, after a lifetime of study and sacrifice, indicated he was going to give up the practice of medicine. Why? Because terrorists had broken his 40-year-old spirit. This 40-year-old doctor decided he wasn't going to practice medicine anymore. His will to work had been broken.

Dr. Dixon maintained a medical practice in the downtown DC area. Dr. Dixon, by training, was certified to be an obstetrician/gynecologist. In his practice, he helped women with a multitude of medical problems—basic checkups, physicals, and problems unique to women. On occasion, he terminated pregnancies. What did these people do to run Dr. Dixon out of the practice of medicine? They distributed wanted posters with his name and photograph like those you see in the post office. He received numerous threatening phone calls to his home and his office. Various threatening mail was sent to his home and office. These are some of the things that happened to Dr. Dixon.

In the United States, the highest court in the land, the U.S. Supreme Court, the same court that established the way commerce is conducted between the 50 States, the same court that decreed education cannot be separate and be equal, the same court that set precedence for the cleansing of Government by its overview of Watergate—this same U.S. Supreme Court has set forth a standard as to how abortion in the United States is legal. That is the final word, what the Supreme Court says in our country. Whether one agrees or disagrees, it is the law of this Republic.

But some are unwilling to follow the law of the land. They think they know better. This has led to violence, vandalism, brutal protests at legal clinics established to deal with a multitude of female-related health problems. In the last 20 years, there has been an average of 40 of these acts each week—bombings, arsons, death threats, kidnappings, murders, tires slashed, oil drained from cars, sugar put in gas tanks, blood splattered on people's homes and sidewalks and places of business. There have been 38,000 acts during less than two decades—38,000 acts of terrorism.

I am going to talk now about some examples of these terrorist acts. For example, people who work in entities, such as Planned Parenthood clinics, face acts of violence, threats, intimidation. In 1998, at just such clinics, there were multiple murders, bombings, and arsons, a score of butyric acid attacks. That is a chemical compound that burns and leaves an awful smell. Anti-choice violence and terrorism is worsening. It should be stopped. Dr. Dixon, who I have never met, who many read about last Thursday, which caused me to begin thinking about this issue, stated in a letter:

> It is ironic that I am a target, because my entire career has been about educating and empowering women to help prevent unintended pregnancies. While I have always supported a woman's right to have this legal procedure, I actually performed few abortions for my patients. In fact, I stopped performing them because of the stress associated with this terrorism. Sadly, the ongoing threat to my life and my concern for the safety of my loved ones has exacted a heavy toll on me, making it necessary that I discontinue practicing.

I don't know Dr. Dixon, never met him, never talked to him. But those who threaten Dr. Dixon are cowards, terrorists, no different than the people who blew up the New York City Trade Center. They are murderers. These killers and would-be killers and terrorists call each other patriots. The true patriots of this Nation are those who have given their all in the fields of battle, places called the Bulge and the beaches of Guadalcanal, Pork Chop Hill in Korea, and in Vietnam. And many people who haven't given their lives have sacrificed a great deal. Many serve in this Chamber. Under our system of government, which has been in existence for more than 200 years, the law of the land can only be changed by peaceful political means, through persuasion, debate, demonstrations that are peaceful in nature, grassroots political activity, the assertion of one's feelings at the ballot box, but never, never, through violence and intimidation. What is now taking place in our country by these zealots is despicable.

Why do I say what I have said? Why do I conclude this? Let me travel a little bit. Remember, we have 38,000 of these terrorist acts, and I am going to talk about a few of these demonstrations of viciousness. A manual has been produced by a group called the Army of God. It is a manual directing there to be no trial, no jury, no appeal, no stay of execution. Their clear declaration is to kill abortion doctors and people associated with abortion clinics—kill whoever they decide should be murdered.

Doctor Barnett Slepian. I didn't realize this until after the murder had taken place, but Dr. Slepian's niece worked for me here in Washington. She is now a writer of some acclaim. She had an article published in the last issue of George magazine. She is from Reno, NV, and is a wonderful young lady. Dr. Barnett Slepian was shot and killed by a bullet that came through his kitchen window at the same time the doctor was having dinner with his family in his kitchen. After this brutal murder, this cowardly act, his death was mocked publicly. His murder was commended by some groups. The killer, even though identified, has not been apprehended.

In Birmingham, AL, at a health clinic, there was a bomb blast which killed the security guard who was there, a man by the name of Robert Sanderson. He was a police officer trying to make some money on the side. Emily Lyons, a nurse, was severely injured and left nearly blind and with medical bills of almost $1 million. Eric Robert Rudolph has been charged with this attack. He is the man who is being chased through the hills in the south, someplace in North Carolina. He is one of the FBI's Ten Most Wanted. He is yet to be found.

In December of 1996, Dr. Calvin Jackson was stabbed many, many times. He lost at least four pints of blood, and one ear was severed. His assailant was apprehended a few hours later, after entering another clinic carrying a filleting knife.

John Salvi—at about the same time this Jackson matter took place—was tried for two murders of clinic receptionists, people who were secretaries—Shannon Lowney and Lee Ann Nichols. He attempted to kill five others. He fired bullets into these clinics in Brookline, MA, and Norfolk, VA.

It is hard for me to say this, but a Reverend, Rev. Paul Hill, a well-known protester and director of the anti-choice group called Defensive Action, was convicted in the fall of 1994 for the murders of Dr. John Britton and a 74-year-old man who happened to be with him outside a health clinic in Pensacola, FL.

The two victims were shot with a 12-gauge shotgun. Before the shootings, Reverend Hill had been previously arrested for his activities where he advocated continual use of force.

Dr. David Gunn, a physician, was murdered during a protest at a Pensacola clinic. Wanted posters featuring Dr. Gunn's photograph, telephone number, and schedule were distributed at an Operation Rescue rally in Montgomery, AL, and other places.

Dr. George Tiller, who was a target of violence and blockades for many years, was shot in both arms.

Finally, in Wichita, KS, a person charged with a shooting who had been arrested on previous occasions for trespassing and blockading clinic entrances praised the man who murdered Dr. Gunn.

I was the first person to come here and speak out on the Senate floor about Dr. Gunn's murder, which I thought was sickening.

Neal Horsley, a militant and founder of a group called the Creator's Rights Party, has developed a web site entitled ''The Nuremberg Files.'' The site was designed to ''collect evidence.'' This so-called ''evidence'' lists clinic staff members, law enforcement officers, judges, and politicians for use in future trials ''for their crimes.'' Remember that they work in legal clinics. The site seeks and lists personal information such as photos of them and their families, their houses, their cars, their driving records, license plate numbers, names and birth dates of individuals, and even the birth dates of their family.

A legend accompanies this list of names under a banner where there is a simulation of dripping blood. The legend indicates the degree that this so-called Creator's Rights Party wants to place these people. There is a black font for people who just work there. Then it becomes gray when somebody has been wounded. Their name isn't completely stricken but partially stricken when they have been wounded by one of these terrorists. But if someone is killed, like Dr. Slepian, there is an immediate strike through. They are stricken off the list.

Last year, about a year ago, at a Planned Parenthood clinic in Milwaukee there was an envelope received in the mail. Inside the envelope was a bomb constructed of two batteries with wire wrapped in modeling clay. These bombs didn't work. But the message written on white paper stated that the next one might be real. The next day, Milwaukee's Affiliated Medical Services received a similar mailing.

A week after the murder of Dr. Slepian, four clinics in three States received letters purporting to contain anthrax, which we know is the most deadly strain of bacteria. A few days later, six more anthrax threats were sent to clinics. Although some clinics were closed and staff decontaminated, all of these threats turned out to be hoaxes.

Bombs were discovered at two clinics in North Carolina about a year ago, less than a month after these clinics had been damaged by arson.

Between May and July of last year, 19 clinics in Louisiana, Florida, and Texas were vandalized with butyric acid, that I have already talked about, which is a noxious industrial chemical which sent people who happened to be in the area to hospitals, including patients and staff members. They went there with respiratory problems, nausea, and sickness. Clinics were closed for days while they tried to get the smell out of their facilities.

Shortly after the clinic bombings in Atlanta and Oklahoma, an Oregon physician, Peter Bours, received a letter which demanded $50,000 in cash and threatened, ''The bombings in Atlanta and Oklahoma are a warning,'' and indicated that those who do not comply to our demands will be destroyed.

The FBI arrested a man by the name of William Kitchens. When they arrested him, they discovered a book in his kitchen on extortion and kidnapping.

Within 2 weeks of Dr. Britton's murder in Pensacola, FL, the last remaining doctor then providing advice in Mississippi, Dr. Joseph Booker became the target of a ''No Place to Hide'' campaign. The campaign's leader, Roy McMillan, signed a petition advocating the murder of Dr. Britton and others.

According to physician Pablo Rodriguez, ''[i]n the beginning, the harassment consisted of just nasty letters and graphic pictures. Then I began receiving strange packages with dolls inside, as well as subscriptions to gun magazines. . . . Then the ''Wanted'' posters with my picture on them began to appear. . . . Then the doors and locks to our clinic were glued several times, and protesters blockaded the clinic three times. . . . Just after Dr. Gunn's death, . . . I realized that my car was steering poorly. I checked my tires and found 45 nails embedded in them. . . . That evening, my wife painfully discovered with her foot that our driveway had been booby-trapped with roofing nails cleverly buried beneath the snow. . . . My home, my haven of safety—violated.''

Shortly after Operation Rescue targeted physician Frank Snydle as part of its ''No Place to Hide'' campaign, his 80-year-old mother received a telephone call that was false and misleading and a prank at 3 a.m. in the morning telling her that her son had been killed in a car accident.

A Dallas physician by the name of Norman Tompkins and his wife received hundreds of phone calls and pieces of hate mail. The message, for example, left on Dr. Tompkins' answering machine stated, ''I'm going to cut your wife's liver out and make you eat it. Then I'm going to cut your head off.'' Protesters with bullhorns repeatedly demonstrated at Dr. Tompkins' home early on Saturday mornings. On several occasions, he has had to have a police escort to go to church.

A 14-page ''joke'' booklet—it certainly is anything but a joke—was distributed by an anti-choice group called ''Life Dynamics'' to more than 33,000 medical students. These so-called ''jokes'' recommended physicians who perform abortions should be shot, attacked by dogs, and buried in concrete. One medical student who received the booklet the same day Dr. Gunn was murdered stated, ''To say the least, it was upsetting''—that all OB/GYNs should be killed.

The extraordinary measures that people must take for their protection doesn't seem right in a country such as ours. But physicians and other clinic workers face the daily possibility of terrorism and violence in order to provide women with legal reproductive health services.

In the wake of the recent killings and harassment of people at their homes, providers are resorting to extraordinary new measures to protect themselves. Clinics are spending hundreds of thousands of dollars in bulletproof glass, armed guards, security cameras, metal detectors and other security devices. Doctors are wearing bullet-proof vests and some have even purchased armored vehicles to go to work.

Clinic workers have been instructed by Federal marshals to vary their routes to go to work—clinic workers, secretaries, nurses, phone operators, janitors—to drive to a safe haven if followed, and to call police if they receive a suspicious package, as it would likely contain a bomb.

In Boston, MA, Dr. Maureen Paul no longer sits on the third floor atrium she built for herself as a so-called ''dream spot.'' In light of Dr. Slepian's murder in his home, she feels too vulnerable there, which, according to Dr. Paul ''really makes me angry because, wow, this is the space I created for me. I don't get to be home very often, and so it really disturbs me that I have to think about getting shot in a place I love.''

Many other clinic directors, including Director Warren Hern, installed bullet-proof glass in his office and hired private armed security guards. He wears a bullet-proof vest at his public appearances. Stated Dr. Hern:

I walk out of my office and the first thing I do is look at the parking garage the hospital built two doors away to see if there is a sniper on the roof. I expect to be shot any day, any minute. I'm in a war zone. It is frightening and it has ruined my life.

These are only a few of the 38,000 acts of intimidation that have taken place in America.

For example, Dr. Slepian was murdered. Keep in mind, his murder occurred while he was having dinner with his family in his kitchen. Somebody with a high-powered rifle shot him through his kitchen window with one bullet through the head in front of his entire family. After the killing took place, a poem appeared on the Internet, ''Ode to Slepian.'' They say the most vicious things. They have the audacity to quote Holy Scripture to condone their act of violence and their attempt to ''coronate'' this act of violence as something good and positive.

''The sound of window glass shattering, a hollow thud, and a woman's scream coming from within the house, pierced the frigid air. He smiled. Hallelujah to the Lord.''

This has got to stop.

Six years ago, I was first to speak out against clinic violence. On the day Dr. Gunn was brutally murdered in Florida, I said I thought that was wrong. I still think it is wrong. Regardless of a person's feeling on the issue of abortion, we can't allow this to take

place. After the speeches on clinic violence and the public's disgust, a law was passed - Federal Access to Clinic Entrance Act. It was directed toward this terrorism at clinics. It has helped. Not a great deal, but it has helped. It is a step in the right direction.

Today, I am directing a letter to the Attorney General of the United States, Janet Reno. I say to Janet Reno, I know there is a task force dealing with these issues, but we in Congress need to be told what is being done. We need to see some results and we need to know what more can be done. We need a report.

We not only have to go after those people who have committed these atrocious deadly acts, but we need to figure out a program to stop them from happening in the first place. We can't have the Internet, the U.S. mail, people's homes and businesses violated by these terrorists.

I am asking Janet Reno to give us in Congress some direction, some guidance as the chief law enforcement officer in this country. We want to know what you are doing to stop these acts of intimidation and violence. It is time these 38,000 acts are stopped. We must do something to stop this senseless violence in the land of our liberty.

We must understand that what separates any pluralistic society from anarchy is a recognition that no one has a monopoly on the truth. When this basic precept fails, so does the community. It was thus in Kosovo, Bosnia, and Rwanda, in the Germany of the 1930s and America of 1861.

There have always been people who knew the wishes of their Supreme Being more clearly than others. Some became St. Francis; others burned St. Joan. Some raised cathedrals; others sacked Jerusalem. Some wrote hymns of praise to the Lord; others wrote his name in blood. There have always been people who knew their law was of a higher moral value than the laws of society in which they live.

Some became Gandhi and led marches to the sea; others became Theodore Kaczynski and mailed bombs to people they never met. Some became Henry David Thoreau and refused to make war; others became Timothy McVeigh and made war on innocent men, women, and children. Some became Martin Luther King and marched to Selma; others became James Earl Ray, the lone fanatic with a gun.

As long as any man or woman combines that mistaken belief in a higher law with a conviction that they are empowered to enforce it against their fellow man, so long will the fringe fanatics of the pro-life movement, murder and maim and intimidate in violation of the rights and beliefs of every person dedicated to a just and civil society in America.

All Americans must speak out against this new American terror; to do otherwise is un-American.

Mr. DORGAN. Mr. President, Senator CRAIG from Idaho and I, following the Senator from Montana speaking, intend to have perhaps 15 minutes split between the two of us. I ask unanimous consent we be recognized following the presentation by the Senator from Montana.

Mr. REID. The Senator from Montana needs 10 minutes?

Mr. BAUCUS. I will need 10 to 12 minutes.

Mr. DORGAN. I ask unanimous consent following the presentation of the Senator from Montana I be recognized for 15 minutes with the intention of yielding some of that time to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Nevada controls the time.

Mr. REID. I have no objection to that.

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

JAPAN'S MARKET OPERATIONS

Mr. BAUCUS. Mr. President, a long list of issues must be addressed in the next round of the multilateral trade negotiations that kick off in Seattle in 4 weeks. Agricultural trade is at the very top. Other issues include further reducing tariffs, repairing the WTO dispute settlement process, removing restrictions on trade and services, increasing opportunities to sell to governments, avoiding measures that restrict the growth of electronic commerce and figuring out how to put a human face on trade law consideration of the relationship between trade and labor and between trade and the environment.

There is another issue that has received virtually no attention at all. Yet it is of critical importance to the United States, to most other nations, and to the world trading system itself. I refer to the problem of Japan, the second largest economy in the world. A country where the markets for our goods and services remain far more closed than they should be.

The sense-of-the-Senate resolution I am introducing today, along with Senator GRASSLEY, urges the administration to pay much more attention to Japan in the next trade round than was the case in the past.

I want the administration to work overtime to ensure that Japan makes commitments that will genuinely open its markets. And the administration must then ensure that Japan meets those commitments. Paper agreements will not suffice. Agreeing to broad principles is unacceptable. Negotiations in the next trade round must lead to clear results in Japan. There must be meaningful, measurable change in the way Japan's markets operate.

Historically, the relationship between multilateral and bilateral trade commitments made by Japan, and then whether there is actual change in Japan's markets, has been tenuous, at best. The American Chamber of Commerce in Japan, in its report ''Making Trade Talks Work'', documented this problem of implementation and results.

In the Uruguay round, Japan did not have to make the kind of significant changes that were required of many other major trading countries. Including the United States. Even where Japan agreed to open its market, such as the rice market, the out-of-quota tariff rate is still in the range of 500 percent. That is not a misquote. It is Five Zero Zero, 500 percent tariff on rice coming into Japan from the United States. I am worried that in the next round, the Japanese Government will be able to minimize the commitments they make. And then, in a uniquely Japanese way, they will be able to minimize the implementation of those commitments and obligations. In earlier trade rounds, Japan agreed to the GATT Government Procurement Code. But the United States found that we had to negotiate special bilateral agreements with Japan in order to get genuine access to their government market. We negotiated multiple arrangements on computers, supercomputers, telecommunications equipment, medical equipment, and satellites. Even with these arrangements, access to Japan's market has still been a major problem in many of these areas. The GATT system has not worked well here. In the Uruguay round, we were so focused on other problems, especially in Europe, that we missed a lot of opportunities with Japan. I am concerned that the same thing may happen again. I certainly do not want to take away from the focus on agriculture and other priorities we have for the next round. But I want to be sure that we do not let Japan off again.

Japan seems now to be working overtime to protect its trade-distorting policies in agriculture, forestry, and fishing. The Advanced Tariff Liberalization efforts would have been further along but for Japanese opposition at APEC. Now, Japan is trying to hide its protectionist policies behind the banner of the ''multifunctionality'' of agriculture. That is, they claim that farming plays an important role in a country's social and cultural fabric, trade liberalization cannot interfere. Of course, farming is integral to the social fabric of many nations, including our own. But that is not an excuse for trade protection and making other countries pay those domestic social costs.

At the same time, Japan is playing a leading role in criticizing United States trade laws and in working with other countries to challenge our antidumping and countervailing duty laws in the next round. Some speculate that this is just another attempt to undercut American initiatives in the new round. Japan could, and more important Japan should, take a leadership role in a number of areas. After all, few countries in the world have benefited more than Japan over the past half century from an open world trading system.

Japan could take significant steps to make its regulatory system more transparent and less burdensome. They could table a broad based services liberalization proposal that would encourage others to follow. Japan could lead the effort to put more transparency into the government procurement agreement. It could lead on electronic commerce. And, of course, it could deal with those agriculture policies that are at the top of the agenda.

This resolution calls on the administration to focus on Japan in the next round, to set out specific expectations for the changes desired in Japan, to ensure that Japanese commitments made in the round will truly lead to change in the Japanese market, to work with other major nations to ensure that these changes occur, and to consult closely with Congress and the private sector, including manufacturers, agriculture, service providers, and NGOs, throughout the negotiations.

I hope my colleagues will join me in helping ensure full participation by Japan in the round and in ensuring that we will benefit from Japan's commitments.

I yield the floor.

The PRESIDING OFFICER. The Senator from North Dakota.

Under the previous order, the Senator from North Dakota is recognized for 15 minutes.

THE UPCOMING WTO TRADE SUMMIT

Mr. DORGAN. Mr. President, I am pleased to come to the floor today along with my colleague from Idaho, Senator CRAIG, to discuss objectives we have for the upcoming WTO trade summit in Seattle, WA. We want that trade summit, the initiation of a new round of trade talks, to be as productive as possible for this country and especially for this country's family farmers and ranchers.

In recent years, we have seen the results of our trade negotiators negotiating trade agreements in secret around the globe and developing the conditions under which we trade goods and services. Family farmers and ranchers largely have discovered they have been given short shrift and not treated very well. In fact, their remedies to attempt to confront unfair trade arrangements were taken away. They discovered that in many cases the competition they face in the marketplace for agricultural goods was unfair competition. They discovered foreign markets were still closed to them, with little promise of them being opened.

We decide this time that the round of trade talks that will begin with the WTO in Seattle would be different. So Senator CRAIG and I convened a caucus, the WTO Trade Caucus for Farmers and Ranchers. We called our colleagues in the House, Congressman Simpson and Congressman Pomeroy, and, with the four of us as cochairs, created an organization in Congress that has nearly 50 Senators and Congressmen, to try to establish, a set of objectives that will be helpful to family farm interests in this country for our trade ambassador and our trade negotiators to follow.

Mind you, we are not simply focusing on the issue of family farmers. We want our trade talks to be fruitful to our country and our economy as a whole. But we believe very strongly, representing rural States, that family farmers have been hurt by recent trade agreements and that ought not be the case. Trade arrangements and trade negotiations ought to help our producers, not hurt them. So our caucus—again, nearly 50 Senators and Congressmen strong—Republicans and Democrats working together, established a set of objectives. Those objectives we have used in meetings with the trade ambassador and with the Secretary of Agriculture and others, and many of us will in fact go to Seattle the first week of December and be present at the initiation of these trade talks, trying to press the case that this time family farmers and ranchers across this country must not be given short shrift in the trade talks.

I would like to go through a couple of charts that describe the seriousness of the situation we want to confront with this trade agenda. Here is a chart that shows what has happened to our trade deficit. We are beginning a new round of trade talks at a time our trade deficit is going through the roof, $25 billion in a month in trade deficits. That is very serious. That is the highest trade deficit anywhere in history, by any country, any place, any time.

What is happening with imports and exports? This chart shows that imports keep going up, up, and up, while exports are basically a flat line. That is, of course, what is causing our trade imbalance.

Just on agricultural trade alone, in the last couple of years, we have had a very healthy surplus in agricultural trade that has shrunk, and shrunk, and shrunk some more. This is a chart that spells out the difficulties family farmers now face—the rather anemic ability to export to other countries. We are not exporting as much as we used to, and there is a substantial amount of increased imports in food products from abroad.

Finally, let me take it from the general to the specific, to say one of the burrs under my saddle has always been the trade with Canada. It is fundamentally unfair. This chart shows what has happened with our agricultural trade balance with Canada. The United States-Canadian trade agreement and NAFTA turned a healthy trade surplus with Canada in agricultural commodities alone into a very sizable deficit. That is the wrong direction. In durum wheat, in the first 7 months of this year compared with the first 7 months of previous years, which themselves are an all-time record, you will see once again we continue a massive quantity of unfair trade coming in from Canada.

I simply tell my colleagues this to explain that we have serious challenges in this trade round. The caucus that we have established created some objectives on behalf of farmers and ranchers, under the heading of Fair trade for agriculture at the WTO conference:

Expand market access. Too many markets around the world are closed to American farmers and ranchers who want to compete. Expand access, eliminate export subsidies. Those are trade-distorting.

The fact is, we are barraged with export subsidies in multiples of what we are able to do. We ought to eliminate export subsidies—the Europeans, especially, are guilty of massive quantities of export subsidies.

Discipline state trading enterprises. These are sanctioned monopolies that would not be legal in our country. The Canadian Wheat Board, especially, engages in unfair trade.

Improve market access for products of new biotechnology.

Deny unilateral disarmament; that is, do not give up the tools to combat unfair trade; and do not give up the domestic tools to support family farmers.

We have a substantial list on our agenda. Rather than go through all of this, I want to yield to the Senator from Idaho in a moment, but let me also say the Presiding Officer, the Senator from Wyoming, is also involved in this caucus, as are many others, Republicans and Democrats, working together for a common purpose, and that common purpose is to say: Farmers and ranchers around this country work hard, and they do their level best. They raise livestock and grain and they do a good job. They can compete anywhere, any time, under any condition, but they cannot compete successfully when the rules of trade are unfair.

That, sadly, too often has been the case, and we intend this time in this WTO round to see that is no longer the case. We want these negotiations to bear fruit—bear grain, actually, now that I think about it, from my part of the country, but fruit for others. We want these negotiations to work for our family farmers and ranchers.

Bipartisan work in Congress does not get very much attention because there is not much controversy attached to it, but there are many instances in which we work together across the aisle. This is one. A bipartisan group of 50 Members of the House and Senate are working together for a common objective: to improve conditions in rural America as a result of the upcoming WTO round of trade talks. I am very pleased to have been working with my colleague, Senator CRAIG, from the State of Idaho. I yield to the Senator from Idaho.

The PRESIDING OFFICER. The Senator from Idaho.

Mr. CRAIG. Mr. President, I thank Senator DORGAN for outlining the intent of the effort underway by the Senator, myself, and 49 other colleagues. It was Senator BYRON DORGAN who approached me on the idea of creating a

WTO caucus to elevate the interests of agriculture in this up-and-coming round of the WTO planning session in Seattle in December.

I thank him for that vision. It has been fun working with him as we have created what I think is—sometimes unique in the Congress—a bipartisan, bicameral effort where we are all standing together on a list of items and issues we know are key for American agriculture. The Senator has outlined those on which we came together in a consensus format that we think are critical, that we presented to our Trade ambassador and to our Secretary of Agriculture.

Market access—we know how critically important that is; export subsidies and how they are used or used against us; State trading enterprises and their ability to mask the reality of subsidies from products that enter the marketplace in a nontransparent way; nontariff barriers that are used to block the movement we want to see in certain trade efforts.

All of these are the issues we have presented and because of our effort collectively, we have caused the Secretary of Agriculture and the Trade ambassador to suggest that No. 1 on the agenda of America's negotiators at the WTO will be agricultural issues.

Why are we concerned about it? Here is an example. Even after the Uruguay agreement which required tariff reductions of some 36 percent, the average bound agricultural tariff of WTO members is still 50 percent. In contrast the average U.S. tariff on agricultural imports is less than 10 percent—50 percent versus 10 percent on the average. Those are the kinds of relationships we have to see brought into balance and corrected.

The United States spends less than 2 percent, $122 million a year, of what the European Union spends on export subsidies. They spend $7 billion a year, buying down the cost of their product to present it into a world market. In fact, the European Union accounts for 84 percent of the total agricultural export subsidy worldwide. Subsidized foreign competition has contributed to the nearly 20-percent decline in U.S. agricultural exports, as Senator DORGAN so clearly pointed out on his charts a few moments ago. That dramatic reduction in the agricultural trade surplus from a $27 billion surplus for us in 1996 to just $11.5 billion this year says it very clearly. We have to do something on behalf of American agriculture to allow them a much fairer access to world markets.

Those are the issues we think are so critical as we deal with our world traders in Seattle. Nontariff barriers have become the protectionist weapon of choice particularly for the products derived from new technologies, as Customs tariffs are lowered. U.S. negotiators should prevent our trading partners from making crops and other foods produced with genetically modified organisms into second-class food products. Yes, we have to do a better job of convincing the world of our tremendous scientific capability. At the same time, they cannot arbitrarily be used as a target for nontariff barriers, as will be argued or debated in Seattle.

That is a collection of many of the issues with which we are going to be dealing. It is so important America recognizes the abundance of its agriculture and the unique situation we find ourselves in a world market today where we have had the privilege, through the productivity of America's farmers, to lead the world. We now do not lead when it comes to agricultural exports but we will search to cause it to happen, through the openness of the marketplace, through the fairness of competition we know American agriculture, given that opportunity, can offer.

Again, I thank Senator DORGAN for his cooperativeness and the ability to work together with our colleagues MIKE SIMPSON and EARL POMEROY from the House and, as Senator DORGAN mentioned, the Senator from Wyoming who is presiding at this moment. All of these are tremendously important and critical issues for our home States and for America at large. The abundance, the productivity of American agriculture hangs in the balance. To the consumer who walks in front of a supermarket shelf every day to see such phenomenal abundance, that in itself could decline if we are not allowed the world marketplace in which to sell the goods and services of American agriculture.

Mr. President, I ask unanimous consent to print in the RECORD agricultural trade priorities for the WTO Conference.

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

WTO TRADE CAUCUS FOR FARMERS AND RANCHERS—AGRICULTURAL TRADE PRIORITIES FOR THE WTO MINISTERIAL CONFERENCE AND NEW ROUND OF GLOBAL TRADE NEGOTIATIONS

MARKET ACCESS

Expand market access through tariff reduction or elimination.

Negotiate zero-for-zero for appropriate sectors.

Strive for reciprocal market access.

Even after the Uruguay Round Agreement, which required tariff reductions of 36 percent, the average bound agriculture tariff of WTO members is still 50 percent. In contrast, the average U.S. tariff on agriculture imports is less than 10 percent.

EXPORT SUBSIDIES

Eliminate all export subsidies.

Reduce European Union (EU) subsidies to the level provided by the United States before applying any formula reduction. Negotiations must not leave the EU with an absolute subsidy advantage.

The United States spends less than 2 percent ($122 million) of what the EU spends on export subsidies ($7 billion). In fact, the EU accounts for 84 percent of total agriculture export subsidies worldwide. Subsidized foreign competition has contributed to the nearly 20 percent decline in U.S. agriculture exports over the last three years, and the dramatic reduction in the agriculture trade surplus, from $27 billion in 1996 to just $11.5 billion this year.

NO UNILATERAL DISARMAMENT

Combat Unfair Trade.

Restore and strengthen enforcement tools against unfair trade practices.

Improve enforcement of WTO dispute panel decisions, accelerate the process, and make it more transparent.

Support Family Farmers.

Preserve the flexibility to assist family farmers through income assistance, crop insurance and other programs that do not distort trade.

Retain the full complement of non-trade distorting export tools including export credit guarantees, international food assistance, and market development programs.

STATE TRADING ENTERPRISES

Establish disciplines on STEs to make them as transparent as the U.S. marketing system.

Expose STEs to greater competition from in-country importers and exporters.

Eliminate the discriminatory pricing practices of STE monopolies that amount to de facto export subsidies.

Export STEs like the Canadian Wheat Board and the Australian Wheat Board Ltd. control more than ⅓ of world wheat and wheat flour trade. Import STEs keep U.S. farmers and exporters out of lucrative foreign markets.

NON-TARIFF TRADE BARRIERS

Ensure that science and risk assessment principles established by the Sanitary and Phytosanitary Accord during the Uruguay Round are the basis of measures applied to products of new technology and that this process be transparent.

Assume that regulatory measures applied to products of new technologies do not constitute ''unnecessary regulatory burdens.''

Negotiate improved market access for products of new technology, including bioengineered products.

Non-tariff barriers have become the protectionist weapon of choice, particularly for the products derived from new technologies, as customs tariffs are lowered. U.S. negotiators should prevent our trading partners from making crops and other goods produced with genetically-modified organisms into second-class food products that are the subject of discrimination in foreign markets.

Mr. CRAIG. I yield the floor.

Mr. DORGAN. Mr. President, I ask unanimous consent to add 10 minutes to the discussion. I want to ask the Senator from Idaho a question.

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

Mr. DORGAN. Mr. President, I listened to the Senator from Idaho, and one of the points he made is important. A lot of people do not understand that following the conclusion of the latest round of trade talks, there remains a 50-percent tariff on average in other countries. To the extent we can get our agricultural commodities into those countries, there is a 50-percent tariff on those goods.

In previous speeches I talked about eating American T-bone steaks in Japan and that there is a 40.5-percent tariff on every pound of beef going into Japan. That is actually a bit lower than the average tariff that is confronting our products going elsewhere in the world.

I think anyone would conclude it is a failure if we had a 50-percent tariff on

an agricultural commodity coming into this country, and yet our producers confront it all across the world. In fact, those are the cases when we can get products in. There are many circumstances where we will not get products into a market at all or, if we get some products in, we cannot get sufficient quantity; is that not correct?

Mr. CRAIG. The Senator is absolutely correct. When we came out of the Uruguay Round, when the round was heralded to have significant improvements in overall tariff levels, the problem was that most tariffs in the world were very high and ours were very low.

So we negotiated everybody down equally. We took a reduction in tariff. They, the European community, and others, took a reduction in tariff, which brought the average, other than the tariffs of the United States, down to 50 percent; and ours were down in the 10-percent-or-less range. So it was this kind of gradual slide.

I do not call that fair or balanced. It would have been different if the rest of the world had come down to a 20-percent-or-less range or properly on parity with the United States at 10 percent or less. That really is the way we should negotiate.

Thank goodness our Trade Representative, Charlene Barshefsky, agrees with us now and has agreed they will not negotiate from that position in Seattle, that clearly the European community and others have to bring that down to a near level area.

Mr. DORGAN. Mr. President, further inquiring, is it not the case that exactly the same thing happened on export subsidies? The Senator from Idaho described tariffs that exist in our country versus other countries and trade talks attempting to reduce those tariffs, except they left the tariffs much higher in other countries than in our country. If you go down 10 percent, and one country has a 50-percent tariff, that means you have taken their tariff down from 50 to 45 percent. If we have a 10-percent tariff, we go from 10 to 9. That does not make any sense to me.

Exactly the same thing was true with respect to export subsidies. So the European countries were left with export subsidies many times in excess of anything we could possibly use. That was probably fine in the first 25 years after the Second World War because then our trade policy was really foreign policy. We were trying to help other countries out of the trouble they were in. We could beat anybody else around the world in trade with one hand tied behind our back. It didn't matter very much. We could do a lot of concessional things.

That is not the case anymore. The European Union is a tough, shrewd economic competitor. Japan is a tough, shrewd economic competitor. The same is true of many of our trading partners. We must begin to insist that trade policy be hard-nosed economic policy, not foreign policy.

I inquire of the Senator from Idaho, is it not the case that the point we are making in these trade objectives is to say, on both market access—on tariffs, on export subsidies—and other items, that we do not want to be in a circumstance anymore when, at the end of the negotiation, we have made concessions to other countries that put our producers at a significant and distinct disadvantage?

Is it not the case that our producers, at the end of the previous rounds, were at a distinct and dramatic disadvantage, and our objective is to make sure that does not happen again.

Mr. CRAIG. The Senator is absolutely correct. In fact, let me give an example of the disadvantage we were in that caused great frustration.

The Senator's State and my State produce a variety of grains. And we produce them at high rates of yield. They are high-quality grains. Yet we found shiploads of grains, barley in some instances, from foreign countries sitting at our docks, being sold into our markets at below our production costs.

How did that come about? That came about because the government of the producing country that sent the boatload of grain to the Port of Portland subsidized it down to a level that they could actually enter our market and compete against our producers who were getting 1950 prices for their 1998 barley crop.

How do you pay for a brand new tractor or a brand new combine with 1950 dollars in 1998? You do not. You run the old combine, you fix it up, or you go bankrupt. But that is exactly what was happening because our negotiators did not do the effective job of bringing down export subsidies in a way that would disallow the greatest grain-producing country in the world to accept grain at its ports from foreign nations at below our cost of production. That is the best example I can give.

Mr. DORGAN. If the Senator would yield, I think the Senator is describing, at least in one case, a barley shipment coming from the European Union to Stockton, CA. It pulled up to the dock in Stockton, CA, and was able to offload barley shipped over here from Europe at a price that was dramatically below the price that was received in this country by barley growers, at a time, incidentally, when our barley price was in the tank.

How could that be the case? The reason they could do it is they deeply subsidized it. In fact, they dumped it into our marketplace. When that ship showed up at the California dock, it represented legal trade. Think of that: A deeply subsidized load of grain coming into a country that is awash in its own barley, with prices in the tank, and that ship shows up, and it is perfectly legal. They can just dump it into our marketplace. They can hurt our farmers. It doesn't matter because it is legal under the previous trade agreement.

That describes why our farmers and ranchers in this country are so upset. They have reason to be upset. They ought to be able to expect, when our negotiator negotiates with other countries, that we get a fair deal. It is not a fair deal to say to other countries: We will compete with you, but you go ahead and subsidize; drive down the price. Dump it, if you like, and there will be no remedy for family farmers to call it unfair trade because we in our trade agreement will say it is OK.

It is not OK with me. It is not OK with the Senator from Idaho. It is not OK with many Republicans and Democrats who serve in Congress who insist it is time to ask that trade be fair so our producers, when they confront competition from around the world, can meet that competition in a fair and honest way. That is not what is happening today.

If I might make one additional point, the Senator represents a State that borders with Canada, a good neighbor of ours to the north. My State borders with Canada. I like the Canadians. I think they are great people.

But following the trade agreement with Canada, and then NAFTA, we began to see this flood of Canadian durum coming into this country. It went from 0 to 20 million bushels a year. Why? Do we need durum in this country? No. We produce more than we need. Why are we flooded with durum? Because Canada has the state trading enterprise called the Canadian Wheat Board, which would be illegal in this country but legal there.

They sell into this country at secret prices. It is perfectly legal. You can sell at secret prices. You dump and hide behind your secrecy, and no one can penetrate it. That is why our farmers are angry. It has totally collapsed the price of durum wheat. It is unfair trade. All the remedies that farmers and ranchers would use to fight this unfair trade are gone.

Ranchers have just gotten together in something called R-CALF. They have spent a lot of money and legal fees and so on and taken action against the Canadians. Guess what. The first couple steps now they have won. But that should not be that way. You should not have to force producers to spend a great deal of money to go hire Washington law firms to pursue these cases.

Trade agreements ought to be negotiated aggressively on behalf of our producers in order to require and demand fair trade. But I wanted to make the point about State trading enterprises, which must be addressed in this new WTO round, because the STEs have dramatically injured American farmers and ranchers.

My expectation is that Senator CRAIG has discovered exactly the same circumstance in Idaho in terms of his ranchers and farmers trying to compete against sanctioned monopolies from other countries.

Mr. CRAIG. The Senator is absolutely right. When he speaks of State

trading enterprises, the Canadian Wheat Board and the Australian Wheat Board control over one third of the world's wheat and wheat flour trade. As the Senator just explained, those negotiations are kept secret. Those trading enterprises buy the grain from farmers at the going market price. Then when they sell it, they do not report it. If they are to sell it well below the cost of the market, to get it into another country for purposes of sale, they sell it, and they are subsidized accordingly. If they can make money, they make money. But the point is, those kinds of transactions are not transparent. They are not reported.

In my State of Idaho, you can get a truckload of barley out of Canada to an elevator in Idaho cheaper than the farmer can bring it from across the street out of his field to that elevator. Why? Because that was a sale conducted by that particular trading enterprise, and it was sold well below the market, and, of course, that was not reported. You do not have marketplace competition. You cannot even understand it and compare figures, if you have no transparency in the marketplace. State trading enterprises are known for that, and we have asked our Secretary of Agriculture and our trade ambassador to go directly at this issue. Even the farmer of Canada now recognizes that this is also disadvantaging the producer in Canada, to have this kind of a monopolistic power controlling the grain trade of the world.

Mr. DORGAN. Mr. President, I have been pleased to work with Senator CRAIG and others in establishing this caucus. I will be in Seattle at the trade talks, as are many of my colleagues. We are determined this time to make sure that, at the end of these trade talks, we do better than we have done before on behalf of family farmers and ranchers.

Will Rogers said, I guess 60 years ago, the United States of America has never lost a war and never won a conference. He surely would have observed that if he had observed the trade negotiations that have occurred with Republican and Democratic administrations over recent decades. We are determined to try to change that. That is the purpose of this caucus.

I yield the floor.

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER (Mr. VOINOVICH). The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, what is the pending business?

The PRESIDING OFFICER. Morning business is closed.

BANKRUPTCY REFORM ACT OF 1999—Resumed

The PRESIDING OFFICER. The clerk will report the pending business.

The legislative assistant read as follows:

A bill (S. 625) to amend title 11, United States Code, and for other purposes.

Pending:

Grassley amendment No. 1730, to amend title 11, United States code, to provide for health care and employee benefits.

Kohl amendment No. 2516, to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Sessions amendment No. 2518 (to amendment No. 2516), to limit the value of certain real or personal property a debtor may elect to exempt under State or local law.

Feingold (for Durbin) amendment No. 2521, to discourage predatory lending practices.

Feingold amendment No. 2522, to provide for the expenses of long term care.

Hatch/Torricelli amendment No. 1729, to provide for domestic support obligations.

Leahy/Murray/Feinstein amendment No. 2528, to ensure additional expenses and income adjustments associated with protection of the debtor and the debtor's family from domestic violence are included in the debtor's monthly expenses.

Leahy amendment No. 2529, to save United States taxpayers $24,000,000 by eliminating the blanket mandate relating to the filing of tax returns.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, as I remember, the consent request was that this hour was to be used for debate on bankruptcy prior to 3. Is the time evenly divided, or how is the time designated?

The PRESIDING OFFICER. There is no division of time until 3.

PRIVILEGE OF THE FLOOR

Mr. KENNEDY. Mr. President, I ask unanimous consent that the following be granted the privilege of the floor for the bankruptcy bill: Kathy Curran, Jennifer Liebman, Lisa Bornstein.

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

Mr. KENNEDY. Mr. President, for over 100 years, Congress has supported a bankruptcy system that balances the needs of debtors in desperate financial straits and creditors who deserve repayment. Today, however, the tide is changing. Too often the complexity of the problems facing debtors is ignored. Critics, using the unfair rhetoric supplied by the credit industry, call bankruptcy an undeserved refuge for those who can't or won't manage their finances. Honest, hard-working, middle class families are unfairly characterized as dead-beats who abuse the bankruptcy system to avoid paying their debts. The result is the excessively harsh bankruptcy reform bill presented to the Senate.

During this debate, every Senator must ask one essential question—who are the winners and who are the losers if this bill becomes law. A fair analysis of the bill will lead members of the Senate to the same conclusion reached by House Judiciary Committee Chairman HENRY HYDE, who counted dozens of provisions that favor creditors. But, decency and dignity need not be victims of reform. Balanced bankruptcy legislation is our goal. Though we must address the needs of creditors, we must also consider the specific circumstances and market forces that push middle class Americans into bankruptcy.

Let's take the basic facts one by one.

Fact No. 1: The rising economic tide has not lifted all boats. Despite low unemployment, a booming stock market, and budget surpluses, Wall Street cheers when companies—eager to improve profits by down-sizing—lay off workers in large numbers. In 1998, layoffs were reported around the country in almost every industry—9,000 jobs were lost after the Exxon-Mobil merger; 5,500 jobs were lost after Deutsche Bank acquired Bankers Trust; Boeing laid off 9,000 workers; Johnson & Johnson laid off 4,100. Kodak has cut 30,000 jobs since the 1980s and 6,300 since 1997.

Often, when workers lose a good job, they are unable to recover. In a study of displaced workers in the early 1990s, the Bureau of Labor Statistics reported that only about one-quarter of these workers were working at full-time jobs paying as much as or more than they had earned at the job they lost. Too often, laid-off workers are forced to accept part-time jobs, temporary jobs, and jobs with fewer benefits or no benefits at all.

Fact No. 2: Divorce rates have soared over the past 40 years. For better or for worse, more couples are separating, and the financial consequences are particularly devastating for women. Divorced women are four times more likely to file for bankruptcy than married women or single men. In 1999, 540,000 women who head their own households will file for bankruptcy to try to stabilize their economic lives. 200,000 of them will also be creditors trying to collect child support or alimony. The rest will be debtors struggling to make ends meet.

Fact No. 3: Over 43 million Americans have no health insurance, and many millions more are underinsured. Each year, millions of families spend more than 20 percent of their income on medical care, and older Americans are hit particularly hard. A June 1998 CRS Report states that even though Medicare provides near-universal health coverage for older Americans, half of this age group spend 14 percent or more of their after-tax income on health costs, including insurance premiums, co-payments and prescription drugs.

Fact No. 4: The credit card industry has engaged in a massive and unseemly nation-wide campaign to hook unsuspecting citizens on credit card debt. Credit card issuers logged 24 million telemarketing hours in 1996 and sent out 3.45 billion—billion—credit card solicitations in 1998. In an average month, 75 percent of all households in the country receive a credit card solicitation. In recent years, the credit card industry has also begun to offer new lines of credit targeted at people with low incomes—people they know can not afford to pile up credit card debt.

Facts such as these have reduced the economic stability of millions of American families, and have led to the sharp increase in the number of bankruptcy filings. Two out of every three bankruptcy filers have an employment problem. One out of every five bankruptcy filers has a health-care problem. Divorced or separated people are three times more likely than married couples to file for bankruptcy. Working men and women in economic free fall often have no choice except bankruptcy.

The bankruptcy system provides a second chance for these large numbers of Americans who would otherwise hit financial bottom. It offers an indispensable opportunity to stabilize their households after an economic crisis.

Clearly, we must deal with those who take advantage of the system and abuse it. Reform is necessary to stop repeat filers, eliminate the loophole provided by the homestead exemptions in several states, and prevent wealthy Americans from abusing the system to avoid paying their debts. But the credit card industry is abusing the system, too. Congress needs to deal with their abuses realistically and fairly, in a way that protects millions of struggling middle class and low-income families. It would be irresponsible for Congress to act only in ways that reward the credit card industry for its cynical manipulation of these families.

The drop in filings this year is ample indication that a harsh bankruptcy bill is not needed. Without any action by Congress, the number of bankruptcy filings is decreasing. It is estimated that there will be 100,000 fewer filings this year than in 1998—filings have dropped in 42 states. Leading economists believe that the bankruptcy crisis is self-correcting. As economics professor Lawrence Ausubel states,

> Lenders respond to an unexpected increase in personal bankruptcies by curtailing new lending to consumers teetering closest to bankruptcy, with or without new legislation. The high rates of default at the peak of the bankruptcy crisis began to impinge on the profitability of lending and—as a result—lenders tightened their underwriting standards. This is the non-legislative, free-market response which made the crisis abate.

Despite these facts, the Senate is pursuing legislation that is a taxpayer-funded administrative nightmare for struggling debtors.

Mr. President, I will include in the RECORD a list of the States that have seen a significant—and some not so significant—drop in the bankruptcy filings, comparing the second quarter of 1999 to the second quarter of 1998. It dropped more than 62 percent in the State of Oklahoma. It was down 1.19 percent in Arizona. Eight States have had some increase. It was two-tenths of 1 percent in Indiana, three-tenths of 1 percent in Utah, six-tenths of 1 percent in Wyoming. It was up nine-tenths of 1 percent in Montana, 3.3 percent in Oregon, 6 percent in South Dakota, 12 percent in Alaska, and 144 percent in Delaware.

I ask unanimous consent that this list be printed in the RECORD.

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

CHANGES IN BANKRUPTCY FILINGS, 2D QUARTER 99, V 2D QUARTER 98

Oklahoma, −62.1%; N. Hampshire, −23.9%; Nebraska, −15.85%; Connecticut, −14.67%; Minnesota, −14.19%; Colorado, −13.87%; California, −13.76%; Massachusetts, −13.62%; North Dakota; −13.33%; Kansas, −13.25%; Tennessee, −11.64%; Kentucky, −10.59%; Idaho, −10.27%; New York, −9.82%; Texas, −9.69%.

Michigan, −9.63%; Georgia, −8.28%; New Jersey, −7.95%; W. Virginia, −7.3%; Maryland, −7.23%; Vermont, −7.18%; Maine, −7.09%; Alabama, −6.49%; Nevada, −6.02%; Mississippi, −4.98%; Washington, −4.76%; Pennsylvania, −4.21%; Arkansas, −4.2%; Rhode Island, −3.97%; Florida, −3.89%.

Wisconsin, −3.76%; Missouri, −3.22%; Illinois, −3.19%; So. Carolina, −3.19%; Ohio, −2.67%; No. Carolina, −2.35%; Virginia, −2.24%; Louisiana, −2.21%; Arizona, −1.19%; Indiana, +.28%; Utah, +.38%; Wyoming, +.66%; Montana, +.9%; Oregon, +3.3%; So. Dakota, +6%; Alaska, +12.63%; Delaware, +144.29%.

Mr. KENNEDY. Mr. President, coming back to the basic and fundamental issue about who is supporting the legislation, who the winners are and who the losers are, I will include in the RECORD at this point the various organizations that are opposed to the legislation.

I ask unanimous consent that this list of organizations be printed in the RECORD.

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

ORGANIZATIONS OPPOSED TO S. 625, THE BANKRUPTCY REFORM ACT

AMONG THE ORGANIZATIONS THAT HAVE VOICED THEIR OPPOSITION TO S. 625 ARE:

AFL–CIO, Alliance for Justice, American Association of University Women, American Federation of Government Employees (AFGE), American Federation of State, County and Municipal Employees (AFSCME), American Medical Women's Association, Association for Children for Enforcement of Support, Inc. (ACES), Business and Professional Women/USA, Center for Law and Social Policy, Center for the Advancement of Public Policy, Center for the Child Care Workforce, Church Women United, Coalition of Labor Union Women, Communications Workers of America, Consumer Federation of America, Consumers Union, Equal Rights Advocates, Feminist Majority, Hadassh, International Assocication of Machinists & Aerospace Workers (IAM), International Brotherhood of Boilermakers, Iron Ship Builders, Blacksmiths, Forgers & Helpers, International Brotherhood of Teamsters, International Women's Insolvency & Restructuring Confederation, Ralph Nader, National Association of Commissions for Women.

National Black Women's Health Project, National Center for Youth Law, National Consumer Law Center, National Council for Jewish Women, National Council of Negro Women, National Council of Senior Citizens, National Organization for Women, National Partnership for Women and Families, National Women's Conference, National Women's Law Center, Northwest Women's Law Center, NOW Legal Defense and Education Fund, Public Citizen, Union of Needletrades, Industrial & Textile Employees (UNITE), United Automobiles, Aerospace and Agricultural Implement Workers of America/UAW, United Food & Commercial Workers International Union, United Steelworkers of America, U.S. Public Interest Research Group, Wider Opportunities for Women, The Woman Activist Fund, Women Employed, Women Work!, Women's Institute for Freedom of the Press, Women's Law Center of Maryland, Inc., YWCA of the U.S.A.

Mr. KENNEDY. Mr. President, this list represents virtually all of the children's protection groups—those groups that have been most identified with protecting women's economic and political rights, those groups that have been looking after workers' interests, and small business groups as well. Virtually every one of them are opposed to the underlying legislation.

As I mentioned in the Senate Judiciary Committee, I would like to hear those who are in favor of it point out one single group representing children, workers, women, or consumers who are for this bill. Just bring those names to us. Let's debate it. But we have none, zero.

It comes back to what we ought to be asking ourselves when we have this kind of a situation. Isn't it worthwhile that we find out who the winners are and who the losers are? If common sense is any indication, we will try to make a case that in justifies these comments. Virtually every one of the groups representing hard-working Americans—the men and women who work hard and play by the rules; and, in many instances, women who have been discriminated against for a wide variety of reasons and issues; children's groups who understand the importance of making sure that children's interests and their financial security will be protected—are universally opposed and say ''no'' to the bill. But we have others. The credit card companies say yes.

So it is interesting, as we are coming into the final hours of this session, we have another one of those situations where the Republican leadership is putting out on the floor of the U.S. Senate a bill the special interests—in this case, the credit card companies—are strongly in favor of, but threatens the economic interests of women and working people and children.

We have little time this afternoon to debate a minimum wage, which we have been virtually prohibited from doing before the Senate over the period of the last year. We are not even going to have an opportunity to debate something that could protect consumers, women, children, and workers on a Patients' Bill of Rights. That is being put off. But we have time to debate this issue. Why? Because the credit card companies have a very important and direct interest in the outcome of this particular legislation.

Mr. President, I want to take a few moments of the Senate's time to run through some of these charts that show, I think, very effectively, what this case is all about.

This chart shows that the U.S. median family income is $42,769 this year. Now these are constant dollars. If we look over at what the income was for those who went into bankruptcy, in 1981, 1991, 1995, and 1997, you find out there has been a gradual decline—$23,000, $18,000, $17,000, and in 1997 it was somewhat below what it was in 1995.

We have the greatest economic boom in the history of this country, with the lowest unemployment and rates of inflation. We saw an increase in the numbers of bankruptcies. But who are these people who are filing for bankruptcy? It is actually those in the lower incomes. That is who we are affecting with legislation that is dealing with bankruptcy. Who are these people down here in 1997? Let's look back in 1981. The red indicates joint filings. The yellow indicates men filing. The blue is for women filing.

Going back to 1981, we find the greatest number of filings for bankruptcy were joint filings, with some single men and some single women. Look what happens in 1991. Joint still goes up, and there are increasing numbers of women and of men. In 1999, those at the top are women. They are at the bottom in 1981 and at the top in 1999. Do you see the very dramatic increase in the number of women. Why is that so?

The reason that is so is women are being denied alimony and child support. That is why it is so. That is why it is so, Mr. President. Every indicator demonstrates that is why it is so. We are passing a major piece of legislation to protect not those who are being adversely impacted by these economic forces, but to protect the credit card industry. It is women who are facing challenges because of alimony and in terms of child support.

If you wanted to do something about this line here, you would do more to make sure the deadbeat dads are going to pay up as they should in terms of alimony and child support. You would see this number go down dramatically. Nonetheless, no, no, we are not going to deal with that issue. We have this other kind of formula that is going to hurt these people—not protect them so they might have a second opportunity. The fact is, the number of people who are working who go into bankruptcy is virtually identical to those who are working generally anyway.

Isn't that interesting? The fact is, these are not men and women who are dogging it, these are men and women who are out trying to make it. Nonetheless, are we considering a piece of legislation that is going to help them get back on their feet a second time and perhaps pay off their debt? No, no; we are thinking about the credit card companies and looking out after their interests.

So we see that the great expansion and explosion in the number of people who are going into bankruptcy are primarily women. Now it is interesting that bankrupt debtors are reporting job problems. Sixty-seven percent of those who are going into bankruptcy are reporting job problems, a direct result of downsizing, direct result of merging, the direct result of being able to go down to Wall Street and cut back in the total number of employees and see a bang in that stock going right up. Extraordinary economic growth and expansion—all of which are very fine and good—doesn't mean that you have to come down with a hammer on workers who, through no fault of their own, are being merged out and are having difficulty in finding jobs to try to meet their responsibilities, especially women.

This indicates what has been happening with regard to people who have been going into bankruptcy. More than 67 percent of them are showing that it is basically and fundamentally an issue in terms of their employment. These other colors indicate what those particular matters might be in terms of downsizing and the rest. We have some idea now.

We have the numbers I mentioned earlier. We have the growth in the number of men and women who are separated, become divorced, and the economic implications and burdens women are faced with in terms of credit. We find that.

Now let's look to see if there are other indicators. Yes, there is another very important indicator. That is the fact that we are seeing the total number of uninsured in our society growing at a rate of over a million a year. Make no mistake about it, that is going to increase and escalate. We are not doing anything about it. That is going to increase and escalate.

Isn't it interesting that health care-related problems driving individuals into bankruptcy are the No. 1 reason besides job related reasons. Individuals being dropped from the health care system are individuals at the lower end of the economic ladder who don't have the protections and don't have the health insurance in the first place.

We all know what is happening out in the job market with the increasing number of temps. So you do not have pensions and you do not have health insurance. Here we have the individuals who are losing out and falling further behind—women on credit, women on alimony, and women with challenges they have in terms of payments. Then you have the problems with downsizing.

Now we have one of the other major issues reflected in the bankruptcies that are taking place all across this country.

We know what is happening across the country in terms of many of the major companies and corporations that had good health care protection for retirees. Those numbers are going down in terms of coverage. We know the costs and what is happening in terms of prescription drugs. They are going up and escalating dramatically.

When we passed Medicare in 1964, the private sector didn't have prescription drugs, so Medicare didn't have it. Now 90 percent of those policies have it, but we can't even get that issue up before the Senate to debate it. We haven't got the chance to debate whether we ought to have prescription drugs. We don't get a chance to debate whether we ought to try to accept the House bill that provides protection for consumers from the arbitrary rulings of accountants in health maintenance organizations. No, we can't deal with any of that. Let's just look out after the credit card industry. They are the ones who need protection—not the men and women who have lost their health care. No, sir; we don't have to worry about them—not the men and women who have been downsized. No, sir; we don't have to worry about them; and not women. Alimony and child care support—let's not worry about them. Let's worry about the good old credit card industry.

Let's see what we have to worry about with them. What do you know? Here is a facsimile of a letter, Mr. President, which I ask unanimous consent be printed in the RECORD.

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

AMERICAN BANKRUPTCY SERVICE,
St. Paul, MN, December 18, 1998.

Re Fresh Start VISA® Distributorship.

DEAR COUNSELOR: We offer a unique opportunity that could be of great benefit to your firm and your clients. By becoming a distributor, you will have the ability to market an unsecured VISA® credit card (the ''Fresh Start'' card) to your clients who:

Have filed a Chapter 7 bankruptcy;

Have completed the 341 meeting of creditors (with no outstanding issues with the Trustee);

Have not yet received their discharge;

Have attached a copy of the bankruptcy notice to their VISA application.

Several law firms specializing in representing consumer debtors in bankruptcy have requested the ability to distribute the ''Fresh Start'' VISA application to their clients. In light of this, we thought perhaps your firm would be interested also in a distributorship. For each credit card issued, your firm will receive $10.

There is absolutely no deposit required. This is an unsecured VISA card. The credit limit will be $500 or $1,000 depending on income. The annual fee is $49.00. Many debtors have immediate credit needs even during a bankruptcy. Some are approached either by secured credit card companies but cannot apply due to lack of the cash deposit required or by current creditors offering a new card only with a reaffirmation. This new card offer solves these problems. (See sample application enclosed.) Furthermore, our SuperSettlements program (brochure enclosed) provides an additional method for avoiding reaffirmations with small redemptions.

This program is intended to create a fresh start for your clients and an opportunity for your firm. We realize that many debtors may have to file a bankruptcy due to excessive credit card debt. If you feel that this is not a program for them or for your firm, please disregard this letter.

For more information, please fax or mail this form back to us. Please call if you have questions.

Yes! Our firm is interested in distributing the ''Fresh Start'' VISA card applications to

our Chapter 7 clients. Please send us detailed information on how we can become a distributor as soon as possible. The name of the person at our firm to contract is:

Mr. KENNEDY. Mr. President, here is the letter that is being sent by the ''American Bankruptcy Service,'' ''Re: Fresh Start VISA distributorship'':

Dear counselor:

Do you know who the counselors are? Do you know who those counselors are? They are counselors for the people who have gone bankrupt—the lawyers for people who have gone bankrupt. Here is their friendly ''American Bankruptcy Service.''

We offer a unique opportunity that could be of great benefit to your firm and your clients. By becoming a distributor, you will have the ability to market unsecured VISA credit cards. We call it the ''Fresh Start'' card to your clients who:

Have filed a chapter 7 bankruptcy;

Have completed the 341 meetings of creditors;

Have not yet received their discharge;

Have attached a copy of their bankruptcy notice.

No deposit required.

This industry is out soliciting from attorneys who have represented women and workers who have been downsized, those who have gone bankrupt and belly up because of health care bills they just can't afford to pay.

Now you have the credit card industry writing to the attorneys and saying: Look, you can get in on the goody trail, too, because if you represented one, you probably represented others, and you can get on and be part of our credit card distributorship as well.

That is what they are saying here. You can read this letter right through.

Our firm is interested in distributing the Fresh Start VISA.

And we will just show you how to do it. You can also be a part of this.

Here is their advertising.

If you have filed for bankruptcy, you can get a Fresh Start with First Consumers National Bank VISA card today. If you file bankruptcy, that qualifies you. There is no need to wait for a bankruptcy discharge. Rebuild a good credit card fast with monthly accounts reporting to all major credit card business.

They have got you once. They want to get you again, and again, and again. How many times do they want to get these people? How many times?

We are out here debating this bill in the final couple of days. We are not debating a patients' bill of rights. We had a heck of a time trying to get a debate on minimum wage for the whole session—trying to make a difference for consumers. We haven't got time to do prescription drugs—no way, too difficult, too complex. But we have all the time in the world to debate this particular legislation that is looking out after the credit card companies.

That gives you some idea about what the Republican leadership's priorities are here in the Senate.

We will have a chance later on to talk about the minimum wage. We have gone ahead and voted ourselves a $4,600 pay increase this year and we still won't vote a pay increase of 50 cents next year for men and women who are at the bottom rung of the economic ladder.

What is this, Mr. President? We have to ask ourselves, Why?

I can tell you, Mr. President. These issues ought to be addressed. A number of our colleagues have offered amendments to try to address some of these issues. It is going to take a lot of doing to try to make the difference. We are talking about real people.

Take for example, Mr. and Mrs. M who live in the suburban community of East Longmeadow, Massachusetts. Although Mr. M. makes about $60,000 per year, the family suffered when Mrs. M lost her job, and the household income dropped by $15,000. Since then, the family has struggled to make ends meet. The $14,775 loan for their 1996 Toyota and the $1,520 monthly mortgage payment that once seemed reasonable became difficult to meet.

Even after cutting recreation expenses to zero, the family's expenses exceed their income by several hundred dollars a month. They fell behind on their credit card payments, which they had hoped to resume paying when Mrs. M started working again. The balance they owed to their credit card company ballooned to $27,500. The balance increased by $600 to $800 each month in finance charges and penalties. Mr. and Mrs. M saw no alternative to filing for relief under the bankruptcy laws. Their discharge in bankruptcy gave them a fresh start. They will continue to struggle to make ends meet, but they have relief from the pressures of harassing calls from collection agents and mounting debts they had no hope of paying.

If this bill—S. 625—had been law, they would have had no such relief. The means test—which uses IRS expense standards to calculate living expenses and ability to repay debts—would probably force them out of the bankruptcy system, completely.

Longmeadow is in Hampden County, where the IRS housing and utility allowance for a family of four is $1,235 a month. Although the family's mortgage and monthly utility expenses exceed this amount, it would not matter. Under this bill, they would face a statutory presumption that their case is abusive. The arbitrary means test—not the reality of their plight—dictates that Mr. and Mrs. M can afford to file a Chapter 13 debt repayment plan, and it is highly unlikely that the family has any ''special circumstances'' that would allow a judge to find differently.

They will be selling their home, possibly all their assets.

This is unduly harsh. It should not pass in its current form. I will work with a number of our colleagues to address many of these serious abuses, without which it should not become law.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. GRASSLEY. Mr. President, we are on legislation we started Thursday night. We had discussion this Friday, although we had no votes on any amendments to the bankruptcy reform bill. I hope we can move forward with this legislation and get it passed before we adjourn.

This is the same piece of legislation that passed the Senate by a 97–1 vote in 1998. It was conferenced with the House. The conference committee report passed the House of Representatives by a very wide margin. The bill came to the Senate in the last 3 or 4 days of the session with a threat of long debates and filibusters against the conference report. Consequently, a bill that passed 97–1, probably coming out of the conference more favorable to the point of view of those who still had some questions about it. Yet a lot of those Members did not want that bill to go to final passage. Therefore, the last Congress ended with the bankruptcy conference report not passing.

We started over again in the new Congress. Since the first of the year, Senator TORRICELLI of New Jersey and I have been working on this legislation to bring our colleagues a bipartisan approach to bankruptcy reform that we hope will end the situation of some people who have the ability to repay some debt getting off scot-free. We think this legislation is a big step in that direction.

In my earlier statements on the Senate floor on Thursday and Friday, I alluded to the role that overly aggressive bankruptcy lawyers play in the current crisis of our bankruptcy system. Although I cannot statistically support it, when I refer to the role of overly aggressive bankruptcy lawyers I really think, in my heart, we are talking about a very small minority of bankruptcy lawyers. Still, there are those who play a role in people going into bankruptcy who I do not think the bankruptcy laws were ever intended to help, or, in any case, harming people who have a debt owed to them which is not paid.

One of the major problems with the bankruptcy system is the mind-set of some of the lawyers who specialize in bankruptcy. Many lawyers today view bankruptcy simply as an opportunity to make money for themselves with a minimal amount of effort. And this profit motive causes bankruptcy lawyers to promote bankruptcy even when a financially troubled client has the obvious ability to repay his or her debts. As one of the members of the National Bankruptcy Commission noted in the Commission's 1997 report, many who make their living off of the

bankruptcy process have forgotten that declaring bankruptcy has a moral dimension. Bankruptcy lawyers shouldn't counsel someone to walk away from his or her debts without pointing out the moral consequences of making a promise to pay and then breaking that promise. As I have said before, it cannot be good for the moral foundation of our nation if people learn that it is okay just to walk away and not pay your bills because that's easier and more convenient, and obviously better for somebody's pocketbook.

All across America some of the more unsavory bankruptcy lawyers have created high-volume law offices that herd people into bankruptcy as if they were cattle instead of individual human beings in need of advice and counseling. These offices are known as bankruptcy mills. These bankruptcy mills are nothing more than large scale processing centers for bankruptcy—there is little or no investigation done as to whether an individual actually needs bankruptcy protection or whether or not a person is able to at least partially repay their debts. For example, one bankruptcy attorney from Texas was sanctioned by a bankruptcy court for operating a bankruptcy mill. According to the court, this attorney had very little knowledge of bankruptcy law, but advertised extensively in the yellow pages and on television. Apparently, his advertising worked, because he filed about 100 new bankruptcy cases per month. Most of the work was done by legal assistants with very limited training. The court concluded that the attorney's services

Amount to little more than a large scale petition preparer service for which he receives an unreasonably high fee.

The practices of bankruptcy mills are so deceptive and sleazy that the Federal Trade Commission went so far as to issue a consumer alert warning consumers of misleading ads promising debt consolidation.

I refer you to this Federal Trade Commission Consumer News Bulletin, right here on this chart. It refers to a question,

Debt Got You Down? You are not alone. Consumer debt is at an all-time high. What's more, record numbers of consumers—more than 1 million in 1996—are filing for bankruptcy. Whether your debt dilemma is the result of an illness, unemployment, or simply overspending, it can seem overwhelming. In your effort to get solvent, be on the alert for advertisements that offer seemingly quick fixes. While the ads pitch the promise of debt relief, they rarely say relief may be spelled b-a-n-k-r-u-p-t-c-y. And, although bankruptcy is one option to deal with financial problems, it's generally considered the option of last resort. The reason: Its long-term negative impact on your creditworthiness. A bankruptcy stays on your credit report for 10 years, and can hinder your ability to get credit, a job, insurance, or even a place to live.

I think that there is a widespread recognition that bankruptcy lawyers are preying on unsophisticated consumers who need counseling and help with setting up a budget, but who do not need to declare bankruptcy. It is not surprising, Mr. President, that bankruptcy lawyers are leading the charge against bankruptcy reform.

Now, we have heard complaints from some on the Senate floor about protecting child support and alimony during bankruptcy proceedings. I want to point out that some bankruptcy lawyers actually advertise that they can help deadbeat dads get out of paying their child support and other marital obligations. One bankruptcy lawyer has even written a book entitled ''Discharging Marital Obligations in Bankruptcy.'' Some things about that book are displayed on this chart.

I think that it is outrageous that bankruptcy lawyers are helping deadbeats to cheat divorced spouses out of alimony and to cheat children out of child support. This is a recipe for promoting poverty and human misery. Those who are concerned about protecting child support should join with me in condemning this sort of amoral conduct. Bankruptcy was never designed for the purpose of helping deadbeat spouses escape their financial obligations. Not only are the current practices of bankruptcy lawyers a disservice to their clients, they also cheat society as a whole.

Mr. President, I ask consent to have printed in the CONGRESSIONAL RECORD an article from the Los Angeles Times dated August 12, 1998.

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

2.5% RISE IN PERSONAL FILINGS PUSHES BANKRUPTCIES TO NEW HIGH

[From Times Staff and Wire Reports]

Total bankruptcies nationwide hit a record high in the second quarter, apparently boosted by a flurry of personal filings by people who fear imminent changes in the bankruptcy law.

Business bankruptcies continued to decline, but personal bankruptcies, which account for 97% of the filings, edged up 2.5% from the second quarter a year earlier. That pushed the total number of bankruptcy filings to 373,460 in April, May and June, surpassing by nearly 2% the previous high posted in the second quarter of 1997, federal court officials said this week. California's figures mirrored the nationwide trend.

Although a 2% rise is not large, given the steady and previously sharper increases in bankruptcies in recent years, analysts were still surprised by the continuing uptick in personal filings. The economy remains relatively strong and consumer delinquencies in general have come down in recent quarters while some lenders have tightened their credit standards.

But bankruptcy attorneys and other experts said some consumers were being prompted by pending bankruptcy reform legislation, which could take effect as early as the fall and is expected to make it tougher for consumers to extinguish their debts.

Indeed, attorneys are advising their clients that they may want to take advantage of the current law while it is still available.

''I'm telling clients that it might very well end up being harder to file for bankruptcy,'' said Joseph Weber, a bankruptcy lawyer in Costa Mesa. Weber added that he also thinks a ''false optimism'' is adding to the number of bankruptcy petitions. ''When they perceive the economy to be better, some spend beyond their means,'' he said.

Mr. GRASSLEY. In this article, bankruptcy lawyers are advised to send out letters to anyone who has visited them recently asking about bankruptcy. This form letter encourages people to declare bankruptcy because, if Congress passes bankruptcy reform, ''Bankruptcy will be much more difficult, more expensive, and probably embarrassing.'' I hope this bill makes bankruptcy more embarrassing and more difficult. Opinion polls clearly show that the American people want those who voluntarily incur debts to pay those debts as agreed. Bankruptcy should be difficult, and the moral stigma that used to be associated with bankruptcy should be resurrected.

I have reviewed the conduct of bankruptcy mills and bankruptcy lawyers to illustrate the need for Congress to hold bankruptcy lawyers accountable for unethical and dishonest conduct. In the bill before us, we have tried to do this by codifying rule 11 penalties for lawyers who needlessly steer people into the bankruptcy system. It's my hope that these penalties will cause lawyers to think twice before they willy-nilly cart off their clients to bankruptcy court without asking a few questions first. I would have preferred tougher penalties, as we had in last year's Senate Bill, But I understand that many on the other side of the aisle strongly object to tougher penalties. So, in an effort to work with the other side, this year's penalties aren't as tough as they were last year.

As I've said many times, the bankruptcy crisis is partly a moral crisis. And bankruptcy lawyers who push bankruptcy play the role of carnival barkers who promise an easy way out to anyone who will listen.

As it stands now, this bankruptcy reform bill, S. 625, merely requires attorneys to investigate the financial resources of their clients before putting them into bankruptcy. That is not too much to ask and, it seems to me, something basic when advising people according to the tenets of the legal profession.

Our bankruptcy system needs to be reformed in a balanced way. We need to address abuses by debtors who do not need bankruptcy. We need to address abuses by creditors who use coercive and deceptive practices to cheat honest debtors. And we need to address abuses by bankruptcy lawyers who exploit bankruptcy laws for financial gain.

As I said before, I prefer tougher penalties against bankruptcy lawyers, but this bill is a step in the direction of addressing the problems of fast-talking bankruptcy lawyers.

Does the Senator from Minnesota seek the floor?

Mr. WELLSTONE. Mr. President, I know we are going to start on the minimum wage amendment. May I have 1 minute to call up two amendments and then lay them aside?

Mr. GRASSLEY. Yes. I yield the floor.

AMENDMENTS NOS. 2537 AND 2538

Mr. WELLSTONE. Mr. President, I call up amendments Nos. 2537 and 2538.

The PRESIDING OFFICER. Is there objection to the request?

Without objection, it is so ordered.

The clerk will report.

The legislative clerk read as follows:

The Senator from Minnesota [Mr. WELLSTONE] proposes amendments numbered 2537 and 2538.

The amendments are as follows:

AMENDMENT NO. 2537

(Purpose: To disallow claims of certain insured depository institutions)

At the appropriate place, insert the following:

SEC. ___. DISALLOWANCE OF CLAIMS OF CERTAIN INSURED DEPOSITORY INSTITUTIONS.

Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking ''or'' at the end;

(2) in paragraph (9), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(10) such claim is the claim of an insured depository institution (as defined in section 3 of the Federal Deposit Insurance Act) that, as determined by the appropriate Federal banking agency (as defined in section 3 of the Federal Deposit Insurance Act)—

''(A) has total aggregate assets of more than $200,000,000;

''(B) offers retail depository services to the public; and

''(C) does not offer both checking and savings accounts that have—

''(i) low fees or no fees; and

''(ii) low or no minimum balance requirements.''.

AMENDMENT NO. 2538

(Purpose: To make an amendment with respect to the disallowance of certain claims and to prohibit certain coercive debt collection practices)

At the appropriate place, insert the following:

SEC. ___. DISALLOWANCE OF CERTAIN CLAIMS; PROHIBITION OF COERCIVE DEBT COLLECTION PRACTICES.

(a) IN GENERAL.—Section 502(b) of title 11, United States Code, is amended—

(1) in paragraph (8), by striking ''or'' at the end;

(2) in paragraph (9), by striking the period at the end and inserting ''; or''; and

(3) by adding at the end the following:

''(10) such claim arises from a transaction—

''(A) that is—

''(i) a consumer credit transaction;

''(ii) a transaction, for a fee—

''(I) in which the deposit of a personal check is deferred; or

''(II) that consists of a credit and a right to a future debit to a personal deposit account; or

''(iii) a transaction secured by a motor vehicle or the title to a motor vehicle; and

''(B) in which the annual percentage rate (as determined in accordance with section 107 of the Truth in Lending Act) exceeds 100 percent.''.

(b) UNFAIR DEBT COLLECTION PRACTICES.—

(1) IN GENERAL.—Section 808 of the Fair Debt Collection Practices Act (15 U.S.C. 1692f) is amended—

(A) in the first sentence, by striking ''A debt collector'' and inserting the following:

''(a) IN GENERAL.—A debt collector''; and

(B) by adding at the end the following:

''(b) COERCIVE DEBT COLLECTION PRACTICES.—

''(1) IN GENERAL.—It shall be unlawful for any person (including a debt collector or a creditor) who, for a fee, defers deposit of a personal check or who makes a loan in exchange for a personal check or electronic access to a personal deposit account, to—

''(A) threaten to use or use the criminal justice process to collect on the personal check or on the loan;

''(B) threaten to use or use any process to seek a civil penalty if the personal check is returned for insufficient funds; or

''(C) threaten to use or use any civil process to collect on the personal check or the loan that is not generally available to creditors to collect on loans in default.

''(2) CIVIL LIABILITY.—Any person who violates this section shall be liable to the same extent and in the same manner as a debt collector is liable under section 813 for failure to comply with a provision of this title.''.

(2) CONFORMING AMENDMENT.—Section 803(6) of the Fair Debt Collection Practices Act (15 U.S.C. 1692a(6)) is amended by striking ''808(6)'' and inserting ''808(a)(6)''.

The PRESIDING OFFICER. The amendments are set aside. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, raising the minimum wage is critical to preventing the economic free fall that often leads to bankruptcy. Many of us have sponsored the Fair Minimum Wage Act of 1999 to begin to right that wrong.

Amending the bankruptcy bill to increase the minimum wage will help many of the people this so-called bankruptcy ''reform'' is likely to hurt—low income families, minorities and women. For many low income workers, the struggle to make ends meet is too difficult, and they find themselves facing bankruptcy. Raising the minimum wage will help many of these hard-working individuals and families recover from the financial crises that drove them into bankruptcy.

For nearly two-thirds of the families that file for bankruptcy, a job crisis led to their downfall. Many of those families faced a job loss. A Bureau of Labor Statistics study reported that only about a quarter of displaced workers had found a new job at the same or better pay as the job they lost. A third of displaced workers were still looking for work. Nearly half of the displaced workers had to settle for work at much lower salaries—an average 20% pay cut for those lucky enough to find full time jobs, and a much steeper cut for those who took part-time work.

Large numbers of women who will suffer under this bill will benefit from a minimum wage increase. Divorced women are four times more likely to file for bankruptcy than married women or single men. Often, they are forced into bankruptcy because they are owed child support or alimony. Divorced women trying to raise children face a daunting challenge to provide for their families. This bill will make it harder to meet that challenge. But raising the minimum wage will help almost seven million women, many of them struggling to maintain their families.

African American and Hispanic families disproportionately face the threat of bankruptcy and the repercussions of a low minimum wage. They are six times more likely than other Americans to seek bankruptcy protection, and they will be disproportionately harmed by this bankruptcy bill. But they also comprise one-third of those who will benefit from an increase in the minimum wage. This amendment will help more African American and Hispanic families meet their families' needs.

Low income families struggling to meet their obligations often find themselves facing bankruptcy. Some argue that the rise in bankruptcy filings is due to a lack of responsibility. But too often the problem is a matter of basic household economics. Families going into bankruptcy have less income than most Americans. A raise in the minimum wage will give them the economic boost they need to avoid bankruptcy.

Our proposal will give these low income wage earners the pay raise they need and deserve to care more effectively for their families—to buy the food and clothing, and health care they need, without going into debt.

Recently, members of Congress voted to raise their own pay by $4,600—but not the pay of minimum wage workers. Republican Senators don't blink about giving themselves an increase. How can they possibly deny a fair increase for minimum wage workers?

In fact, the Republican leadership has gone to extraordinary lengths to block action by Congress on a pay raise for the hard-working Americans who work at the minimum wage.

But it is time—long past time—to raise the minimum wage. Too many hard-working Americans struggling to keep their families afloat and their dignity intact can't make enough in a 40 hour week to lift their families out of poverty—and that's wrong. The percentage of poor who are full-time year-round workers was 12.6% in 1998—higher than any time in the last 20 years, according to a new report from the Census Bureau.

Our minimum wage amendment is a modest proposal— a one dollar increase in two installments—50 cents next January, and 50 cents the following year. Over 11 million American workers will benefit.

At $6.15 an hour, working full-time, a minimum wage worker would earn $12,800 a year under this amendment—an increase of over $2,000 a year.

That additional $2,000 will pay for seven months of groceries to feed the average family. It will pay the rent for five months. It will pay for almost ten months of utilities. It will cover a year and a half of tuition and fees at a two-year college, and provide greater opportunities for those struggling at the minimum wage to obtain the skills needed to obtain better jobs.

The national economy is the strongest in a generation, with the lowest unemployment rate in three decades. Under the leadership of President Clinton, our economy is strong. Enterprise

and entrepreneurship are flourishing—generating unprecedented economic growth, with impressive efficiencies and significant job creation. The stock market has soared. Inflation is low, and interest rates are low. We are witnessing the strongest peace-time growth in our history.

The country as a whole is enjoying an unprecedented period of growth and prosperity. But for millions of Americans it is someone else's prosperity. Working 40 hours a week, 52 weeks a year, a person earning the minimum wage would earn only $10,700—almost $3,200 below the poverty guidelines for a family of three.

Each day we fail to raise the minimum wage, families across the country continue to fall farther behind. One fact says it all—the minimum wage would have to be $7.49 an hour today, instead of the current level of $5.15, to have the same purchasing power it had in 1968. That disparity shows how far we have fallen short in the past generation in guaranteeing that low income workers receive their fair share of the nation's prosperity.

The Republican proposal to raise the minimum wage by one dollar over three years beginning on March 1, 2000, is a cruel hoax on the lowest paid American workers. Our Democratic plan to increase the minimum wage by 50 cents on January 1, 2000 and another 50 cents on January 1, 2001, would put almost $1,200 more than the Republican proposal into the hands of the hard-working women and men who work at the minimum wage.

The Republican proposal is an insult to low wage workers. In addition to robbing workers of over $1,200, it effectively repeals the overtime pay law that has guaranteed time-and-a-half overtime pay for over 60 years. The so-called ''bonus'' provision of the Republican proposal jeopardizes the overtime pay of 73 million Americans by eliminating the requirement that bonuses, commissions, and other similar forms of compensation be included in a worker's regular pay for purposes of calculating overtime pay. As the United States Supreme Court said in interpreting the Fair Labor Standards Act, exclusion of bonuses from overtime pay will ''nullify all the purposes for which the [Act] was created.''

The Republican proposal is just one more part of an ongoing assault on low wage workers that includes balancing the budget on the backs of the working poor; cutting workers' pay through the compensatory time bill; providing pensions for the wealthy but not for working families; blocking workers' right to organize; and undermining worker safety and health.

Shame on those who want to lavish over $75 billion in tax breaks on business, while cutting this modest pay raise for low income workers. Republicans are more interested in providing tax breaks for the rich than in fairly compensating minimum wage workers. When Congress has just voted to raise its own pay, it is hypocritical and irresponsible to deny fair pay for the country's lowest paid workers.

As the Washington Post said last week: ''The minimum wage should be increased, and the increase should not become a political football. . . . The price of a bill to help the working poor ought not be an indiscriminate tax cut for those at the very top of the economic mountain.''

Our legislation does contain a fiscally responsible package of small business tax provisions which would cost approximately $11.5 billion over the next five years. Those provisions have been designed to provide financial assistance to the small businesses which will be paying the higher minimum wage to their employees. The cost of these tax benefits is fully paid for.

Unlike the Republican proposals, this bill will not draw down the surplus. It will not jeopardize our ability to use the surplus to strengthen Medicare and Social Security for the future. Our tax proposal contains provisions which will benefit both employers and employees. It provides a tax credit for worksite child care facilities, a tax credit to encourage small businesses to offer employee pensions, and a tax credit for companies that provide high tech training to their employees. It also encourages the creation of new jobs for those who are currently outside the workforce by extending the work opportunity tax credit and the welfare-to-work tax credit, and by establishing tax incentives for ''new market'' community development.

In addition, our package accelerates the deductibility of health insurance premiums for self-employed workers. It excludes educational benefits provided for employees' children from taxation, and it helps workers save for their retirement.

These are the types of tax provisions that Congress should be enacting. They are tax cuts which will benefit a broad spectrum of businesses and workers and strengthen the economy. They are not tax breaks which only further enrich an already privileged few.

This debate should be about the real financial needs of low income workers and small businesses. A modest increase in the minimum wage should not be held hostage to the desire for extravagant new tax breaks for those who are already the most economically privileged. It makes sense to provide fiscally responsible tax assistance to small businesses and their employees. All the tax cuts we are proposing are fully paid for and carefully targeted to meet genuine needs. It is appropriate to enact them as part of our legislation to raise the minimum wage.

Finally, raising the minimum wage is far more than a labor issue. Raising the minimum wage is a women's issue. Almost 60 percent of minimum wage workers are women. 7 million women across the nation—12.6% of all working women—would benefit from this increase.

Raising the minimum wage is a children's issue. Over two million married couples and almost a million mothers would receive a pay raise as a result of our increase. Eighty-five percent of these single mothers have total household incomes below $25,000 a year.

Raising the minimum wage is a civil rights issue. Over two million Hispanic workers and almost as many African American workers will receive a raise. Together, they make up one-third of those who will benefit from the increase.

Raising the minimum wage is a family issue. The average minimum wage worker brings home half the family earnings. Half the benefits of our one dollar increase will go to households earning less than $25,000 a year. Parents need this raise so they can provide their children with food, clothes, and a decent place to live.

Some of our colleagues who oppose the minimum wage still believe the dire ''sky is falling'' predictions of economic disaster that were raised before we voted to raise the minimum wage in 1996. None of those predictions came true. Since the last increase enacted by Congress, the economy has created new jobs at a rate of over 235,000 a month. Job creation in the sectors most affected by the minimum wage is up too—with almost 1.2 million new jobs in the retail sector, and 400,000 new jobs in restaurants. Employment is up—and the unemployment rate is down—among teenagers, African Americans, Hispanics, and women.

As Business Week magazine has stated,

> [H]igher minimum wages are supposed to lead to fewer jobs. Not today. In a fast-growth, low-inflation economy, minimum wages raise income, not unemployment. . . . A higher minimum wage can be an engine for upward mobility. When employees become more valuable, employers tend to boost training and install equipment to make them more productive. Higher wages at the bottom often lead to better education for both workers and their children. . . . It is it time to set aside old assumptions about the minimum wage.

It is time to raise the federal minimum wage. No one who works for a living should have to live in poverty. I urge my colleagues to join me in raising the minimum wage.

AMENDMENT NO. 2751

(Purpose: To amend the Fair Labor Standards Act of 1938 to increase the Federal minimum wage)

Mr. KENNEDY. Mr. President, I call up amendment No. 2751.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Massachusetts [Mr. KENNEDY] proposes an amendment numbered 2751.

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

Mr. KENNEDY. I yield whatever time the leader desires. I understand we have a time agreement; am I correct?

The PRESIDING OFFICER. There are going to be 2 hours evenly divided.

Mr. KENNEDY. May I inquire again, what is the time agreement? I understand there are going to be two amendments—one offered by Senator DASCHLE and one offered by Senator NICKLES or Senator LOTT. We were going to debate both of those this afternoon and vote on them tomorrow. Can the Chair tell me how much time we are allocated this afternoon to debate the two amendments?

The PRESIDING OFFICER. There will be 2 hours of time evenly divided on each of those two amendments.

Mr. KENNEDY. For this afternoon.

The PRESIDING OFFICER. Yes, for this afternoon.

Mr. KENNEDY. I yield whatever time the leader wants.

The PRESIDING OFFICER (Ms. COLLINS). The minority leader.

Mr. DASCHLE. Madam President, I appreciate the clarification. That was the understanding. So there is no confusion, we now have 4 hours of debate on the two amendments.

I appreciate the opportunity to come to the floor at this point to talk about the amendment offered on behalf of our colleagues, but really on behalf of the 11 million Americans who will benefit from this minimum wage once it is passed into law.

I thank especially Senator KENNEDY for his extraordinary leadership and persistence in making sure this issue was addressed prior to the end of the first session of this Congress. Were it not for his dedication and extraordinary efforts, we would not be here this afternoon.

I also thank Senators ROBB and BAUCUS for the leadership they have provided, and I thank many of our colleagues for their strong support for this legislation.

We fought all year long to bring this amendment to the floor because low-income working families need and deserve a raise. The average American family now works an additional 265 hours a year just to maintain the same standard of living they had at the beginning of this decade. That is an additional 6 weeks a year. We believe it is time parents could be spending attending parent-teacher conferences or playing with their children or maybe just reading Harry Potter with them. It is time husbands and wives could be talking with each other. It is not enough just to talk about family values, we need to show by our actions that we value families. We need to raise the minimum wage, and we need to do it this year—now.

I recently met a young father in South Dakota who told me that he and his wife eat only one meal a week together, and that is on Sundays after church. The rest of the week, his work schedule keeps him away from his family because he has more than one job.

He is one of many workers in this Nation who are working three jobs, two of them at minimum wage, just to make ends meet. We can do better than that. In this economy, we must do better than that. We are in the longest, strongest period of economic recovery in our Nation's history. The stock market and worker productivity are both at record highs.

It has been 3 years since the last time we increased the minimum wage, and if we do not pass another increase now, by the end of this month the purchasing power of the minimum wage will have fallen to the lowest point it has been in 40 years. The real value of the minimum wage is now at almost $2.50 below what it was in 1968—$2.50 an hour.

We are proposing we raise the minimum wage, not by the $2.50 required to get back to the parity level of 1968, but $1 an hour over 2 years. That is as modest a proposal as anyone can propose. Under it, the minimum-wage worker who now works full time would earn only $12,792 a year, but it would be $2,000 more than he or she now earns.

After doing all they could for as long as they could to block any increase in the minimum wage, now our Republican colleagues have their own proposal. They will raise the minimum wage, but they are saying to working families: ''We are not going to let you have it in 2 years. We know now you will only be making $12,792, but we want you to wait 3 years for your raise. But we are for family values, we are for helping people get ahead.''

They want to believe there is not a dime's worth of difference between their plan and our plan. That is not so. There are at least three major differences.

First, this 3-year delay is going to cost a typical working family $1,200 over 3 years. That is what that delay costs. I know around here that does not sound like a lot of money, but to a family trying to scrape by on minimum wage, it is 10 percent of a year's income; $1,200 a year is 3 months' worth of rent. It is 4 months' worth of groceries; it is 6 months' worth of utilities; and it is 1 year in tuition and fees at a 2-year college.

So there is a big difference. Do not let anybody say that simply waiting another year for that full dollar benefit is a minor matter. We are talking rent; we are talking utilities; we are talking groceries. It is whether or not in some cases families are going to have two or three meals a week together or whether that one meal on Sunday will have to do.

The second difference between our proposal and the Republican proposal has to do with the tax cuts. We offer tax cuts. I really do not think there is any connection, frankly, between the minimum wage and the need for tax cuts. Each ought to be considered in their own right.

I am troubled a little bit about this tendency to want to marry tax cuts into something that is important to do in its own right. But I do understand the importance of providing meaningful tax relief targeted to small businesses. I am for that. And our caucus, and I hope the Senate, is for that.

We offer a tax cut package that will cost $28.5 billion over 10 years. But the tax breaks the Republican plan entails would cost $75 billion—over twice as much. It is not just the cost that worries me, it is the fact that the Republican tax cuts are not paid for.

We have heard all of this railing about Social Security trust funds. But the Republicans do not seem to be too concerned about Social Security when it comes to this tax cut. While they pay for the first year, there is absolutely no money for the tax cuts the second through the 10th years. What that means is that it is going to have to come out of education, other priorities, or even Social Security.

The third difference between our tax cuts and the Republicans' is this: Our tax cuts target small businesses and family farms. The Republican tax breaks overwhelmingly benefit those in the top end of the income strata.

A minimum wage increase ought to be able to pass, as I said a moment ago, on its own merits. If we are going to include tax cuts, they ought to reduce the impact, as marginal as it is, of a minimum wage increase on the businesses that will be most affected by it. The Republican proposal fails this basic test of fairness, relevance, and fiscal responsibility.

How would the Democratic tax cuts help small businesses and family farms?

First, we lower the cost to small businesses of making investments by raising to $25,000 the amount of an investment a business can write off immediately. If you make a $25,000 investment, you can write it off in the first year and you do not have to wait. That is one way to help small businesses.

They tell me time and again we have to encourage them to reinvest and to put more money back into their businesses. There is no better way to do that than to say: make an investment and you can expense it immediately. We do that.

Second, we provide a tax cut of up to $4,000 to cover startup costs of adopting a pension plan so more small businesses can offer their workers pensions. This not only helps businesses, it helps the workers, and it helps businesses attract good workers and increases workers' retirement security. It is a win-win.

In this day and age, what business people tell me all through South Dakota, as they are attempting to compete for a very limited workforce, is that there has to be an incentive to be able to recruit and then ultimately to retain good people. There is nothing more important in retaining good people than ensuring that in the long term they are not only going to have a good income but they are going to have a good retirement. This package does it.

Third, we accelerate the full deductibility of health insurance for the self-employed. We have already provided full deductibility, and now we move it up. We more rapidly incorporate full

deductibility, so that every small business can benefit in providing health insurance in those cases when they are self-employed.

Fourth, our proposal raises the special estate tax exemption for family-owned small businesses and farms by $450,000.

Fifth, we make it easier for farm cooperatives to raise capital.

Finally, and very importantly, we provide tax relief to farmers who are experiencing losses during the current crisis.

That is how our tax cuts help small businesses and family farms.

But our proposal also contains tax cuts to help low-income workers. We extend the successful work opportunity and the welfare-to-work tax credits for 5 years. We increase tax incentives for entrepreneurs to invest in empowerment zones. First-round empowerment zones have shown that wage tax credits are a valuable economic development tool.

Currently, there are no wage tax credits available for round 2 zones. By making these tax credits available, by building on what we know works, we can bring new jobs and opportunities to places such as the Pine Ridge Reservation empowerment zone in South Dakota and other communities that desperately need opportunities like it.

We also include in our plan the President's new markets tax credit to help people in communities that have so far not shared in the country's record economic prosperity. The new markets tax credit will encourage private capital to flow into equity investments in businesses in these areas. Bipartisan support for this proposal is growing, and it is extremely fitting to include it in a proposal to raise the minimum wage.

Our tax cut is smart; it is strategic; and I emphasize, it is paid for. I especially commend Senators ROBB and BAUCUS for their efforts in helping to develop it. As members of the Senate Finance Committee, they have done an outstanding job of ensuring that as we look at the array of tax tools that would be helpful to workers and small businesses, we put the tightest, most targeted, most focused package together. And they have done it in this amendment.

The third difference between our minimum wage plan and the one our colleagues are offering is simply this: The President will sign our plan. The Republican proposal is absolutely dead on arrival.

Now, we know we will hear dire warnings from some of our colleagues on the other side. They will say raising the minimum wage will actually hurt low-income workers because employers will be forced to cut minimum-wage jobs.

We now know that is nonsense. We have study after study that proves raising the minimum wage does not kill jobs at all. In fact, since the last time we raised the minimum wage—in 1996—American employers have created nearly 9 million new jobs. In my State, 17,000 new jobs have been created. The national unemployment rate has fallen from 5.2 percent to just over 4 percent—the lowest jobless rate in 30 years. Even the Wall Street Journal and Business Week now say the 1996 predictions about job losses were wrong.

Another argument we will surely hear from our friends in the other party is that increasing the minimum wage has nothing to do with increasing family incomes. They will argue that most minimum-wage workers are teenagers who are working part time to pay for cars and CD players.

Again, the facts show otherwise. According to the Bureau of Labor Statistics, 70 percent of all minimum-wage workers are 20 years old or older; nearly 60 percent are women; and 40 percent are sole breadwinners in their families.

Our economy is the strongest it has been in my lifetime. But behind the prosperity, there are still far too many families who are working too hard, too long, for too little pay.

In South Dakota, while many families are moving ahead, too many others are being left behind, creating, in effect, two South Dakotas. On the surface, South Dakota is fortunate. Our unemployment rate is 2.6 percent, one of the lowest in the Nation. But in some of our counties, unemployment is as high as 7 percent. South Dakota is also the home to the poorest community in America, the Pine Ridge Indian Reservation.

There are good people—hard-working people—all across this country, who are struggling to make ends meet on minimum-wage jobs. They need a raise. And they are not alone. That is why religious leaders around the country today are urging us to raise the minimum wage.

It is critical that we not miss this opportunity. A job isn't just a source of income; it ought to be a source of pride. The U.S. Catholic Conference tells us the minimum wage should reflect principles of human dignity and economic justice. Unfortunately, today's minimum wage does not do that.

I want to read something that I think probably puts it in perspective quite well. This is a quote that is not one of mine, and not one of Senator KENNEDY's. It is a quote made by former majority leader Bob Dole the last time the Congress voted to raise the minimum wage in 1996. Bob Dole said at the time: ''I never thought the Republican Party would stand for squeezing every nickel out of the minimum wage.''

He was right then. If he were on the floor today, he would be right now. If we don't pass a minimum wage increase by the end of next month, more inflation will have wiped out the entire increase he was referring to in 1996. We cannot allow that to happen. It is time we stopped squeezing every last nickel out of the minimum wage. It is time to raise the minimum wage the right way, $1 an hour over 2 years, with responsible targeted tax cuts to help small business owners and family farmers, not an unpaid-for tax windfall for all those who need it the least.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

Mr. DASCHLE. Madam President, I ask unanimous consent that the time I have just consumed be taken from my leader time for today.

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

Mr. DASCHLE. I yield the floor.

Mr. KENNEDY addressed the Chair.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I yield myself 15 minutes.

The PRESIDING OFFICER. The Senator is recognized.

Mr. KENNEDY. Madam President, it has taken us a long time during this Congress to have the opportunity to present a legislative proposal to the Senate that would provide an increase in the minimum wage for America's workers who are working on the lower rung of the economic ladder: 50 cents next year and 50 cents the following year.

We have tried to bring this before the Senate over the year in a number of different forms and shapes. We were unable to do so. Now we have the opportunity to debate it this afternoon and to vote on it tomorrow. Hopefully, we will have success in passing it.

It is very clear that its outcome is uncertain because of the fact that, rather than having a chance to vote on a freestanding piece of legislation that would be considered freely and then considered by the House, passed on to the Senate, this will be wrapped into other extremely controversial legislation. But we are doing the best that we can. We want to give assurances to those Americans who are working at the minimum wage that we are going to continue this battle, as we have over these past years. We are going to continue the battle next year at each and every opportunity, until we have the chance to pass meaningful minimum wage legislation. So there should be no doubt in anyone's mind that this somehow is going to conclude the debate.

American workers are entitled to an increase in the minimum wage. We are prepared to make their cases. I am absolutely convinced we will be successful.

It is unfortunate we have to try and convince our colleagues on the other side on the basis of the merits of this case, but I think it is important that we, in a preliminary way, address some of the reasons that have been raised

historically against the minimum wage.

First of all, let's look at where we are on the issue of the minimum wage. This chart reflects where the minimum wage has been since 1967–1968. These are real dollars. We see that if the minimum wage today was going to have the purchasing power it had in 1968, it would be $7.49, not $5.15 an hour. It would be about $2.30 higher than where it is today. What we have seen is a gradual decline of the purchasing power of the minimum wage. This is so despite the fact that we now have the greatest economic prosperity in the history of the country—more Americans employed, the greatest stock market, lowest interest rates, lowest rates of inflation, lowest unemployment, highest rate of employment in the history of the country. Nonetheless, for those individuals who are at the lower end of the economic ladder, they are slipping further and further and further behind.

If our amendment does not pass, the purchasing power of the minimum wage will continue to decline—to the lowest minimum wage almost in the history of the country. Every day that we delay, minimum-wage workers fall further behind. If we don't raise the minimum wage by the end of this year, it will lose all of the value of the last increase in 1996. This is where we are.

Now, what are we talking about in scope in terms of the minimum wage? How large an increase are we talking about? And what will be its impact in terms of our total economy? Increasing the minimum wage by a dollar is vital to workers, but it is a drop in the bucket of the national payroll.

If you combine their wages and salaries, all Americans earn $4.2 trillion a year. An increase of $1 in the minimum wage would amount to one-fifth of 1 percent in terms of total wages over the country. We should not even hear the argument—and I hope we won't—that this effort to raise the minimum wage is somehow going to be inflationary. We are talking about one-fifth of 1 percent of total wages for those who are working 40 hours a week 52 weeks a year. In a moment, I will come to that. More of them are working 50 hours a week, trying to play by the rules, trying to bring up a family and they are still coming up short.

This is what is happening. We are finding out that those who are on the bottom rung of the economic ladder are working hard but still in poverty. The annual minimum wage is not even keeping up with the poverty line. We are finding more and more workers who are affected by this.

Then, finally, on this phase of the debate, I want to point out the employment figures. We find that we have seen, since the increase in the minimum wage that we passed in 1996 and 1997, there has still been an increase in job growth. This chart shows the increase in 1996, up to $4.75, and then to $5.15. Even with these increases we see new jobs being created and strong economic growth.

All of those on the other side of the aisle who made the predictions that we are going to lose 300,000 to 400,000 jobs if we pass an increase in the minimum wage were wrong. To the contrary, we have seen an expansion of job opportunities. Since the last increase was enacted by Congress, the economy has created new jobs at a rate of 235,000 a month. That addresses, I hope, the economic reasons for not having an increase in the minimum wage.

Let's take a moment and think about who these people are—who are the minimum-wage workers? This has to be enormously distressing to all Americans because there is no group of Americans that is working harder and slipping further behind than women in our society. Almost 60 percent of minimum wage workers are women. 7 million women across the nation—12.6 percent of all working women—would benefit from this increase.

And working fathers are being affected too. We know now that employed fathers with children under 18 work longer hours, averaging 50 hours a week. That is well over the average work time for those tens of millions of Americans who go to work at 40 hours a week, and they get overtime. The average for fathers with children under 18 is 50 hours a week. Fathers' total work time has increased by 3 hours in the past 20 years, and mothers' total work time has increased by 5 hours.

Almost one-half, 45 percent of the workers, report having to work overtime with little or no notice. One in five is asked to work overtime 4 or more days a week, with little or no notice. What does that mean to the families? Here they are working at minimum wage, they may have one job, but they probably two jobs, trying to make ends meet, already working 50 hours a week. Then they are told, without warning, they have to work overtime, which may disrupt their other employment. With the number of hours at each job, especially with the addition of overtime, we are seeing increasing numbers of mothers and fathers forced to spend more and more time away from their children.

According to a 1999 Council of Economic Advisors study, families are suffering. The study says that parents have, on average, experienced a decrease of 22 hours per week available to spend time with their children. That is what this minimum wage is all about—parents having less time to spend with their children. I hope we are not going to hear a lot of speeches out here about the importance of family values by those who vote against this increase. Twenty-two hours per week less—that is what is available for parents to spend time with their children. A decrease has happened and if we really care about families we need to change that.

Another factor, in addition to parents having less time to spend with their children, is the increasing shift work. Shift work is growing fastest in the service sector, which is heavily reliant on women workers. According to the study by Harriet Presser at the University of Maryland, 70 percent of the fastest growing occupations in the United States have a disproportionate number of female employees and require more than 40 percent of their workers to put in nonstandard hours.

Here we are finding out about who is being targeted. It is women. And for what? Nonstandard hours and overtime. At a crucial point in their lives when they are trying to bring up children and be there for them, we find out they are working harder, working longer, and they are making less. Two-thirds of the workers would like to work fewer hours—almost 20 percent more than 5 years ago. But most of those workers believe they can't cut back on hours because they need the money—46 percent. These 20 percent of workers, might be able to work fewer hours if the minimum wage were increased.

Another recent study, ''Working Hard, But Staying Poor,'' notes that working poor are predominantly hourly employees, and 71 percent have little paid vacation; 48 percent have no paid vacation at all—none, none. And 18 percent have a week or less. Madam President, 70 percent of those making the minimum wage have virtually no vacation, or less than a week of paid vacation.

We can't give them an increase of 50 cents an hour? No. Even though we have just voted ourselves $4,600 a year, we are not going to vote for them 50 cents more an hour next year. No. This is what is happening to these families. This is what is happening to these fathers and mothers. This is what is happening to these children. And we say, oh, we can afford $4,600 a year for Members of Congress and the Senate, but we can't do something about mothers and fathers who are increasingly taken away from their children in order to make ends meet.

That is what this issue is about when you come right down to it. We say: Wait a minute here. Where is productivity in all of this? In the last 10 years we have seen a 12-percent increase in productivity for workers in the United States, but only a 1.9 percent pay increase to match. That includes the highest increases by workers in the country, not the minimum wage. That is what has happened, a 1.9-percent increase. We have seen a 29-percent increase in productivity since 1973, and the minimum wage hasn't even kept up with it. What is going on here? No unemployment, no inflation, productivity going up through the roof, and we give ourselves $4,600, and Republicans oppose 50 cents more an hour increase in the minimum wage.

And are Americans really working? There are no workers in the world—none in the world—who are working longer and harder than American

workers today. Japan works 54 hours less a year; the Canadians, 215; the British, 221; the French, 314; the Germans, 389. Every other industrial nation in the world is working less.

The Americans, at the lowest end, are working longer and harder trying to make ends meet, with no kinds of health insurance programs, no paid vacations, and they are being jammed with increases in overtime without notification, and they are trying to provide for their children. What happens?

I will tell you what happens. Today, we have the new census figures that are just out, and they are very interesting. The latest census figures show that the percentage of working poor—12.6 percent—is at its highest point in 20 years. That's right, at a time when our country is so strong economically we have the highest number of working poor in 20 years—the highest number of working poor. You can look at those figures and say, well, the median income for lower income families has gone up. OK. I am talking about those individuals who are getting the minimum wage. More of them are working in poverty than at any other time. More of them are working, and working for less, than at any other time. More of them are falling further behind than at any other time.

What do we have to prove? What is there to prove? I can tell you this. If you look back on the movement from welfare to work, you will find that every economist virtually agrees that one of the principal reasons for movement from welfare to work was the increase in the minimum wage. About 700,000 of those moved from welfare to work because of the minimum wage. With this additional increase of a dollar, from every estimate, from 200,000 to 300,000 more will move from welfare to work. They value work. People want to work. They did when we increased it last time and I think they'll do it again.

What does it mean for the taxpayer? It is beneficial to the taxpayer. Why? You will find if you pay more in the minimum wage, you have fewer people who qualify for support programs. That makes sense. Fewer will be qualified for food stamps, fuel assistance programs, and other kinds of support programs. And it will save taxpayers billions of dollars. So it is difficult for me to understand the opposition we are receiving.

In the Democratic proposal, we added a small program, but an important one, that primarily helps working families in the tax program in terms of pensions and some other matters. But we have, on the opposition—and I will come to this later when we will have some time to talk about our Republican friends on the other side—they say don't give them a dollar in the next 2 years; they are not worth it. They are worth a dollar over 3 years, but we are worth $4,600 more a year. We are not going to spread our pay increase out, but we are going to spread out the increase for those at the lowest end of the economic ladder. That is the Republican leadership position.

Now, the American people must wonder what in the world is going on when the Senate and House are trying to get together with the President on this budget, and we are talking about spending Social Security, and we have before us in the Senate a tax break for $75 billion over the next 10 years. Where are we getting all that money? I hope they have given up this argument that, ''Well, look out for the Democrats because they are going to spend Social Security.'' There is $75 billion in the Republican program that is unpaid for.

As I mentioned, I think the compelling reason is the fact that these are men and women who are hard-working. They are child care and health care workers who we entrust with the care of our loved ones every day. They clean out the buildings of American industry and factories every single night.

This is a women's issue because the great majority of the minimum-wage workers are women. It is a children's issue because whether those mothers and fathers are going to make a decent wage is going to affect those children. They worry that they are not going to have warm homes in the winter and enough to eat, which we know they don't have. We know what the Second Harvest reports are about—the number of families working and not making a livable wage are going out to the food pantries all across this country. That is why the mayors—Republican and Democrat alike —support our increase. It is a women's issue, a children's issue, and a civil rights issue because many of these men and women are people of color. And most of all, it is a fairness issue.

How in the world does the Republican leadership go home to their communities and say we voted for a $4,600 pay increase and against your minimum wage?

I hope every citizen will ask their Members of the Senate when we adjourn—whenever that may be, that particular issue is still in question—why a Member's salary is more important than theirs.

Others desire to speak. I see my friend from Minnesota. How much time does he require?

Mr. WELLSTONE. Madam President, I think I will speak for 10 minutes. But I think it will be less because I want the Senator to have a chance to respond to the Republican arguments.

Mr. KENNEDY. The Senator can have 10 minutes.

Mr. WELLSTONE. I thank the Senator.

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. WELLSTONE. Madam President, first of all, let me say in a very personal way that when I was teaching and hoping to become a Senator, this is what I imagined it would be. I could come to the floor of the Senate and support an amendment introduced by Senator KENNEDY, that I would be lucky enough to have Dale Bumpers' desk and be able to sit next to Senator KENNEDY and come out here and fight for what I think is just elementary economic justice. I am very proud to rise to speak in behalf of this amendment.

On behalf of 176,000 Minnesotans who would be helped by this, much less the workers and their children—there would be many more citizens—I thank him. On behalf of another 11 million-plus workers in the country who would benefit from this $1 raise over 2 years, I thank him.

I say to all of my colleagues—Democrats but especially Republicans on the other side of the aisle—wherever I have traveled in our country—I start with my State of Minnesota—no matter where it is in Minnesota, in the city, or in rural areas, or in the suburbs, or whether it is the Deep South, whether it is L.A., East L.A. or Watts, or whether it is, inner-city Baltimore, or whether it is rural Minnesota—the one thing that people come up and say over and over again more than anything else is: We want to be able to have a job at a decent wage so we can support our families, so our children can have the care we know they need and deserve.

When I went to visit the part of the country where my wife Sheila and her family come from, Appalachia, Harlan County, it was the same thing. That is what people want to be able to have —a living-wage job, to be able to earn enough of an income so they can support their children, so they can do right by their children. That is what this amendment is all about. To talk about raising the minimum wage from $5.15 an hour to $6.15 an hour over 2 years so we don't lose what we gained in 1997 is a matter of elementary justice.

I heard Senator KENNEDY say this. I guess I need to emphasize this one or two times myself. I don't know how Senators or Representatives can vote for a $4,600 increase for ourselves when we are already making $130,000-plus a year and say we need this because we have children who are in college and because we need to make sure we have enough money to cover expenses and then turn around and vote against a $1 increase over 2 years from $5.15 an hour to $6.15 an hour.

Our economy is booming. In many ways we are doing well. But the fact is that I still think, using Michael Harrington's term—the Senator from Massachusetts will remember that book—we still have ''two America's.'' We have one America with greater access for all the things that make life richer in possibilities and we have another America that still struggles to make ends meet. Rising tides lift all boats. But in some ways, we haven't been growing together. We have been growing apart.

A minimum-wage worker now makes $5.15 an hour. The average CEO in our country makes $5,100 an hour.

Let me say to every Senator that this is matter of elementary justice. This is, as Senator KENNEDY said, a family value issue. It makes a huge difference, if you are able to make an additional $3,000-plus a year because of this increase in the minimum wage. That means you will be able to pay your utility bills, and you do not have to worry about being shut off. It means your children will be warm as opposed to cold in a cold winter in Minnesota or in Maine, Madam President. It means you will be able to buy clothing for your children. It means you can afford your rent.

I hope and I pray it will mean we will not have so many women and so many children in our homeless shelters with 40 percent of these families having the head of the household working full time—people who work 52 weeks a year, 40 hours a week, and they are still poor in America because they don't make enough of a wage to support themselves and their families.

This is a family value issue. I don't know of any issue before the Senate and I don't know of any debate that we have had in the Senate that speaks more loudly and clearly to family values.

Colleagues, Republicans included, vote for this Kennedy amendment if you want to support your children. Vote for this Kennedy amendment if you want to support families. Vote for this Kennedy amendment if you want to support hard-working people who shouldn't be poor in America. Vote for this amendment if you want to support women. Too many women are the ones who are working full time and still don't make a living wage. This is a matter of justice. There is a matter of family values. This is a matter of doing the right thing. I hope we will have a majority vote for this amendment.

Finally, I will admit it. I will make a blatant political point.

I don't know how in the world anybody in this Chamber can vote a $4,600 salary increase for himself or herself saying we have to have this to make ends meet—and that is from the $130,000 salary at the beginning—and say no, no; we can't vote for people to have the chance to make enough of a wage so they can do a little better for themselves and, more importantly, a little better for their children.

Mr. President, $5.15 an hour to $6.15 an hour, a $1 increase, 50 cents a year over 2 years ought to pass with 100 votes.

I yield the floor.

Mr. KENNEDY. Madam President, will the Senator yield for a question?

Is the Senator familiar with this study by the Family Work Institute? They had an interview with the children of minimum-wage workers. Here are three of the top four things children would like to change about the working parents and the concern about being with their parents. They wish their parents were less stressed out by work, less tired because of work, and could spend more time with them.

The kids are right. The parents have less chance to spend time with them. They are working longer. They are working harder. They have less time to spend with their children. The children are crying out for help, assistance, and for understanding.

This isn't going to solve all of their problems. But this minimum will put $2,000 into the family income, and it would give those parents time to spend with their children, perhaps buy a Christmas present or a birthday present, and permit them to share some additional quality time.

I was wondering if that kind of response from the children of minimum-wage workers surprised the Senator from Minnesota. He has spent a great deal of time traveling this country and talking to needy families.

Mr. WELLSTONE. Madam President, I thank the Senator for his question. I wish I had emphasized that more, I say to the Senator. I can think of so many poignant conversations with people in which they were saying: Given the wages we make, every last hour we can work, we work. We have no other choice because that is the only way we can put food on the table. However, it means we have very little time to spend with our children. It is not what we want. It is not the way we want it to be.

I think this is so important for families.

I yield the floor.

The PRESIDING OFFICER. The Senator from Hawaii is recognized for 7 minutes.

Mr. AKAKA. Mr. President, I rise in support of the amendment to raise the minimum wage.

My colleagues, the case for an increase in the minimum wage is clear. America has enjoyed eight and one-half years of economic expansion. The economic boom that began in March 1999 is now the longest peacetime expansion in American history.

However, the rising tide of economic development has not lifted the boats of millions of American workers. Millions of Americans earning the minimum wage are rapidly becoming a permanent underclass in our society. This amendment is a big step forward for millions who are struggling to feed and raise a family, and rent decent housing, while earning the minimum wage.

At the same time that our economy is expanding, the distribution of income is becoming more and more unequal. As the charts prepared by the Senator from Massachusetts make clear, the earnings of average Americans have grown little, and the overall distribution of income has become increasingly unequal. Whether you examine the trend of U.S. income distribution or compare the wages of U.S. workers to those in other industrialized countries, the result is clear: the wages of the average American worker are stagnating.

While I thank the Senator from Massachusetts for championing this amendment, I am also grateful that his amendment extends the minimum wage to the only U.S. territory where minimum wage is not governed by Federal law. I am speaking of the Commonwealth of the Northern Mariana Islands.

For my colleagues who are not familiar with this territory, the Commonwealth of the Northern Mariana Islands is located 4,000 miles west of Hawaii. In 1975, the people of the CNMI voted for political union with the United States. Today, the CNMI flies the flag of the United States as a U.S. territory.

In 1976, Congress gave U.S. citizenship to residents of the CNMI. At the same time, however, Congress exempted the Commonwealth from the minimum wage provisions of the Fair Labor Standards Act. As we now know, that omission was a grave error. Today's amendment will correct that longstanding mistake.

The CNMI section of this amendment stands for the simple proposition that America is one country and that the U.S. minimum wage—whatever amount it may be—should be uniform. Common sense dictates that our country must have a single, national law on minimum wage.

Throughout the United States, Federal law requires that minimum wage workers be paid $5.15 per hour—everywhere, that is, except the Commonwealth of the Northern Mariana Islands. In the CNMI, the minimum wage is $3.15 per hour, 40 percent less than the U.S. minimum wage.

You would have to go back twenty years, to January 1980, to find a time when the statutory minimum wage was that low in the United States. Today, workers in the CNMI are being paid wages that are 20 years behind the times. And the numbers I have cited do not account for the effect of inflation.

Once you adjust the CNMI minimum wage for inflation, you would have to go back to the 1930s—the Depression years—to find a time when the wages of American workers had the same buying power as minimum wage workers in the CNMI today. Adjusted for inflation, the minimum wage in the CNMI—which I remind my colleagues is U.S. soil—is the equivalent of less than ten cents an hour. Ten cents an hour! You can't even buy a pencil for 10 cents. Adjusted for inflation, the minimum wage in this territory is 60 years out of date.

This situation is a disgrace. In Guam, ninety miles from the CNMI, they have been paying the minimum wage since 1950. It's time to end this embarrassment and reform the minimum wage in the Commonwealth of the Northern Mariana Islands. That's one of the important things that this amendment would do.

I yield the floor.

Mr. KENNEDY. I yield 10 minutes to the Senator from Rhode Island.

Mr. REED. Mr. President, I rise as a strong and proud supporter of Senator KENNEDY's amendment to raise the

minimum wage one dollar over 2 years. I commend Senator KENNEDY not only for his leadership today but for his attention to the needs of working Americans throughout his career in the Senate.

Today we are debating, and I hope soon adopting, legislation to address an issue vital to America's working families. The amendment before us calls for a 50-cent increase in the minimum wage in January of 2000, with another 50-cent increase in January of 2001. So in a 2-year period we would increase the minimum wage from $5.15 to $6.15.

This minimum wage increase is a necessity for many individuals participating in today's workforce, particularly those moving from welfare to work. Among the rationales behind welfare reform was that everyone who is able to work should work and that a job should offer a sustainable income. Unless we have a living minimum wage, a minimum wage that can support a family, a minimum wage that can allow a family to meet its basic needs, then it is something of a cruel hoax to force people into the workforce, knowing that they will not be able to support themselves on their income alone.

Our economy has been performing remarkably well since the last increase in the minimum wage in 1996. A record 8.7 million jobs have been created. We all recall when we were debating the minimum wage that year, one of the most persistent objections was that the increase would kill job growth; it would prevent our economy from continuing to grow. The reality is that we are in the midst of a period of record economic expansion during which a large number of new jobs have been created.

Increasing the minimum wage is not something that is going to hamper our economy. It will enable working families to provide for their families. Moreover, economic factors dictate that if we don't increase the minimum wage now, the modest growth in inflation will wipe out the gains of the 1996 increase. Indeed, the minimum wage is in danger of dropping below its pre-1996 level in real dollars if we do not pass this amendment.

I believe other economic factors dictate that we increase the minimum wage. As we look at this economy, we are discovering fantastic growth in many quarters, but we also see that the incomes of the poorest Americans are not growing as fast as they have grown in the past.

Between 1950 and 1978, income growth for the lowest earners grew proportionally more than any other income level. What has happened recently, because of our new information society, because of new technology, because of a booming stock market, the wealthiest Americans are increasing their incomes substantially. In fact, the wealthiest one percent of Americans, doubled their incomes between 1977 and 1999. In sharp contrast, the poorest 20 percent of Americans actually saw their incomes fall by 9 percent between 1977 to 1999.

There are some things that we can do to begin to reverse this trend, to ensure that every part of our American family participates in our country's economic success. The first step is to increase the minimum wage.

The reality is that today, workers making the minimum wage—heads of households, single heads of households with a full-time job—earn about $10,700. That is about $2,500 below the poverty level for a family of three. So essentially, what we are telling workers who are going into the workforce with minimum-wage jobs, is that they will not be able to get out of poverty. That I believe is wrong. If someone is going to go into the workforce, work 40 hours a week, and try to raise a family, they should at least be able to make enough money to live above the poverty line.

The other issue that has often been raised with respect to the minimum wage is that, really, this is just a benefit for kids, that kids are the only group of people who have minimum-wage jobs. They are the people working at the fast food restaurants and performing other minimum wage jobs. This is not the truth. Statistics show that 70 percent of minimum-wage earners are adults over 20 years of age. They also show that 46 percent of these minimum-wage workers have full-time jobs and that 59 percent are women.

This correlates closely with the startling statistics we have seen with respect to children and poverty. Frankly, one of the most disturbing statistics is the growth in the number of children living in poverty. Typically, these children are in single-parent households led by women. Since 59 percent of minimum-wage earners are women and 40 percent of minimum-wage earners are the sole breadwinners of their family, these problems seem to be directly connected.

One of the great shames of this Nation, at a time when we are recording robust growth in the stock markets, at a time when we are seeing extraordinary development in our economy, is that one in five children still live in poverty in the United States; that 12 percent of American households cannot meet their basic nutritional needs some part of the year; that 39 percent of the families who turn to food banks for assistance have one adult member who holds a job. These are working Americans, but their wages are so low they cannot feed their families and their children live in poverty. We can do better than this in our great country. The first way to do better is to support this increase in the minimum wage proposed by Senator KENNEDY.

The reality is that having a job today does not mean you are going to be above the poverty level. Having a minimum-wage job frequently guarantees you are below the poverty level. At this time in our history, with such economic progress, with the vista of a new century before us, with the information age bursting upon us, we should be able to guarantee if a person works 40 hours a week, that person should be able to raise a family above the poverty level.

This proposal for a minimum wage seems only to be controversial here in the Senate. If you go back to Rhode Island and ask people what they think, they think the minimum wage should go up. They recognize and understand how hard it is to support their own families. They know if they had a minimum-wage job, it would be close to impossible to do that.

Indeed, there was a survey done by the Jerome Levy Economic Institute which showed that 87 percent of small businesses that were contacted and asked about increasing the minimum wage thought that they could absorb this modest cost. That is up from 79 percent just a year ago. So even small business believes raising the minimum wage is appropriate. That might be a direct reflection of the fact that many states have already raised the minimum wage above the federal level. Indeed, in many parts of the country with the highest minimum wages, there is a persistent shortage of labor. In fact, businesses are bidding for workers at levels above the minimum wage.

We are really talking about protecting the most vulnerable workers in our economy, those without the power to negotiate higher wages, those in areas of economic activity that do not require high skill levels, and therefore can be easily replaced. These are the people for whom we should have a special concern, these are the people we should help move up out of poverty, not by a handout but by simply rewarding the value of each hour they work.

Business Week, a magazine that is not traditionally a strong proponent of prolabor sentiments, had this to say:

> It is time to set aside the old assumptions about the minimum wage. . . . We don't know how high the minimum wage can rise until it hurts the demand for labor. But with the real minimum wage no higher than it was under President Reagan, we can afford to take prudent risks.

Frankly, this is not a risk, it is a prudent investment in the workers of America. My own paper, the Providence Journal, adds:

> An increase to $6.15 would help take a nick out of poverty and provide a more solid base for . . . economic expansion. Congress ought to do it.

I ask unanimous consent to have this Providence Journal editorial printed at the conclusion of my remarks.

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

(See Exhibit 1.)

Mr. REED. I agree with the Providence Journal. It is about time Congress acted. It is about time we took a nick out of poverty. It is about time we invested in working families and gave them, through their own efforts, the

resources to raise their families, to raise them up out of poverty. We must give new hope to families who are working very hard in this economy to raise children, to move forward and seize the opportunity at the heart of the American dream.

I again commend Senator KENNEDY for his great efforts, not just today, but for so many days on the floor, fighting for working families, fighting for economic justice for all our citizens.

I yield the floor.

EXHIBIT 1

RAISE THE MINIMUM WAGE

A proposal in Congress to raise the minimum wage, now $5.15 an hour, by two increments of 50 cents each over the next two years seems reasonable. This would still leave those subsisting on these wages well below the federal poverty level, but it would at least bring them some modest relief. (The debate comes, by the way, as Congress voted itself an average $4,600 raise.)

The argument is sometimes made that to raise the minimum wage would reduce employment by raising employers' costs. We see little indication over the past few years that the move would shrink employment. For that matter, increasing the minimum wage, by widening purchasing power, could substantially help the economy and boost employment over the long run.

It should also be noted that higher wages often mean greater loyalty and effort on the part of employees. Thus, whatever the increment of a higher minimum wage, that costs could be more than offset by higher revenue and profits from increased productivity and reduced turnover, hiring and training costs.

It is interesting that in my states with the highest state minimum wages, such as Massachusetts (now at $5.25 and to be raised to $6.75 in two 75-cent increments over the next two years), there are serious labor shortages. Recent increases in those states' minimum wages have not brought about price rises or layoffs, so far as such things can be measured.

But then, consider that the purchasing power of the current minimum wage is about $2 less that of the minimum wage in 1968 (when the jobless rate was also very low). Further, it should be noted that more than 70 percent of American workers receiving the minimum wage are over age 25 or not longer in school.

An increase to $6.15 would help take a nick out of poverty and provide a more solid base for the economic expansion. Congress ought to do it.

Mr. KENNEDY. Madam President, I see the Senator from North Dakota on the floor. I yield him 7 minutes.

The PRESIDING OFFICER. The Senator from North Dakota is recognized for 7 minutes.

Mr. DORGAN. Madam President, we are here debating the question of the minimum wage: Should the minimum wage be increased? We are talking about people at the bottom of the economic ladder in this country, people who work hard, who do not ask for much. They do not have stock in the stock market. They have not, by and large, been blessed with substantial increases in income by a growing economy. In many cases, they have been losing ground.

I know when we talk about the minimum wage, we tend to talk about it in terms of statistics, tables and charts. I have met repeatedly over the years with people who have had difficulty, who are trying to get back into the labor market, who are working at minimum-wage jobs. I recall one such meeting in my office in Fargo, ND, with probably a half dozen young women who were struggling to get off the welfare roll and get on a payroll and earn a living, to get some training and move into the job force again.

All of them told me the same story of the difficulty of making ends meet on a minimum wage paycheck. They shared with me how hard it was to balance a checkbook on minimum wage—meeting the monthly bills like child care, rent, a car payment, let alone trying to find a few dollars to buy a Christmas present for the kids.

The story is always the same. Those stories come to you from people who are trying very hard. Most of them tell those stories with tears in their eyes. It is the case here in Congress that the halls are not full today of interest groups who are well organized, who have hired some very skilled people to lobby on their behalf for this kind of legislative change. For people at the lower end of the economic ladder, there are not halls full of well-paid lobbyists and others pushing for this change. They are largely the voiceless in our society who do not have the capability to influence legislative events quite as easily as some other very important interests in this country do. But that should not persuade anybody that this interest is not important.

It is very important for our country, especially in a circumstance where the economy is growing. All the signs are that our country is doing well. The stock market is doing very well. Unemployment is at a 30 year low.

It is important for us also to understand there are families struggling on minimum wage trying to make ends meet. The fact is, the purchasing power value of that minimum wage has diminished dramatically. It is about $2.50 below the purchasing power value in 1968.

None of us in this room are working for minimum wage. No one. So none of us have experienced what it is like to put in 40 or 45 hours this week and be paid minimum wage and then try to make a car payment, pay rent, buy food for the kids, and make ends meet. We cannot do that. No one in this Chamber would volunteer to do that, I expect. But there are a lot of people trying to do that because they want to pay their way. They want a decent job; they want an opportunity. They want to work.

That is why it is important in this circumstance for us to increase the minimum wage. Its purchasing power diminishes over time because of inflation. The value of the minimum wage has decreased for a lot of these families. Many of us know that poverty in this country is increasingly poverty of a single woman trying to raise a family. Many of us have met with those folks in our offices and elsewhere telling us the difficulties they are having.

In many ways, it is hopeful that both sides of the political aisle in this Chamber are talking about increasing the minimum wage. This is an important subject. We are both talking about this subject now in a serious way, and that is good. It ought to give hope to those at the bottom of the economic ladder who are trying very hard to make ends meet and have difficulty doing it on today's minimum wage.

There is a difference between the proposals. The minimum wage we are proposing will provide a minimum wage increase on January 1, 2000. The alternative plan will not.

We provide a $1 increase in the minimum wage over 2 years. The GOP plan does not.

We protect overtime compensation for 73 million working Americans who are entitled to it. The GOP does not.

We offset the full cost of the tax cuts, and there are some tax incentives and cuts in this proposal to help businesses that will confront some additional costs. We fully offset ours. The competing plan is mostly unpaid for.

We can go on down the list. We extend the welfare-to-work credit. The other plan does not.

We provide a work-site child care tax credit. The GOP plan does not.

We provide wage tax credits for small businesses located in the empowerment zone which, incidentally, is very important in our part of the country. These are zones, especially the empowerment zone in my State, which have as a criteria the outmigration of people. People who have left. This is not unemployment and poverty. That is one sign of economic distress. The other sign is a rural county that has lost half its population. People cannot find work, so they leave, and the county shrinks like a prune.

Empowerment zones create jobs and restore economic vitality and health in those areas. We include that in our proposal, but the GOP plan does not.

These are interesting and important differences between the two plans. I say this: At least we are on the right subject.

The Senator from Massachusetts has worked tirelessly on behalf of those at the bottom of the economic ladder who are struggling hard and valiantly trying to make ends meet. By proposing this minimum wage increase which, in my judgment, is long overdue, the Senator from Massachusetts does a real service. I hope at the end of this debate we will be able to adopt the Senator's amendment, and I hope those who are working on minimum wage struggling to care for their families and create a future for themselves, on January 1 will be able to say: Yes, Congress did something that will help me and my family as well.

Madam President, I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Madam President, I understand I have 8 minutes remaining.

The PRESIDING OFFICER. The Senator is correct.

Mr. KENNEDY. The Senator from Virginia asked for 10 minutes. I ask unanimous consent that I have 2 additional minutes and yield 10 minutes to him.

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

Mr. ROBB. Madam President, on Friday, November 5, Senator BAUCUS and I introduced the Small Business Tax Reduction Act of 1999. We drafted this legislation to complement Senator KENNEDY's minimum wage amendment, and under the unanimous consent agreement, it was incorporated into that amendment which is now pending.

The Small Business Tax Reduction Act of 1999 is targeted to provide tax relief for those employers who will be most affected by the minimum wage increase, even more than the proposal to be offered by the other side of the aisle.

Our package adheres to two principles that had to be reconciled: First, that tax relief should be provided to those who need it most; and, second, that any tax relief package be fiscally responsible.

To make sure that our package benefited those who need it most, we focused primarily on small businesses, those most likely to experience higher costs as a result of an increased minimum wage.

To make sure the package was fiscally responsible, we used true offsets, not the surplus, to pay for it. In this way, we have remained true to both principles: This is a good tax package; it is a responsible tax package.

Admittedly, deciding what provisions to include in such a bill required some compromises. In almost all cases, I have sponsored, or cosponsored, legislation that would go beyond the tax relief in many of the areas addressed by our bill. I will continue my efforts to move on these broader provisions.

However, our commitment to paying for the tax bill and not either borrowing from our parents by using the Social Security trust fund or borrowing from our children by increasing our debt burden, precluded us from doing more at this time.

In some respects, our tax package is similar to the Republican proposal. For example, both packages accelerate the 100-percent deduction for self-employed health insurance; both packages increase section 179 expensing for small businesses; both packages extend the work opportunity tax credit; and both packages raise the business meals deduction from 50 percent to 60 percent.

But in other ways, our packages are quite different. For instance, we have included in our amendment some estate tax relief for small family-owned farms and businesses. Inflation has left the current exemption simply insufficient to give adequate relief to farmers and small business owners. This is one of the areas where we clearly need to do more, but some relief is better than none.

We have included provisions targeted to geographic areas with the greatest need for economic assistance. The new markets proposal, for example, would reward employers who operate in economically distressed areas where the minimum wage is the most prevalent.

There is also a credit that encourages employers to give lower income employees information technology training so we can begin to close the so-called digital divide. I was at an announcement this morning that will also make a major step in that direction.

We also expand current empowerment zone credits so more communities and more people are able to take advantage of these credits. The empowerment zone credit provides a dual benefit. It helps those who may not yet be reaping the benefits of our expanding economy, and it helps revitalize our cities which, over the long term, may be our best tool for reducing the pressures that lead to suburban sprawl.

Another area we devoted our attention to is retirement security. Increasingly, people are apprehensive about their retirement. Many small businesses are struggling to provide retirement security for their employees.

The pension provisions in our bill are designed to address the needs of these small employers who are trying to develop effective retirement plans for their employees.

For example, we would allow small businesses to borrow from their plans, just as large businesses can, and we have included Senator BAUCUS' proposal to provide a credit for new small business pension plans. Everyone benefits when small businesses are better able to offer their employees retirement plans.

Finally, we need to help our communities meet their increasing demand for new and upgraded schools. Across the Nation, there are pent-up needs for new schools to make room for smaller classes, for schools that have access to the latest technology, for schools that have decent heating and plumbing and leak-proof roofs.

To help meet those needs, we have included a provision to help communities modernize their public schools. In this bill, we propose extending the Qualified Zone Academy Bond Program, or QZABs, for an additional year. This program helps with school modernization efforts and deserves to be extended.

Again, this effort is important, but we need to do much more. While we could not squeeze more on school construction into this vehicle, I am determined to find one that is large enough to accommodate our Nation's schoolchildren, who, frankly, deserve better than what they have gotten from Congress this year.

Let me close by reiterating why we decided to pay for this bill and not just take the money from the surplus.

First of all, I believe both sides understand we made a bipartisan commitment to stop dipping into the Social Security surplus to pay for current spending outside Social Security. Honoring this commitment is important both to maintain pressure for fiscal discipline and to prevent further cynicism about the way the Federal Government operates.

As for the non-Social Security surplus, we believe our first priority should be paying down the over $5 trillion debt we have accumulated by failing to exercise fiscal discipline in the past. The need to keep up the pressure for fiscal responsibility is clear.

Congress has been breaking the spending caps at breakneck speed. CBO recently advised us, not only had we already spent the small surplus expected for fiscal year 2000, we are already $17 billion in the red for the next fiscal year. Until we can agree on a comprehensive package that balances our spending, tax relief, and debt reduction priorities, we should pay for the spending and the tax cutting we propose and not take the easy route of spending the surpluses that may or may not actually materialize.

If we do not put the brakes on piecemeal tax cuts now, we could easily face a runaway train of politically popular proposals that are not likely to be in the best long-term interests of the Nation. When we are ready to put everything on the table and consider the various priorities—such as using the surplus to pay down the debt—we can engage in that discussion. Until then, we should focus on achieving the current objective, which is to assist employers, particularly small employers, who may be adversely affected by the minimum wage increase.

In short, this tax package accomplishes its purpose of providing relief to those employers who are most likely to have higher costs when the minimum wage increases. It is responsible. It does not squander the surplus we have fought so hard to achieve but maintains it for debt reduction. At the same time, it protects Social Security trust funds from being misallocated to other programs and expenditures. This is a good tax package, and I urge our colleagues to support it.

With that, Madam President, I reserve any time remaining and yield the floor.

Mr. KENNEDY. Madam President, I suggest the absence of a quorum and ask unanimous consent that it not be charged to either side.

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

The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. DOMENICI. Madam President, parliamentary inquiry. Could the Chair tell me, is it now appropriate for me to call up the amendment that is pending that has been filed with reference to an alternative minimum wage and tax plan?

The PRESIDING OFFICER. If the Senator yields back the remaining time on the Kennedy amendment, the answer is yes.

Mr. DOMENICI. Parliamentary inquiry. How much time do we have on the Kennedy amendment?

The PRESIDING OFFICER. There are 60 minutes remaining.

Mr. DOMENICI. In the event I do not yield that back, what is the remaining time arrangement for the day and for tomorrow on the two respective amendments, the Kennedy amendment and the Domenici amendment?

The PRESIDING OFFICER. After the 60 minutes of remaining debate on the Kennedy amendment is used, there would be a period of 2 hours for debating the amendment which the Senator would be proposing.

Mr. DOMENICI. Then what is the agreed-upon schedule for tomorrow with reference to the amendments?

The PRESIDING OFFICER. There is 1 hour of debate beginning at 9:30, with a vote scheduled to occur at 10:30.

Mr. DOMENICI. Madam President, might I ask Senator KENNEDY a question?

Mr. KENNEDY. Please.

Mr. DOMENICI. I ask Senator KENNEDY, I understand you have no additional speakers now.

Mr. KENNEDY. If I could answer the Senator, I think we do actually have some additional speakers. They can either do it now or at some other appropriate time after all the time has expired.

Mr. DOMENICI. I understand that as far as today's debate is concerned, you are out of time.

Is that what the Parliamentarian told me?

The PRESIDING OFFICER. The Senator is correct, that the time controlled by Senator KENNEDY on the Kennedy amendment has expired. Sixty minutes remain for those opposing the Kennedy amendment.

Mr. KENNEDY. But, I say to the Senator, as I understand it, when you offer your amendment, you will have 60 minutes and we will have 60 minutes. I think we could accommodate the other Senators. Senator FEINSTEIN is here. We have probably two other Senators. We can let them speak at that particular time. So it is just a question of working out the remaining time this evening.

Mr. DOMENICI. I yield back any time we have in opposition to the——

Mr. NICKLES. No.

Mr. DOMENICI. Excuse me.

Madam President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative assistant proceeded to call the roll.

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

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

Mr. NICKLES. Madam President, as I understand the parliamentary situation, we have 2 hours equally divided: One on the Kennedy amendment, and the other 2 hours on an amendment that will be offered by Senator DOMENICI.

I wish to speak very briefly in opposition to the Kennedy amendment. Then I will yield back the time, and that will eliminate at least that round. Then there will be 2 hours equally divided on the Domenici amendment. People can speak on either proposal, as they wish.

For the information of our colleagues, we will have one hour of debate tomorrow morning and a vote at 10:30 on both proposals.

I urge my colleagues to vote no on the so-called Kennedy minimum wage proposal that is now before the Senate. I compliment my colleague from Massachusetts. He has offered this time and time again. I am sure he will be back next year and the following year to increase the minimum wage. If you ask the question: should there be an increase in the minimum wage, I am sure a lot of people would say yes because they want everybody who is making a low wage to make more.

I happen to agree with that very strongly. It is very important for people to be able to climb the economic ladder. What people many times don't recognize is that if you have a very significant increase in the minimum wage—such as Senator KENNEDY's proposal of approximately a 20-percent increase, increasing it from $5.15 to $6.15, a $1 over the next 13½ months. That is OK, I suppose, if everybody can just pass it along without any repercussions. But there may be some businesses that can't. If they can't, what are they going to do? They may hire less people. They may let some people go.

I know it does not seem as if that would be the case, but frankly it is. It may not happen in every case, but it happens in many cases. There are some employers that may not be able to pay $5.15 an hour or $6 an hour. Senator KENNEDY's proposal says in 13½ months you have to be paid $6.15 an hour or it is against the law for you to have a job.

The Federal Government has determined that, in our infinite wisdom, in rural Montana or where ever, we don't care if pumping gas can only pay $5.50 or the corner grocery store can only afford to pay that amount, we don't care. We are deciding up here in Washington DC, that the Federal Government does not want you to have a job. It is against the law for you to have a job. The Federal Government has decided employers must pay at lease $6.15 an hour or they cannot hire anyone. Sorry, 15-year-old, 16-year-old, or 17-year-old trying to get a summer job, if there are no summer jobs available at that amount. It may be fine for the State of Massachusetts. That may be great in New York City. I can't help but think there are some areas of the country where maybe that does not apply and will not work.

This idea that raising the minimum wage can only have a positive economic impact is grossly incorrect. The Congressional Budget Office has stated it would mean a job loss of between 100,000 and 500,000 jobs. That is a pretty significant hit. Maybe it is not a hit for everybody because we have millions of people working, but for between 100,000, and 400,000 people who could lose their jobs, that is pretty significant. If they find themselves unemployed because they couldn't get a job as a result of the minimum wage increase we have created a real injustice. Maybe they are looking for summer work, maybe they are looking for part-time work, or maybe they are trying to supplement a job working evenings. Why should we price them out of the market?

Let me address a few other things that are in Senator KENNEDY's proposal. There are some tax cuts. Senator ROBB just spoke regarding those. Many of those are similar to ones we have in our package that Senator DOMENICI will be talking about briefly. I compliment them on those tax cuts. What I criticize them for are the tax increases. You didn't know they had a lot of tax increases in the Democrat proposal? Well, they do. The fact is, there are more tax increases than there are tax cuts.

What tax increases do they have? They have two or three things. They have a little provision in here that reauthorizes Superfund taxes. We do not reauthorize Superfund because the program is flawed. Does it make sense that they are going to extend Superfund taxes without fixing the program? I am absolutely confident, 100 percent confident this Congress is not going to reauthorize and extend Superfund taxes unless we reauthorize the program. The program is broken. We are raising billions of dollars or have raised billions of dollars and we are wasting it.

The lawyers and trial attorneys reap great benefits, but we spend very little money cleaning up the program. Many of us are in favor of fixing the program. Let's make sure 90 percent of the money that is raised for Superfund cleanup actually goes to cleanup, rather than the current situation in which two-thirds of it goes to legal fees.

The Kennedy legislation also includes several other tax increases. There is a proposal that goes by the name of the Doggett proposal. According to a lot of different groups—including the Cattlemen's Association, Taxpayers Union, U.S. Chamber of Commerce, and National Federation of Independent Businesses—this is a really big, bad tax increase. It is called the Abusive Tax Shelter Shutdown Act of 1998.

Most people think of it simply as an IRS enhancement act. Well, they are

quite mistaken. I mean, should we really give the IRS a blank check to go after lots of people for a lot of things because we think maybe we will disallow noneconomic tax attributes, whatever that means. It is essentially a $10 billion tax increase and we are going to turn the IRS loose.

We spent a lot of time and passed, in a bipartisan fashion—my compliments to Senators ROTH and MOYNIHAN—last year a very significant IRS reform bill that curbed the appetite of the IRS. This legislation would say, forget about those reforms. It would give the IRS more power to go after what they consider noneconomic attributes. It is truly a bad idea.

There are a lot of bad proposals within the Kennedy language. There are tax increases and the tax increases won't work. The tax increases will extend taxes that shouldn't be extended until the programs are reauthorized.

It is a heavy hit, particularly on small business, too quick, too much, too early. A 20-percent increase in the next 13 and a half months, in my opinion, is too much. It would have economic ramifications that would cause many people to lose their jobs. How many? Hundreds of thousands. According to CBO, it says job loss would be between 100,000 and 500,000.

I ask unanimous consent that this conclusion of the CBO be printed in the RECORD.

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

CONGRESSIONAL BUDGET OFFICE PRIVATE-SECTOR MANDATE STATEMENT

S. 1805—Fair Minimum Wage Act of 1998

Summary: S. 1805 would amend the Fair Labor Standards Act of 1938 (FLSA) to increase the minimum wage rate under the Act from $5.15 per hour to $5.65 per hour on January 1, 1999, and to $6.15 per hour on January 1, 2000.

Private-sector mandates contained in bill: S. 1805 contains a mandate on private-sector employers covered by the FLSA. It would require those employers to pay a higher minimum wage rate than they are required to pay under current law.

Estimated direct cost to the private sector: CBO's estimate of the direct cost of the private-sector mandate in S. 1805 is displayed in the following table.

DIRECT COST OF PRIVATE-SECTOR MANDATE

[In billions of dollars]

Provision	Fiscal years—				
	1999	2000	2001	2002	2003
Increase the minimum wage rate	2.7	7.4	7.9	7.0	6.2

Basis of the estimate: S. 1805 specifies that the minimum wage is to increase from $5.15 to $5.65 per hour on January 1, 1999, and to $6.15 on January 1, 2000. Other sections of the FLSA providing different rules for certain workers and employers, including the provision permitting employers to pay teenagers $4.25 per hour during the first 90 consecutive days of employment, would not change.

To estimate the direct cost to private employers, information was used on the number of workers whose wages would be affected in January 1999 and subsequent months, the wage rates these workers would receive in the absence of the enactment of the proposal, and the number of hours for which they would be compensated.

The estimate was made in two steps. CBO used data from the Current Population Survey (CPS) to estimate how much it would have cost employers to comply with the mandate had they been required to do so in early 1998. Second, these estimates were then used to project the costs to employers beginning in January 1999, taking into account the expected decline in the number of workers in the relevant wage range. The remainder of this section discusses the way this estimate was constructed and limitations of the data and methods.

The methods used for this estimate are similar to those used for CBO's estimates of proposals made in 1996, the most recent year in which bills to increase the federal minimum wage rate were considered on the floor of the Senate and the House. Unlike in 1996, CBO only has information about the number of workers in the relevant wage range for a very short time period since the current minimum wage rate became effective. In preparing the estimates in 1996, CBO was able to use data from several years when the minimum wage was at the then-existing rate of $4.25 per hour. The current rate of $5.15 per hour was implemented in September 1997. As more information becomes available, this estimate might need to be revised.

Estimates from the current population survey

Data on hourly wage rates contained in the January 1998 CPS provide CBO's estimate of the number of private-sector workers in that month who were paid in the relevant wage. At that time, about 2.2 million workers in the private sector were paid exactly $5.15 per hour and an additional 9.5 million workers were paid between $5.16 and $6.14 per hour. (About 1.5 million additional workers reported being paid $5.00 per hour; as discussed below, it is assumed that these workers were also covered by the $5.15 minimum wage and were misreporting their wage rates.) Roughly one-quarter of the workers in the relevant wage range were teenagers. Based on information from the Bureau of Labor Statistics, it is assumed that about 30 percent of those teenagers were in their first 90 days of employment with their current employer and therefore not covered by the increase in the minimum wage.[1]

CBO estimates that if the workers in the private sector who had been paid between $5.00 and $5.64 per hour in January 1998 had been paid $5.65 instead (with no change in the number of hours worked), their employers would have paid them approximately $300 million in additional wages in that month. If the workers who had been paid between $5.00 and $6.14 had been paid $6.15, their employers would have incurred an additional wage bill of about $900 million in that month. Moreover, employers would have had to pay the employers' share of the payroll taxes on those additional wages; these taxes are included in CBO's estimate of the total direct cost of the mandate.

Applying the estimates from the CPS to the projection period

The monthly cost to employers of the proposed increases in the minimum wage would be smaller in the future because the number of workers in the affected range will decline. For example, during the eight-year period starting in 1981 when the minimum wage remained at $3.35 per hour, the number of workers paid exactly that rate declined from 4.2 million to 1.8 million, as market forces and increases in state minimum wage rates raised the level of wages paid. In 1996, CBO used data from the March 1992 and March 1995 CPS to estimate that the cost of complying with a minimum wage of $5.15 per hour would have fallen by almost 40 percent over this three-year period, or about one percent per month.

CBO assumes that the direct mandate cost would continue to decrease at this rate throughout the projection period. Thus, the monthly cost of raising the minimum wage to $5.65 in January 1999 would be roughly 87 percent of the cost estimated using the January 1998 data. The estimated cost of raising the minimum wage to $6.15 in January 2000 would be about 79 percent of the cost of doing so in January 1998.

Estimates for each fiscal year were then made by aggregating the monthly costs. The estimate for fiscal year 1999 is the smallest because that period only includes an increased minimum wage for nine months. The estimate for 2000 includes the cost of a $5.65 minimum wage for three months and a $6.15 minimum wage for nine months. The estimate of the direct cost to the private sector is highest for 2001, when all twelve months would be at $6.15 per hour.

Limitations

Estimates of the direct cost of this mandate are uncertain for at least two reasons. First, the main source of data—the January 1998 CPS—is subject to sampling error and other problems when used for this purpose. For example, CBO assumed that the workers who reported being paid $5.00 per hour after the minimum wage had risen to $5.15 were actually earning $5.15 because there is no evidence that compliance with the Fair Labor Standards Act fell.[2] The wage rates of other low-wage workers—some of the workers who reported being paid below $5.00 per hour and some of the workers not paid on an hourly basis—would also be affected by an increase in the statutory minimum.[3] Second, there is no solid basis for projecting the future number of workers who would have wage rates in the relevant range, their precise wage rates, nor the number of hours they would work under current law. The annual decline estimated from the 1992–1995 period could turn out to be too rapid or too slow.

Indirect effects of an increase in the minimum wage: An increase in the minimum wage rate from $5.15 to $6.15 would require employers to raise the wages paid to the lowest-paid workers covered by the FLSA by 19 percent, and would require employers to raise the wages of workers in the range between the old and the new statutory rates by smaller amounts. As under current law, employers could still pay teenage workers $4.25 per hour during their first 90 calendar days.

Economists have devoted considerable energy to the task of estimating how employers would respond to such a mandate. Although most economists would agree that an increase in the minimum wage rate would cause firms to employ fewer low-wage workers (or employ them for fewer hours), there is considerable disagreement about the magnitude of the reduction. It has proven difficult to isolate the effects of past changes in the minimum wage. Moreover, the estimates from such analysts are hard to apply to future changes.

Based on CBO's review of a number of these studies, a plausible range of estimates for illustrating the potential losses is that a 10 percent increase in the minimum wage would resulting a 0.5 percent to 2 percent reduction in the employment level of teenagers and a smaller percentage reduction for young adults (ages 20 to 24).[4] These estimates would produce employment losses for an increase in the minimum wage of the extent provided in this bill of roughly 100,000 to

[1] Footnotes at end of statement.

500,000 jobs. The individuals whose employment opportunities would be reduced are likely to include the lest-skilled job-seekers who might benefit most from the work experience.

This range of employment impacts is the same as CBO estimated two years ago when Congress was considering a 21 percent ($0.90 per hour) increase in the minimum wage.[5] At that time, the low end of the range seemed more realistic because the number of workers in the relevant wage range and the size of the minimum wage relative to the average wage were relatively low. This time, however, those special considerations do not apply because less time has elapsed since the most recent increase in the minimum wage. About 50 percent more workers are in the affected wage range now than were in the relevant wage range when the 1996 legislation was being considered. Likewise, the minimum wage is currently about 41 percent of the average hourly earnings of production or nonsupervisory workers in the private sector, compared with about 36 percent just before the 1996 legislation was enacted.

But two additional differences from the situation that existed in 1996 could reduce employment impacts. First, the labor market is exceptionally tight, with the total unemployment rate at 4.6 percent and the teenage unemployment rate at 14.7 percent (February 1998). In 1996, the total unemployment rate was nearly one point higher and the teenage unemployment rate was two points higher. Second, the most recent increase in the minimum wage amended the FLSA to permit employers to pay teenagers $4.25 per hour for the first 90 days, and the current bill would not change this provision. The literature on which the estimates reported above are based did not reflect such a differential. Presumably, the differential could result in fewer employment losses for teenagers, more losses for adults, and fewer losses overall. Although recent data indicate that few employers are using the option, its availability could cushion employment losses if labor markets weakened.

In addition to its effect on employment levels, an increase in the minimum wage could have many other economic impacts. For example, one consequence that has received considerable attention is its potential effects on the earnings of low-wage workers. CBO estimates that the direct effect of the proposed increase would be to increase the aggregate earnings of workers who would otherwise have received between $5.15 and $6.14 per hour by over $7 billion in 2001. An indirect effect of the increase in the minimum wage might be that employers would also voluntarily raise the wage rates of workers who were already being paid just above the new rate in order to maintain differentials (the ''spillover effect'').

Previous CBO estimate: On March 3, 1998, CBO issued an estimate of S. 1573, which would increase the minimum wage rate in three annual steps to $6.65 per hour and then would adjust the minimum wage thereafter to reflect changes in the Consumer Price Index. The current estimate of the direct cost to the private sector is based on the same methodology.

Estimate prepared by: Ralph Smith.

Estimate approved by: Joseph Antos, Assistant Director for Health and Human Resources.

FOOTNOTES

[1] This estimate is derived from information on job tenure, by age, provided by the Bureau of Labor Statistics, based on supplemental questions included in the February 1996 Current Population Survey.

[2] Staff within the Department of Labor's Employment Standards Administration, the agency responsible for enforcing the FLSA, report no increase in the number of complaints filed since the minimum wage increased to $5.15.

[3] In January 1998, there were almost 2 million workers who reported being paid an hourly wage rate of less than $5.00. Some workers, such as employees in retail firms whose gross volume of sales is less than $500,000 are not covered by the minimum wage, while others, such as certain tipped workers, are covered but can be paid a lower wage rate.

[4] See, for example, Alison J. Wellington, ''Effects of the Minimum Wage on the Employment Status of Youths; An Update,'' Journal of Human Resources, Vol. XXVI, No. 1 (Winter 1991), pp. 27–46, Charles Brown, ''Minimum Wage Laws; Are They Overrated?'' Journal of Economic Perspectives, Vol. 2, No. 3 (Summer 1988), pp. 133–145, David Card and Alan B. Krueger, Myth and Measurement; the New Economics of the Minimum Wage (Princeton University Press, 1995), and Marvin H. Kosters, editor, The Effects of the Minimum Wage on Employment (AEI Press, 1996).

[5] On March 25, 1996, CBO provided an estimate of the cost to the private sector of S. 413, which would have increased the minimum wage rate in two annual steps, from $4.25 per hour to $5.15 per hour. That bill did not include the youth differential and other special provisions that were contained in the legislation enacted later that year.

Mr. NICKLES. I say that 100,000 to 500,000 lost jobs is too heavy a penalty. For that one person who might lose his or her job, it is a very heavy penalty. According to the Federal Reserve Bank of San Francisco, there would be from 145,000 to 436,000 lost jobs. These are independent studies, not branches of a Don Nickles study group that says this is a bad idea. The CBO and Federal Reserve state that this will cost hundreds of thousands of jobs.

If there is no job loss or negative economic consequence, why stop at $6.15 an hour? Why don't we make it $20 an hour? I want everybody in America to make $20 an hour. I do. If they work 2,000 hours a year, that is an average of 40 hours a week for 50 weeks. If everybody made $20 an hour, hey, that would be great. That would be $40,000. I would love for everybody in America to make $40,000. But guess what. Some jobs might not pay that.

Does it make good economic sense to pass a law to say it is against the law for somebody to work for $40,000? I don't think so. Whether it would mean the loss of 100,000 jobs or 500,000 jobs, I don't know. But, I don't want to put even 100,000 people out of work. I don't want to discourage any young person or any person at all from trying to climb the economic ladder. We pulled it up. Sorry. We would rather have you unemployed than have you climbing the economic ladder.

I think that is a huge mistake. I think this proposal is too big of a hit, too quickly. I think the tax increase in the Democrat proposal is completely unworkable and it is certainly unfair.

The other side might claim that they paid for their tax cuts, and that Senator DOMENICI will have a proposal to benefit small business, and he didn't pay for his because it comes out of the surplus.

I disagree, especially when we are looking at having significant surpluses in the next 10 years. Basically what our Democrat colleagues are saying is: We want no tax cut whatsoever.

Less than 2 months ago, they voted for a $300 billion tax cut that was not paid for. Now they are saying we have to pay for this; even if it is only $18 billion over 5 years, we have to pay for every dime of it so we have more money to spend.

I urge my colleagues to vote ''no'' on the Kennedy proposal.

I understand Senator KENNEDY and his side have used their hour. If there is no objection, I will yield back the remainder of the time in opposition to the Kennedy amendment.

The PRESIDING OFFICER. All time has been yielded back on the Kennedy amendment.

The Senator from New Mexico is recognized.

Mr. DOMENICI. Madam President, I have no objection to yielding to the Senator from California to speak in favor of the Kennedy amendment if she would tell me how long she wishes to speak.

Mrs. FEINSTEIN. Probably 10 to 15 minutes. I can certainly wait.

Mr. DOMENICI. They would be using that off the opposition time to the Domenici amendment.

The PRESIDING OFFICER. The second amendment would have to be called up.

AMENDMENT NO. 2547

(Purpose: To increase the Federal minimum wage and protect small business)

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

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from New Mexico [Mr. DOMENICI], for himself, Mr. ABRAHAM, and Mr. SANTORUM, proposes an amendment numbered 2547.

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

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

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

Mr. DOMENICI. Madam President, I yield the floor at this time.

The PRESIDING OFFICER. The Senator from California is recognized.

UNANIMOUS-CONSENT AGREEMENT

Mrs. FEINSTEIN. Madam President, I ask unanimous consent to temporarily lay aside the pending amendment so I might send to the desk two amendments and then lay them aside.

The PRESIDING OFFICER. Is there objection to the unanimous-consent request of the Senator from California?

Mr. NICKLES. I didn't hear the request. Will the Senator repeat it.

Mrs. FEINSTEIN. Certainly. It is a unanimous-consent request so I might call up and then lay aside two amendments.

Mr. DOMENICI. What are they related to?

Mrs. FEINSTEIN. To the bankruptcy bill.

Mr. DOMENICI. Madam President, is that inconsistent with any order we have entered at this point?

The PRESIDING OFFICER. It is not inconsistent with any order that has been entered into.

Mr. NICKLES. Reserving the right to object——

Mrs. FEINSTEIN. I am going to call them up and lay them aside.

Mr. NICKLES. Madam President, parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state his inquiry.

Mr. NICKLES. Under the unanimous-consent request we have entered into, there were three nongermane amendments basically offered by Democrats and Republicans; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. NICKLES. We also stated under the unanimous-consent agreement that all other amendments had to be relevant to the bankruptcy bill; is that correct?

The PRESIDING OFFICER. The Senator is correct.

Mr. NICKLES. Might I ask my colleague, are the two amendments she is trying to offer right now germane to the bankruptcy bill?

Mrs. FEINSTEIN. Yes, they are.

Mr. NICKLES. Might I inquire what they deal with?

Mrs. FEINSTEIN. One is amendment No. 1697, to place a $1,500 limit on credit to minors, unless they have independent proof of income or the card is cosigned signed by a parent or legal guardian. The second is amendment No. 2755, directing the Federal Reserve Board to conduct a study of credit industry lending practices.

Mr. NICKLES. Madam President, I have no objection.

AMENDMENTS NOS. 1696 AND 2755, EN BLOC

Mrs. FEINSTEIN. Madam President, I send two amendments to the desk.

The PRESIDING OFFICER. The clerk will report.

The assistant legislative clerk read as follows:

The Senator from California [Mrs. FEINSTEIN] proposes amendments numbered 1696 and 2755, en bloc.

Mrs. FEINSTEIN. Madam President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments are as follows:

AMENDMENT NO. 1696

(Purpose: To limit the amount of credit extended under an open end consumer credit plan to persons under the age of 21, and for other purposes)

At the appropriate place, insert the following:

SEC. ___. ISSUANCE OF CREDIT CARDS TO UNDERAGE CONSUMERS.

(a) APPLICATIONS BY UNDERAGE CONSUMERS.—Section 127(c) of the Truth in Lending Act (15 U.S.C. 1637(c)) is amended—

(1) by redesignating paragraph (5) as paragraph (7); and

(2) by inserting after paragraph (4) the following:

''(5) APPLICATIONS FROM UNDERAGE OBLIGORS.—

''(A) PROHIBITION ON ISSUANCE.—Except in response to a written request or application to the card issuer that meets the requirements of subparagraph (B), a card issuer may not—

''(i) issue a credit card account under an open end consumer credit plan to, or establish such an account on behalf of, an obligor who has not attained the age of 21; or

''(ii) increase the amount of credit authorized to be extended under such an account to an obligor described in clause (i).

''(B) APPLICATION REQUIREMENTS.—A written request or application to open a credit card account under an open end consumer credit plan, or to increase the amount of credit authorized to be extended under such an account, submitted by an obligor who has not attained the age of 21 as of the date of such submission, shall require—

''(i) submission by the obligor of information regarding any other credit card account under an open end consumer credit plan issued to, or established on behalf of, the obligor (other than an account established in response to a written request or application that meets the requirements of clause (ii) or (iii)), indicating that the proposed extension of credit under the account for which the written request or application is submitted would not thereby increase the total amount of credit extended to the obligor under any such account to an amount in excess of $1,500 (which amount shall be adjusted annually by the Board to account for any increase in the Consumer Price Index);

''(ii) the signature of a parent or guardian of that obligor indicating joint liability for debts incurred in connection with the account before the obligor attains the age of 21; or

''(iii) submission by the obligor of financial information indicating an independent means of repaying any obligation arising from the proposed extension of credit in connection with the account.

''(C) NOTIFICATION.—A card issuer of a credit card account under an open end consumer credit plan shall notify any obligor who has not attained the age of 21 that the obligor is not eligible for an extension of credit in connection with the account unless the requirements of this paragraph are met.

''(D) LIMIT ON ENFORCEMENT.—A card issuer may not collect or otherwise enforce a debt arising from a credit card account under an open end consumer credit plan if the obligor had not attained the age of 21 at the time the debt was incurred, unless the requirements of this paragraph have been met with respect to that obligor.

''(6) PARENTAL APPROVAL REQUIRED TO INCREASE CREDIT LINES FOR ACCOUNTS FOR WHICH PARENT IS JOINTLY LIABLE.—In addition to the requirements of paragraph (5), no increase may be made in the amount of credit authorized to be extended under a credit card account under an open end credit plan for which a parent or guardian of the obligor has joint liability for debts incurred in connection with the account before the obligor attains the age of 21, unless the parent or guardian of the obligor approves, in writing, and assumes joint liability for, such increase.''.

(b) REGULATORY AUTHORITY.—The Board of Governors of the Federal Reserve System may issue such rules or publish such model forms as it considers necessary to carry out paragraphs (5) and (6) of section 127(c) of the Truth in Lending Act, as amended by this section.

(c) EFFECTIVE DATE.—Paragraphs (5) and (6) of section 127(c) of the Truth in Lending Act, as amended by this section, shall apply to the issuance of credit card accounts under open end consumer credit plans, and the increase of the amount of credit authorized to be extended thereunder, as described in those paragraphs, on and after the date of enactment of this Act.

AMENDMENT NO. 2755

(Purpose: To discourage indiscriminate extensions of credit and resulting consumer insolvency, and for other purposes)

At the appropriate place, insert the following:

SEC. ___. ENCOURAGING CREDITWORTHINESS.

(a) SENSE OF THE CONGRESS.—It is the sense of the Congress that—

(1) certain lenders may sometimes offer credit to consumers indiscriminately, without taking steps to ensure that consumers are capable of repaying the resulting debt, and in a manner which may encourage certain consumers to accumulate additional debt; and

(2) resulting consumer debt may increasingly be a major contributing factor to consumer insolvency.

(b) STUDY REQUIRED.—The Board of Governors of the Federal Reserve System (hereafter in this section referred to as the ''Board'') shall conduct a study of—

(1) consumer credit industry practices of soliciting and extending credit—

(A) indiscriminately;

(B) without taking steps to ensure that consumers are capable of repaying the resulting debt; and

(C) in a manner that encourages consumers to accumulate additional debt; and

(2) the effects of such practices on consumer debt and insolvency.

(c) REPORT AND REGULATIONS.—Not later than 12 months after the date of enactment of this Act, the Board—

(1) shall make public a report on its findings with respect to the indiscriminate solicitation and extension of credit by the credit industry;

(2) may issue regulations that would require additional disclosures to consumers; and

(3) may take any other actions, consistent with its existing statutory authority, that the Board finds necessary to ensure responsible industrywide practices and to prevent resulting consumer debt and insolvency.

Mrs. FEINSTEIN. I ask unanimous consent that the amendments be set aside.

The PRESIDING OFFICER. The amendments will be set aside.

AMENDMENT NO. 2751

Mrs. FEINSTEIN. Madam President, today I rise in support of the amendment offered by the minority leader to raise the minimum wage from $5.15 to $6.15 in two steps by September 1 of the year 2000. Before addressing my remarks directly, I want to make two comments. The first is really to thank the senior Senator from Massachusetts for his prodigious, sustained, and enthusiastic work on a minimum wage increase. I very much doubt that this would be on the calendar were it not for his constant perseverance.

The second is to say that I do not believe there is any piece of legislation that has been passed by this Congress or this Senate this year that can have the possible positive impact on Americans an increase in the minimum wage will at this particular point in time. I want to make that argument.

This amendment is about families making ends meet. It is about people being able to pay for rent and put food on the table. The bottom line is that the current minimum wage is simply not enough to live on. An estimated

11.4 million workers will benefit from the passage of this amendment; 1.5 million of them are in California alone. For a full-time worker, a $1 an hour increase in the minimum wage means a $2,000 a year raise. That is an extra $2,000 to pay the rent, to buy groceries, to send their children to school. For these workers, an increase in the minimum wage will make a huge difference.

Although the number of people living in poverty in the United States since 1992 has declined—and it has—by about 9 percent, from 38 million people to 34.5 million people, in California the number of people living in poverty has actually remained relatively unchanged, 5.19 million people to 5.12 million people living in poverty.

As recently as 1997, California has actually seen a 5 percent increase in the number of people living in poverty. Despite the incredible economic growth the United States has experienced throughout the mid and late 1990s, in California more than 15 percent of the population of the seventh largest economic engine on Earth lives in poverty. That is incredible. This troubling statistic clearly shows that not all segments of the workforce are benefiting from the economic expansion.

On September 4, the Center on Budget and Policy Priority released what I am sure my colleagues know, and hopefully will agree, is a very disturbing report on the widening gap between the rich and the poor over the last 20 years. California is an example of that gap.

Based on data collected by the Congressional Budget Office, the study found that the average after-tax income of the top 20 percent of households increased from about $74,000 in 1977 to more than $102,000 in 1999. The average after-tax income of the top 1 percent of the economic earners in this country will almost double, going from $234,000 to $515,000 in 1999. This indicates that those in the top income levels are doing very well all across this great Nation.

The bad news is that the income of the bottom fifth of households is actually falling. It has fallen from $9,900 to $8,700 over the same period.

So while the top income earners are prospering, those at the lower end of the income scale are doing worse than a generation ago.

When you have a high-cost State, this chasm is actually exaggerated. So what you have is a growing split between the very wealthy and the very poor in this country.

In 1977, the top 1 percent of the U.S. households received 7.3 percent of the Nation's after-tax income, and 22 years later that has gone up; they received 12.9 percent. That is a 4.4 percent increase for upper income Americans. In fact, the top 1 percent will receive as much after-tax income as the bottom 38 percent. This means the 2.7 million wealthiest Americans will be earning the same amount as the poorest 100 million Americans.

That is the case with 15 percent of the people in California.

Over the past several years, we have seen an explosion in the creation of wealth that is unprecedented in U.S. history. The strong economy has brought prosperity to large numbers of people. But that is not the whole story. More individuals and families are earning less and having a difficult time making ends meet.

It is time, I think, that we recognize this and do something about it. Passing the Daschle amendment is the first step we can take—50-cent minimum wage increase the first year and 50-cent minimum wage the second year.

Perhaps the greatest testament to the inadequacy of the minimum wage is that many communities are now recognizing how inadequate it is. And they are moving on their own to create a new concept that is called a ''living wage.'' These jurisdictions are insisting that those who do business with the local government pay their employees a living wage salary.

San Jose, CA, has adopted a living wage of $10.75.

In San Antonio, TX, it is $10.13 an hour.

In Boston, it is $8.23 an hour.

In my hometown of San Francisco, there is consideration ongoing for a living wage of $11.

More than 35 other localities and municipalities have adopted living wages. Clearly, it is a reaction to the inadequacy of the Federal minimum wage, which is generally too little too late to sustain people. So it is time for the Federal Government to follow the lead of our cities and take the simple step that is so important to millions of working families.

Many families in this country are just one paycheck away from disaster, whether it is an illness, the need to move, or a car that breaks down. People live paycheck to paycheck, and they live with the fear that they might not be able to make it this month or next month.

I think those figures and those statements are responsible for some of the things the Senator from Massachusetts pointed out on the floor a little bit earlier: The fear that families have, the stress that women work under, and the additional hours for women in the workplace more than men, the fact that so many children wish their family could have less stress, and could spend more time with them is all a part of this picture.

People can work 40 hours a week. In the most industrialized country on Earth, those people still can't support their family, still can't repair a broken car, still can't pay their rent, and still live from paycheck to paycheck.

In fact, a minimum-wage worker who works 40 hours a week 50 weeks a year earns only $10,300 a year. The poverty line for a family of three is $13,880, and, for a family of four, it is $16,700.

So you have a worker who is working at a minimum-wage job and has a family, that worker is substantially below the poverty level and the family is below the poverty level. What happens? People are forced to hold two jobs. Families are forced to have both parents working. Children are often left alone because child care, of course, is too costly or nonexistent.

Let me give you one case, a resident of San Francisco. Her name is Bernardine Emperado. She works more than 60 hours a week at a rental car job, and she supplements this salary by selling hot dogs at 49ers games on Sunday.

Nobody can tell me rental car agencies shouldn't pay a minimum wage of $6-plus. Nobody can ever convince me of that. Despite two incomes, she can't afford her own apartment. She lives with her mother and college-age daughter. Something is seriously wrong with our wage scale if someone working 60 hours a week is unable to afford life's basic necessities.

The traditional argument against raising the minimum wage is that when you increase wages, it costs jobs. And we just heard the majority whip make that point eloquently. The facts don't bear that out. Since the minimum wage was increased in October of 1996, we have gained 8.7 million new jobs in this country, most of them in the form of small businesses and new businesses. As a matter of fact, that has been the explosion—new businesses, small businesses, just the businesses that pay many of their people a minimum-wage salary.

In a strong economy, raising the minimum wage will not cost jobs. And it is time to do it. As a matter of fact, there is no better time to do it than when the economy is flush. And the economy has not been this flush in a long time.

I say to you that if we fail to raise the minimum wage, and to raise it on a regular basis, we will see virtually every city in this Nation, in addition to the 35 that are now doing it, enact their own living wage. This will vary. I think we will increasingly find this minimum wage is going to be $10 or more if it is left to the city.

I think it is prudent to raise the minimum wage. I think this is the time to do it. I think it is unfair to ask someone to live on $10,000. I think for the millions of workers who, as a product of this action, will have $2,000 more in their pocket to pay for rent, to pay for clothes, to fix a car, to make a move, this is the single most important piece of social economic legislation this body can pass.

I yield the floor.

The PRESIDING OFFICER (Mr. SANTORUM). The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I yield myself 10 minutes.

I am very pleased to introduce a minimum wage amendment on behalf of myself and many other Senators. With reference to the minimum wage, this coming January under the amendment Senator KENNEDY introduced, minimum wage goes up 50 cents; 12 months

later it goes up 50 cents again. Under the proposal which I offer today, it will go up 35 cents, 35 cents, and 30 cents each March 1. It is also a $1 increase in minimum wage. It takes 12 months longer, so this will be completed in 2002. At that point, it will be $6.15.

I think Senator NICKLES made a point. If the economy, or if training people for jobs, or if employers being able to pay for the services employees render, if none of that was relevant, then everyone would like a minimum wage bill that might be higher than either of these two. That is what we would wish for everyone.

Up front, I remind everyone the best economic advice we have is 50 percent of the minimum-wage jobs affected have to do with teenagers. Half of the minimum-wage jobs we are talking about are the young men and women who are working while they are attending school—afterschool and in the summer months—at either the McDonald's drive-ins or various places across America.

It seems to this Senator, a minimum wage that applies to 50 percent of the minimum-wage earners in America, who are students, and that goes up 35 cents, 35 cents, and 30 cents, respectively, over the next 26 months, since it far exceeds inflation, it is good for the teenagers of America, good for those who hire them, and an excellent way to make sure that portion of the American population in their first entry jobs in our marketplace-oriented economy get a chance to earn that money, to learn what it is to work, and at the same time make that large group of young American men and women a part of the marketplace.

If we make it too high, businesses won't be hiring them and they will be looking to others to fill the jobs. We still need in America a place for people to start.

If we had a minimum wage bill and that is all we did, knowing what we know about welfare reform, we would not have a very good bill. The work opportunity credit, where employers give welfare men and women a job, is now a temporary work incentive credit; we make that permanent. That means as we have reduced the assistance for welfare in the United States by 48 percent, down to 2.7 million people, we want the employees of America to make a living wage. We want them to have a chance, but we also want to encourage them to be hired, even if there is some additional training and some skills that have to be added along the way.

We are increasing opportunities for the young people, and we are increasing many of the welfare-related jobs with this additional minimum wage we are adding. Many in this body worked hard on the work opportunity credit. I can recall back in the 1970s when I first came here, we started that as a work incentive program for the disadvantaged, disabled, and others by giving a tax credit. It was highly abused later. People wanted to get rid of it, but the idea remained to give American small business an opportunity to hire people who may need a little extra help, a little more guidance, a little more skill and training. We give them credit for that. We have done that.

We have two provisions in this amendment directed at health care. One of them is a very dramatic change from the way we have treated health care in the past. It is not going to cost very much because we are not so sure how many people will understand it. We are going to say to American men and women if they are not getting health insurance on their job, we give them an opportunity to buy their own health insurance and they can deduct every single penny of their health insurance from their pay before paying income tax.

Heretofore, we were letting them pool those expenses along with other health care costs and if that exceeded 7.5 percent of the income, they could deduct it. There are many people who work for small businesses and others would don't furnish insurance, and perhaps they could buy their own insurance. But right now, they don't get to deduct the premiums. We add that to the basket of opportunities for health insurance.

Then, there are the independent employees who work essentially for themselves. Under this bill, we finally make the health care costs 100 percent deductible. I think health insurance deduction is very important for the self-employed.

We increase the small business expensing, which means there are certain items they can deduct, up to $30,000 under this new law in the year of the expanse rather than having to charge it off over time, which is desired by small business that will bear the brunt of this added minimum wage.

We reduce the unemployment surtax, and we make permanent the work opportunity tax credit. A number of pension plans are reformed in this legislation so that more of the small businesses in this country will be able to take maximum advantage of their employees creating pension plans under the auspices of their employer as we currently have them in numerable places in the Tax Code.

We can talk about how this affects our individual States. I will have for the record how the Domenici plan will affect New Mexicans on the tax side once we have it figured out, as well as on the minimum wage side.

In summary, we will increase the minimum wage in the Domenici amendment—which the occupant of the Chair is a cosponsor, and I thank him for that—increase it $1, but it will take 12 additional months before we get to that. It will be 35 cents, 35 cents, and 30 cents. Senator KENNEDY does it in two installments. Senators have to decide which best fits the needs of our country.

If we were wishing and hoping, we would pay everybody a lot more. I repeat, half of the minimum wage earners in America are young people who are in part-time jobs, such as afterschool and summer jobs. We believe the 3-year installment increase, which far exceeds inflation annually as it applies to the current minimum wage, is probably good for the teenagers of our country, good to keep them employed, get them that entrance job and not have so many owners looking around for other employees who have more experience, which they will if we make the minimum wage too high.

In addition, many of those getting off welfare—and we know there are thousands—they need some training and some extra skills preparation and the like. We are hoping they will get jobs. We are increasing their take-home pay so they can, indeed, have a better chance of succeeding off the rolls and move up the employment chain and get better and better jobs. The other things I mentioned in the health care field will be welcomed by millions of Americans, and in particular millions, millions of self-employed business men and women across America.

With that, I know there are others who would like to speak, if not tonight, we obviously will share time with them tomorrow.

I yield the floor.

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

Mr. BAUCUS. Mr. President, will somebody yield time to me?

Mr. KENNEDY. Yes. I yield 10 minutes.

The PRESIDING OFFICER. The Senator is recognized for 10 minutes.

AMENDMENT NO. 2751

Mr. BAUCUS. Mr. President, I was very impressed with the statement of the Senator from Massachusetts earlier when he showed us the charts of how minimum wage has not kept up with inflation. As I recall the chart of the Senator, it was very dramatic, showing with the minimum wage increase of $1 over 2 years, still we would not keep up with inflation in real terms.

He had a second chart. If you chart the poverty line, you will see the minimum wage has constantly been below the poverty line. So for all those who are worried about statistics and figures, rest assured this increase in the minimum wage proposed by the Senator from Massachusetts is not above inflation. It may be true in 1 year's time it is above what inflation might be in that single year, but on the question whether minimum wage has kept up with inflation or not, historically it has not kept up with inflation.

Second, I want to relate a personal story which made a huge difference to me.

Mr. KENNEDY. Will the Senator be good enough to yield on that point?

Mr. BAUCUS. Yes.

Mr. KENNEDY. The Senator talked about the poverty line and the minimum wage. There is a third element, and that is productivity. As we pointed

out in the earlier presentation, the productivity in the last 10 years has increased by 12 percent, and the total wages of all workers, 1.9 percent.

The Senator, as a member of the Finance Committee, knows one of the key elements in an economic analysis is the issue of productivity. Here we have fallen so far behind, not only in the poverty rate but also in productivity growth.

Mr. BAUCUS. That is an excellent point. I regret telling the Senator from Massachusetts I was not able to see that chart, but I am glad the Senator has explained this point. It is absolutely true. If you increase productivity, and everybody knows productivity means the amount of output per worker hour—if productivity has increased dramatically, that is all the more reason why it is unfair the minimum wage has not kept up with inflation. The amendment offered by the Senator from Massachusetts will help accommodate that.

The point I was going to make is when I last ran for reelection, I walked across our State. I will never forget talking to a woman, a single mom, who told me how hard she worked to try to stay off welfare. She had a minimum-wage job in my home State.

She tried for a couple of years to stay off welfare. She was determined to stay off welfare. It was a matter of principle, a matter of pride. She slept on the sofa in her parents' home, she did all the things she could do to cut corners so she could raise her young child and stay off welfare. But she finally realized with her minimum-wage job and the day-care costs—I have forgotten the exact percent, but it was 30 or 40 percent of her take-home pay went to childcare—she could not do it. She had to finally give up and go onto welfare because her minimum-wage job did not earn her enough money for her and her child to survive.

We can help get people off the welfare rolls by increasing minimum wage. It is not the total solution. There are lots of parts to that problem, lots of parts to the solution. But certainly, raising the minimum wage makes a huge difference.

I might also add, in my home State of Montana there is a very unfortunate economic trend. In 1946, Montana ranked 10th in per capita income. In roughly 1992 or 1993, Montana ranked not 10th anymore but about 35th or 36th. Where does Montana rank today in per capita income? It depends on how you calculate it, but 48th, 49th, or 50th.

The State used to be a natural resources, commodity-based State with mining business and timber industries that had good-paying jobs; in agriculture income was up too. Today, those mining jobs, those timber industry jobs, those commodity-based resource jobs are disappearing because of the greater importance of value added. We are now becoming a tourism State, a recreation State, a service industry State. And service industries pay very low wages compared with commodity-based industries.

I am sure this is true in lots of other States in the Nation. An increase in the minimum wage is going to help increase the pay for service jobs, which is going to help a lot. I might also add keeping workers' pay up only makes sense; it is only fair because of all the profits so many companies have received, particularly over the past couple or 3 years, the best evidence of which is the skyrocketing increases of the stock indexes on the various stock exchanges.

It was said earlier this is just a minimum wage for younger people. Mr. President, I am sure you have experienced this. When you stop in McDonald's, you go to a store, say a Penny's or some store downtown, you are going to find a lot of medium-age people and older people working there. I am astounded at the number of older women who work at McDonald's. I am astounded. This is not only a younger person's issue. In fact, if statistics were shown, my guess is it would be more of a women's issue and a medium-age issue—people having a hard time making ends meet, not school kids working for pocket change.

Not only should there be an increase in the minimum wage—and I think the amendment offered by the Senator from Massachusetts is more than fair—the amendment offered by the Senator from Massachusetts is paid for. I ask consent to speak for 5 more minutes

Mr. KENNEDY. I yield 5 more minutes.

Mr. BAUCUS. The amendment by the Senator from Massachusetts is paid for. What do I mean by that? By that I mean that the cost to the private sector of this increase, by CBO estimates, might be roughly $30 billion over 10 years. The amendment by the Senator from Massachusetts has several key tax cut provisions that would help offset whatever cost businesses might experience in paying the increased minimum wage. I would like to highlight just a couple.

One of the main provisions is a small business pension startup tax credit. We want to help small business. We want to help small business provide pensions for their employees. We all know one of the big problems today is that while big businesses usually provide good pensions for their employees, small businesses do not, because of their narrower profit margins. It is very difficult to begin a small business. Startup costs in particular make the early years very difficult, because you have to pay that payroll tax on the first day of business whether or not you make a profit, and when you start out in small business you are not going to make a profit that first day. You don't have to pay income taxes, but you have to pay that payroll tax. Small businesses therefore have a very hard time doing what a lot of those small businesses want to do: Set up a pension fund for their employees.

If we are going to solve the retirement problem of this country, we certainly have to reform Social Security, and we certainly have to increase private savings. But we all know that a third leg of the retirement stool is pension benefits. We clearly need more incentives so small business can provide pension benefits to their employees. They will be better employees. They will be more likely to stay there. They are going to be more committed to the business. And they are going to be more committed to helping that company make a buck. Our package has a tax credit for small businesses, about $4 billion, to help make that happen.

What else do we do? We accelerate the 100-percent deduction of health insurance for the self-employed. The Republican bill does that, and so do we. It is very important that self-employed people get the health insurance deduction quickly.

Other major highlights: Our bill has a tax credit for information technology training expenses. We have heard it many times that a lot of small firms cannot find enough good employees. There are not enough around. We provide a tax credit to those companies for technology training expenses. It makes a lot of sense.

We also provide $2 billion over 10 years for a low-income housing tax credit, to help reduce housing costs of the buildings so many workers earning minimum wages live in.

We provide estate tax relief. Strangely, that is not in the bill offered by the other side. We offer estate tax relief targeted to family-owned businesses.

We increase the unified credit by $450,000 phased in to the year 2003.

In addition, we increase the small business meals deduction up to 60 percent in the year 2002. These are all provisions targeted to small business.

Rather than risking dipping into the Social Security Trust Fund, however, we pay for our provisions.

Why do I say all that? Because the alternative offered on the other side is much more expensive. It will lose about $75 billion in revenue and there are no offsets for the lost revenue. Our proposal provides offsets for the $28 billion tax cut. The major offsets are extending the current Superfund tax and, second, closing corporate tax shelters. We close down a lot of loopholes in current law of which many companies are taking advantage.

Let me say a couple of words about the ''pay for.'' Right now, the balance in the Superfund trust fund is declining dramatically. In 1996, the balance in the Superfund trust fund was about $4 billion. The estimate for this next year is about $1 billion.

Why is that important? That is important to continue cleanups under the Superfund Program. If the trust fund is declining rapidly and gets close to zero, we are not going to have the cleanups this country wants. That is, ground water is going to be polluted, drinking water polluted, hazardous waste in the

soil. It is very important we extend the Superfund provisions so the trust fund has the requisite dollars to continue cleanups, irrespective of whether we modify the Superfund law. I hope we do. But the trust fund is going to decline to zero pretty quickly whether or not Congress reauthorizes the trust fund.

Second, if we continue this Superfund tax, the Appropriations Committee is more likely to fund Superfund. Technically, it does not have to though it usually appropriates dollars anyway. If the amount of money in the trust fund continues to be level and does not taper off—and I note that it has been tapering off without the continuation of the tax—it is more likely the Appropriations Committee is going to find the dollars for Superfund cleanups. If we do not reinstate the trust fund, what is going to happen? Instead of the polluter paying for the cleanup, it will be the general revenue taxpayer who will pay to clean up. The polluters will not be paying for it; the general revenue taxpayer will pay for the pollution caused by major companies. It is imperative we extend the Superfund tax.

The second major ''pay for'' provision we have in our bill is targeted toward tax shelters. Every time Congress shuts down some abusive tax shelters, tax attorneys are so smart, they figure out another loophole and a way to beat the system. What we are saying is for $10 billion over 10 years, let's enact a provision which makes transactions such as this much more difficult.

Many organizations testified there is a problem that needs to be addressed in this area. The American Bar Association, the New York State Bar Association, the American Association of CPAs, and many others have testified there has to be a solution to this problem.

Even Congressman ARCHER has admitted we have been very successful in shutting down about $50 billion of specific shelters over the last 5 years, and those are just the tip of the iceberg, according to a lot of practitioners.

So to summarize reasons to support our amendment: No. 1, we increase minimum wage because it makes sense, and lets people keep up with inflation. No. 2, we give tax breaks to small businesses that need it. They are very directed and targeted to the tune of about $28 billion. No. 3, we pay for our tax breaks in a very fair way. Contrast that with the other side, which stretches out the minimum wage increase, which hurts people and, in addition, has a tax bill which is not targeted.

I ask for a few more minutes.

Mr. KENNEDY. I yield 3 more minutes.

Mr. BAUCUS. Mr. President, I have a chart. I noticed the Senator from New Mexico was looking at it with a quizzical expression on his face. The source is the Center on Budget and Policy Priorities. Everybody has a chart these days. Essentially, this chart shows the assumptions. This line shows the on-budget deficit.

The chart assumes we will continue 1999 discretionary spending levels inflated for present CPI and historical levels of emergency spending, which is an average of the last 8 years. It only addresses spending. What this chart does not show is how much the deficit is going to increase if we pass the tax cut bill from the other side, about $75 billion.

This chart shows that, even without the tax cut the other side wants to enact, we are not going to reach a surplus until the year 2005 under current scorekeeping. If you add to that the $75 billion tax cut, it is clearly going to be a lot later before we even get a surplus. Do not forget, you have to add in the last interest and expenses that otherwise would be available.

This is a no-brainer. Let's increase minimum wage fairly. Then let's enact tax provisions, tax cuts targeted to small business. Let's pay for it in a responsible way. Otherwise, we have the other side which is not paid for, a huge tax break which the President is going to veto anyway. So let's pass something the President will sign.

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

AMENDMENT NO. 1730, AS MODIFIED

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the pending Grassley amendment No. 1730 be modified with the text I now send to the desk and that the vote occur on or in relation to the amendment at 5:30 this evening. That is right now.

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

The amendment, as modified, is as follows:

Redesignate titles XI and XII as titles XII and XIII, respectively.

After title X, insert the following:

TITLE XI—HEALTH CARE AND EMPLOYEE BENEFITS

SEC. 1101. DEFINITIONS.

(a) HEALTH CARE BUSINESS DEFINED.—Section 101 of title 11, United States Code, as amended by section 1003(a) of this Act, is amended—

(1) by redesignating paragraph (27A) as paragraph (27B); and

(2) inserting after paragraph (27) the following:

''(27A) 'health care business'—

''(A) means any public or private entity (without regard to whether that entity is organized for profit or not for profit) that is primarily engaged in offering to the general public facilities and services for—

''(i) the diagnosis or treatment of injury, deformity, or disease; and

''(ii) surgical, drug treatment, psychiatric or obstetric care; and

''(B) includes—

''(i) any—

''(I) general or specialized hospital;

''(II) ancillary ambulatory, emergency, or surgical treatment facility;

''(III) hospice;

''(IV) home health agency; and

''(V) other health care institution that is similar to an entity referred to in subclause (I), (II), (III), or (IV); and

''(ii) any long-term care facility, including any—

''(I) skilled nursing facility;

''(II) intermediate care facility;

''(III) assisted living facility;

''(IV) home for the aged;

''(V) domiciliary care facility; and

''(VI) health care institution that is related to a facility referred to in subclause (I), (II), (III), (IV), or (V), if that institution is primarily engaged in offering room, board, laundry, or personal assistance with activities of daily living and incidentals to activities of daily living;''.

(b) PATIENT DEFINED.—Section 101 of title 11, United States Code, as amended by subsection (a) of this section, is amended by inserting after paragraph (40) the following:

''(40A) 'patient' means any person who obtains or receives services from a health care business;''.

(c) PATIENT RECORDS DEFINED.—Section 101 of title 11, United States Code, as amended by subsection (b) of this section, is amended by inserting after paragraph (40A) the following:

''(40B) 'patient records' means any written document relating to a patient or record recorded in a magnetic, optical, or other form of electronic medium;''.

(d) RULE OF CONSTRUCTION.—The amendments made by subsection (a) of this section shall not affect the interpretation of section 109(b) of title 11, United States Code.

SEC. 1102. DISPOSAL OF PATIENT RECORDS.

(a) IN GENERAL.—Subchapter III of chapter 3 of title 11, United States Code, is amended by adding at the end the following:

''§ 351. Disposal of patient records

''If a health care business commences a case under chapter 7, 9, or 11, and the trustee does not have a sufficient amount of funds to pay for the storage of patient records in the manner required under applicable Federal or State law, the following requirements shall apply:

''(1) The trustee shall—

''(A) publish notice, in 1 or more appropriate newspapers, that if patient records are not claimed by the patient or an insurance provider (if applicable law permits the insurance provider to make that claim) by the date that is 90 days after the date of that notification, the trustee will destroy the patient records; and

''(B) during the 90-day period described in subparagraph (A), attempt to notify directly each patient that is the subject of the patient records and appropriate insurance carrier concerning the patient records by mailing to the last known address of that patientance appropriate insurance carrier an appropriate notice regarding the claiming or disposing of patient records.

''(2) If after providing the notification under paragraph (1), patient records are not claimed during the 90-day period described under that paragraph, the trustee shall mail, by certified mail, at the end of such 90-day period a written request to each appropriate Federal or State agency to request permission from that agency to deposit the patient records with that agency.

''(3) If, following the period in paragraph (2) and after providing the notification under paragraph (1), patient records are not claimed during the 90-day period described in paragraph (1)(A) or in any case in which a notice is mailed under paragraph (1)(B), during the 90-day period beginning on the date on which the notice is mailed, by a patient or insurance provider in accordance with that paragraph, the trustee shall destroy those records by—

''(A) if the records are written, shredding or burning the records; or

''(B) if the records are magnetic, optical, or other electronic records, by otherwise destroying those records so that those records cannot be retrieved.''.

(b) CLERICAL AMENDMENT.—The chapter analysis for chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 350 the following:

''351. Disposal of patient records.''.

SEC. 1103. ADMINISTRATIVE EXPENSE CLAIM FOR COSTS OF CLOSING A HEALTH CARE BUSINESS.

Section 503(b) of title 11, United States Code, is amended—

(1) in paragraph (5), by striking ''and'' at the end;

(2) in paragraph (6), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(7) the actual, necessary costs and expenses of closing a health care business incurred by a trustee or by a Federal agency (as that term is defined in section 551(1) of title 5) or a department or agency of a State or political subdivision thereof, including any cost or expense incurred—

''(A) in disposing of patient records in accordance with section 351; or

''(B) in connection with transferring patients from the health care business that is in the process of being closed to another health care business.''.

SEC. 1104. APPOINTMENT OF OMBUDSMAN TO ACT AS PATIENT ADVOCATE.

(a) IN GENERAL.—

(1) APPOINTMENT OF OMBUDSMAN.—Subchapter II of chapter 3 of title 11, United States Code, is amended by inserting after section 331 the following:

''§ 332. Appointment of ombudsman

''(a) Not later than 30 days after a case is commenced by a health care business under chapter 7, 9, or 11, the court shall appoint an ombudsman with appropriate expertise in monitoring the quality of patient care to represent the interests of the patients of the health care business. The court may appoint as an ombudsman a person who is serving as a State Long-Term Care Ombudsman appointed under title III or VII of the Older Americans Act of 1965 (42 U.S.C. 3021 et seq. and 3058 et seq.).

''(b) An ombudsman appointed under subsection (a) shall—

''(1) monitor the quality of patient care, to the extent necessary under the circumstances, including reviewing records and interviewing patients and physicians;

''(2) not later than 60 days after the date of appointment, and not less frequently than every 60 days thereafter, report to the court, at a hearing or in writing, regarding the quality of patient care at the health care business involved; and

''(3) if the ombudsman determines that the quality of patient care is declining significantly or is otherwise being materially compromised, notify the court by motion or written report, with notice to appropriate parties in interest, immediately upon making that determination.

''(c) An ombudsman shall maintain any information obtained by the ombudsman under this section that relates to patients (including information relating to patient records) as confidential information.''.

(2) CLERICAL AMENDMENT.—The chapter analysis for chapter 3 of title 11, United States Code, is amended by inserting after the item relating to section 331 the following:

''332. Appointment of ombudsman.''.

(b) COMPENSATION OF OMBUDSMAN.—Section 330(a)(1) of title 11, United States Code, is amended—

(1) in the matter proceeding subparagraph (A), by inserting ''an ombudsman appointed under section 331, or'' before ''a professional person''; and

(2) in subparagraph (A), by inserting ''ombudsman,'' before ''professional person''.

SEC. 1105. DEBTOR IN POSSESSION; DUTY OF TRUSTEE TO TRANSFER PATIENTS.

(a) IN GENERAL.—Section 704(a) of title 11, United States Code, as amended by section 219 of this Act, is amended—

(1) in paragraph (9), by striking ''and'' at the end;

(2) in paragraph (10), by striking the period and inserting ''; and''; and

(3) by adding at the end the following:

''(11) use all reasonable and best efforts to transfer patients from a health care business that is in the process of being closed to an appropriate health care business that—

''(A) is in the vicinity of the health care business that is closing;

''(B) provides the patient with services that are substantially similar to those provided by the health care business that is in the process of being closed; and

''(C) maintains a reasonable quality of care.''.

(b) CONFORMING AMENDMENT.—Section 1106(a)(1) of title 11, United States Code, is amended by striking ''704(2), 704(5), 704(7), 704(8), and 704(9)'' and inserting ''704(a) (2), (5), (7), (8), (9), and (11)''.

SEC. 1106. ESTABLISHMENT OF POLICY AND PROTOCOLS RELATING TO BANKRUPTCIES OF HEALTH CARE BUSINESSES.

Not later than 30 days after the date of enactment of this Act, the Attorney General of the United States, in consultation with the Secretary of Health and Human Services and the National Association of Attorneys General, shall establish a policy and protocols for coordinating a response to bankruptcies of health care businesses (as that term is defined in section 101 of title 11, United States Code), including assessing the appropriate time frame for disposal of patient records under section 1102 of this Act.

SEC. 1107. EXCLUSION FROM PROGRAM PARTICIPATION NOT SUBJECT TO AUTOMATIC STAY.

Section 362(b) of title 11, United States Code, as amended by section 901(d) of this Act, is amended—

(1) in paragraph (27), by striking ''or'' at the end;

(2) in paragraph (28), by striking the period at the end and inserting ''; or''; and

(3) by inserting after paragraph (28) the following:

''(29) under subsection (a), of the exclusion by the Secretary of Health and Human Services of the debtor from participation in the medicare program or any other Federal health care program (as defined in section 1128B(f) of the Social Security Act (42 U.S.C. 1320a–7b(f)) pursuant to title XI of such Act (42 U.S.C. 1301 et seq.) or title XVIII of such Act (42 U.S.C. 1395 et seq.).''.

Mr. GRASSLEY. I ask for the yeas and nays.

The PRESIDING OFFICER. Is there a sufficient second?

There appears to be a sufficient second.

The yeas and nays were ordered.

Mr. DOMENICI. Is there any time before the vote or are we supposed to vote now?

The PRESIDING OFFICER. Nine seconds.

AMENDMENT NO. 2547

Mr. DOMENICI. Mr. President, if we pass this minimum wage bill that I offered today with the taxes we have on it, we would welcome the President vetoing it. As a matter of fact, I do not believe he would. We have not only the minimum wage, but these are the right kinds of tax cuts to go along with it, and they are very desirable for the American economy right now.

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

VOTE ON AMENDMENT NO. 1730, AS MODIFIED

The PRESIDING OFFICER. The question is on agreeing to amendment No. 1730, as modified. The yeas and nays have been ordered. The clerk will call the roll.

The bill clerk called the roll.

Mr. FITZGERALD (when his name was called). Present.

Mr. NICKLES. I announce that Senator from Texas (Mr. GRAMM) is necessarily absent.

Mr. REID. I announce that the Senator from New York (Mr. MOYNIHAN) is necessarrily absent.

I further announce that the Senator from Vermont (Mr. LEAHY) is absent due to family illness.

I also announce that the Senator from South Carolina (Mr. HOLLINGS) is absent due to a death in family.

I further announce that, if present and voting, the Senator from New York (Mr. MOYNIHAN) and the Senator from Vermont (Mr. LEAHY) would each vote ''yea.''

The result was announced—yeas 94, nays 0, as follows:

[Rollcall Vote No. 355 Leg.]

YEAS—94

Abraham	Edwards	McCain
Akaka	Enzi	McConnell
Allard	Feingold	Mikulski
Ashcroft	Feinstein	Murkowski
Baucus	Frist	Murray
Bayh	Gorton	Nickles
Bennett	Graham	Reed
Biden	Grams	Reid
Bingaman	Grassley	Robb
Bond	Gregg	Roberts
Boxer	Hagel	Rockefeller
Breaux	Harkin	Roth
Brownback	Hatch	Santorum
Bryan	Helms	Sarbanes
Bunning	Hutchinson	Schumer
Burns	Hutchison	Sessions
Byrd	Inhofe	Shelby
Campbell	Inouye	Smith (NH)
Chafee, L.	Jeffords	Smith (OR)
Cleland	Johnson	Snowe
Cochran	Kennedy	Specter
Collins	Kerrey	Stevens
Conrad	Kerry	Thomas
Coverdell	Kohl	Thompson
Craig	Kyl	Thurmond
Crapo	Landrieu	Torricelli
Daschle	Levin	Voinovich
DeWine	Lieberman	Warner
Dodd	Lincoln	Wellstone
Domenici	Lott	Wyden
Dorgan	Lugar	
Durbin	Mack	

ANSWERED ''PRESENT''—1

Fitzgerald

NOT VOTING—5

Gramm	Lautenberg	Moynihan
Hollings	Leahy	

The amendment (No. 1730), as modified, was agreed to:

AMENDMENT NO. 2751

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

The PRESIDING OFFICER (Mr. FITZGERALD). The Senator from Massachusetts controls 27 minutes.

Mrs. MURRAY. Mr. President, I rise today in strong support of the Kennedy amendment and as a cosponsor of the minimum wage increase.

In this debate, many people have the wrong idea about who this increase would affect. Many people think the typical wage earner is a young man or woman flipping burgers or working at a convenience store trying to make a few extra dollars to buy some CD's or to go to the movies. That image is inaccurate. And until we really understand who the people are who rely on the minimum wage, we won't approach this debate with the urgency it requires.

To clear up that misconception, let me set the record straight. In reality, 70 percent of the people earning a minimum wage are over the age of 20. That means that 11.4 million adults this year will have to try to live on a salary of $10,700.

Forty percent of these same adults are the sole source of income for their families. These are people who are working hard—just to get by and support their families. They deserve a fighting chance.

I am especially concerned that 59 percent of those struggling on the minimum wage are women. 6.8 million women—many of these single mothers—would benefit directly from this increase.

These single mothers are doing their best. They are trying to raise two kids—on average—on a below-poverty income. And how does this Congress support these struggling parents? By attacking programs like Medicaid, by cutting child care support, by taking away funding for nutrition programs, and by taking actions that hurt working families in need.

These are the same group of people that Congress says it wants to keep off of public support.

But how does this Congress support these struggling parents? By cutting vital programs and fighting efforts like this one—an effort that will help them work themselves above the poverty line.

This amendment does not eliminate jobs. It keeps people working—people who otherwise would be completely reliant on public support. Just a $1.00 raise would generate $2,000 in potential income for minimum wage workers. For an average family of four, that means 7 months of groceries, 5 months of rent, or 13 months of health care expenses.

I reached my decision to support this increase after very careful consideration. I have listened to the concerns of small business owners from across my state, who shared with me their thoughts about this increase.

I am happy to say that most of the businesses in Washington state are experiencing unprecedented growth.

In fact, since the federal minimum wage was last increased in 1996–97, employment in Washington has grown. Since September 1996, 231,900 new jobs have been created in Washington state—an increase of 9.5%. Washington's economy is strong, and our low-wage workers should share in that success.

Because my constituents understand the value of the minimum wage, they overwhelmingly passed their own minimum wage increase last year in Washington state. They raised the state minimum wage to $5.70 this year. In the year 2000, it will move to $6.50, and after that it will be indexed based on the Consumer Price Index. Mr. President, we should follow the example of my state and increase the minimum wage for all Americans.

The increase that we passed in the last Congress should be the first step—not the last—on our road to help these hard-working citizens.

It should be the first step because the economy and our world have changed—and we need to keep up with those changes. In 1979, a person could work 40 hours a week at minimum wage and stay out of poverty. Today, it takes 52 hours. To just reach the poverty line for a family of four, the minimum wage would have to be $7.89. That's why our last increase was a good start and why this proposed increase is the next vital step to helping these working families rise out of poverty.

Overall, a slight increase in the minimum wage provides those who work hard and play-by-the-rules an increased opportunity to succeed. If any of my colleagues oppose this minimum wage increase, I would ask them to consider trying to live on $10,700 this year—not just live on it—but try to raise a family on it. I think when you consider this debate in those terms, the right thing to do becomes clear.

It would be embarrassing if this Congress voted to raise its own salary but didn't vote to let hard-working American families work their way out of poverty.

I urge my colleagues to vote to increase the minimum wage. Let's show the American people that we have our priorities straight.

Mr. KENNEDY. I yield 10 minutes to the Senator from Illinois.

Mr. DOMENICI. Will the Senator yield?

Mr. DURBIN. Yes.

Mr. DOMENICI. Mr. President, might I ask, is the Senator speaking on his time on the Domenici amendment?

Mr. DURBIN. That's correct.

Mr. DOMENICI. Mr. President, I ask unanimous consent that, following the distinguished Senator from Illinois, Senator KAY BAILEY HUTCHISON be the next speaker on our side.

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

The Senator from Illinois is recognized.

Mr. DURBIN. Mr. President, when the Senate returns tomorrow morning, our very first vote will be an important one for literally millions of American workers and families, and some 320,000 in Illinois, who are watching carefully to see if this Senate is listening to America. It is the question of the minimum wage and whether or not it is going to be increased.

Senator KENNEDY has a proposal that I support which calls for an increase in the minimum wage from the current level of $5.15 an hour to 50 cents more on January 1 of the year 2000, and then 50 cents again on the following January 1.

So that those who are going to work every single day, trying to raise their families, trying to make a decent income, will, in fact, move closer to a livable wage. This is still a long way away from it because people who are earning $5.15 an hour or $6.15 an hour hardly live in the lap of luxury.

There is a noteworthy difference between the approach being suggested by my friend and colleague, the Senator from New Mexico, on the Republican side, and the suggestion of Senator KENNEDY, my friend and colleague on the Democratic side, when it comes to a minimum wage. The difference may seem cosmetic to those who do not take a close look because the Republican side suggests that to raise the minimum wage by $1, we should take an extra year or 3 years instead of 2 to achieve this.

What does that mean to the working person? If the Republican approach should pass, it means $1,200. For someone making $50,000 a year or $100,000, or more, $1,200 hardly seems to be a grand amount of money to be worried over when you stretch it over a period of time. But imagine if your income was only $10,000 a year on a minimum wage, and what is at stake here is $1,200. The Republican approach would shortchange those who go to work every single day in America on a minimum wage by $1,200 as they stretch this out over a 3-year period of time.

Of course, the bill does much more than address the increase in the minimum wage. It also addresses some needed changes in tax law.

I support Senator KENNEDY's approach. He does provide the kind of relief which small businesses need in order to find the tax relief to provide things for their employees. It is a proposal from Senator Chuck ROBB of Virginia and Senator Max BAUCUS of Montana, a small business tax proposal which, among other things, finally puts a 100-percent deduction for the health insurance costs of self-employed people. The Senate and Congress have been moving toward this goal. This bill will achieve it on the Democratic side, if it is passed.

It also provides assistance to small businesses that provide child care. Think about families, particularly single mothers and single parents who have to worry every single day whether or not their kids are safe. This is an incentive for small businesses to provide child care facilities, a tax credit, one that can assist them and their workers.

In addition, there is a pension package which has been supported by Senator GRAHAM, a Democrat of Florida, and Senator GRASSLEY, a Republican of Iowa. The Democratic package is not only a well-balanced package providing child care health and retirement benefits for small businesses, but more important than anything, the Democratic

package is paid for. It is paid for. The Republican package of tax changes is not.

In other words, it is an extension of the possibility of debt. It is a promise that can't be kept. The Democratic package is paid for. The Republican one is not. The Democratic package increases the minimum wage over 2 years by $1 an hour, and the Republicans over 3 years costing workers $1,200 by taking the Republican approach.

I say to those who are working across America that this is hardly what they need. It is curious to me that only a few weeks ago, the same Republican Party that cannot produce $1,200 for people who get up and go to work every day at minimum-wage jobs came before us with a $792 billion tax cut primarily for wealthiest people in this country.

Mr. DOMENICI. Mr. President, can we have order? The Senator deserves to be heard.

The PRESIDING OFFICER. The Senate will be in order.

The Senator from Illinois.

Mr. DURBIN. I thank the Senator from New Mexico.

Mr. President, consider that only a few weeks ago, this Chamber was seriously considering a $792 billion tax cut for some of the wealthiest people in America, and many people on the other side of the aisle said that is good, wise policy. Alan Greenspan of the Federal Reserve didn't think so. Frankly, the people of America don't think so. They told the Republican Party to keep this tax cut primarily for wealthy people.

Now comes a proposal from the Republican side when it comes to the working families that would cut out $1,200 in income, $1,200 to a family making about $10,000 a year. That is an upside down priority. That is a priority that forgets the real people who are working in this country to make America strong. Eleven point four million workers would get a pay increase with the Democratic Kennedy minimum wage increase package, and with this proposed increase that Senator KENNEDY has proposed and I am supporting, it means over $2,000 a year for people who are scraping to get by, primarily women who are in the minimum wage workforce, African-Americans, and Hispanics, people who go to work every single day who understand the importance of work and deserve our respect for doing so.

The vote tomorrow morning will be a measure of how much respect we have for them. This $2,000 increase for these workers can mean 7 months of groceries, 5 months of rent, 10 months of utilities, tuition and fees at a community college so one of their kids has a chance to even have a better and more successful life.

I say to the Senate this is a test. It is a test as we wrap up this session about where our values will be. Will they be with these working families? Will we make certain they get an increase in their basic wage or will we stand with those who want to delay it and delay and delay it? The argument is often made that if you increase the minimum wage, you are going to lose jobs.

Take a look at my home State of Illinois. Since the 1996 increase in the minimum wage, take a look at the real statistics: 268,100 new jobs since we last increased the minimum wage; 33,100 new retail jobs, the area where most minimum-wage jobs are found; unemployment is down 10 percent; and the unemployment rate is 4.7 percent.

As we increase the minimum wage, we have not seen all of the things that the Republicans tell us we should be afraid of—afraid of losing jobs and creating chaos in the workplace. Exactly the opposite has happened across America. Since we last raised the minimum wage, we have seen an economy moving forward.

Now the real test for this Senate is whether or not we are going to bring on board this ship as it moves forward the people who get up and go to work every single day, the men and women who work in the convenience stores, who make our beds in motels and hotels we stay in overnight, the folks who serve our food and cook it in the kitchen. These are the invisible people who keep America moving forward. But these invisible people will be watching tomorrow to see if this Senate is going to give the minimum wage increase which is so essential.

I hope those on the Republican side who are preaching fiscal integrity and fiscal soundness will think twice about voting for a bill that not only stretches the minimum wage an extra year but provides tax cuts without compensating offsets. What does that mean in layman's terms? The Republican package doesn't pay for the tax cuts that they are trying to enact. They have some good ideas, I am sure. But it isn't honest if you didn't pay for them.

What Senator KENNEDY and the Democrats have done, what we have said is when it comes to small business and the tax proposal, we have the means of paying for them. And by and large, we are going to make sure that when the small businesses that enact these increases in the minimum wage turn to us and say, are you listening to some of our other concerns, the answer will be yes. We want to make sure you can deduct every single penny of your health insurance premiums as every major corporation can. Self-employed people, farmers, and small businesses deserve the same benefit: Make sure that there is a facility available for child care; make sure that a pension package can be offered—things that will help small businesses extend opportunities for their workforce and create better employee moral and productivity.

I close by saying that this vote tomorrow morning at 10:30 is a test of the Senate's will and the Senate's values. I hope that we will stand by people who go to work every single day.

It is one thing to preach on the floor about people looking for a handout; these folks are looking for a hand up. They are working and need assistance and an increase in their minimum wage. I rise in strong support of the proposal by Senator KENNEDY. I hope my colleagues on both sides of the aisle will join me.

I yield the floor.

AMENDMENT NO. 2547

The PRESIDING OFFICER. The Senator from Texas is recognized.

Mrs. HUTCHISON. Mr. President, I rise to support the Domenici substitute for the Kennedy amendment because I think it strikes the balance we need to have. We have a strong economy today. We want to make sure it stays strong. We are talking about a minimum wage increase that is $1 over a period of 3 years. This should not be a shock to the small businesses, the farmers, and the ranchers who are concerned about having base costs go up—not even people who don't pay minimum wage but people who are concerned about paying at the higher levels and increasing the potential for inflation. I think stretching it out over 1 more year makes sense.

I also think we need to look at the small business tax cuts we tried to give to small businesses in the tax cut package the President vetoed. We have brought some of those back. It provides a balance of adding more to the working person, especially the part-time worker, but also giving a little bit of tax help to the self-employed and small business people who might get hit by having the whole wage scale increased. What we are looking for is balance.

I will talk about a few of the tax cuts with which we are going to try to help small business. First is an amendment from a bill I introduced that is called the Bonus Incentive Act. Today, employers can give a performance-based bonus to a person who is exempt, a salaried employee, and that person will be able to take that bonus, pay their withholding taxes, and go on their merry way; an employer can't do that for an hourly employee. If they give a performance-based bonus to an hourly employee, the employer has to go back and figure the whole year's wages and refigure any overtime pay that has been given to that employee. Many employers say it is just not worth the trouble, or they try to disguise the bonus as something else.

Employers have come to Congress and testified they want to be able to reward hourly employees for good service. At the House Education and Workforce Committee, Pam Farr, the former senior vice president for Marriott Lodging, recently testified that Marriott used game-sharing plans for customer service personnel that rewarded employees for friendly treatment of customers. Cordant Technologies, which makes solid rocket boosters for the space shuttle, rewards their workers for reaching goals, for workplace safety, indirect cost reduction, and customer satisfaction. Many employers are concerned about all the paperwork

that would have to be prepared if they gave this employment bonus. In other testimony from a human resources director, it took 4 people 160 hours to calculate the bonuses for 235 employees.

What has been incorporated into the Domenici amendment makes it easy for employers to give performance-based bonuses to hourly employees. There is no reason we should have a big, mumbo-jumbo set of regulations that make it difficult. We want to make it easier for those employees to be rewarded for merit.

Other tax relief in this bill is an above-the-line real deduction for health insurance expenses for individuals who don't have health care coverage. I know people who don't have insurance who have huge medical bills. Why shouldn't they be able to deduct all of their medical expenses if they don't have employer-provided insurance coverage? It also provides 100-percent deductibility for health care insurance for the self-employed.

I think it should be the goal of everyone in this Chamber to encourage employers to be able to give health insurance to their employees and for the self-employed or the individual to buy health insurance. Why wouldn't we give incentives for people to buy health care insurance? We have been talking about that for the last 5 years. Why don't we put our incentives where they can make a difference?

It also accelerates an increase in small business expensing. This is particularly helpful for farmers with direct expensing and accelerating the expensing, especially for small businesses. It reduces the Federal unemployment tax that small businesses pay from 0.8 percent to 0.6 percent. It makes permanent the work opportunity tax credit. This is a very important tax credit that is an incentive for people to hire people off welfare. It gives a tax credit of up to $2,400 for wages paid to employees who are hired right off the welfare rolls. We think this is a wonderful opportunity to give the people whom we want to give a chance at contributing to their families, coming off welfare, to have that incentive for the employer to hire the person off welfare and give that person that first chance to be a contributing member of society.

These are some of the tax relief parts of the bill I think are so important.

There is one more area I want to talk about because it is my amendment. This is an amendment I have introduced before. It was in the bill the President unfortunately vetoed. In fact, I introduced this bill 2 years ago. It allows women over 50 to have make-up payments to their pension plans. How many women do we know who have left the workforce to have their children or to raise their children until they go into elementary school, or perhaps they stay home and raise their children all the way through high school; then they come back into the workforce. Perhaps they lose their spouse and they don't have a good source of income. They go back to work, and they are penalized in their pension systems and their stability in their retirement years because they lost all those years that would allow them to start building that pension plan.

Women who leave the workforce to raise their children and then come back are penalized in this society. These are the people who need retirement stability the most. These are the people who live the longest and who don't have the same opportunity for a pension plan because they haven't been able to establish a pension over the years because they have stayed home and raised their children.

Senator DOMENICI's amendment allows women over 50 who are coming back into the workplace to make up the payments they have lost when they left the workplace. The Domenici amendment is a good amendment. It is a balanced amendment. It provides a minimum wage increase over a 3-year period, and it gives help and relief to the small businesses of our country that are going to be hit by the minimum wage increase. This will offset it.

These are good reliefs. It is relief for health insurance coverage. It is relief for people who have medical expenses, who don't have health care coverage. It is relief for small business expensing, relief for women who are discriminated against in the pension systems when they leave the workplace to raise their children and then cannot continue to contribute to their retirement systems. It reduces the Federal unemployment tax that is a huge burden on small businesses, and it makes permanent the Work Opportunity Tax Credit, the credit that gives a $2,400 tax credit to people who hire people off welfare.

I urge my colleagues to support this balanced approach, giving help to the workers, giving help to the small business people who may be affected by this added expense in their business. It is a fair approach. It is a balanced approach. I think it will have the best chance to keep our economy strong by keeping the people in business who are creating the jobs that keep this economy going. We want more opportunity for more workers, and that is what this amendment will do.

I urge support for the Domenici amendment.

I yield the floor.

The PRESIDING OFFICER. The Senator from Massachusetts.

Mr. KENNEDY. Mr. President, how much time do we have remaining?

The PRESIDING OFFICER. The Senator has 17 minutes.

Mr. KENNEDY. Mr. President, I yield myself 7 minutes.

Mr. President, I think it is probably appropriate the Senate take a moment to look at what the majority leader has stated about increasing the minimum wage. Over the course of the afternoon, we have had a number of speakers who have made a powerful case in favor of increasing the minimum wage. Yet we have against this background what the majority leader, Senator LOTT, said about our proposal:

> It will not go to the President. I can guarantee you that.

So the American people ought to understand no matter how they might agree with us and are convinced of both the importance and the fairness of the issue, that is the position of the majority leader. That is part of the difficulty and the complexity we have been facing over this whole year. There has been this unalterable opposition to any break for the hardest working Americans, the ones at the lower rung of the economic ladder. Even if we are able to somehow be successful in winning this tomorrow morning, it is not going to go to the President. He is going to use every effort he possibly can to defeat this.

Earlier this evening, the Senator from Oklahoma, Senator NICKLES, pointed out CBO estimates of a loss of 100,000 to 500,000 jobs. Those are absolutely identical figures to what they said when we raised it in 1996 and 1997. They were found to be completely inaccurate.

I ask unanimous consent to have printed in the RECORD the references to 27 different studies that have been done nationwide, looking at the economic impact of the last increase in the minimum wage that will indicate positively that there has been an expansion of employment.

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

STUDIES THAT CONCLUDE A MODERATE INCREASE IN THE MINIMUM WAGE DOES NOT COST JOBS

Belman, Dale, and Paul Wolfson. 1998. ''The Minimum Wage: The Bark Is Worse Than The Bite.'' Working Paper.

_____ and _____. 1997. ''A Time Series Analysis of Employment, Wages, and the Minimum Wage.'' Working Paper.

Bernstein, Jared, and John Schmitt. 1997. ''The Sky Hasn't Fallen: An Evaluation of the Minimum-Wage Increase.'' Economic Policy Institute Briefing Paper.

_____ and _____. 1997. ''Estimating the Employment Impact of the 1996 Minimum Wage Increase Using Deere, Murphy, and Welch's Approach.'' Economic Policy Institute Working Paper.

Burdett, Kenneth, and Dale Mortensen. 1989. ''Equilibrium Wage Differentials and Employer Size.'' Discussion Paper, No. 860. Evanston, IL: Northwestern University Center for Mathematical Studies in Economics and Management Science.

Card, David. 1992. ''Using Regional Variation in Wages to Measure the Effects of the Federal Minimum Wage.'' Industrial and Labor Relations Review, 46:22–37.

_____. 1992. ''Do Minimum Wages Reduce Employment?'' A Case Study of California, 1987–1989.'' Industrial and Labor Relations Review, 46:38–54.

_____, and Alan Krueger. 1994. ''Minimum Wages and Employment: A Case Study of the Fast-Food Industry in New Jersey and Pennsylvania.'' American Economic Review, 84:772–93.

_____ and _____. Myth and Measurement: The New Economics of the Minimum Wage (Princeton, NJ: Princeton University Press, 1995).

_____ and _____. 1999. ''A Reanalysis of the Effect of the New Jersey Minimum Wage Increase on the Fast-Food Industry with Representative Payroll Data.'' Princeton University Industrial Relations Section Working Paper #393.

Connolly, Laura, and Lewis M. Segal. 1995. ''Minimum Wage Legislation and the Working Poor.'' Working Paper.

Dickens, Richard, Stephan Machin, and Alan Manning. ''The Effects of Minimum Wages on Employment: Theory and Evidence from the UK.'' NBER Working Paper No. 4742, Cambridge, MA, 1994.

Freeman, Richard. 1994. ''Minimum Wages—Again!'' International Journal of Manpower, 15:8–25.

Grenier, Gilles, and Marc Seguin. 1991. ''L'incidence du Salaire Minimum sur le Marche du Travail des Adolescents au Canada: Une Reconsideration des Resultats Empiriques.'' L'Actualite Economique, 67:123–43.

Katz, Lawrence, and Alan B. Krueger. 1992. ''The Effect of the Minimum Wage on the Fast Food Industry.'' Industrial and Labor Relations Review, 46:6–21.

Klerman, Jacob. 1992. ''Study 12: Employment Effect of Mandated Health Benefits.'' In Health Benefits and the Workforce, U.S. Department of Labor, Pension, and Welfare Benefits Administration. Washington, D.C.: U.S. Government Printing Office.

Lang, Kevin. 1994. ''The Effect of Minimum Wage Laws on the Distribution of Employment: Theory and Evidence.'' Unpublished paper. Boston University, Department of Economics.

Lester, Richard. 1964. Economics of Labor. (New York: Macmillian).

Machin, Stephen, and Alan Manning. 1994. ''The Effects of Minimum Wages on Wage Dispersion and Employment: Evidence from the U.K. Wage Councils.'' Industrial and Labor Relations Review, 47:319–29.

Rosenbaum, Paul. ''Using Quantile Averages in Matched Observational Studies.'' Working Paper.

_____. ''Choice As An Alternative To Control in Observational Studies,'' Working Paper.

Siskind, Frederic. 1977. ''Minimum Wage Legislation in the United States: Comment.'' Economic Inquiry, January: 135–38.

Spriggs, William. 1994. ''Changes in the Federal Minimum Wage: A Test of Wage Norms.'' Journal of Post-Keynesian Economics, Winter 1993/94, pp. 221–239.

Wellington, Allison. 1991. ''Effects of the Minimum Wage on the Employment Status of Youths: An Update.'' Journal of Human Resources, 26:27–46.

Wessels, Walter. 1994. ''Restaurants as Monopsonies: Minimum Wages and Tipped Services.'' Working Paper. North Carolina State University.

Wolfson, Paul. 1998. ''A Re-Examination of Time Series Evidence of the Effect of the Minimum Wage on Youth Employment and Unemployment.'' Working Paper.

Zaidi, Albert. 1970. A Study of the Effects of the $1.25 Minimum Wage Under the Canada Labour (Standards) Code. Task Force of Labour Relations, study no. 16. Ottawa: Privy Council Office.

Mr. KENNEDY. Mr. President, perhaps tomorrow we will be able to take the time to talk about what is happening to minimum-wage workers. As I mentioned earlier today, minimum-wage workers are teachers' aides, nursing home aides. Nursing home aides have a 94-percent turnover. The principal reason for the turnover is because they are paid so poorly. They are the people working to try to provide some care and attention to the elderly. I see our good friend from Connecticut who has been a leader in establishing day care. The turnover that is taking place in the day-care centers is very similar. It is not quite as high but very dramatic. These are our children. This is our future. This is as a result of failing to provide an adequate increase in the minimum wage.

There are two final points I want to raise with regard to the Republican proposal. As has been mentioned earlier, the effect of the Republican proposal will mean that 3 years from now, the average minimum-wage worker will have made $1,200 less—$1,200 less—than they would have if we had passed the Daschle proposal. That is a lot of money for working Americans. That is 5 months of rent, a year of tuition, 6 months of utilities. This is important to hard-working Americans, make no mistake about it.

It might not mean a lot to Members of the Senate who have just voted themselves a $4,600 pay increase. We are not deferring that pay increase for Senators 2 years or 3 years. We are saying the minimum wage ought to be over a 2-year period. But our Republican friends say, no, let's spread it over 3 years. We are not doing that with regard to our pay increase.

I hope when Members go back and talk to their constituents, they are able to justify why we were worth $4,600 more this year while saying no to hard-working Americans—they are not worth 50 cents more next year and 50 cents more the year after.

Finally, I want to mention one very important aspect of the Republican proposal that has not been addressed.

I yield myself 2 more minutes, Mr. President.

With this particular chart, we illustrate what we have been facing over this past year with regard to the Republican attack on working families: Resisting a pay increase with the minimum wage; balancing the budget on the backs of the working poor. Governor Bush pointed that out. You do not have to hear it from Democrats. We have seen some retreat on that by the Republican leadership. Then providing pensions for the wealthiest individuals as they do under this proposal; blocking workers' rights to organize, the salting bill; and undermining worker safety, providing the waivers of penalties for violations of OSHA; cutting workers' pay.

You can say, where does that come in? Under the Republican proposal, they recalculate how overtime is going to be considered. This has not been done since 1945 when the proposal was struck down by the Supreme Court which said they basically, fundamentally undermine the Fair Labor Standards Act. If you take the Republican proposal on recomputing overtime, effectively you are undermining what many workers would be able to receive with an increase in the minimum wage. There has not been a word of that spoken by the proponents of this amendment. They tucked this right into their particular proposal.

Mr. WELLSTONE. Will the Senator yield for a question?

Mr. KENNEDY. I yield for a question.

Mr. WELLSTONE. I am listening to this for the first time. This has not been a part of this debate. There are 73 million Americans right now who are entitled to overtime pay. Is the Senator saying part of the Republican amendment effectively repeals the overtime pay provisions of the Fair Labor Standards Act, which act has been in effect for 60 years? This is a cornerstone of fairness for working families in this country. Is that what the Senator is saying?

Mr. KENNEDY. This Senator is saying there will be an overtime payment, but the overtime payment will be calculated in a way that will diminish, in a significant way, the actual overtime workers should be entitled to and the way it has been computed for the last 45 years. It is a dramatic change in the Fair Labor Standards Act.

The Supreme Court has said, as I said, if that provision had been accepted when it was offered in 1945, it effectively emasculates the overtime provision of the Fair Labor Standards Act. The overtime words will be there, there will be a base pay that they will pay overtime on, but not the way they are being paid now. The Republican proposal will undermine, in a significant and dramatic way, the way that hourly workers are being paid in the United States.

Mr. WELLSTONE. Mr. President, one final question for the Senator. If companies are going to now be able to make the payment in bonuses and do an end run, basically, around the Fair Labor Standards Act, which is so important to 73 million Americans who right now are entitled to that overtime pay, then am I not correct that what the Republicans are proposing is not a step forward, it is a great leap backward; that this overturns 60 years of sweat and tears of workers' commitment to getting a fair pay for fair work, including overtime work?

They give a minimum wage increase with one hand and then they basically repeal part of the Fair Labor Standards Act with the other hand. People need to understand this, I say to the Senator.

Mr. KENNEDY. The Senator is absolutely correct. It is one of the reasons why we ought to have an opportunity to debate this in the light of day, not under the time limit. We are forced to take these time limits in order to at least have a vote on the minimum wage. But this issue is too important to working families to be dismissed lightly. I hope, for reasons I have outlined briefly, the amendment of the Senator from New Mexico will not be accepted.

The Senator from Connecticut desires time. I know the Senator from Iowa wants time. Mr. President, how much time remains?

The PRESIDING OFFICER. The Senator has 7 minutes 50 seconds.

Mr. KENNEDY. I yield 5 minutes to the Senator from Connecticut.

Mr. DODD. Mr. President, I thank my colleague for yielding this time. I commend him for his leadership on the minimum wage issue. There is so much to talk about concerning the proposal of the Senator from Massachusetts and the distinguishing features between that and what is being offered on the other side.

We are talking about a 50-cent increase over the next 2 years, as opposed to a 35-cent increase in year one and year two and a 30-cent increase in year three. But there is an added feature to the Republican proposal on which some may not have focused. While they are suggesting approximately 33 cents a year for minimum-wage workers, there is also roughly a $75 billion tax cut, the bulk of which goes to the top income earners of the country. That is part of their minimum wage package.

It is somewhat ironic that we are talking about a 30-cent to 35-cent increase for the lowest paid workers in the country instead of 50 cents, and we are going to have a $75 billion tax cut, the bulk of which goes to the top income earners in the country.

By the way, there is no offset for the $75 billion tax cut. We do not know where the money comes from to pay for that. We heard a lot of speeches in the last couple of weeks about not dipping into the Social Security trust funds. One basic question is, From where does the $75 billion come? How are we paying for that? I have yet to hear anybody explain from where it is going to come. I put that out for consideration as we talk about these amendments this evening.

It is extremely important for a lot of people that we increase the minimum wage; 11.4 million people will actually get a pay raise if the minimum wage increase goes into effect. Some may say the economy has been so great, everyone is doing so well, why do people at the minimum-wage level need to have any increase at all?

While the economy has been fabulous and unprecedented historically, not everybody in America has been the beneficiary of this great prosperity. For a lot of Americans in the bottom 20 percent of income earners, things have been rather stagnant. This income group has not seen the kind of tremendous increase in their earning power as have the top 1 percent of households.

The top 1 percent of households is expected to gain 115 percent in after-tax income as compared to an only 8-percent gain for the middle fifth of households in America. In contrast, the lowest fifth of households experienced a 9-percent decline during the same period, from 1977 through 1999.

If you were doing well in America in 1977, then you are doing even better today. If you are in the middle in America, you have had a slight increase of about 8 percent. If you are in the bottom 20 percent, you have actually seen a decline in your earning power in the last 20 years.

While we herald the great success of the economy with the lowest unemployment rates in years, we need to remind ourselves that for a lot of our citizens from Maine to California who work every day at the bottom levels of the economic ladder in this country, it has not been a great period for them.

We talk about 50 cents, $1 over 2 years. What better way to welcome the new millennium, than to say to 11.4 million workers in this country: We recognize your contributions to the success of this country by giving you a $1 increase over the next 2 years.

What does that amount to? How about 7 months of groceries; 5 months of rent for the average minimum-wage worker; 10 months of utility bills; about 1½ years of tuition and fees at a community college.

Mr. President, $1 over 2 years may not seem like a lot, but if you multiply that at a 40-hour workweek, 52 weeks a year, that dollar makes a huge difference to some of the lowest paid workers in America. Again I mention, there are 11.4 million workers who will directly benefit from the Kennedy proposal to increase the minimum wage.

The PRESIDING OFFICER. The Senator has used his 5 minutes.

Mr. DODD. I ask for 1 additional minute.

Mr. HARKIN. I yield 1 minute.

Mr. DODD. Seventy percent of the workers who would benefit are over the age of 20; 59 percent are women; 46 percent of these people have full-time jobs; 15 percent are African American; 18 percent are Hispanic American; and 46 percent work in retail.

The great boom that has occurred in our economy has been magnificent for those at the upper-income levels. Unfortunately, after-tax income has remained relatively flat for those in the middle, and actually declined for those in the bottom 20 percent.

This minimum wage increase will make a difference to some of the hardest working people in this country. I hope by tomorrow when this issue comes for a vote, a proposal to increase the minimum wage, not smuggle a $75 billion tax cut without paying for it, will be the choice of the Senate.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. GRASSLEY. Mr. President, how much time remains on this side on the minimum wage issue?

The PRESIDING OFFICER. Thirty-nine minutes 39 seconds.

Mr. GRASSLEY. I yield myself such time as I might consume.

Mr. GRASSLEY. Mr. President, I rise today in support of the pension reform provisions which have been included in the minimum wage and business tax amendment sponsored by colleague Senator DOMENICI.

Earlier this year I cosponsored with Senator Bob GRAHAM of Florida, comprehensive pension reform legislation—S. 741, The Pension Coverage and Portability Act. Many of the provisions in S. 741 were included in the vetoed Taxpayer Refund Act of 1999. Now, those provisions have been included as part of the Republican minimum wage amendment.

Experts say that, ideally, pension benefits should comprise about a third of a retired worker's income. But pension benefits make up only about one-fifth of the income in elderly households. Obviously, workers are reaching retirement with too little income from an employer pension. Workers who are planning for their retirement will need more pension income to make up for a lower Social Security benefit and to support longer life expectancies. While we have seen a small increase in the number of workers who are expected to receive a pension in retirement, only one half of our workforce is covered by a pension plan.

There is a tremendous gap in pension coverage between small employers and large employers. Eighty-five percent of the companies with at least 100 workers offer pension coverage. Companies with less than 100 workers are much less likely to offer pension coverage. Only about 50 percent of the companies with less than 100 workers offer pension coverage. Small employers who may just be starting out in business are already squeezing every penny to make ends meet. These employers are also people who open up the business in the morning, talk to customers, do the marketing, pay the bills, and just do not know how they can take on the additional duties, responsibilities, and liabilities of sponsoring a pension plan.

I firmly believe that an increase in the number of people covered by pension plans will occur only when small employers have more substantial incentives to establish them. The pension provisions contained in the minimum wage amendment offered by Senator DOMENICI would provide more flexibility for small employers, relief from burdensome rules and regulations, and a tax incentive to start new plans for their employees. These reforms would create new retirement plans which would help thousands of workers build a secure retirement nest egg.

The amendment also contains provisions which promote new opportunities to roll over accounts from an old employer to a new employer. The lack of portability among plans is one of the weak links in our current pension system. This amendment contains technical improvements which will help ease the implementation of portability among the different types of defined contribution plans.

There has been criticism that the benefits of pension reform legislation would largely be directed toward the rich. However, to the contrary, evidence suggests that pension benefits largely benefit middle class workers.

Over 75 percent of current workers participating in a pension plan have earnings of less than $50,000. Among married couples nearly 70 percent of those receiving a pension had incomes below $50,000. Among widows and widowers, over 55 percent of pension recipients had incomes below $25,000.

Furthermore, there are provisions in the amendment specifically designed to help rank-and-file workers earn meaningful benefits. Provisions such as reducing the vesting period for employer matching contributions in defined contribution plans and eliminating the twenty-five percent of compensation limit on combined employer and employee contributions to defined contribution plans.

Finally, let me say there is a precedent for including reforms to the employer provided pension system with an increase in the minimum wage. Three years ago we increased the minimum wage from $4.25 to $5.15 as part of the Small Business Job Protection Act of 1996. Included in that legislation were a number of reforms to the employer-provided pension system. One in particular, was the creation of the SIMPLE pension plan—which has expanded coverage to thousands of employees of small businesses who otherwise might not have been able to participate in a pension plan.

We have an opportunity to improve the incomes of the lowest paid members of the American labor market, and to improve retirement security for millions of workers and their families. I support my colleague's efforts, and encourage others to do the same.

Mr. BIDEN. Mr. President, I am pleased to join with my colleagues, Senator GRASSLEY and Senator TORRICELLI, in bringing bankruptcy reform legislation before the Senate today.

Senator GRASSLEY is the Senate's acknowledged leader on this issue, in every sense of the word. He has made reform of our bankruptcy code his cause, and he has stayed the course, through the last session of Congress and again this year, to bring us to where we are today.

It is evidence of Senator GRASSLEY's commitment that he has reached out to the ranking Democrat on his Subcommittee, Senator TORRICELLI, to join him in that effort. He certainly chose the right man for the job.

Senator TORRICELLI has worked with Senator GRASSLEY to bring the kind of balance to the bill before us today that marked last year's Senate floor a bill that was reported out of the Judiciary Committee by a bipartisan, 14-to-4 margin.

Last year, we brought to the floor a bill that passed the Senate 97 to 1—virtually unanimous agreement that our bankruptcy code needs reform, as well as consensus that reform must be fair.

I would like to address both of those points today, Mr. President—the need for reform, and the need for that reform to be balanced and equitable.

To a large extent, the numbers speak for themselves—the number of bankruptcy filings has exploded in recent years, reaching a record 1.4 million last year. That's on top of double-digit increases in the number of consumer bankruptcy filings for most of this decade. This record was set in a time of the best economic conditions our country has ever seen—the lowest persistent unemployment and inflation, the highest sustained growth, widespread income gains, and a booming stock market.

These are not the conditions that we normally associate with the kind of widespread financial distress that could trigger a wave of bankruptcy filings.

This tells me—and a lot of others, as well—that there is something wrong with the way our consumer bankruptcy code operates today. Simply put, too many people are finding it too easy too easy to walk away from their legitimate obligations by filing for bankruptcy. When that happens, somebody else pays the bill.

In the past year, a number different studies have looked at just how big that bill can be. These studies have been conducted by all sides in the debate, including the credit industry and the bankruptcy bar. The study conducted by the Department of Justice concluded that American businesses lose $3.2 billion annually to bankruptcies filed by individuals who have the capacity to repay their debts.

The size of the bankruptcy problem—both the number of filings and the dead-weight losses to our economy—was the foundation for last year's overwhelming Senate support for reform.

The principle behind the reforms we bring to the floor today is simple, Mr. President—if you file for the protection of bankruptcy, one basic question will be asked: do you have the ability to pay some of your bills, or not?

If the facts—looking at your income on the one hand, and the bills you have to pay on the other—show that you can pay, then you must file under Chapter 13, that requires a period of at least partial repayment before you are forgiven your remaining debts. Under such a Chapter 13 plan, you are not required to sell off major assets such as your house or your car.

If the facts show that you simply don't have the income to under take a Chapter 13 repayment plan, then the protection of Chapter 7 is still there for you. Chapter 7, however, requires that you sell off any significant assets, and the proceeds go to your creditors.

Most Americans would agree that this is fair, and would be surprised to find that no test of someone's ability to pay is required to get the protection of Chapter 7. But in fact, as even the strongest opponents of bankruptcy reform admit, today pretty much all the assumptions in the bankruptcy code are in favor of the filers, who can voluntarily choose a Chapter 7 liquidation or a Chapter 13 repayment plan.

The bill we bring to the floor today attempts to restore some balance to those assumptions, to require more responsibility on the part of those who seek the protection of bankruptcy.

But some of my colleagues will argue during this debate that the source of this problem is not really the operation of our bankruptcy laws, but what they call ''irresponsible'' lending. Creditors—especially the aggressive credit card companies—are pushing debt onto people, and that is what is driving people into bankruptcy.

Now, I am sure all of us are tired of those millions—actually billions—of credit card solicitations that come through the mail every year. But I ask my colleagues to reflect for a moment on what the alternative to widely available consumer credit would be.

When I first came to the Senate, we were fighting against lending practices that ''red-lined'' whole neighborhoods, Mr. President, in which banks would simply decide that some people were not worthy of credit, that they were incapable of managing their own affairs. A lot of us in Congress saw that as just plain wrong, and we worked to change it.

One of the things we did, in 1977, was to pass the Community Reinvestment Act, that requires banks to lend into local communities where incomes may be lower or the risks of repayment higher than bankers might prefer.

We just passed an historic overhaul of our country's banking laws. The Financial Services Modernization Act took many years of hard work to complete. Among the most contentious issues was the treatment of the Community Reinvestment Act.

In fact, President Clinton threatened a veto of that bill if the principles of the Community Reinvestment Act were not protected in the final deal. Those principles boil down to the idea that everyone deserves access to credit, and it is the policy of this country that banks must not unfairly restrict credit, despite what they think is the best way to maximize returns and minimize the risks on their loans.

Now, I am not here to argue that the flood of credit card solicitations is part of some new social program by the credit card companies. Of course they are trying to make money. By the way, it is also evidence of a lot of competition in the lending business, as well. But when I hear my colleagues argue about ''irresponsible lending,'' I hear echoes of those earlier debates about red-lining.

The ''democratization of credit,'' as some people have called it, has risks, of course. Some people will not use credit responsibly. But the alternative to widely available credit—passing laws to cut back on credit to the kinds of people we here in Washington have decided just can't be trusted to use it wisely—that alternative is far, far, worse, in my view.

Should we do more to make sure that consumers are fully informed, and that

lenders disclose the full cost consumers pay for credit? Of course we should, Mr. President. During our Committee deliberations on this bill, we considered proposals by Senator SCHUMER that would have imposed requirements for more complete disclosure, in billing and in advertising, by creditors.

Because those issues are under the jurisdiction of the Banking Committee, we made the conscious decision to leave those provisions for an amendment here during the floor debate. That amendment will be among the first items of business on this bill.

Should we do more to make sure consumers are informed about how to handle debt, and how to avoid the ultimate step of bankruptcy? Of course we should, Mr. President. The bankruptcy reform bill before us today calls for new initiatives in those areas, as well. We look to the causes of bankruptcy as part of a comprehensive approach to reform.

But to try to stem the tide of bankruptcies by making credit harder to get, Mr. President, is a cure that will prove to be worse than the disease.

I thought one of the most important aspects of last years's Senate debate was how, as we attempt to reduce the number of bankruptcy filings, to still make sure that we continue to provide the full protection from creditors and the fresh start that many Americans will continue to require and deserve.

For many of my colleagues, particularly on my side of the aisle, that has been the real focus of the debate over bankruptcy reform, and it should be.

I know that many of my colleagues are concerned that the means test in this bill, that determines a bankruptcy filer's ability to pay, will be unfair to those who really need the full protection from creditors and the fresh start that Chapter 7 has historically provided. In fact, however, the means test is intended to ensure that a repayment plan—under Chapter 13—will be required only of those individuals who actually have the documented ability to continue to pay some of their legal obligations.

A range of studies from all sides in this debate has found that only 3 to 15 per cent of filers under the current system would be steered from the complete protection of Chapter 7 into Chapter 13, where they will be required to continue payments on—and, I have to stress, retain possession of—their credit purchases. The means test is designed to make sure that these new responsibilities will be required only of those who have the resources to meet them.

The managers' amendment that we will bring to the floor will provide additional refinements and safeguards to make sure the means test achieves that goal.

Another major concern that has been expressed by my colleagues is that bankruptcy reform will unfairly affect women and children, who may depend on family support payments—alimony, child support—that are all too often part of the picture in the financial and personal distress that can lead to bankruptcy. I want my colleagues to know just how much we have done to protect family support payments—to protect them much more than current law.

This bill will give alimony and child support payments the highest possible priority—over credit card companies, over department stores, over all other creditors—when the line forms to collect payments from someone who is in bankruptcy. This bill also requires that all alimony and child support must be paid in full before the final discharge of debts at the end of bankruptcy. These are just two of the significant improvements in the treatment of alimony and child support in this bill, and there are others.

The reform of our bankruptcy code is a complicated issue, and in the coming days we will be debating a lot of the thousands of important details that are involved. But if we keep our eye on the big picture—fundamental principles of fairness, responsibility, and effectiveness—I am convinced that this bill will enjoy overwhelming bipartisan support on final passage.

Mr. KYL. Mr. President, the Administrative Office of the U.S. Courts released a report in August that included some good news and some bad. On the one hand, the report indicated that bankruptcy filings for the 12-month period ending June 30, 1999 were down, albeit slightly—about 0.3 percent. On the other hand, it noted that the number of petitions filed still represented a 62.2 percent increase over the same period ending in 1995.

Extraordinary circumstances can strike anyone, which is why it is important to preserve access to bankruptcy relief. No one disputes that there should be an opportunity to seek relief and a fresh start when someone is struck by terrible circumstances beyond his or her control—for example, when families are torn apart by divorce or ill health. I suspect that creditors would be more than willing to work with someone when such tragedy strikes to help him or her through tough times.

But there is a good deal of evidence that too many people who file for relief under Chapter 7 actually have the ability to pay back some, or even all, of what they owe. Inappropriate use of Chapter 7, or straight bankruptcy, imposes higher costs on the vast majority of consumers who make good on their obligations. The Justice Department estimates these costs at about $3.2 billion annually. This phenomenon of bankruptcy for the sake of convenience—bankruptcy as a financial planning tool—is what led to the drafting of the bill before us today.

The Bankruptcy Reform Act, S. 625, is the product of a number of hearings, and months and months of deliberations. This bill has been in the legislative process for several years now. It enjoys broad bipartisan support, having been approved overwhelmingly by the Senate Judiciary Committee on a vote of 14 to 4. In fact, similar bipartisan legislation in the House of Representatives passed on May 5, by a lopsided vote of 313 to 108—an even greater margin than last year.

The bill would establish a presumption that a chapter 7 bankruptcy filing—what is generally known as straight bankruptcy—should be dismissed or should be converted to Chapter 13 if, after taking into account secured debts and priority debts like child support and living expenses, the debtor could repay 25 percent or more of his or her general unsecured debt, or $15,000, over a five-year period. The debtor could rebut the presumption by demonstrating special circumstances to show that he or she does not have a meaningful ability to repay his or her debts.

I suspect that most Americans would be surprised to find that this is not already the norm. At the moment, bankruptcy judges do not necessarily consider whether a debtor has a demonstrable capacity to repay his or her debts before granting Chapter 7 relief.

Studies suggest that this means test we propose here would force between three percent and 15 percent of debtors to pay more to creditors. This represents a relatively small number of debtors, but they are the ones who have the means to repay, and fairness dictates that they do so.

In short, the bill would steer individuals with the ability to repay some or all of their debts into Chapter 13 repayment plans, while preserving access to Chapter 7 for those who truly need its protection and the fresh start it would provide. This is a reasonable and balanced approach.

Remember, when people run up debts they have no intention of paying, they shift a greater financial burden onto honest, hard-working families in America. Estimates are that bankruptcy costs every American family more than $400 a year. Treasury Secretary Lawrence Summers acknowledged as much during a recent hearing before the Finance Committee. When asked whether debt discharged in bankruptcy results in higher prices for goods and services as businesses have to offset losses, here is what he said:

> Certainly there is a strong tendency in that direction, and also towards higher interest rates for other borrowers who are going to pay back their debt.

So when we hear opponents of the bill talk of their concern for consumers, let us remember the cost that the abuse of bankruptcy law imposes on the vast majority of consumers who responsibly abide by their obligations and pay back their debts. What we have here is really the most pro-consumer bill we will consider this year.

I want to share with Senators a very good editorial that appeared in the Tribune on May 24, 1999. I ask unanimous consent that the editorial be printed in the RECORD at this point.

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

PICKING UP THE TAB

It's quite possible you receive several solicitations a month for carpet-cleaning. But if you do, it's unlikely you have someone clean your carpets that often. You know when to say no.

It's also likely that you receive several credit card solicitations every month. But that doesn't mean you sign up for every card and then run out and charge the limit.

Or does it?

Consumer advocates seem to be of the opinion that Americans are all but helpless when credit card companies sing their siren song. That they are powerless to say no when the offers come in the mail or over the phone. And that when they get into financial trouble because of credit card debt, it's not really their fault.

That scenario is being played out more and more often these days, and soaring bankruptcy figures prove it. In 1980, three out of every 1,000 Arizona households sought protection under bankruptcy laws. In the supposedly booming year of 1998, that number had jumped to 14.

Credit card debt is often a major factor.

When people wiggle out of paying their debts, of course, someone else is left holding the bag—either their creditors, or the creditors' other customers, who have to fork over higher interest rates and fees to cover the loss.

Often bankruptcy is unavoidable. Loss of income, health problems and other calamities can quickly plunge even affluent families into hot water.

But often it is avoidable, and personal irresponsibility plays a part.

That's why Congress is considering legislation to tighten up bankruptcy laws so that people would be held more accountable for debts they incur. More people would be required to file under Chapter 13, which mandates repayment of certain debts, and fewer would be allowed to use Chapter 7, which is much easier on borrowers.

The House already has passed the legislation, with all six of Arizona's lawmakers voting for it.

Banks and credit card companies love the bill, of course. And some see a connection between big-business campaign contributions and the supposedly anti-consumer legislation.

But the bill, in truth, is not anti-consumer. At least it's not anti- the consumers who do pay their debts and who, because of higher interest rates, have to cover the tab for those who don't.

Nor does it wash to blame the companies for luring people into debt because of the incessant barrage of credit card solicitations. Yes, there are a lot of them. It's called advertising. In a capitalist, market economy, that's how companies make their products available. It can be annoying, but it's not wrong.

As with any product (beer, cigarettes, carpet-cleaning), it falls on the individual consumer to make responsible choices.

Those who don't should not expect the rest of us to clean up for the financial messes they themselves create.

Mr. KYL. I want to stop at this point and single out a few provisions of the bill for comment. These are provisions that I believe illustrate the deficiencies in current law—provisions that demonstrate why this legislation represents common sense reform of the bankruptcy system.

The first provision appears in Section 314 of the bill and provides that debts that are fraudulently incurred could no longer be discharged in Chapter 13—the same as in Chapter 7. Again, I think most Americans would be surprised to find out that this is not already the law.

Currently, at the conclusion of a Chapter 13 plan, a debtor is eligible for a broader discharge than is available in Chapter 7, and this superdischarge can result in several types of debts, including those for fraud and intentional torts, being discharged whereas they could not be discharged in Chapter 7. The language of the bill tracks an amendment I offered last year, and would simply add fraudulent debts to the list of debts that are nondischargeable under Chapter 13. It is as simple as that.

Here is what the Deputy Associate Attorney General, Francis M. Allegra, said about the dichargeability of fraudulent debts in a letter dated June 19, 1997:

We are unconvinced that providing a (fresh start) under Chapter 13 superdischarge to those who commit fraud or whose debts result from other forms of misconduct is desirable as a policy matter.

Here is what Judge Edith Jones of Fifth Circuit Court of Appeals said in a dissenting opinion to the report of the Bankruptcy Review Commission:

The superdischarge satisfies no justifiable social policy and only encourages the use of Chapter 13 by embezzlers, felons, and tax dodgers.

Judith Starr, the Assistant Chief of the Litigation Counsel Division of Enforcement of the Securities and Exchange Commission, testified before the House Judiciary Committee on March 18, 1998. Speaking about the fraud issue, she said:

We believe that, in enacting the Bankruptcy Code, Congress never intended to extend the privilege of the ''fresh start'' to those who lie, cheat, and steal from the public.

She goes on to say:

A fair consumer bankruptcy system should help honest but unfortunate debtors get their financial affairs back in order by providing benefits and protections that will help the honest to the exclusion of the dishonest, and not vice versa. It is an anomaly of the current system that bankruptcy is often more attractive to persons who commit fraud than to their innocent victims. Bankruptcy should not be a refuge for those who have committed intentional wrongs, nor should it encourage gamesmanship by failing to provide real consequences for abuse of its protections.

And she concludes:

We support [the provision of the House bill] which makes fraud debts nondischargeable in Chapter 13 cases. Inducements to file under Chapter 13 rather than Chapter 7 should be aimed at honest debtors, not at those who have committed fraud.

A final quotation: The Honorable Heidi Heitkamp, the Attorney General of North Dakota, testified to the following before the House Committee last year:

When a true ''bad actor'' is in the picture—a scam artist, a fraudulent telemarketer, a polluter who stubbornly refuses to clean up the mess he has created there is a real potential for bankruptcy to become a serious impediment to protecting our citizenry.

Furthermore, she says:

We must all be concerned because bankruptcy is, in many ways, a challenge to the normal structure of a civilized society. The economy functions based on the assumption that debts will be paid, that laws will be obeyed, that order to incur costs to comply with statutory obligations will be complied with, and that monetary penalties for failure to comply will apply and will ''sting.'' If those norms can be ignored with impunity, and with little or no future consequences for the debtor, this bodes poorly for the ability of society to continue to enforce those requirements.

Mr. President, I hope there will be no dissent to these anti-fraud provisions. Certainly, there should not be. Bankruptcy relief should be available to people who work hard and play by rules, yet fall unexpectedly upon hard times. Perpetrators of fraud should not be allowed to find safe haven in the bankruptcy code.

The second amendment I offered, which was included in last year's bill, and which is again in this year's bill, is also found in Section 314. It says that debts that are incurred to pay non-dischargeable debts are themselves non-dischargeable. In other words, if someone borrows money to pay a debt that cannot be erased in bankruptcy, that new debt could not be erased either. The idea is to prevent individuals from gaming the system and obtaining a discharge of debt that would otherwise be non-dischargeable.

I want to emphasize that we have taken special care to ensure that debts incurred to pay non-dischargeable debts will not compete with non-dischargeable child- or family-support in a post-bankruptcy environment.

The third amendment of mine is reflected in Section 310 of the bill, and it is intended to discourage people from running up large debts on the eve of bankruptcy, particularly when they have no ability or intention of making good on their obligations.

Current law effectively gives unscrupulous debtors a green light to run up their credit cards just before filing for bankruptcy, knowing they will never be liable for the charges they are incurring. That is wrong, and it has got to stop.

The provision would establish a presumption that consumer debt run up on the eve of bankruptcy is non-dischargeable. The provision is not self-executing. In other words, it would still require that a lawsuit be brought by the creditor against the debtor so that a bankruptcy judge could consider the circumstances and assess the claim. But if this provision achieves the intended purpose, debtors will not only minimize the run-up of additional debt, they will have more money available after bankruptcy to pay priority obligations, including alimony and child support.

Again, special care has been taken to ensure that we are only talking about

consumer debts incurred within 90 days of bankruptcy for goods or services that are not necessary for the maintenance or support of the debtor or dependent child. We want to be sure that family obligations are met.

I will discuss one other aspect of the bill before closing, and that relates to the many provisions that Senators HATCH, GRASSLEY, and I crafted last year—and which have been improved on in this year's bill—to protect the interests of women and children.

Nothing in the earlier versions of the bill reduced the priority of, or any of the protections that are accorded to, child-support and alimony under current law. Nevertheless, concerns were expressed that provisions of the legislation might indirectly or even inadvertently affect ex-spouses and children of divorce. Assuming that critics were operating in good faith—and because our intent was always to ensure that family obligations were met first—Senators HATCH, GRASSLEY, and I crafted an amendment last year to remove any doubt whatsoever about whether women and children come first.

As now written, the bill elevates the priority of child-support from its current number seven on the priority list for purposes of payment to number one. Our amendment mandates that all child support and alimony be paid before all other obligations in a Chapter 13 plan. It conditions both confirmation and discharge of a Chapter 13 plan upon complete payment of all child support and alimony that is due before and after the bankruptcy petition is filed. It helps women and children reach exempt property and collect support payments notwithstanding contrary federal or state law. And it extends the protection accorded an ex-spouse by making almost all obligations one ex-spouse owes to the other non-dischargeable.

Many of us have heard the argument by opponents of this bill that women and children will be forced to compete with credit-card companies to collect resources from debtors, particularly once they emerge from bankruptcy. The provisions I just described answer that concern. Moreover, I think it is important to point out that the post-discharge debtor generally does not have the option to pay a credit-card company before his or her former spouse anyway. More and more child support is withheld from wages by the state. In other words, child support obligations are paid before the non-custodial parent or former spouse ever receives his or her paycheck. If withholding is not in place when the bankruptcy is filed, it can be put in place quickly under other provisions of the pending bill.

If any of these provisions can be improved on further, I know that Senators HATCH and GRASSLEY, and myself would be more than willing to modify them. My concern is that we do not allow concern for women and children to become an excuse for opposing the broader bill and letting other debtors off the hook for debts they are able to repay. That would only hurt women and children in need by forcing them to bear the higher costs associated with such bankruptcy abuse.

Mr. President, this is a good bill—a bill that protects debtors who truly need relief, while also protecting the interests of consumers who meet their obligations to creditors by repaying their debts. It protects the interests of women and children through a series of new provisions. I hope my colleagues will join me in voting for this fair and balanced piece of legislation.

I yield the floor.

Mr. HARKIN addressed the Chair.

The PRESIDING OFFICER. The Senator from Iowa.

Mr. HARKIN. Mr. President, parliamentary inquiry.

First of all, under what order are we operating? Is there a time limit on remarks?

The PRESIDING OFFICER. There is a time limit. The minority had 1 minute 20 seconds.

Mr. HARKIN. Further parliamentary inquiry.

Once that time is exhausted, what business will transpire, then, on the floor of the Senate?

The PRESIDING OFFICER. Further amendments to the bill can be called up by unanimous consent.

Mr. HARKIN. Mr. President, I yield myself the—what is it?—1 minute 20 seconds and ask unanimous consent that I be permitted to speak for an additional 9 minutes, and it not be taken off the majority's time.

Mr. SCHUMER. Reserving the right to object, and I will not object, but I have just worked out a unanimous consent request with the Senator from Iowa about laying down some amendments on the bill. Might I do that now?

Mr. HARKIN. How much time does the Senator intend to take in laying down the amendments?

Mr. SCHUMER. About 15 seconds for me to ask unanimous consent to offer them and then lay them aside.

Mr. HARKIN. I yield my right to the floor, Mr. President, for the unanimous consent that the Senator from New York be allowed to lay down his amendments. And at the expiration of that time, I ask unanimous consent that I be recognized again for the minute 20 seconds, plus 9 additional minutes.

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

AMENDMENTS NOS. 2759, 2762, 2763, 2764, AND 2765, EN BLOC

Mr. SCHUMER. Mr. President, I ask unanimous consent to offer my amendments Nos. 2759, 2762, 2763, 2764, and 2765 to the bankruptcy bill. I have a few others, but we need to work those out with the Banking Committee.

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

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from New York [Mr. SCHUMER] proposes, en bloc, the amendments numbered 2759, 2762, 2763, 2764, and 2765.

The amendments, en bloc, are as follows:

AMENDMENT NO. 2759

(Purpose: To make amendments with respect to national standards and homeowner home maintenance costs)

On page 7, line 15, strike ''(ii) The debtor's'' and insert the following:

''(ii)(I) Subject to subclause (II), the debtor's''.

On page 7, line 21, strike the period and insert the following: '', until such time as the Director of the Executive Office for the United States Trustees issues standards under section 586(f) of title 28, at which time the debtor's monthly expenses shall be the applicable monthly expenses under standards issued by the Director under section 586(f) of title 28, and the applicable monthly (excluding payments for debts) expenses under standards (excluding the national standards) issued by the Internal Revenue Service for the area in which the debtor resides, as in effect on the date of the entry of the order for relief, for the debtor, the dependents of the debtor, and the spouse of the debtor in a joint case, if the spouse is not otherwise a dependent.

''(II) In the case of a debtor who owns the debtor's primary residence, the debtor's monthly expenses shall include reasonably necessary costs of maintaining such primary residence not included in subclause (I) of this clause or clause (iii), including the reasonably necessary costs of utilities, maintenance and repair, homeowners insurance, and property taxes, until such time as the Director of the Executive Office for the United States Trustees issues standards under section 586(f) of title 28.

On page 14, after the matter between lines 18 and 19, insert the following:

(d) STANDARDS FOR ASSESSING CERTAIN EXPENSES.—Section 586 of title 28, United States Code, is amended by adding at the end the following:

''(f)(1) Not later than 1 year after the date of enactment of this subsection, the Director of the Executive Office for the United States Trustees, in consultation with the Secretary of the Treasury, shall issue standards, specific and appropriate to bankruptcy, for assessing the monthly expenses of the debtor under section 707(b)(2) of title 11, for—

''(A) the categories of expenses included under the national standards issued by the Internal Revenue Service; and

''(B) the categories of expenses related to maintaining a primary residence not included in clause (ii)(I) or (iii) of section 707(b)(2)(A) of title 11, including expenses for utilities, maintenance and repair, homeowners insurance, and property taxes, for a debtor who owns the debtor's primary residence.

''(2) In issuing standards under paragraph (1), the Director shall—

''(A) establish set expense amounts at levels that afford debtors adequate and not excessive means to provide for basic living expenses for the categories of expenses described in paragraph (1); and

''(B) ensure that such set expense amounts account for, at a minimum, regional variations in the cost of living and for variations in family size.''.

On page 169, line 11, strike ''(f)'' and insert ''(g)''.

On page 169, line 13, strike ''(f)'' and insert ''(g)''.

On page 172, line 7, strike ''(f)'' and insert ''(g)''.

On page 172, line 13, strike ''(f)'' and insert ''(g)''.

AMENDMENT NO. 2762

(Purpose: To modify the means test relating to safe harbor provisions)

On page 9, insert between lines 17 and 18 the following:

''(ii) A debtor against whom a judge, United States trustee, panel trustee, bankruptcy administrator, or other party in interest may not, for the reason specified in subparagraph (D), bring a motion alleging abuse of this chapter based upon the presumption established by this paragraph, shall not be required to include calculations that determine whether a presumption arises under this paragraph as part of the schedule of current income and expenditures required under section 521.

On page 9, line 18, strike ''(ii)'' and insert ''(iii)''.

On page 9, insert between lines 21 and 22 the following:

''(D)(i) No judge, United States trustee, panel trustee, bankruptcy administrator, or other party in interest shall bring a motion alleging abuse of this chapter based upon the presumption established by this paragraph, if the debtor and the debtor's spouse combined, as of the date of the order for relief, have current monthly total income equal to or less than the national or applicable State median household monthly income calculated (subject to clause (ii)) on a semiannual basis for a household of equal size.

''(ii) For a household of more than 4 individuals, the national or applicable State median household monthly income shall be that of a household of 4 individuals, plus $583 for each additional member of that household.

On page 11, line 9, strike ''(A)'' and insert ''(A)(i) except as provided under clause (ii),''.

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

''(ii) with respect to an individual debtor under this chapter against whom a judge, United States trustee, panel trustee, bankruptcy administrator, or other party in interest may not, for the reason specified in section 707(b)(2)(D), bring a motion alleging abuse of this chapter based upon the presumption established by section 707(b)(2), the United States trustee or bankruptcy administrator shall not be required to file with the court a statement as to whether the debtor's case would be presumed to be an abuse under section 707(b)(2); and

On page 11, line 19, strike ''receiving'' and insert ''filing''.

On page 11, line 20, strike ''filed''.

On page 14, strike lines 8 through 14 and insert the following:

''(5)(A) Only the judge, United States trustee, bankruptcy administrator, or panel trustee may bring a motion under section 707(b), if the current monthly income of the debtor and the debtor's spouse combined, as of the date of the order for relief, when multiplied by 12, is equal to or less than—

''(i) the national or applicable State median household income last reported by the Bureau of the Census for a household of equal size, whichever is greater; or

''(ii) in the case of a household of 1 person, the national or applicable State median household income last reported by the Bureau of the Census for 1 earner, whichever is greater.

''(B) Notwithstanding subparagraph (A), the national or applicable State median household income for a household of more than 4 individuals shall be the national or applicable State median household income last reported by the Bureau of the Census for a household of 4 individuals, whichever is greater, plus $6,996 for each additional member of that household.''.

AMENDMENT NO. 2763

(Purpose: To ensure that debts incurred as a result of clinic violence are nondischargeable)

On page 124, between lines 14 and 15, insert the following:

SEC. 322. NONDISCHARGEABILITY OF DEBTS INCURRED THROUGH THE COMMISSION OF VIOLENCE AT CLINICS.

Section 523(a) of title 11, United States Code, as amended by section 224 of this Act, is amended—

(1) in paragraph (18), by striking ''or'' at the end;

(2) in paragraph (19)(B), by striking the period and inserting ''; or''; and

(3) by adding at the end the following:

''(20) that results from any judgment, order, consent order, or decree entered in any Federal or State court, or contained in any settlement agreement entered into by the debtor, including any damages, fine, penalty, citation, or attorney fee or cost owed by the debtor, arising from—

''(A) an actual or potential action under section 248 of title 18;

''(B) an actual or potential action under any Federal, State, or local law, the purpose of which is to protect—

''(i) access to a health care facility, including a facility providing reproductive health services, as defined in section 248(e) of title 18 (referred to in this paragraph as a 'health care facility'); or

''(ii) the provision of health services, including reproductive health services (referred to in this paragraph as 'health services');

''(C) an actual or potential action alleging the violation of any Federal, State, or local statutory or common law, including chapter 96 of title 18 and the Federal civil rights laws (including sections 1977 through 1980 of the Revised Statutes) that results from the debtor's actual, attempted, or alleged—

''(i) harassment of, intimidation of, interference with, obstruction of, injury to, threat to, or violence against any person—

''(I) because that person provides or has provided health services;

''(II) because that person is or has been obtaining health services; or

''(III) to deter that person, any other person, or a class of persons from obtaining or providing health services; or

''(ii) damage or destruction of property of a health care facility; or

''(D) an actual or alleged violation of a court order or injunction that protects access to a health care facility or the provision of health services.''.

AMENDMENT NO. 2764

(Purpose: To provide for greater accuracy in certain means testing)

On page 7, line 9, after ''reduced by'' insert ''estimated administrative expenses and reasonable attorneys' fees, and''.

On page 7, strike line 24 through page 8, line 3, and insert the following:

''(I) the sum of—

''(aa) the total of all amounts scheduled as contractually due to secured creditors in each month of the 60 months following the date of the petition; and

''(bb) any additional payments to secured creditors necessary for the debtor, in filing a plan under chapter 13 of this title, to maintain possession of the debtor's property that serves as collateral for secured debts; divided by

''(II) 60.

On page 9, line 6, after ''reduced by'' insert ''estimated administrative expenses and reasonable attorneys' fees, and''.

On page 10, strike lines 12 and 13 and insert the following:

(1) in section 101—

(A) by inserting after paragraph (10) the following:

On page 11, insert between lines 2 and 3 the following:

(B) by inserting after paragraph (17) the following:

''(17A) 'estimated administrative expenses and reasonable attorneys' fees' means 10 percent of projected payments under a chapter 13 plan;'' and

AMENDMENT NO. 2765

(Purpose: To include certain dislocated workers' expenses in the debtor's monthly expenses)

On page 7, line 15, strike ''(ii)'' and insert ''(ii)(I)''.

On page 7, between lines 21 and 22, insert the following:

''(II) In addition, the debtor's monthly expenses shall include the reasonably necessary monthly expenses incurred by a debtor who is eligible to receive or is receiving payments under State unemployment insurance laws, the Federal dislocated workers assistance programs under title III of the Job Training Partnership Act (29 U.S.C. 1501 et seq.) or the successor Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.), the trade adjustment assistance programs provided for under title II of the Trade Act of 1974 (19 U.S.C. 2251 et seq.), or State assistance programs for displaced or dislocated workers and incurred for the purpose of obtaining and maintaining employment.

Mr. SCHUMER. I ask unanimous consent that the amendments be laid aside.

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

Mr. SCHUMER. I yield the floor to the Senator from Iowa.

AMENDMENT NO. 2751

Mr. HARKIN. Mr. President. When I think of who the minimum wage increase would benefit and why it is needed—I don't think of the teenager popping corn at the movie theater.

I think of the single mother of two, a full-time cashier at the local grocery store, struggling to put dinner on the table and clothe her kids. She's off welfare, but still living far below the poverty level. Right now, the minimum wage pays her less than $11,000 a year, working 40 hours a week.

If we really want to help parent succeed on their own, they need a fair wage. Senator KENNEDY'S amendment would help us get there.

Today we have the opportunity to assure that 11.8 million American workers are provided with a much needed and much deserved raise. Two-thirds of minimum wage workers are adults. Nearly sixty percent are women. More than ⅓ are the sole breadwinners, like the woman I spoke of.

Mr. President, it is a sad fact that in today's booming economy and skyrocketing executive pay, minimum wage workers earn 19 percent less, adjusted for inflation, than minimum wage workers earned 20 years ago. The proposed increased would restore the wage floor to just above its 1983 level—which is a positive step despite the fact that it would still be 13 percent below its 1979 peak.

I believe that these workers are central to the U.S. economy and that they

should benefit from the recent surge in economic growth—not be left behind.

But, I keep hearing the same tired argument echo in this chamber—that raising the minimum wage would cause widespread job loss. Critics need to find another argument—because they're wrong on this one—always have been.

Let's look at what happened last time: The Economic Policy Institute reported that in September 1996, one month before the minimum wage increased from $4.25 to $4.75, the national unemployment rate was 5.2 percent. In December 1997, two months after the second annual increase boosted the minimum wage to $5.15, the national unemployment rate was 4.2 percent—a full point lower. More telling, retail trade jobs which disproportionately employ low wage workers, grew as fast as jobs overall.

A recent Business Week editorial backed that up saying—

In a fast-growth, low-inflation economy, higher minimum wages raise income, not unemployment.

The workers who this amendment would target are central to the economy—and they should benefit from the incredible growth of our economy.

I know that there are proposals for a more gradual increase in the minimum wage—3 years instead of 2. This would cut the income of a full-time, year-around worker roughly $1,500 over three years compared with the current proposal. The minimum wage has already lost a lot of ground with inflation. The three-year proposal would only hinder this effort to catch up.

There is another critical piece of Senator KENNEDY's amendment—stopping the abuse of workers on U.S. land. It would apply the U.S. minimum wage to the Commonwealth of the Northern Mariana Islands—the CNMI, also known as Saipan. The local government's current minimum wage there is $3.10 an hour. This amendment would go a long way toward relieving some of the egregious abuse and exploitation of temporary foreign workers brought to the U.S. territory to work at the garment factories—most of which are owned by foreign interests.

The bottom line is this: All of America deserves a raise—that includes those living and working in Saipan—and the 143,000 Iowans who would benefit from the raise.

Profits and productivity are way up. There is room to give workers a wage they deserve without hurting economic growth. The rest of the economy shouldn't be doing better than the people who make it run.

So I urge my colleagues to support a raise in the minimum wage. It is the right thing to do for women, for America's families, and it is long overdue.

The Kennedy amendment also includes a number of very important tax provisions that I strongly support. One of the most important points about the tax provisions is that the new tax benefits are fully paid for. The cost of these benefits are offset both for the coming year and for the coming ten years so we do not eat into the funds we need to pay for Social Security and needed improvements in Medicare as the baby boomers start retiring. It closes tax loopholes that allow some large companies to escape paying their fair share of taxes by creating artificial accounting gimmicks that have no purpose whatsoever except shifting the burden of taxes from a company to average taxpayers or the public debt.

I am very pleased that this amendment includes the text of S. 1300, the Older Workers Protection Act, which I have sponsored. Across America, workers have worked for companies anticipating the secure retirement which is their due and expectation under their company's pension plan. Now, as more Americans than ever before in history approach retirement, some employers are trying to cut their pension benefits.

Under current law, a company cannot take away pension benefits that have already been earned. But, in a slight of hand, when some companies change their pension plan making it less generous, they quietly, simply do not pay anything into an employee's account, often for 5 years or more till the employee's pension is ''worn away'' to the lower value of the new plan. This wear away is, I believe illegal under current age discrimination law. It certainly is a violation of the spirit of the law. This provision would clear, real protections for many thousands of workers who are having their pensions slashed without their knowledge. This measure eliminates wear away. It provides a company must pay into an employee's pension account under a new pension plan without regard to higher accrued benefits that might have been earned prior to plan change.

The amendment also provides for numerous provisions that help smaller businesses and their owners that I support. These include:

100 percent deductibility for self-employed health insurance staring on January 1, that I have been working for many years,

A tax credit for the start up costs of a small company pension plan including a 50 percent credit for the match that a small employer puts into a employee's account during the first 5 years. This could really make a difference; giving employers real incentives to setting up quality pension plans so crucial to workers retirement, a 25 percent tax credit for an employer's cost in setting up a day care center, Expanding the amount a small business can expanse to 25,000, Extension of the Work Opportunity Tax Credit and the related to Work Tax Credit, Expanding the Low Income Housing Tax Credit. But, I would have liked to see a far faster increase in the increase in this program than the amendment provided. The measure contains a number of benefits of particular interest to farmers that I strongly support including a provision that prevents the use of income averaging pushing a farmer into having to pay the Alternative Minimum tax. And it provides for a 10 year carryback for farmers that I have been advocating. This would I believe it would be important to have the carryback provision take effect for loses that occurred in both 1998 and 1999.

On the other hand, the Republican tax amendment has a net cost of over $75 billion over the coming decade that is not offset by closing tax loop holes or by other means. That means that the Republican proposal will have the likely effect of cutting into the funds we need to protect Social Security and to preserve and improve Medicare. That is a real problem under current projections of government revenues and costs. But it is even worse if we end up with a serious downturn in our economy. Some claim that the reason for these tax provisions is a desire to mitigate the costs of the minimum wage increase on small employers. But, the burden on Social Security and Medicare is three times the effect of the estimated effect of the version of the minimum wage provisions in the Majority package.

Many of the provisions are worthy of support, many are also in the Democratic proposal where they are paid for. It also contains some provisions that I support but which were not included in the Democratic proposal because of its cost. These include the tax benefits for health insurance and long term care. On the other hand, this proposal unfairly benefits the wealthy. For example, there is a $396 million cost to the government over 10 years to allow a person to increase the amount of money that can be received from a defined benefit plan from $130,000 to $160,000 per year. Every penny of this cost benefits those at the top of the income scale, not one of whom is making less than 10 times the minimum wage just from one retirement benefit!

Unfortunately, there are a large number of provisions in the GOP plan that reduce the incentive for small businesses to set up a good pension plan for their workers. The tax code provides about $130 billion a year in tax benefits to promote pensions. The purpose of that considerable public investment is to provide incentives for people to invest in pensions and for companies to fund pension plans for all of their workers, not just owners and key employees. Many small employers are pushed by the law's limits on what they can put into their own pension accounts without providing benefits to all employees to provide decent pension plans for their workers. The majority amendment reduces those restraints and will likely result in far fewer employees getting pensions. That is bad public policy.

Lastly, the majority amendment includes provisions that provides significant special interest loopholes in the tax code. There is a provision regarding ESOPs: employee stock ownership

plans. The Treasury believes this provision opens up a significant loophole for some taxpayers. If a high income self employed person or someone in a partnership with others, arranges that all of the people that work with him and his partners are considered employees of another entity, then the partners can incorporate and form an ESOP. Under the provision in the amendment, the doctors could then defer all of the income they desire, effectively as pension income without any limit. So, if they each make $300,000 and one decides that he needs to spend only $150,000 to live on, that high income taxpayer could defer their taxes on the whole whopping $150,000 unspent. That is outrageous. Why should we be putting these very generous loopholes in the tax code that allow a few to not pay their fair share of taxes? They become a special class of taxpayers who only have to pay taxes on what they spend and everything they save goes into the equivalent of a super IRA with all taxes deferred. That makes no sense at all.

We need tax provisions that are designed to promote the creation of pensions for the average employee making $25,000 or $50,000, not creating special provisions only of interest to very high income taxpayers that actually reduce their interest in setting up pension plans for their workers. I urge that we pass the Kennedy amendment and reject the majority amendment.

Mr. DOMENICI addressed the Chair.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President do I have some additional time?

The PRESIDING OFFICER. Thirty-two minutes 24 seconds remaining.

Mr. DOMENICI. I note Senator LANDRIEU is here from Louisiana. I won't take that much time, and I will yield back the remainder so she may proceed in morning business, if that is her desire.

Let me just say, it is absolutely amazing that some group proposes that the minimum wage should be increased because the poor families in America, who are out there working at jobs, are the ones it will help, only to find that every study reveals that isn't the case.

I am going to talk a minute about CNN. They proceeded with a very intense analysis of their own, and they have been running it on television. It is sort of shocking to hear what they find versus what we are hearing in justification of a $1 increase in the minimum wage in the next 13 months-14 months.

First, let me start and read the dialog that occurred on CNN with reference to their research and who is helped and not helped by the minimum wage:

Highlight: Next week, Congress will be raising the minimum wage by $1 to $6.15, which could benefit perhaps 10 million low-wage workers. A look at who a minimum wage increase would benefit. Body of the report: Jim Moret, anchor. There were fewer Americans out of work last month. The jobless rate dropped to 4.1 percent, the lowest it has been in 3 decades. Also in the Labor Department's report, average hourly earnings rose by only 1 penny last month to $13.37. That is the average per hour. Next week, Congress considers a minmimum wage of $1 which could benefit perhaps those 10 million low-wage workers.

But who are they?

Our Brooks Jackson has some answers that may surprise you.

He says:

Who would be helped if the minimum wage went up to $6.15 cents?

The answer is:

Not these workers.

The ones they have been talking about.

Bob Seidner, owner, Classic Auto Salon: I wouldn't even consider paying somebody that level, because we're not going to get the level of employee.

Jackson: In today's hot job market, Bob Seidner says he has to pay $8 an hour to get an experienced car washer in Maryland. And in his Atlanta restaurant, nobody stays at the minimum wage for long.

They all move up rather rapidly.

Greg Vojnovic, Restaurant owner: If you look at the economy today, there is so much pressure on the labor marketplace that you can't pay anybody a minimum wage for any period of time. Our typical dishwasher, who is typically the lowest position, is making [more than the minimum wage today. In fact, he is making] $7 an hour.

Jackson: So who would be helped? Experts say fewer than one worker out of every ten, most of them part-time workers, and mostly not in poverty.

Let me repeat that:

So who would be helped? One out of every ten, and most of them are part-time workers and mostly not in poverty.

I am going to jump away from this for a minute and say, who do you think those part-time workers are? They are the teenagers of America who are working in restaurants, drive-ins, and all the kinds of places where they want to get jobs to learn how to work. Let's be honest about it; it would be nice if we could give them a 50-cent increase in the minimum wage in January and 50 cents the next year. But let's also be honest that they are not the poverty people of America; they are teenagers breaking in at their new job. And it is most interesting, for these comments and others that I have read say that even they are getting paid more than the minimum wage these days.

Teenagers like Sara Schroff, a 19-year-old student making $5.15, but only the start. She'll be promoted in a week.

Even McDonald's offers more than the minimum wage.

Says another who has looked out in the job market.

In fact, teenagers make up 28 percent of those who would gain, and only 23 percent of the gainers are the main earners in their families.

Opponents say there's still a good reason to raise the minimum wage.

And the Economic Policy Institute says:

It's true that while the increase is not perfectly targeted, most of the benefits do go to lower-income working families. Fifty percent of the benefits, of the gains from this next increase, will go to families whose income is $25,000 or less; that's lower middle income. . . .

Those working poor households would get only 17 percent of the gain from raising the minimum wage.

Frankly, we have heard all kinds of numbers on how many minimum-wage people we have in America. I am just going to be rebutting their comments for a moment, and then I will tell Americans about our bill.

To get to the 10 million they are bantering around here on the floor, let me tell you where that comes from. Minimum-wage earners are 1.6 million of this 10 million that is being bantered around. Workers making between the present minimum wage and the new wage of $6.15, under these amendments, are 5.9 million. Workers making less than the minimum wage and who are not going to be affected by the minimum wage because they are tip people, or the like, are 2.7.

So, in summary, 1.6 million are really minimum-wage earners working under the minimum wage as a means of recompense for an hour's work. Nonetheless, we have an amendment that I believe is far superior to the Democrat amendment. I am very pleased to have been part of putting it together. We want to raise the minimum wage to keep steadily ahead of inflation, and it will be raised 30 cents in January, 35 cents the following January, and 30 cents the following—$1 in a period of 26 months instead of a period of 14 months.

In addition, very simply put, we change some provisions in the tax law, which I now hear we should not do because it cuts taxes. Well, does anyone seriously believe that with the kind of surpluses we have projected in the United States, we are not going to give the taxpayers back some of that money? I can say, with surpluses that are approaching $3.4 trillion, does anybody believe there is a better time to give the American people a tax reduction, give them back some of their money? If we can't do that now, I ask you, when can we? These are the largest deficit, largest surpluses we could have predicted in the best of times.

The budget is under control. It is growing at the lowest rate in all categories in the past 40 years on an annual basis. We take some credit for that. The President deserves some credit for that. But that is success. That is building a surplus. In the last year, we have not spent one penny of the Social Security trust fund money—in the year that just passed. The Congressional Budget Office says, as a matter of fact, we have a surplus of a billion dollars. That has not occurred in 40 years. We want to say to the Social Security trust fund, you keep all that is yours. That is about $2 trillion. What do we do with the other $1.3 trillion to $1.4 trillion? Do we leave it around here so we can spend it?

Does anybody doubt, if we don't make appropriate tax cuts, or tax reductions, that it won't be spent? We

have already heard that the worst thing to do with the surplus is to spend it. The best economic advisers that our country has say the worst thing you can do is spend it. So we have, in the first 5 years, $18.5 billion in tax relief, mostly for small businesses so they can continue to be the driving force behind America's growth.

I am going to just quickly, in a moment, tick off three or four of those tax proposals that I think are very good. Somebody said this is a waste of effort because if the Republican package passes—and I hope it does because I think it is a very good package—the President will just veto it. Well, I am not too sure of that. Let me make sure the Senate understands that the tax package included in this Domenici, et al., proposal is 12.5 percent of the tax package we passed some months ago. It is 12.5 percent—not 50 percent of it, not 75, but 12.5. If you can't get that through, what can you get through? I believe the President would sign it in a minute because it does the kinds of things that even he has talked about as being necessary for American business to retain its energizing effect and its competitive qualities.

For a moment, let's quickly go through the amendments we have attached and put in the tax amendments in this package.

One: For the first time, we really help workers in America pay for health care insurance. Heretofore, if a worker bought his own insurance, he could not deduct it. He would have to put it in a large pot called health expenditures.

Only if it exceeds 7.5 of his income could it be included in the deduction. We have said let's try this out. Let's see what would happen if workers who buy their own health insurance—for whatever reason—deducted the whole thing the same as a company today deducts the whole thing under an exclusionary rule that we have established by precedent around here, and then we made it part of the rule of law. That is in there.

Self-employed men and women have had a raw deal on health insurance. Everybody in this Chamber knows it. If we have a surplus, we ought to make that right. Let self-employed Americans deduct 100 percent of their insurance costs—not some percentage. That is built in with a rather rapid curve where they will be able to deduct the full amount.

This is a work opportunity tax credit. Almost everybody in this Senate wanted that when we put it in before and made it temporary. It runs along with welfare reform. We have reduced welfare by 48 percent, and we cry out to business to hire welfare trainees. Yet the credit they get for doing that is temporary. We want to make it permanent. So a welfare trainee is more apt to get a job if the employer can get some incentives up front while they are training them and helping them.

Who can be against that? Will the President veto that? I can't believe it.

There is an item where small business can do an expensing of certain capital improvements. But we have a limit on it. Otherwise they have to depreciate it over time. We have increased that to $30,000 a year. It will be marvelous for small business to deduct those kinds of expenses that are encapsulated in that amendment. It will make their businesses grow and prosper. There are two or three others that go with this.

But essentially, I believe when you put that package together you are saying there will be fewer minimum-wage workers in the future, small business will have a chance to profit more, and they will pay higher wages because the marketplace will force them to. In the meantime, we also increase minimum wage by $1. We just take 12 months longer to do it.

I believe it is a good package. I hope the Senate passes it tomorrow. We will have a few more minutes of debate tomorrow before the vote. In the meantime, I hope everyone looks at the package in their offices and will get briefed on it because it is a very good package. I not only yield the floor, but I yield back any time that I had on my amendment.

AMENDMENTS NOS. 2768 AND 2772 EN BLOC

The PRESIDING OFFICER. The Senator from Michigan.

Mr. LEVIN. Mr. President, I ask unanimous consent that the pending amendment be laid aside, and that two amendments be called up en bloc, No. 2768, relating to retroactive finance charges, and 2772 relative to residency issues on credit card issuance.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The clerk will report.

The assistant legislative clerk read as follows:

The Senator from Michigan [Mr. LEVIN] proposes amendments numbered 2768 and 2772, en bloc.

Mr. LEVIN. Mr. President, I ask unanimous consent that reading of the amendments be dispensed with.

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

The amendments, en bloc, are as follows:

AMENDMENT NO. 2768

(Purpose: To prohibit certain retroactive finance charges)

At the appropriate place, insert the following:

SEC. ___. PROHIBITION ON CERTAIN RETROACTIVE FINANCE CHARGES.

Section 127 of the Truth in Lending Act (15 U.S.C. 1637) is amended by adding at the end the following:

''(h) PROHIBITION ON RETROACTIVE FINANCE CHARGES.—

''(1) IN GENERAL.—In the case of any credit card account under an open end credit plan, if the creditor provides a grace period applicable to any new extension of credit under the account, no finance charge may be imposed subsequent to the grace period with regard to any amount that was paid on or before the end of that grace period.

''(2) DEFINITION.—For purposes of this subsection, the term 'grace period' means a period during which the extension of credit may be repaid, in whole or in part, without incurring a finance charge for the extension of credit.''.

AMENDMENT NO. 2772

(Purpose: To express the sense of the Senate concerning credit worthiness)

At the appropriate place, insert the following:

The Federal Trade Commission shall report to the Banking Committee of Congress within 6 months of enactment of this act as to whether and how the location of the residence of an applicant for a credit card is considered by financial institutions in deciding whether an applicant should be granted such credit card.

Mr. LEVIN. Mr. President, I ask unanimous consent that those two amendments be laid aside and that I be permitted to call up amendment No. 2658 relating to the nondischargeability of debts arising from firearm-related deaths.

The PRESIDING OFFICER. Is there objection?

Mr. GRASSLEY. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. LEVIN. I thank the Chair. I thank my friend from Iowa.

MORNING BUSINESS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that there be a period for the transaction of routine morning business, with Senators permitted to speak up to 10 minutes each, with the exception of Senator LANDRIEU.

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

The Senator from Louisiana.

THE LAND AND WATER CONSERVATION FUND

Ms. LANDRIEU. Thank you, Mr. President. I have a few important things to say tonight. I will try to fit that in with the time that has been allotted to me.

There are many important issues that need to be resolved in the next few days in order for us to wrap up this year and move on. The minimum wage debate is clearly a very significant issue for us. I am glad we will be voting on it and, hopefully, come to a resolution tomorrow. There are other issues pending that have yet to be resolved. That is why I rise tonight to speak for a few minutes about one of them that is very important to the people of my State, the State of Louisiana.

I say at the outset as respectfully as I can that I am going to object to proceeding to any additional actions of the Senate until this issue is resolved, or until there is an answer in terms of what our options are. Some of us are not party to some of the discussions that are going on behind closed doors and some being reported. There is some information that I am very interested in receiving, and many people in Louisiana are interested in the information because it has to do with money

that our State is producing. It has to do with the kinds of investments we are either going to make or not make to the environment of our Nation, to the coast of Louisiana, which is critical to preserve and help restore that coastline.

It is a very important issue to the American people in terms of our opportunity to use a small percentage of the non-Social Security surplus to invest in the Land and Water Conservation Fund to fully fund it, to invest in some extraordinarily successful wildlife conservation programs, to invest in historic preservation, and to invest in coastal restoration and impact assistance for States that produce oil and gas and for States that do not.

This is an issue that we have now been debating actually for many years. This debate has gone on for 30 years in terms of funding for land and water. It has gone on for over 50 years in terms of what percentage would be fair for Louisiana, the producing State, to receive. Texas is in that position. Mississippi is in that position to a certain degree. Alaska could be in that position. So there are a few States that are producing States. This debate has raged on, in my opinion, for too long.

In my opinion, there is broad bipartisan support for a concept that would take a portion of these revenues. They are estimated to be about $3 billion a year; $120 billion has been generated off the coast in offshore oil and gas production in taxes that the companies are already paying and many continue to pay. These are not new taxes. These are not new revenues. These are revenues that are coming into the Federal Treasury. There is bipartisan support for taking a portion of those revenues and investing in the things that I have just outlined.

Let me tell you why it is important for me to respectfully object to moving on to any further business.

I know that I am going to be the skunk at the garden party because Louisiana is not a huge State such as California or Texas or Illinois. We have a small delegation.

Sometimes, because our numbers are smaller, we aren't able to get all the attention I think we need and the people of our State deserve. Fortunately, the rules of the Senate allow each Senator to be able to speak at length, to be able to express their will and their opinion. As respectfully as I can, I am going to object to any further business until some of these things can be resolved.

Let me begin by telling a story that is not well known. I think Americans are very interested judging from all of the correspondence my office has received over the last year and a half from thousands of individuals and groups who seem to be very sympathetic about this issue.

Let me read from a brochure called ''Coast 2050,'' discussing sustaining coastal Louisiana. I will read a few pages that tell a story about a great and mighty river.

At the end of Old Man River, the mighty Mississippi, lies the largest expanse of coastal wetlands in North America. This dynamic and bountiful landscape was literally built and sustained by the sediment-laden waters that drain to the river from 31 states and three Canadian provinces.

This is not a river that just drains a few States. This is a river that drains our entire Nation. The economy of our Nation depends on the taming of this river and this ecosystem. The future of our Nation depends on how well we manage the resources of this great river.

The Louisiana coast is home to 2 million Americans. The wetlands, bays, and islands of the coast constitute an enormously productive ecosystem and resource base that support the livelihood and well-being of the Nation. The statistics are awesome: the ecosystem contributes nearly 30 percent by weight of the total commercial fisheries harvest in the lower 48 states and provides overwintering habitat for 70 percent of the migratory waterfowl using the Central and Mississippi Flyways; 18 percent of U.S. oil production and 24 percent of U.S. gas production * * * Louisiana's ports rank first in the Nation in total shipping tonnage.

Again, not a river that just serves Louisiana or serves Mississippi but a river that serves the entire Nation. It would be all for naught for the Midwestern States to produce any agricultural product if they couldn't get it to market. That is the great benefit and strength of this Mississippi River—and we sit at the mouth—in terms of the transport of goods for hundreds of years.

The unique human culture and beautiful setting of southern Louisiana is world-renowned.

We are losing it at an enormous and frightening rate. Since 1930, Louisiana has lost over 1,500 square miles of marsh. The State is still losing 25 to 30 square miles each year, nearly a football field of prime wetlands every 30 minutes. Environmentalists should be alarmed.

There are great needs in California, the West, and in the Everglades, but there is a tremendous need that should call us to arms, call citizens to action, to help preserve and restore the south Louisiana coast and this tremendous ecosystem not just for the benefit of Louisiana and the 4 million people who live in our State but for the benefit of the 260-plus million population of this Nation.

There is no one reason for this land loss. Some of our coastal wetlands have always been subsiding, but in the past the river built and sustained the wetlands and built new ones, which offset the natural losses.

Since Europeans came to Louisiana, we have been building levees to protect against the floods. Levees keep homes, businesses, and farms safe, but they prevent the sediments from flooding to refurbish the marsh. In addition, levees were built to tame the route and flow of the Mississippi River to allow for the great transport and trade on which this Nation is dependent to grow and prosper. Canals were dug through the marshes to promote navigation and to recover petroleum resources that have helped fuel this Nation, to turn the lights on, to run our machinery, to run our factories.

We are happy to make that contribution, and we are trying to do it in a more environmentally sensitive way. This ecosystem supports a tremendous amount of commerce, and I don't think I should have to explain it much more. However, we are losing it.

Today, Louisiana has 3,800 square miles of marsh and over 800 square miles of swamp. Even at the current pace of restoration efforts—which have been, by the way, successful, albeit minimal because we don't have the financial resources that we deserve, that we should get for this restoration—we will lose more than 600 square miles of marsh and almost 400 square miles of swamp by the year 2050 if we do not take action. Consequently, nearly 1,000 square miles of Louisiana wetlands will become open water. The Nation will lose an area the size of the State of Rhode Island if we fail to act.

That is why I come to the floor tonight to speak about this issue. I know some colleagues think perhaps there is nothing we can do or we just can't make this happen. I am compelled to speak again because of this story, because of this great resource, and because I know what the serious consequences will be for my State and for the entire Nation if there is no solution. It is not a difficult solution. It is not even an expensive solution. It is a real solution that has been laid on the table in this Congress.

If we do nothing, we face significant reductions in the $20 billion-per-year shipping and export industry in addition to our ports, our commercial fisheries, and oil and gas, and leave ourselves open to serious hurricane damage.

There is a consensus about what we can do. We have learned two things: We already know how to fix most of the problems; second, coastal recovery will require much more effort than has been undertaken so far. We know what it will take to fix the problem. We just need to get the job done. That is why I am here tonight to try to get this job done because it is most certainly something that is within our grasp.

I want to read for the record a letter from over 800 environmental organizations circulated last week. I want to take the time to read it. It is a good letter using good common sense that is within the grasp of the Interior appropriations bill that is now being debated. We have the opportunity to make this happen. Without adding any new money, we can make this happen.

As the 20th century draws to a close, Congress has a rare opportunity to pass landmark legislation that would establish a permanent and significant source of conservation funding. A number of promising legislative proposals will take revenue from nonrenewable offshore oil and gas resources and reinvest them in the protection of renewable resources such as wildlife, public lands, our

coast, our oceans, our cultural resources, historic preservation, and outdoor recreation. Securing this funding would allow us to build upon the pioneering conservation tradition that Teddy Roosevelt initiated at the beginning of this century. The vast majority of Americans recognize the duty we have to protect and conserve our rich cultural and natural legacies for future generations, a diverse array of interests including sports men and women, conservationists, historic preservationists, outdoor recreationists, the faith community, the business community, State and local governments. Over 40 Governors, Democrat and Republican, have supported this initiative, and they support conservation funding for this legislation because they recognize it is our obligation to make these commitments for future generations.

So this letter goes on to call on our body here, the Senate and the House, to:

* * * seize this unprecedented opportunity to pass legislation that would make a substantial and reliable investment in the conservation of our Nation's wildlife, public lands, coastal and marine resources, historic treasures, urban and rural parks, open spaces * * * design a bill that provides significant conservation benefits free of harmful environmental impacts to our coastal and ocean resources, and one that does not unduly hinder land acquisition programs.

We have this within our grasp.

It says:

We look to Congress to make this a reality.

I hope, as I slow down this process, perhaps we can get some answers from the White House, from the negotiators, about the real possibilities of this taking place. There are some on the right who say we do not need any more public land. There are some on the left who say if we do anything that might encourage drilling, no matter how great the benefits, we are not for it.

Let me say, in a markup that is being done, hopefully this Wednesday in the House, many of those criticisms will be put to rest. In the markup that is being considered on the House side on this bill, there are no incentives for oil and gas drilling. We can fight that battle another day. There is an incentive and language that will help us spend this money for coastal restoration in ways that are environmentally sensitive and that do not encourage drilling. There is language, on the other hand, that is going to suggest that Congress has a legitimate role to play in the purchasing of lands, along with the administration—whether it is this administration, President Clinton, or whether it is a future President—that it is right that this Congress and the President would make decisions about the purchases of land, how much, and when, and where.

Those differences could be worked out. So there is bipartisan agreement we should take a portion of these revenues.

I want to show a graph, because people think, Why does Mary keep speaking about this issue over and over again? It is because the revenues that are being considered for this come from basically one State. I know you would be able to guess what that State is. This is Louisiana. I know this is a very small sheet, but I think the camera can pick this up. This red represents the contribution Louisiana makes to offshore oil and gas revenues which totaled, in this particular year, $4.8 billion. The average is about $3.5 billion. But Louisiana contributes over 90 percent.

When we talk about taking this money and funding programs I have outlined—and I am for all the things I have just suggested—we need to be fair to the producing States. Louisiana produces the most, then Texas; Mississippi contributes; Alabama is a contributor. Of course, California did contribute. There is a moratorium there. This bill does nothing to upset that political decision, but it does save, for the States that are producing, a portion.

Let me talk about a portion because I believe in fighting for your State. But I also believe in being fair. If I did not think my State was correct, I would be the first one to stand up and say we should do it another way; we simply do not have an argument. But it is widely known the interior States in our Nation get to keep 50 percent of the revenues they produce. States such as Wyoming and New Mexico get to keep 50 percent of their revenues, and they can spend it basically as they wish, with few restrictions.

I am not coming to this body, nor have I introduced a bill, to give Louisiana 50 percent of this offshore oil and gas revenues. It is not on our land, but it is right outside of our coast. If it were not for our land, this industry simply would not exist. Very few can dispute that because I don't know where you would launch the helicopters, Honduras or Guatemala; or where you would build the machinery, the canals, the barges, the railroads, or highways that allow this industry to exist. I do not know if a good option would be Honduras or Guatemala, but if you don't do it from the coast of Louisiana, Mississippi, and Texas, you do not have many options.

But I did not come here to ask for 50 percent. I am asking the President and the administration and this Congress to give Louisiana not even 30 percent. I am not even asking for 25 percent. I have simply said to the producing and coastal States, let us keep at least 10 percent of the dollars for Louisiana and the producing States, and share with all the other coastal States, whether they produce or not, to give them moneys from this source of revenue because it does not just belong to us, it belongs to everyone.

But surely we should, since we produce 90 percent of the money, get a fair share as we try to distribute this money. Whether we do it for 1 year—we have been doing sort of hit or miss over the last 30—or whether we try to take the step and do it permanently, recognizing the needs and legitimate concerns of the Western States and some others that are concerned about purchasing land—then clearly Louisiana deserves its fair share. So do the other coastal States.

For the record, we have produced over $120 billion since 1955 and have received less than 1 percent. I guess that is worth it, to me, to be a skunk at the garden party, because it is just not fair. One of the things about the Senate and about Congress and about this whole body, and about America and the debate, is trying to pass legislation the American people care about. The American people can understand fairness. Whether they are from a Western State or California or Washington, or from a Southern State, I think they would say: Senator LANDRIEU, you are correct. It is not fair for your State to produce 90 percent and get virtually nothing when we have a bill that will share this with everyone and do something the American people want to do.

Let me talk about that for just a minute. Sometimes we come to Washington and I think we have the tendency to forget, or maybe just temporarily lose our memory, about some of the things we promised to do when we came. Sometimes we get busy with the talk in Washington and we forget about what the talk at home is.

There was research done just recently, in fact a couple of months ago, by Luntz Research Companies, one of the foremost pollsters in America. He said some things that really brought this issue home to me. Even though I knew this was important to people, I frankly did not think to take a survey which would have been a good thing, but the environmental groups did. The results are staggering.

I am just going to read the overview:

What matters to Americans most these days is ''quality of life'' and ''peace of mind.'' Our nation's prosperity has brought with it the need both to think beyond simple hand-to-mouth economics and to address the anxieties posed by perceived threats to our own health and safety. The public's mood on the environment speaks to the opportunity to deliver positively on a rising public priority.

More than 50% of Americans tell us they will head to the outdoors on vacation this year. What they expect to find when they get there is part of the legacy they most want to pass along to the next generation.

There is an emotional intensity to issues that define the legacy of what this generation will leave to the next. At the turn of the Millennium—as we enter the 21st Century focused more than ever on the future and rapid change—what drives people's attitudes on protecting the great outdoors may be the need to identify and carry with us those defining ideas and principles that have made America the great pioneer.

To deliver on the call for preservation and progress, policymakers can succeed by focusing more on the benefits the public wants and expects and by spending less time talking about the process that the public really doesn't care to follow in a debate.

And no issue speaks more directly to Americans' environmental ''quality of life'' than their ability to enjoy open spaces, parks, and wilderness areas. Whether they want a place to visit alone or with their families on vacation—or just having the peace of mind that those places will still exist (for

themselves, for future generations, and for the plant and animal species that assure diversity)—this desire presents an opportunity to deliver on a political priority. Anyone who wants to close their own ''credibility gap'' on environmental issues can do so by talking about conservation of open spaces. . . .

And by actually doing something about it, not just speaking about it.

Let me give some of the findings:

People like to spend their time outdoors. Over half of Americans polled cite an outdoor location like a national park, forest, wilderness areas, beach, shoreline, lake, river, or mountain as their preferred place to spend a vacation this year.

Ninety-four percent would justify spending more on Land & Water Conservation because ''Parks, forests, and seashores provide Americans a chance to visit areas vastly different than their own.''

Those who think the overall quality of the environment is deteriorating outnumber those who think things are improving. Eighty-eight percent of all Americans agree that ''we must act now or we will lose many special places, and if we wait, what is destroyed or lost cannot be replaced.''

They also say this poll defies a myth that some people think of as real, too much public land.

That meant, according to this survey which was conducted by a Republican pollster, it does not hold even in mountainous Western States where over 90 percent, in some places of the land is already owned by the Government. This poll indicates that even in places in the West where lots of land is already owned by the Federal Government, people still want us to make the effort and the small investment it will take to preserve these precious resources to provide wilderness, parks, and forest for our children and grandchildren.

Let me finally read one very startling result because all of us voted for the highway trust fund. We thought we should apply our gasoline taxes to improve the highway system which has been an extraordinary benefit for the growth of this Nation. We did it because we knew it was popular at home, because it was the right thing to do. In my State of Louisiana, and probably in your State, Mr. President, Illinois, people overwhelmingly support it.

Let me share this:

In a head to head between land and water and highway, the wildly popular highway and airport funds head to head was 45 percent for the conservation of land and water and 37 percent for highways.

We know how popular that highway bill was, but people in America—in Louisiana, in Illinois, in Mississippi, in other places, in Washington State—want us to take some of these revenues—not new taxes, not raising taxes, not robbing it from other places—but taking it from the Federal Treasury where it has gone into sort of a nondescript fund and reinvest it into the environment and to do that in a way that shares with the States and local governments—not a Federal land grab, not a Federal takings, but in partnership with local and State governments, and that is what our bill does.

In conclusion, there are over or close to 200 Members of the Senate and the House, Republicans and Democrats. It is the only environmental initiative—there are others that have been filed and talked about and are being debated in committee, outside of committee, in the negotiations taking place right now—but there is not a single proposal that has Democrat and Republican support except for this one.

I urge the White House, I urge the President, I urge the negotiators, whatever is in the bill, if we can afford $300 million, fine. If we can afford $500 million, fine. If we can afford $1 billion, whatever the offset is, I am not asking for more money. But I am asking if we are going to spend offshore oil and gas revenues for 1 year or permanently, that it be done giving Louisiana and Mississippi and Texas and Alabama and the other producing States their fair share; that it will fund to the degree that is possible the coastal initiatives we have outlined.

Yes, there are authorized programs to fully fund land and water conservation and to fund wildlife conservation, historic preservation, and urban parks, which is a package that makes sense. Do my colleagues know why? Because it is fair. It is fair to the east coast; it is fair to the West; it is fair to the South; it is fair to the North; it is fair to the Great Lakes States that do not have an ocean or a gulf, but because they have the Great Lakes, they similarly have situations that need attention.

We have not written a bill that is selfish. We have written a bill that is generous. We have written a bill that we can afford.

I urge the President not to move to take a portion of the revenues that two of the poorest States in the Nation contribute—Mississippi and Louisiana—and give them away without giving us a fair chance at preserving our coastline, helping us restore a tremendous ecosystem that not only benefits our State and the 4 million people who live there, and the 2 million people who live on the coast but literally serves as a treasure for this Nation—an environmental treasure and a commercial base—without which this country could not possibly continue to grow and prosper without.

I am sensitive to the Florida Everglades. I have been to the redwoods. I believe in the preservation of the great lands of the West. I want to be fair to many places in this Nation, but I cannot in good conscience represent the State that is contributing 90 percent of the money and allow these negotiations to go on knowing there is some intention to take this money permanently away from us and give it to everyone else without sharing this with us to help us in our quest to restore this coastline for the benefit of the entire Nation.

I thank my colleagues for their patience. I hold up our plan: ''Coast 2050.'' It is a beautiful picture of Louisiana's coast. I ask my colleagues to be sensitive to our great needs. I am sorry to have to object, but I do it respectfully, and I do it because I know this is the right thing for our country and the Nation at this time.

I yield back the remainder of my time, if I have any.

The PRESIDING OFFICER. The Senator from Iowa.

SENATE PASSAGE OF IMPORTANT HISTORIC PRESERVATION MEASURES

Mr. LOTT. Mr. President, today, the U.S. Senate unanimously passed much needed legislation to protect some of America's most threatened historic sites, the Vicksburg Campaign Trail and the Corinth battlefield. S. 710, the Vicksburg Campaign Trail Battlefields Preservation Act of 1999, is a bipartisan measure that authorizes a feasibility study on the preservation of Civil War battlefields and related sites in the four states along the Vicksburg Campaign Trail. As my colleagues know, Vicksburg served as a gateway to the Mississippi River during the Civil War. The 18-month campaign for the ''Gibraltar of the Confederacy'' included over 100,000 soldiers and involved a number of skirmishes and major battles in Mississippi, Arkansas, Louisiana, and Tennessee. The Mississippi Heritage Trust and the National Trust for Historic Preservation named the Vicksburg Campaign Trail as being among the most threatened sites in the State and the Nation. S. 710 would begin the process of preserving the important landmarks in the four State region that warrant further protection. I appreciate the cosponsorship of Chairman MURKOWSKI, Chairman Thomas, and Senators LANDRIEU, BREAUX, COCHRAN, HUTCHINSON, and CRAIG on this measure.

The Senate also approved S. 1117, the Corinth Battlefield Preservation Act of 1999, a measure that establishes the Corinth Unit of the Shiloh National Military Park. The battle of Shiloh was actually part of the Union Army's overall effort to seize Corinth. This small town was important to both the Confederacy and the Union. Corinth's railway was vitally important to both sides as it served as a gateway for moving troops and supplies north and south, east and west. The overall campaign led to some of the bloodiest battles in the Western theater. In an effort to protect the city, Southern forces built a series of earthworks and fortifications, many of which remain, at least for now, in pristine condition. Unfortunately, the National Park Service in its ''Profiles of America's Most Threatened Civil War Battlefields,'' concluded that many of the sites associated with the siege of Corinth are threatened.

S. 1117 would give Corinth its proper place in American history by formally linking the city's battlefield sites with the Shiloh National Military Park. I

thank Senators ROBB, COCHRAN, and JEFFORDS for cosponsoring this measure. I also express my appreciation to Chairman THOMAS for his ever vigilant efforts on parks legislation, and in particular, for moving both the Vicksburg Campaign Trail and Corinth battlefield bills forward. I take this opportunity to recognize Chairman MURKOWSKI for his continued stewardship over the Senate Energy and Natural Resources Committee.

Mr. President, I also want to recognize Ken P'Pool, Deputy State Historic Preservation Officer for Mississippi; Rosemary Williams, chairman of the Siege and Battle of Corinth Commission; John Sullivan, president of the Friends of the Vicksburg Campaign and Historic Trail; and Terry Winschel and Woody Harrell of the U.S. Park Service for their support and guidance on these important preservation measures. Lastly, I recognize several staff members including Randy Turner, Jim O'Toole, and Andrew Lundquist from the Senate Energy Committee, Darcie Tomasallo from Senate Legislative Counsel, and Stan Harris, Angel Campbell, Steven Wall, Jim Sartucci, and Steven Apicella from my office, for their efforts to preserve Mississippi's and America's historic resources. Mr. President, as a result of the Senate's action today, our children will be better able to understand and appreciate the full historic, social, and economic impact of the Vicksburg Campaign Trail and the Siege and Battle of Corinth.

REGIONAL COOPERATIVE HEALTH PROGRAM FUNDING THROUGH WYE SUPPLEMENTAL ASSISTANCE-FUNDING

Mr. SCHUMER. Mr. President, I rise today to urge the United States Agency for International Development (USAID) to allocate some of its Wye Supplemental Assistance Funding to the first regional cooperative health program ever designed to serve both the Palestinians and Israelis. Improving the health of Palestinians and Israelis through a successful cooperative endeavor would provide a vibrant prescription for peace in the Middle East.

This important health program, which pairs the Kuvin Center for the Study of Infectious and Tropical Diseases of the Hebrew University in Jerusalem with the Palestinian Al-Quds University, has requested support from USAID as a $20 million, five-year program. The purpose of this program is to find innovative ways to fight infectious diseases in the region, and calls upon these Universities to build a permanent, collaborative infrastructure for improving the health of the Palestinian and Israeli people.

United States Secretary of State Madeleine Albright has said the most important projects for promoting peace and cooperation between nations are what she calls ''people projects''—those projects that people of all races, religions, and beliefs can support. This program, which seeks to protect local people from the infectious and parasitic diseases that are among the leading causes of death in the West Bank and Gaza, is a great example of fostering cooperation through people projects of mutual interest.

USAID has successfully funded similar health programs in Egypt and Turkey, but this is the first such program proposed for the Israeli and Palestinian people. Members of Congress, the President, and the State Department all support this program. If USAID funds the program, it would give the United States scientific and fiscal oversight through both USAID and the National Institutes of Health (NIH).

I support the funding for this regional collaborative effort as a powerful example of what a working relationship should be in the Middle East and I believe that it should be given the highest funding priority out of the Wye package.

THE FEMA EMERGENCY FOOD AND SHELTER ACT

Ms. COLLINS. Mr. President, as a cosponsor of S. 1516, legislation reauthorizing the Federal Emergency Administration's Emergency Food and Shelter program, I am very pleased that the Senate is about to pass this legislation and send it to the House of Representatives. I hope that our colleagues in the House will swiftly approve this important bill, so that it can be sent to President Clinton for his signature before our legislative session adjourns for the year.

FEMA's Emergency Food and Shelter (EFS) program provides financial assistance to supplement community efforts to provide food, shelter, and other valuable items to homeless and hungry people around the country. Most of the EFS' monies are distributed directly to local boards, which are comprised of representatives from religious and charitable organizations from the surrounding area. These boards then award grants to non-profit, voluntary, and social service organizations, which assist individuals with their food, shelter, or emergency assistance costs. Using a local distribution network helps to ensure that the EFS' funds are targeted to those who most need assistance.

To its credit, FEMA has been very successful in keeping the administrative costs of this program very low. In fact, these costs consume less than 3 percent of the funding, which is an inspiring example that all of the Federal Government's agencies and departments should strive to follow.

In Maine, the EFS program has been extremely helpful. For example the Sister Mary O'Donnell Shelter, located in Presque Isle, Maine, received a $10,500 grant from this program. Amazingly enough, this shelter was able to use this modest funding to provide the equivalent of 1,974 nights of shelter for the homeless in northern Maine.

EFS is a very successful program that carefully targets its resources where they are needed most, and does so with an absolute minimum of administrative expense. The Government Affairs Committee approved this legislation with a unanimous voice vote on November 3, 1999, and I hope the full Senate will do likewise.

DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT

Mr. KENNEDY. Mr. President, I strongly support the current reauthorization of the Developmental Disabilities Act, and I commend Senator JEFFORDS for his leadership in making this reauthorization a priority.

I also commend the members of the Health, Education, Labor, and Pensions Committee and the administration for their leadership in developing this bipartisan bill. I especially want to recognize TOM HARKIN for his leadership and continued commitment to individuals with disabilities. I also commend all the staff members for their skillful work to make this process successful.

Today, I particularly want to take this opportunity to say thank you to my sister Eunice Kennedy Shriver for her many years of extraordinary dedication and commitment to children and adults with mental retardation and their families. Had it not been for her vision and commitment on behalf of people with mental retardation, the Developmental Disabilities Act would not be the impressive success it is today.

For many years, since the Developmental Disabilities Act was first signed into law by President Kennedy in 1963, developmental disabilities programs in the states have worked effectively to improve the lives of children and adults with mental retardation and other developmental disabilities. The act serves as the foundation for a network of programs that offer them real choices on where to live, work, go to school, and participate in community life.

Through these programs, the 4 million individuals with mental retardation and other developmental disabilities are able to obtain the support they need to participate in all aspects of the community. They receive needed assistance in education, and early intervention efforts are used to provide appropriate health care services and support.

For millions of Americans these services can mean the difference between dependence and independence, between lost potential and becoming contributing and participating members of their communities.

Throughout the preparation of this legislation, we have listened to consumers, advocates, families, and program administrators—all of whom have

contributed significantly to this legislation. Their commitment to constructive compromise will improve the lives and choices of all people with disabilities and their families.

This reauthorization builds on the gains of the past three decades, while addressing critical and emerging needs of individuals with disabilities.

It improves the accountability of the programs under the Act by emphasizing better coordination, and by concentrating on activities related to child care, health care, housing, transportation, and recreation;

It offers wider training opportunities by strengthening the network of university centers that provide technical assistance to persons with disabilities, to their families, and to service providers across the country;

It supports stronger protection and advocacy services to prevent abuse and neglect, so that people with disabilities can live safely;

It targets funds for the development of statewide self-advocacy organizations, so that people with disabilities will have a stronger voice in determining their lives and their future;

It helps states to develop support programs for families with a disabled family member, so that living at home and becoming part of the community is a real choice for persons with disabilities; and

It provides funds to develop a new educational curriculum and establish scholarship opportunities for support workers who assist people with developmental disabilities.

This bill gives us an excellent opportunity to do more to keep the promise of the Americans with Disabilities Act—by ensuring that individuals with mental retardation and other significant developmental disabilities, and their families, have realistic opportunities to obtain the support and services they need to reach their dream of being contributing members of their communities.

Disabled people are not unable. We are a better and stronger and fairer country when we open the door of choice and opportunity to all Americans, and enable them to be full partners in the American dream. For countless persons with mental retardation and other developmental disabilities across the country, this legislation will continue to help to make that dream come true.

This bill deserves the support of every Member of Congress, and I look forward to its prompt enactment into law.

THE VERY BAD DEBT BOXSCORE

Mr. HELMS. Mr. President, at the close of business Friday, November 5, 1999, the Federal debt stood at $5,661,710,720,483.34 (Five trillion, six hundred sixty-one billion, seven hundred ten million, seven hundred twenty thousand, four hundred eighty-three dollars and thirty-four cents).

One year ago, November 5, 1998, the Federal debt stood at $5,561,271,000,000 (Five trillion, five hundred sixty-one billion, two hundred seventy-one million).

Fifteen years ago, November 5, 1984, the Federal debt stood at $1,619,575,000,000 (One trillion, six hundred nineteen billion, five hundred seventy-five million).

Twenty-five years ago, November 5, 1974, the Federal debt stood at $475,739,000,000 (Four hundred seventy-five billion, seven hundred thirty-nine million) which reflects a debt increase of more than $5 trillion—$5,185,971,720,483.34 (Five trillion, one hundred eighty-five billion, nine hundred seventy-one million, seven hundred twenty thousand, four hundred eighty-three dollars and thirty-four cents) during the past 25 years.

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

CONTINUATION OF THE NATIONAL EMERGENCY WITH RESPECT TO IRAN—MESSAGE FROM THE PRESIDENT—PM 71

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

As required by section 401(c) of the National Emergencies Act, 50 U.S.C. 1641(c) and section 204(c) of the International Emergency Economic Powers Act (IEEPA), 50 U.S.C. 1703(c), I transmit herewith a 6-month periodic report on the national emergency with respect to Sudan that was declared in Executive Order 13067 of November 3, 1997.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 5, 1999.*

PERIODIC REPORT ON THE NATIONAL EMERGENCY WITH RESPECT TO SUDAN—MESSAGE FROM THE PRESIDENT—PM 72

The PRESIDING OFFICER laid before the Senate the following message from the President of the United States, together with an accompanying report; which was referred to the Committee on Foreign Relations.

To the Congress of the United States:

Section 202(d) of the National Emergencies Act (50 U.S.C. 1622(d)) provides for the automatic termination of a national emergency unless, prior to the anniversary date of its declaration, the President publishes in the *Federal Register* and transmits to the Congress a notice stating that the emergency is to continue in effect beyond the anniversary date. In accordance with this provision, I have sent the enclosed notice, stating that the Iran emergency declared in 1979 is to continue in effect beyond November 14, 1999, to the *Federal Register* for publication. Similar notices have been sent annually to the Congress and published in the *Federal Register* since November 12, 1980. The most recent notice appeared in the *Federal Register* on November 12, 1998. This emergency is separate from that declared with respect to Iran on March 15, 1995, in Executive Order 12957.

The crisis between the United States and Iran that began in 1979 has not been fully resolved. The international tribunal established to adjudicate claims of the United States and U.S. nationals against Iran and of the Iranian government and Iranian nationals against the United States continues to function, and normalization of commercial and diplomatic relations between the United States and Iran has not been achieved. On March 15, 1995, I declared a separate national emergency with respect to Iran pursuant to the International Emergency Economic Powers Act and imposed separate sanctions. By Executive Order 12959 of May 6, 1995, these sanctions were significantly augmented, and by Executive Order 13059 of August 19, 1997, the sanctions imposed in 1995 were further clarified. In these circumstances, I have determined that it is necessary to maintain in force the broad authorities that are in place by virtue of the November 14, 1979, declaration of emergency, including the authority to block certain property of the Government of Iran, and which are needed in the process of implementing the January 1981 agreements with Iran.

WILLIAM J. CLINTON.

THE WHITE HOUSE, *November 5, 1999.*

MESSAGES FROM THE HOUSE

At 1:09 p.m., a message from the House of Representatives, delivered by Ms. Niland, one of its reading clerks, announced that the House has passed the following bills, in which it requests the concurrence of the Senate:

H.R. 1693. An act to amend the Fair Labor Standards Act of 1938 to clarify the overtime exemption for employees engaged in fire protection activities.

H.R. 3079. An act to amend titles XVIII, XIX, and XXI of the Social Security Act to make corrections and refinements in the Medicare, Medicaid, and State children's health insurance programs, as revised by the Balanced Budget Act of 1997.

ENROLLED BILLS SIGNED

At 6:45 p.m., a message from the House of Representatives, delivered by

Ms. Niland, one of its reading clerks, announced that the Speaker has signed the following enrolled bills and joint resolution:

S. 468. An act to improve the effectiveness and performance of Federal financial assistance programs, simplify Federal financial assistance application and reporting requirements, and improve the delivery of services to the public.

S. 900. An act to enhance competition in the financial services industry by providing a prudential framework for the affiliation of banks, securities firms, insurance companies, and other financial service providers, and for other purposes.

H.R. 3122. An act to permit the enrollment in the House of Representatives Child Care Center of children of Federal employees who are not employees of the legislative branch.

H.J. Res. 54. Joint resolution granting the consent of Congress to the Missouri-Nebraska Boundary Compact.

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–6084. A communication from the Acting Director, Office of Civilian Radioactive Waste Management, Department of Energy, transmitting, pursuant to law, a report relative to accelerator transmutation of waste; referred jointly, pursuant to Public Law 97–425, to the Committees on Energy and Natural Resources, and the Environment and Public Works.

EC–6085. A communication from the Board Members, Railroad Retirement Board, transmitting, pursuant to law, a report relative to the Program Fraud Civil Remedies Act for fiscal year 1999; to the Committee on Governmental Affairs.

EC–6086. A communication from the Chief, Programs and Legislation Division, Office of Legislative Liaison, Department of the Air Force, transmitting, a report relative to a cost comparison conducted at Cannon Air Force Base, New Mexico; to the Committee on Armed Services.

EC–6087. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Greece; to the Committee on Foreign Relations.

EC–6088. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to Turkey; to the Committee on Foreign Relations.

EC–6089. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed license for the export of defense articles or defense services sold commercially under a contract in the amount of $50,000,000 or more to the Republic of Croatia; to the Committee on Foreign Relations.

EC–6090. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Arms Export Control Act, a report relative to certification of a proposed Manufacturing License Agreement with Japan; to the Committee on Foreign Relations.

EC–6091. A communication from the Program Manager, Bureau of Alcohol, Tobacco and Firearms, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Implementation of Public Law 104–132, the Antiterrorism and Effective Death Penalty Act of 1996, Relating to the Making of Plastic Explosives for the Purpose of Detection'' (RIN1512–AB63), received November 4, 1999; to the Committee on the Judiciary.

EC–6092. A communication from the Director, Regulations Policy and Management Staff, Food and Drug Administration, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled ''Food Labeling: Health Claims; Soy Protein and Coronary Artery Disease'', received November 2, 1999; to the Committee on Health, Education, Labor, and Pensions.

EC–6093. A communication from the Comptroller General of the United States, transmitting, pursuant to law, a report relative to the Trans-Alaska Pipeline Liability Fund; to the Committee on Energy and Natural Resources.

EC–6094. A communication from the Legislative and Regulatory Activities Division, Comptroller of the Currency, transmitting, pursuant to law, the report of a rule entitled ''Investment Securities; Rules, Policies, and Procedures for Corporate Activities; and Bank Activities and Operations'' (RIN1557–AB61), received November 1, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6095. A communication from the Assistant Secretary for Export Administration, Bureau of Export Administration, Department of Commerce, transmitting, pursuant to law, the report of a rule entitled ''Exports to Kosovo'' (RIN0694–AB99), received November 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6096. A communication from the Chief Counsel, Office of Foreign Assets Control, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled ''Blocked Persons, Specially Designated Nationals, Specially Designated Terrorists, Foreign Terrorist Organizations, and Specially Designated Narcotics Traffickers: Addition of Persons Blocked Pursuant to Executive Order 13088'' (Appendices A and B to 31 CFR Chapter V), received November 2, 1999; to the Committee on Banking, Housing, and Urban Affairs.

EC–6097. A communication from the Assistant Secretary, Legislative Affairs, Department of State, transmitting, pursuant to the Export-Import Bank of 1945 Act and Executive Order 12660, a report relative to an Export-Import Bank guarantee of the financing of the sale of defense articles to Venezuela; to the Committee on Banking, Housing, and Urban Affairs.

EC–6098. A communication from the Administrator, Federal Highway Administration, Department of Transportation, transmitting, pursuant to law, a report entitled ''Fundamental Properties of Asphalts and Modified Asphalts-II''; to the Committee on Environment and Public Works.

EC–6099. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Approval and Promulgation of Implementation Plans; California State Implementation Plan Revision, Bay Area Air Quality Management District'' (FRL #6466–4), received November 1, 1999; to the Committee on Environment and Public Works.

EC–6100. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Federal Plan Requirements for Municipal Solid Waste Landfills That Commenced Construction Prior to May 30, 1991 and Have Not Been Modified or Reconstructed Since May 30, 1991'' (FRL #6469–8), received November 1, 1999; to the Committee on Environment and Public Works.

EC–6101. A communication from the Director, Office of Regulatory Management and Information, Office of Policy, Planning and Evaluation, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled ''Persistent Bioaccumulative Toxic (PBT) Chemicals; Lowering of Reporting Thresholds for Certain PBT Chemicals; Addition of Certain PBT Chemicals; Community Right-to-Know Toxic Chemical Reporting'' (FRL #6839–11), received November 1, 1999; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 964. A bill to provide for equitable compensation for the Cheyenne River Sioux Tribe, and for other purposes (Rept. No. 106–217).

By Mr. THOMPSON, from the Committee on Governmental Affairs, with an amendment in the nature of a substitute:

S. 1707. A bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to provide that certain designated Federal entities shall be establishments under such Act, and for other purposes (Rept. No. 106–218).

By Mr. CAMPBELL, from the Committee on Indian Affairs, with an amendment in the nature of a substitute:

S. 1508. A bill to provide technical and legal assistance for tribal justice systems and members of Indian tribes, and for other purposes (Rept. No. 106–219).

By Mr. HELMS, from the Committee on Foreign Relations, with an amendment in the nature of a substitute:

S. 1453. A bill to facilitate relief efforts and a comprehensive solution to the war in Sudan.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 1516. A bill to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

By Mr. THOMPSON, from the Committee on Governmental Affairs, without amendment:

S. 1877. An original bill to amend the Federal Report Elimination and Sunset Act of 1995.

EXECUTIVE REPORTS OF COMMITTEE

The following executive report of a committee was submitted:

By Mr. ROTH for the Committee on Finance:

William A. Halter, of Arkansas, to be Deputy Commissioner of Social Security for the term expiring January 19, 2001. (New Position)

(The above nomination was reported with the recommendation that it be confirmed, subject to the nominee's commitment to respond to requests to appear and testify before any duly constituted committee of the Senate.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second time by unanimous consent, and referred as indicated:

By Mr. THOMPSON:

S. 1877. An original bill to amend the Federal Report Elimination and Sunset Act of 1995; from the Committee on Governmental Affairs; placed on the calendar.

By Mrs. HUTCHISON (for herself, Mr. NICKLES, Mr. BROWNBACK, Mr. VOINOVICH, Mr. ASHCROFT, Mr. CRAIG, Mr. ENZI, Mr. THOMAS, and Mr. HELMS):

S. 1878. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee's ''regular rate'' for purposes of calculating compensation will not be affected by certain additional payments; to the Committee on Health, Education, Labor, and Pensions.

By Mr. MACK:

S. 1879. A bill to promote international monetary stability and to share seigniorage with officially dollarized countries; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. KENNEDY (for himself, Mr. AKAKA, Mr. INOUYE, Mrs. LINCOLN, and Mr. WELLSTONE): S. 1880. A bill to amend the Public Health Service Act to improve the health of minority individuals; to the Committee on Health, Education, Labor, and Pensions.

By Mr. DODD:

S. 1881. A bill to amend chapter 84 of title 5, United States Code, to make certain temporary Federal service creditable for retirement purposes; to the Committee on Governmental Affairs.

By Mrs. HUTCHISON (for herself and Mr. STEVENS):

S. 1882. A bill to expand child support enforcement through means other than programs financed at Federal expense; to the Committee on Finance.

By Mr. BINGAMAN:

S. 1883. A bill to amend tile 5, United States Code, to eliminate an inequity on the applicability of early retirement eligibility requirements to military reserve technicians; to the Committee on Governmental Affairs.

By Mr. KERRY:

S. 1884. A bill to designate the building of the United States Postal Service located at 5 Cedar Street in Hopkinton, Massachusetts, as the ''Thomas J. Brown Post Office Building''; to the Committee on Governmental Affairs.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

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

By Mr. HELMS (for himself, Mr. BIDEN, Mr. WELLSTONE, and Mr. LUGAR):

S. Res. 223. A resolution condemning the violence in Chechnya; to the Committee on Foreign Relations.

By Mr. CLELAND:

S. Res. 224. A resolution expressing the sense of the Senate to designate November 11, 1999, as a special day for recognizing the members of the Armed Forces and the civilian employees of the United States who participated in the recent conflict in Kosovo and the Balkans; to the Committee on the Judiciary.

By Mr. DURBIN (for himself, Mr. FRIST, Mr. DEWINE, Mr. LEVIN, Mr. KENNEDY, Mr. FEINGOLD, Mr. DORGAN, Mrs. BOXER, Mr. MACK, Mr. DODD, and Mr. THURMOND):

S. Res. 225. A resolution to designate November 23, 2000, Thanksgiving Day, as a day to ''Give Thanks, Give Life'' and to discuss organ and tissue donation with other family members; to the Committee on the Judiciary.

By Mr. GRAHAM (for himself and Mr. MACK):

S. Con. Res. 71. A concurrent resolution expressing the sense of Congress that Miami, Florida, and not a competing foreign city, should serve as the permanent location for the Secretariat of the Free Trade Area of the Americas (FTAA) beginning in 2005; to the Committee on Finance.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mrs. HUTCHISON (for herself, Mr. NICKLES, Mr. BROWNBACK, Mr. VOINOVICH, Mr. ASHCROFT, Mr. CRAIG, Mr. ENZI, Mr. THOMAS, and Mr. HELMS):

S. 1878. A bill to amend the Fair Labor Standards Act of 1938 to provide that an employee's ''regular rate'' for purposes of calculating compensation will not be affected by certain additional payments; to the Committee on Health, Education, Labor, and Pensions.

BONUS INCENTIVE ACT OF 1999

Mrs. HUTCHISON. Mr. President, I rise today to introduce the Bonus Incentive Act of 1999. I am joined in introducing this bill by my colleagues, Senators NICKLES, BROWNBACK, VOINOVICH, ASHCROFT, CRAIG, ENZI, and THOMAS. This important legislation will give America's hourly wage workers the same ability to receive performance-based bonuses that salaried employees currently have.

Mr. President, under the Fair Labor Standards Act, employers who give performance-based bonuses (usually at the end of the year) must go back and recalculate each employee's hourly base rate of pay and thus any overtime pay they received must be adjusted accordingly. Often, the employer must spend many hours of accountants' time for relatively minor adjustments in overtime pay.

This unnecessary and overly burdensome requirement discourages many employers (those who even know about this obscure provision) from providing a performance-based bonus system to their hourly wage employees, while salaried or ''exempt'' employees can enjoy such bonuses. Other employers attempt to comply with the law by reclassifying bonuses as not being performance-based. The net result of this law has been to hamper the productivity of the American worker and to trap unwary employers with unnecessary paperwork and even fines.

My legislation, the companion of which has been passed by the House Education and Workforce Committee, would allow performance-based bonuses to be paid to employees without the need to recalculate overtime pay, provided that employees are made fully aware of the requirements of receiving such bonuses and provided that such bonuses are not used as a substitute for hourly pay.

Mr. President, when the Fair Labor Standards Act (FLSA) was enacted in 1938, over 60 years ago, employers typically rewarded only their management personnel for the level of their achievement with performance-based bonuses. Such bonus programs for employees were very rare. But times have changed, and so has the American workplace. With the rise of the service-sector, post-industrial economy, increased competition from overseas, and the growing importance of workplace productivity and efficiency, ''gainsharing'' and other performance-based bonus programs for workers are commonplace.

Such programs are as varied as they are common. The model that comes first to mind is a bonus based on the number of items a factory worker produces in a month, quarter, or year. But gainsharing programs are equally effective in the service sector. Pam Farr, former senior vice president for Marriott Lodging and now president of the Cabot Advisory Group, recently testified before the House Education and the Workforce Committee that Marriott used gainsharing plans for housekeeping and customer service personnel that rewarded employees for the cleanliness of rooms, and customer service evaluations. Cordant Technologies, which makes solid rocket boosters for the space shuttle, rewards its workers for achieving goals involving workplace safety, customer satisfaction, and indirect cost reduction.

Whatever type of gainsharing arrangement an employer may have, there can be no doubt that these programs increase workers' pay, productivity, and contribute to higher customer satisfaction and better workplace relations. Studies have demonstrated that employees who participate in gainsharing arrangements on average receive about 5 to 10 percent more pay from such participation, and many bonus programs allow employees to increase their base pay by as much as 50 percent.

Employees who participate in these programs also report being more satisfied on the job and to have a more positive attitude toward their employer. A 1981 survey by the General Accounting Office found that over 80 percent of firms they interviewed reported improvements in labor-management relations from such programs. Grievances in such companies dropped 50 percent, and absenteeism by 20 percent when gainsharing was offered to workers.

Unfortunately, the majority of performance-based bonus programs are offered only to one segment of the American workforce: those employees who are salaried and therefore ''exempt'' from many of the strictures of the Fair Labor Standards Act. The other 70-plus million Americans who get paid by the hour are precluded from fully participating in these programs. Why is this? If performance bonuses work so well, why aren't they offered to more hourly wage workers?

The answer is that the 61-year-old FLSA requires that when such bonuses are provided to hourly workers, the employer must then re-calculate each employee's ''regular rate'' of pay, which in turn requires a recalculation of worker's overtime pay. This process of recalculating employee overtime can consume substantial administrative time, often for very little in the way of additional overtime pay. One human resources director testified before Congress that it took four people 160 hours to calculate the bonuses for 235 employees.

This requirement can be particularly burdensome for many of the nation's millions of small businesses that may not have computer hardware and software that can run these types of calculations. For employers who must try to do these calculations by hand, it can be such a headache that the employer will either drop the bonus program altogether or simply ignore the law, both of which are obviously undesirable outcomes.

The Bonus Incentive Act I am introducing today will alleviate this unnecessary and counterproductive requirement, and allow all employees to participate equally in gainsharing programs. In fact, by extending these programs to hourly wage employees who, on average, make less than their salaried counterparts, this bill could be a significant shot-in-the-arm to their take home pay. The Employee Policy Foundation reports that a median wage U.S. worker could earn between an additional $17,000 and $26,000 over a 20-year period by participating in a performance-based bonus plan.

Why would anyone oppose this bill, Mr. President? It is good for employers and employees alike. It means less paperwork and more pay, less bureaucracy and more productivity.

Some have raised the concern that employers may somehow attempt to disguise regular hourly pay as gainsharing bonuses. While it would take a very ambitious employer to make such a scheme profitable, particularly considering the impact such conduct would have on employee morale, there are protections in the bill against such a possibility.

First, the employer must provide all employees, in writing, a detailed description of what the requirements and benefits of the gainsharing plan will be. The actual formula by which the bonus is to be calculated must also be spelled-out. There can be no doubt about what the employee would be required to do and what he or she would stand gain.

Second, the employer is absolutely prohibited from using a performance-based bonus to in any way replace the hourly wage pay the employee would otherwise have received. In fact, the bill requires that the plan be ''established and maintained in good faith for the purpose of distributing to employees additional remuneration over and above the wages and salaries that are not dependent upon the existence of such plan.'' If an employer should violate this and, for example, but workers pay and substitute that for bonus pay, that employer would be subject to the same civil and even criminal sanctions as he would for any violation of the Fair Labor Standards Act, which is vigorously enforced by the U.S. Department of Labor's Wage and Hour Division.

But the truth is, Mr. President, that there is very little reason for employers today to abuse this provision, and every reason in the world to use it for the betterment of employees and to the long-term success of the company. If the tremendous economic revolution and growth we have witnessed in the last two decades has taught us anything, it is that wealth is not a zero-sum game. Our economy continues to outstrip that of the rest of the world not because we have more natural resources: other countries have more oil, gold, timber, and other resources than we. It is because the productive capacity, ingenuity, and entrepreneurship of the American people is allowed to flourish under our system.

Outdated laws such as this must be revised if we are to continue to enjoy the growing fruits of our labor. The Bonus Incentive Act will help accomplish this goal, and I urge my colleagues to support and pass it.

By Mr. KENNEDY (for himself, Mr. AKAKA, Mr. INOUYE, Mrs. LINCOLN, and Mr. WELLSTONE):

S. 1880. A bill to amend the Public Health Service Act to improve the health of minority individuals; to the Committee on Health, Education, Labor, and Pensions.

HEALTH CARE FAIRNESS ACT OF 1999

Mr. KENNEDY. Mr. President, over the past few decades, we have made extraordinary advances as a nation in science and medicine. Unfortunately, those advances are not benefitting all of our citizens equally. Minority communities suffer disproportionately from many severe health problems.

We know that poverty, lack of health insurance, and other barriers to care continue to undermine the health of minorities. Clearly we need to do more to give all Americans the fair chance for a healthy future that they deserve.

The Administration has taken important steps to address this challenge. Last year, the President announced the Initiative to Eliminate Racial and Ethnic Disparities in Health. This initiative, led by the Department of Health and Human Services, has identified several areas where new commitments, new ideas, and new resources are necessary. The goal is to eliminate disparities in the areas of cardiovascular disease, cancer screening and management, diabetes, infant mortality, HIV/AIDS, and immunizations by 2010. This ambitious goal cannot be met without a major effort to improve research on the health of minorities and develop the steps needed to reduce these disparities.

Today, Senators AKAKA, INOUYE, LINCOLN, WELLSTONE, and I are introducing the Health Care Fairness Act of 1999, to secure the commitment and resources needed in each of these areas to ensure that minorities have a fair chance for improved health.

Minority populations suffer disproportionately from cardiovascular disease. They have a greater risk of developing high blood pressure, and are less likely to receive treatment to manage the condition after it develops. As a result, African Americans are 40 percent more likely to die from coronary heart disease than whites.

A Georgetown University study published in the New England Journal of Medicine last February found that bias in the decisions made by doctors is a factor in the treatment that African Americans receive when they suffer from heart disease. These findings are based on an experiment where physicians volunteered to view a video of actors posing as patients with significant symptoms of heart disease. The physicians were asked to prescribe further interventions for each ''patient,'' all of whom had identical medical histories, insurance coverage, and occupations. While 91 percent of the white males, white females, and African American males in the study were referred for cardiac catheterization, a more effective but more expensive diagnostic procedure, only 79 percent of the African American females in the study were referred for this test.

A study published in the New England Journal of Medicine last month found similar disparities in the treatment of lung cancer. Patients whose tumors are discovered early are often able to be cured with surgery. This study found that African American patients with tumors small enough to be surgically removed were treated surgically in only 64 percent of cases, compared with 77 percent of white patients treated surgically. As a result, African Americans have only a 26 percent chance of surviving lung cancer, compared with a 34 percent survival rate for whites.

Other types of cancer also strike racial and ethnic minorities in disproportionate numbers. Vietnamese American women are five times more likely than white women to contract cervical cancer. Hispanic women are twice as likely to contract cervical cancer. Native Hawaiian men are 13 percent more likely to contact lung cancer. Alaskan

Native women are 72 percent more likely to contract colon cancer and rectal cancer, when compared with whites. In addition, African Americans and Hispanic Americans are more likely to be diagnosed with cancer once the disease has reached an advanced stage. For African Americans, the result is a 35 percent higher death rate.

The Institute of Medicine, issued a report last February concluding that federal efforts to research cancer in minority communities are insufficient. The report recommended an increase in resources and the development of a strategic plan to coordinate this research. The results of this study confirm that while NIH has been extremely successful in producing medical breakthroughs that improve health care, those breakthroughs do not always reach into racial and ethnic communities.

The same troubling differences are found with HIV/AIDS. The powerful new drugs that have dramatically decreased AIDS deaths and prevented or delayed progression from HIV to AIDS for so many citizens are not reaching minorities in proportion to their need. Racial and ethnic minorities make up approximately 25 percent of the total population, but these groups account for over half of all AIDS cases. The disparity is even greater for African American and Hispanic women, who account for nearly 80 percent of the AIDS cases reported among women.

In spite of recent bipartisan efforts to increase access to health care for all children, racial and ethnic disparities exist among young Americans as well. Minority children are less likely to receive prescription medications, and they have lower immunization rates than white children. Inadequate health care places a barrier in the path of healthy development for minority children, and that is an unfair disadvantage.

The Health Care Fairness Act of 1999 addresses these racial and ethnic health disparities in many ways. It contains sections on research, data collection, medical education, and outreach. Each of these aspects has an important role to play in the reduction and eventual elimination of these unacceptable health disparities.

Title I establishes a Center for Research on Minority Health at the National Institutes of Health. The Center will oversee the development of an NIH-wide strategic plan for minority health research. This step will enable those concerned with the advancement of research on minority health, both inside and outside NIH, to monitor the progress of NIH in this area. The Center will award Centers of Excellence grants to institutions across the country that serve under-represented populations. These funds will be used to conduct research into the nature, causes, and remedies for health disparties, to train minorities to become biomedical research professionals, to improve the infrastructure for conducting biomedical research on health disparties, and to provide long-term stability to these biomedical research programs.

Changing attitudes about race and ethnic backgrounds are an ongoing challenge for all sectors of our society. The Georgetown study does not conclude that most doctors are racist. No such assumptions are drawn from its results. What is shown is that health care providers, like all members of our society, enter their profession with perceptions and biases related to race. Many industries have confronted racial sensitivity issues in their training programs. This study shows that such training must also be a part of medical education, for both new students and experienced practitioners alike.

To help health care providers improve their ability to work with patients of different backgrounds, we must also develop educational techniques that are effective in improving this aspect of health care delivery. Title II of the Health Care Finance Act establishes demonstration projects to develop effective educational techniques such as courses that focus on reducing racial and ethnic disparties in health care.

The close connection between race and poverty in this country has had a significant negative impact on the access of minority communities to quality health care. Reducing racial and ethnic health disparties will require a better understanding of issues beyond effective treatments and other questions of basic science. Barriers to care, poor quality health services, and the lack of useful outcome measures are all part of this complex problem. Title III of our bill strengthens the federal commitment to these social science aspects of health disparties. It directs the Agency for Health Care Policy and Research to conduct and support research in these areas, to promote effective interventions in minority communities, and to develop outcome measures to assess and improve health care for minority populations.

Measuring our progress in reducing these racial and ethnic disparties will also require reliable and complete data on miniority health. In order to provide reliable information on the health status of minority communities, Title IV of our bill directs the National Academy of Sciences to conduct a study of the data collection and reporting systems at the Department of Health and Human Services that include race and ethnicity.

This study will evaluate the effectiveness of data collection at HHS and recommend improvements for ensuring that reliable and complete information on racial and ethnic health disparties is available.

The estimated cost of these provisions for fiscal year 2000 totals just under $350 million. The estimated cost in subsequent years is approximately $260 million. This is a small price when compared to the damage that racial and ethnic health disparties are causing in so many communities. We all know that in the long run better health is always less expensive than sickness and hospitalization.

We know that many other structural, personal, and historical factors contribute to racial and ethnic disparties in health care. Our legislation asks that we make the elimination of these disparties a higher priority. It asks that we do all we can to develop the knowledge necessary to do better. The result will be a fairer chance for the healthy future that all Americans deserve, and I look forward to early action by Congress on this needed legislation.

Mr. President, I ask unanimous consent that the full text of the bill and the accompanying letters and statement of support be printed in the RECORD.

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

S. 1880

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Health Care Fairness Act of 1999''.

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

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The United States ranks below most industrialized nations in health status as

measured by longevity, sickness, and mortality.

(2) The United States ranks 24th among industrialized nations in infant mortality.

(3) This poor rank in health status is attributed in large measure to the lower health status of America's minority populations.

(4) Many minority groups suffer disproportionately from cancer. Disparities exist in both mortality and incidence rates. For men and women combined, African Americans have a cancer death rate about 35 percent higher than that for whites. Paralleling the death rate, the incidence rate for lung cancer in African American men is about 50 percent higher than white men. Native Hawaiian men also have elevated rates of lung cancer compared with white men. Alaskan Native men and women suffer from higher rates of cancers of the colon and rectum than do whites. Vietnamese women in the United States have a cervical cancer incidence rate more than 5 times greater than white women. Hispanic women also suffer elevated rates of cervical cancer.

(5) Infant death rates among African American, Native Americans and Alaskan Natives, and Hispanics were well above the national average. The greatest disparity exists for African Americans. The overall Native American rate does not reflect the diversity among Indian communities, some of which have infant mortality rates approaching twice the national rate.

(6) Sudden infant death syndrome (referred to in this section as ''SIDS'') accounts for approximately 10 percent of all infant deaths in the first year of life. Minority populations are at greater risk for SIDS. In addition to the greater risks among African Americans, the rates are 3 to 4 times as high for some Native American and Alaskan Native populations.

(7) Cardiovascular disease is the leading cause of death for all racial and ethnic groups. Major disparities exist among population groups, with a disproportionate burden of death and disability from cardiovascular disease in minority and low-income populations. Stroke is the only leading cause of death for which mortality is higher for Asian-American males than for white males.

(8) Racial and ethnic minorities have higher rates of hypertension, tend to develop hypertension at an earlier age, and are less likely to undergo treatment to control their high blood pressure.

(9) Diabetes, the seventh leading cause of death in the United States, is a serious public health problem affecting racial and ethnic communities. The prevalence of diabetes in African Americans is approximately 70 percent higher than whites and the prevalence in Hispanics is nearly double that of whites. The prevalence rate of diabetes among Native Americans and Alaskan Natives is more than twice that for the total population and at least 1 tribe, the Pimas of Arizona, have the highest known prevalence of diabetes of any population in the world.

(10) The human immunodeficiency virus (referred to in this section as ''HIV''), which causes acquired immune deficiency syndrome (referred to in this section as ''AIDS''), results in disproportionate suffering in minority populations. Minority persons represent 25 percent of the total United States population, but 54 percent of all cases of AIDS.

(11) More than 75 percent of AIDS cases reported among women and children occur in minority women and children.

(12) Nearly 2 of 5 (38 percent) Hispanic adults, 1 of 4 (24 percent) African American adults, and 1 of 4 (24 percent) Asian-American adults are uninsured, compared with 1 of 7 (14 percent) white adults.

(13) Elderly minorities experience disparities in access to care and health status, in part because medicare covers only half the health care expenses of older Americans.

(14) Two of 5 Hispanic and 2 of 5 African Americans age 65 and older rate their health status as fair or poor, compared with less than 1 of 4 (23 percent) white Americans 65 and over.

(15) Nearly 2 of 5 (39 percent) African American adults and almost half (46 percent) of Hispanic adults report that they do not have a regular doctor, compared with 1 of 4 (26 percent) of white adults.

(16) Minority Americans 65 and older are less likely to have a regular doctor or to see a specialist.

(17) Ninety percent of minority physicians produced by Historically Black Medical Colleges live and serve in minority communities.

(18) Almost half (45 percent) of Hispanic adults, 2 of 5 (41 percent) Asian-American adults, and more than 1 of 3 (35 percent) African American adults report difficulty paying for medical care, compared with 1 of 4 (26 percent) white adults.

(19) Despite suffering disproportionate rates of illness, death, and disability, minorities have not been proportionately represented in many clinical research trials, except in studies of behavioral risk factors associated with negative stereotypes.

(20) Culturally sensitive approaches to research are needed to encourage minority participation in research studies.

(21) There is a national need for minority scientists in the field of biomedical, clinical, and health services research.

(22) In 1990, only 3.3 percent of all United States medical school faculties were underrepresented minority persons.

(23) Only 1 percent of full professors were underrepresented minority persons in 1990.

(24) The proportion of underrepresented minorities in high academic ranks, such as professors and associated professors, decreased from 1980 to 1990.

(25) African Americans with identical complaints of chest pain are less likely than white Americans to be referred by physicians for sophisticated cardiac tests.

(26) Cultural competency training in medical schools and residency training programs has the potential to reduce disparities in health care and health outcomes.

(27) More detailed data on health disparities is needed to—

(A) evaluate the impact that race and ethnicity have on health status, access to care, and quality of care; and

(B) enforce existing protections for equal access to care.

TITLE I—IMPROVING MINORITY HEALTH THROUGH THE NATIONAL INSTITUTES OF HEALTH

SEC. 101. RESEARCH ON MINORITY HEALTH.

Title IV of the Public Health Service Act (42 U.S.C. 281 et seq.) is amended by adding at the end the following:

''PART J—RESEARCH ON MINORITY HEALTH

''SEC. 499A. ESTABLISHMENT OF CENTER.

''(a) IN GENERAL.—There is established within the National Institutes of Health an organization to be known as the Center for Research on Minority Health and Health Disparities (referred to in this part as the 'Center'). The Center shall be headed by a director, who shall be appointed by the Secretary and shall report to the Director of the National Institutes of Health.

''(b) TASK FORCE.—The Director of the Center shall chair a trans-NIH task force that is composed of Institute Directors, NIH senior staff, and representatives of other public health agencies, that will establish a comprehensive plan and budget estimates under section 499C for minority health that should be conducted or supported by the national research institutes, and shall recommend an agenda for conducting and supporting such research.

''(c) DUTIES.—

''(1) INTERAGENCY COORDINATION OF MINORITY HEALTH RESEARCH.—With respect to minority health, the Director of the Center shall facilitate the establishment of, and provide administrative support to, the task force referred to in subsection (b) to plan, coordinate, and evaluate all research conducted at or funded by NIH.

''(2) MINORITY HEALTH RESEARCH INFORMATION SYSTEM.—The Director of the Center shall establish a minority health research information system in order to track minority-related research, training, and construction. The system shall capture, for each minority-related research, training, or construction project year-end data.

''(3) CONSULTATIONS.—The Director of the Center shall carry out this part (including developing and revising the plan required in section 499C) in consultation with the Advisory Council established under section 499B, the heads of the agencies of the National Institutes of Health, and the advisory councils of such agencies.

''(4) COORDINATION.—The Director of the Center shall act as the primary Federal official with responsibility for monitoring all minority health research conducted or supported by the National Institutes of Health, and—

''(A) shall serve to represent the National Institutes of Health minority health research program at all relevant Executive branch task forces, committees and planning activities; and

''(B) shall maintain communications with all relevant Public Health Service agencies and with various other departments of the Federal Government, to ensure the timely transmission of information concerning advances in minority health research between these various agencies for dissemination to affected communities and health care providers.

''(d) INNOVATIVE GRANTS.—

''(1) IN GENERAL.—The Director of the Center, in consultation with the Advisory Council, shall identify areas of insufficient minority health research at the Institutes and Centers, and shall provide funds to the Institutes and Centers for the awarding of peer-reviewed grants for innovative projects that address high priority areas of minority health research that are not adequately addressed by other Institutes or Centers.

''(2) EXCEPTIONAL CIRCUMSTANCES.—

''(A) IN GENERAL.—If the Director of the Center determines that the Institutes or Centers are unwilling or unable to award a grant under paragraph (1) for the conduct of a research project identified under such paragraph, the Director, in consultation with the Advisory Council, shall award 1 or more peer reviewed grants to support such research project.

''(B) LIMITATION.—The total amount of grants awarded under subparagraph (A) for a fiscal year shall not exceed an amount equal to 10 percent of the total final budget for the minority health disparities comprehensive plan for the National Institutes of Health for the fiscal year, or $130,000,000, whichever is greater.

''(3) ADMINISTRATION OF RESEARCH PROPOSALS.—

''(A) REQUESTS.—The Director of the Center may issue requests for research proposals in areas identified under paragraph (2)(A).

''(B) DELEGATION.—The Director of the Center may delegate responsibility for the

review and management of research proposals under this subsection to another Institute or Center, or to the Center for Scientific Review.

''(C) FINAL APPROVAL.—The Director of the Center may issue a final approval of research awards under paragraph (1) so long as such approval is provided within 30 days of the date on which the award is approved by an Institute or Center.

''(e) DEFINITIONS.—In this part:

''(1) MINORITY HEALTH CONDITIONS.—The term 'minority health conditions', with respect to individuals who are members of racial, ethnic, and indigenous (including Native Americans, Alaskan Natives, and Native Hawaiians) minority groups, means all diseases, disorders, and conditions (including with respect to mental health)—

''(A) unique to, more serious, or more prevalent in such individuals;

''(B) for which the factors of medical risk or types of medical intervention are different for such individuals; or

''(C) which have been found to result in health disparities but for which insufficient research has been conducted.

''(2) MINORITY HEALTH RESEARCH.—The term 'minority health research' means basic and clinical research on minority health conditions, including research on preventing such conditions.

''SEC. 499B. ADVISORY COUNCIL.

''(a) IN GENERAL.—The Secretary shall establish an advisory council (referred to in this part as the 'Advisory Council'), pursuant to the Federal Advisory Committee Act, for the purpose of providing advice to the Director of the Center on carrying out this part.

''(b) COMPOSITION.—The Advisory Council shall be composed of not less than 18, and not more than 24 individuals, who are not officers or employees of the Federal Government, to be appointed by the Secretary. A majority of the members of the Advisory Council shall be individuals with demonstrated expertise regarding minority health issues. The Advisory Council shall include representatives of communities impacted by racial and ethnic health disparities. The Director of the Center shall serve as the chairperson of the Advisory Council.

''SEC. 499C. COMPREHENSIVE PLAN AND BUDGET.

''(a) IN GENERAL.—Subject to this section and other applicable law, the Director of the Center (in consultation with the Advisory Council) and the members of the Task Force established under section 499A, in carrying out section 499A, shall—

''(1) establish a comprehensive plan and budget for the conduct and support of all minority health research activities of the agencies of the National Institutes of Health (which plan shall be first established under this subsection not later than 12 months after the date of the enactment of this part), which budget shall be submitted to the Secretary, the Director of the Office of Management and Budget and Congress and included in the annual budget justification for the National Institutes of Health;

''(2) ensure that the plan and budget establishes priorities, consistent with sound medical and scientific judgment, among the minority health research activities that such agencies are authorized to carry out;

''(3) ensure that the plan and budget establishes objectives regarding such activities, describes the means for achieving the objectives, and designates the date by which the objectives are expected to be achieved;

''(4) ensure that all amounts appropriated for such activities are expended in accordance with the plan and budget;

''(5) review the plan and budget not less than annually, and coordinate revisions to the plan as appropriate; and

''(6) ensure that the plan and budget serve as a broad, binding statement of policies regarding minority health research activities of the agencies, but does not remove the responsibility of the heads of the agencies for the approval of specific programs or projects, grant management, or for other details of the daily administration of such activities, in accordance with the plan and budget.

''(b) CERTAIN COMPONENTS.—With respect to minority health research activities of the agencies of the National Institutes of Health, the plan and budget shall—

''(1) provide for basic research;

''(2) provide for clinical research;

''(3) provide for research that is conducted by the agencies;

''(4) provide for research that is supported by the agencies;

''(5) provide for proposals developed pursuant to solicitations by the agencies and for proposals developed independently of such solicitations; and

''(6) provide for prevention research, behavioral research and social sciences research.

''(c) APPROVAL.—The plan and budget established under this section are subject to the approval of the Director of the Center and the Director of the National Institutes of Health.

''(d) BUDGET ITEMS FOR MINORITY HEALTH.—In the Budget of the United States that is submitted to Congress by the President, the President shall, with respect to each Institute or agency of the National Institutes of Health, include a separate line item account for the amount that each such Institute or agency requests for minority health activities.

''SEC. 499D. CENTER FUNDING.

''For the purpose of carrying out administrative functions related to minority health research activities under the plan under sections 499A, 499B, and 499C, there are authorized to be appropriated $100,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 through 2004.

''SEC. 499E. CENTERS OF EXCELLENCE FOR RESEARCH ON HEALTH DISPARITIES AND TRAINING.

''(a) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall make grants to, and enter into contracts with, designated biomedical research institutions described in subsection (c), and other public and nonprofit health or educational entities, for the purpose of assisting the institutions in supporting programs of excellence in biomedical research education for under-represented minority individuals.

''(b) REQUIRED USE OF FUNDS.—

''(1) IN GENERAL.—The Secretary may not make a grant under subsection (a) unless the designated biomedical research institution involved agrees, subject to subsection (c)(1)(B), to expend the grant—

''(A) to conduct minority health research and research into the nature of health disparities that affect racial, ethnic, and indigenous minorities, the causes of such disparities, and remedies for such disparities;

''(B) to train minorities as professionals in the area of biomedical research;

''(C) to expand, remodel, renovate, or alter existing research facilities or construct new research facilities for the purpose of conducting biomedical research related to health disparities; or

''(D) to establish or increase an endowment fund in accordance with paragraph (2).

''(2) ENDOWMENT FUNDS.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), an institution that meets the requirements of subparagraph (B) may utilize not to exceed 35 percent of the amounts received under a grant under subsection (a) to establish or increase an endowment fund at the institution. Amounts used under this subparagraph shall be dedicated exclusively to the support of biomedical research and the associated costs of such research.

''(B) REQUIREMENTS.—To be eligible to use funds as provided for under subparagraph (A), an institution shall not have a endowment fund that is worth in excess of an amount equal to 50 percent of the national average of all endowment funds at all institutions that are of the same biomedical research discipline.

''(c) CENTERS OF EXCELLENCE.—

''(1) GENERAL CONDITIONS.—The conditions specified in this paragraph are that a designated biomedical research institution—

''(A) has a significant number of under-represented minority individuals enrolled in the institution, including individuals accepted for enrollment in the institution;

''(B) has been effective in assisting under-represented minority students of the institution to complete the program of education and receive the degree involved;

''(C) has been effective in recruiting under-represented minority individuals to enroll in and graduate from the institution, including providing scholarships and other financial assistance to such individuals and encouraging under-represented minority students from all levels of the educational pipeline to pursue biomedical research careers; and

''(D) has made significant recruitment efforts to increase the number of under-represented minority individuals serving in faculty or administrative positions at the institution.

''(2) CONSORTIUM.—Any designated biomedical research institution involved may, with other biomedical institutions (designated or otherwise) form a consortium to carry out the purposes described in subsection (b) at the institutions of the consortium.

''(3) APPLICATION OF CRITERIA TO OTHER PROGRAMS.—In the case of any criteria established by the Secretary for purposes of determining whether institutions meet the conditions described in paragraph (1), this section may not, with respect to racial, ethnic, and indigenous minorities, be construed to authorize, require, or prohibit the use of such criteria in any program other than the program established in this section.

''(d) DURATION OF GRANT.—The period during which payments are made under a grant under subsection (a) may not exceed 5 years. Such payments shall be subject to annual approval by the Secretary and to the availability of appropriations for the fiscal year involved to make the payments.

''(e) DEFINITIONS.—In this section:

''(1) MINORITY.—The term 'minority' means an individual from a racial or ethnic group that is under-represented in health research.

''(2) PROGRAM OF EXCELLENCE.—The term 'program of excellence' means any program carried out by a designated biomedical research institution with a grant made under subsection (a), if the program is for purposes for which the institution involved is authorized in subsection (b) or (c) to expend the grant.

''(f) FUNDING.—

''(1) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of making grants under subsection (a), there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 through 2004.

''(2) NO LIMITATION.—Nothing in this subsection shall be construed as limiting the centers of excellence referred to in this section to the designated amount, or to preclude such entities from competing for other grants under this section.

''(3) MAINTENANCE OF EFFORT.—

''(A) IN GENERAL.—With respect to activities for which a grant made under this part are authorized to be expended, the Secretary may not make such a grant to a center of excellence for any fiscal year unless the center agrees to maintain expenditures of non-Federal amounts for such activities at a level that is not less than the level of such expenditures maintained by the center for the fiscal year preceding the fiscal year for which the institution receives such a grant.

''(B) USE OF FEDERAL FUNDS.—With respect to any Federal amounts received by a center of excellence and available for carrying out activities for which a grant under this part is authorized to be expended, the Secretary may not make such a grant to the center for any fiscal year unless the center agrees that the center will, before expending the grant, expend the Federal amounts obtained from sources other than the grant.

''SEC. 499F. LOAN REPAYMENT PROGRAM FOR BIOMEDICAL RESEARCH.

''(a) IN GENERAL.—The Secretary, acting through the Director of the National Institutes of Health, shall establish a program of entering into contracts with qualified health professionals under which such health professionals agree to engage in minority health research or research into the nature of health disparities that affect racial, ethnic, and indigenous populations, in consideration of the Federal Government agreeing to repay, for each year of such service, not more than $35,000 of the principal and interest of the educational loans of such health professionals.

''(b) SERVICE PROVISIONS.—The provisions of sections 338B, 338C, and 338E shall, except as inconsistent with subsection (a), apply to the program established in such subsection (a) to the same extent and in the same manner as such provisions apply to the National Health Service Corps Loan Repayment Program established in subpart III of part D of title III.

''(c) AVAILABILITY OF APPROPRIATIONS.—Amounts available for carrying out this section shall remain available until the expiration of the second fiscal year beginning after the fiscal year for which the amounts were made available.

''(d) HEALTH DISPARITIES.—In carrying out this section, the Secretary shall take steps sufficient to ensure the active participation of appropriately qualified minority heath professionals, including extensive outreach and recruitment efforts. In complying with this subsection, the Secretary shall waive the requirement that the recipients of loan repayment assistance agree to engage in minority health research or research into the nature of health disparities that affect racial, ethnic and indigenous populations.

''(e) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out this section, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 through 2004.

''SEC. 499G. ADDITIONAL AUTHORITIES.

''(a) IN GENERAL.—In overseeing and supporting minority health research, the Director of the Center—

''(1) shall assist the Director of the National Center for Research Resources in carrying out section 481(c)(3) and in committing resources for construction at Institutions of Emerging Excellence;

''(2) shall assist in the administration of section 492B with respect to the inclusion of members of minority groups as subjects in clinical research; and

''(3) subject to section 405(b)(2) and without regard to section 3324 of title 31, United States Code, and section 3709 of the Revised Statutes (41 U.S.C. 5), may enter into such contracts and cooperative agreements with any public agency, or with any person, firm, association, corporation, or educational institution, as may be necessary to expedite and coordinate minority health research.

''(b) REPORT TO CONGRESS AND THE SECRETARY.—The Director of the Center shall each fiscal year prepare and submit to the appropriate committees of Congress and the Secretary a report—

''(1) describing and evaluating the progress made in such fiscal year in minority health research conducted or supported by the Institutes;

''(2) summarizing and analyzing expenditures made in such fiscal year for activities with respect to minority health research conducted or supported by the National Institutes of Health; and

''(3) containing such recommendations as the Director considers appropriate.

''(c) PROJECTS FOR COOPERATION AMONG PUBLIC AND PRIVATE HEALTH ENTITIES.—In carrying out subsection (a), the Director of the Center shall establish projects to promote cooperation among Federal agencies, State, local, and regional public health agencies, and private entities, in minority health research.

''SEC. 499H. GENERAL PROVISIONS REGARDING THE CENTER.

''(a) ADMINISTRATIVE SUPPORT FOR CENTER.—The Secretary, acting through the Director of the National Institutes of Health, shall provide administrative support and support services to the Director of the Center and shall ensure that such support takes maximum advantage of existing administrative structures at the agencies of the National Institutes of Health.

''(b) REQUIRED EXPERTISE.—The Director of the Center, in consultation with the Advisory Council and the Center for Scientific Review, shall ensure that scientists with appropriate expertise in research on minority health are incorporated into the review, oversight, and management processes of all research projects in the National Institutes of Health minority health research program and other activities under such program.

''(c) TECHNICAL ASSISTANCE.—The Director of the Center, in consultation with the directors of the national research institutes and centers, shall ensure that appropriate technical assistance is available to applicants for all research projects and other activities supported by the National Institutes of Health minority health research program.

''(d) EVALUATION AND REPORT.—

''(1) EVALUATION.—Not later than 5 years after the date of the enactment of this part, the Secretary shall conduct an evaluation to—

''(A) determine the effect of this section on the planning and coordination of the minority health research programs at the institutes, centers and divisions of the National Institutes of Health;

''(B) evaluate the extent to which this part has eliminated the duplication of administrative resources among such Institutes, centers and divisions; and

''(C) provide recommendations concerning future alterations with respect to this part.

''(2) REPORT.—Not later than 1 year after the date on which the evaluation is commenced under paragraph (1), the Secretary shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate, and the Committee on Commerce of the House of Representatives, a report concerning the results of such evaluation.''.

TITLE II—MEDICAL EDUCATION

SEC. 201. GRANTS FOR HEALTH CARE EDUCATION CURRICULA DEVELOPMENT.

Part F of title VII of the Public Health Service Act (42 U.S.C. 295j et seq.) is amended by inserting after section 791 the following:

''SEC. 791A. GRANTS FOR HEALTH PROFESSIONS EDUCATION CURRICULA DEVELOPMENT.

''(a) GRANTS FOR GRADUATE EDUCATION CURRICULA DEVELOPMENT.—

''(1) IN GENERAL.—The Secretary, acting through the Administrator for the Health Resources and Services Administration and in collaboration with the Administrator for Health Care Policy and Research and the Deputy Assistant Secretary for Minority Health, may make awards of grants, contracts, or cooperative agreements to public and nonprofit private entities for the purpose of carrying out research projects and demonstration projects to develop curricula to reduce disparity in health care outcomes, including curricula and faculty development for cultural competency in graduate and undergraduate health professions education.

''(2) ELIGIBILITY.—To be eligible to receive a grant, contract or cooperative agreements under paragraph (1), an entity shall—

''(A) be a school of medicine, school of osteopathic medicine, school of dentistry, school of public health, school of nursing, school of pharmacy, school of allied health, or other recognized health profession school; and

''(B) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(3) USE OF FUNDS.—An entity shall use amounts received under a grant under paragraph (1) to carry out research projects and demonstration projects to develop curricula to reduce disparity in health care outcomes, including curricula for cultural competency in graduate medical education. Such curricula shall focus on the need to remove bias from health care at a personal level as well as at a systematic level.

''(4) NUMBER OF GRANTS AND GRANT TERM.—The Secretary shall award not to exceed 20 grants, contracts or cooperative agreements (or combination thereof) under paragraph (1) in each of the first and second fiscal years for which funds are available under subsection (f). The term of each such grant, contract or cooperative agreement shall be 3 years.

''(b) GRANTS FOR CONTINUING HEALTH PROFESSIONAL EDUCATION CURRICULA DEVELOPMENT.—

''(1) IN GENERAL.—The Secretary, acting through the Health Resources and Services Administration and the Agency for Health Care Policy and Research and in collaboration with the Office of Minority Health, shall award grants, contracts or cooperative agreements to eligible entities for the establishment of demonstration projects to develop curricula to reduce disparity in health care and health outcomes, including curricula for cultural competency, in continuing medical education.

''(2) ELIGIBILITY.—To be eligible to receive a grant, contract, or cooperative agreement under paragraph (1) an entity shall—

''(A) be a school of medicine, school of osteopathic medicine, school of dentistry, school of public health, school of nursing, school of pharmacy, school of allied health, or other recognized health profession school; and

''(B) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

''(3) USE OF FUNDS.—An entity shall use amounts received under a grant, contract, or cooperative agreement under paragraph (1)

to develop and evaluate the effect and impact of curricula for continuing medical education courses or programs to provide education concerning issues relating to disparity in health care and health outcomes, including cultural competency of health professionals. Such curricula shall focus on the need to remove bias from health care at a personal level as well as at a systemic level.

''(4) NUMBER OF GRANTS AND GRANT TERM.—The Secretary shall award not to exceed 20 grants, contracts, or cooperative under paragraph (1) in each of the first and second fiscal years for which funds are available under subsection (f). The term of each such grant shall be 3 years.

''(c) DISTRIBUTION OF PROJECTS.—The Secretary shall ensure that, to the extent practicable, projects under subsections (a) and (b) are carried out in each of the principal geographic regions of the United States and address issues associated with different minority groups and health professions.

''(d) MONITORING.—An entity that receives a grant, contract or cooperative agreement under subsection (a) or (b) shall ensure that procedures are in place to monitor activities undertaken using grant, contract or cooperative agreement funds. Such entity shall annually prepare and submit to the Secretary a report concerning the effectiveness of curricula developed under the grant contract or cooperative agreement.

''(e) REPORT TO CONGRESS.—Not later than January 1, 2002, the Secretary shall prepare and submit to the appropriate committees of Congress, a report concerning the effectiveness of programs funded under this section and a plan to encourage the implementation and utilization of curricula to reduce disparity in health care and health outcomes. A final report shall be submitted by the Secretary not later than January 1, 2004.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $3,500,000 for fiscal year 2000, $7,000,000 for fiscal year 2001, $7,000,000 for fiscal year 2002, and $3,500,000 for fiscal year 2003.''.

SEC. 202. NATIONAL CONFERENCE ON CONTINUING HEALTH PROFESSIONAL EDUCATION AND DISPARITY IN HEALTH OUTCOMES.

(a) IN GENERAL.—Not later than 1 year after the date of enactment of this Act, the Secretary of Health and Human Services shall convene a national conference on continuing health professions education as a method for reducing disparity in health care and health outcomes, including continuing medical education on cultural competency. The conference shall include sessions to address measurements of outcomes to assess the effectiveness of curricula in reducing disparity.

(b) PARTICIPANTS.—The Secretary of Health and Human Services shall invite minority health advocacy groups, health education entities described in section 741(b)(1) of the Public Health Service Act (as added by section 201), and other interested parties to attend the conference under subsection (a).

(c) ISSUES.—The national conference convened under subsection (a) shall address issues relating to the role of continuing medical education in the effort to reduce disparity in health care and health outcomes, including the role of continuing medical education in improving the cultural competency of health professionals and health professions faculty. The conference shall focus on methods to achieve reductions in the disparities in health care and health outcomes through continuing medical education courses or programs and on strategies for measuring the effectiveness of curricula to reduce disparities.

(d) PUBLICATION OF FINDINGS.—Not later than 6 months after the convening of the national conference under subsection (a), the Secretary of Health and Human Services shall publish in the Federal Register a summary of the proceedings and the findings of the conference.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

SEC. 203. ADVISORY COMMITTEE.

(a) ESTABLISHMENT.—The Secretary of Health and Human Services shall establish an advisory committee to provide advice to the Secretary on matters related to the development, implementation, and evaluation of graduate and continuing education curricula for health care professionals to decrease the disparity in health care and health outcomes, including curricula on cultural competency as a method of eliminating health disparity.

(b) MEMBERSHIP.—Not later than 3 months after the date on which amounts are appropriated to carry out this section, the Secretary of Health and Human Services shall appoint the members of the advisory committee. Such members shall be appointed from among individuals who—

(1) unless otherwise specified, are not officers or employees of the Federal Government;

(2) are experienced in issues relating to health disparity; and

(3) meet such other requirements as the Secretary determines appropriate;

and shall include a representative of the Office of Minority Health under section 1707 of the Public Health Service Act (42 U.S.C. 300u-6) and such other representatives of offices and agencies of the Public Health Service as the Secretary determines to be appropriate. The Secretary shall ensure that members of minority communities are well represented on the advisory committee. Such representatives shall include 1 or more individuals who serve on the advisory committee under section 1707(c) of such Act.

(c) COLLABORATION.—The advisory committee shall carry out its duties under this section in collaboration with the Office of Minority Health of the Department of Health and Human Services, and other offices, centers, and institutes of the Department of Health and Human Services, and other Federal agencies.

(d) TERMINATION.—The advisory committee shall terminate on the date that is 4 years after the date on which the first member of the committee is appointed.

(e) EXISTING COMMITTEE.—The Secretary may designate an existing advisory committee operating under the authority of the Office of Minority Health of the Department of Health and Human Services to serve as the advisory committee under this section.

SEC. 204. CULTURAL COMPETENCY CLEARINGHOUSE.

(a) ESTABLISHMENT.—The Director of the Office of Minority Health of the Department of Health and Human Services shall establish within the Resource Center of the Office of Minority Health, or through the awarding of a contract provide for the establishment of, an information clearinghouse for curricula to reduce racial and ethnic disparity in health care and health outcomes. The clearinghouse shall facilitate and enhance, through the effective dissemination of information, knowledge and understanding of practices that lead to decreases in the disparity of health across minority and ethnic groups, including curricula for continuing medical education to develop cultural competency in health care professionals.

(b) AVAILABILITY OF INFORMATION.—Information contained in the clearinghouse shall be made available to minority health advocacy groups, health education entities described in section 791A(b)(2)(A) of the Public Health Service Act (as added by section 201), health maintenance organizations, and other interested parties.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated such sums as may be necessary to carry out this section.

TITLE III—MINORITY HEALTH RESEARCH BY THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

SEC. 301. MINORITY HEALTH RESEARCH BY THE AGENCY FOR HEALTH CARE POLICY AND RESEARCH.

(a) IN GENERAL.—Part A of title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended by adding at the end the following:

''SEC. 906. RESEARCH ON MINORITY HEALTH DISPARITIES.

''(a) IN GENERAL.—The Administrator of the Agency for Health Care Policy and Research shall—

''(1) conduct and support research to identify how to improve the quality and outcomes of health care services for minority populations and the causes of health disparities for minority populations, including barriers to health care access;

''(2) conduct and support research and support demonstration projects to identify, test, and evaluate strategies for eliminating the disparities described in paragraph (1) and promoting effective interventions;

''(3) develop measures for the assessment and improvement of the quality and appropriateness of health care services provided to minority populations; and

''(4) in carrying out 902(c), provide support to increase the number of minority health care researchers and the health services research capacity of institutions that train minority health care researchers.

''(b) RESEARCH AND DEMONSTRATION PROJECTS.—

''(1) IN GENERAL.—In carrying out subsection (a), the Administrator shall conduct and support research to—

''(A) identify the clinical, cultural, socioeconomic, and organizational factors that contribute to health disparities for minority populations (including examination of patterns of clinical decisionmaking and of the availability of support services);

''(B) identify and evaluate clinical and organizational strategies to improve the quality, outcomes, and access to care for minority populations;

''(C) support demonstrations to test such strategies; and

''(D) widely disseminate strategies for which there is scientific evidence of effectiveness.

''(2) USE OF CERTAIN STRATEGIES.—In carrying out this section the Administrator shall implement research strategies and mechanisms that will enhance the involvement of minority health services researchers, institutions that train minority researchers, and members of minority populations for whom the Agency is attempting to improve the quality and outcomes of care, including—

''(A) centers of excellence that can demonstrate, either individually or through consortia, a combination of multi-disciplinary expertise in outcomes or quality improvement research and a demonstrated capacity to engage minority populations in the planning, conduct and translation of research, with linkages to relevant sites of care;

''(B) provider-based research networks, including health plans, facilities, or delivery system sites of care (especially primary care), that make extensive use of minority health care providers or serve minority patient populations and have the capacity to

evaluate and promote quality improvement; and

''(C) other innovative mechanisms or strategies that will facilitate the translation of past research investments into clinical practices that can reasonably be expected to benefit these populations.

''(c) QUALITY MEASUREMENT DEVELOPMENT.—

''(1) IN GENERAL.—To ensure that minority populations benefit from the progress made in the ability of individuals to measure the quality of health care delivery, the Administrator of the Agency for Health Care Policy and Research shall support the development of quality of health care measures that assess the experience of minority populations with health care systems, such as measures that assess the access of minority populations to health care, the cultural competence of the care provided, the quality of the care provided, the outcomes of care, or other aspects of health care practice that the Administrator determines to be important.

''(2) REPORT.—Not later than 24 months after the date of enactment of this section, the Secretary, acting through the Administrator, shall prepare and submit to the appropriate committees of Congress a report describing the state-of-the-art of quality measurement for minority populations which will identify critical unmet needs, the current activities of the Department to address those needs, and a description of related activities in the private sector.''.

(b) FUNDING.—Section 926 of the Public Health Service Act (42 U.S.C. 299c-5) is amended by adding at the end the following:

''(f) MINORITY HEALTH DISPARITIES RESEARCH.—For the purpose of carrying out the activities under section 906, there are authorized to be appropriated such sums as may be necessary for each of the fiscal years 2000 through 2004.''.

TITLE IV—DATA COLLECTION RELATING TO RACE OR ETHNICITY

SEC. 401. STUDY AND REPORT BY NATIONAL ACADEMY OF SCIENCES.

(a) STUDY.—The Secretary of Health and Human Services shall enter into a contract with the National Academy of Sciences for the conduct of a comprehensive study of the Department of Health and Human Services' data collection systems and practices, and any data collection or reporting systems required under any of the programs or activities of the Department, relating to the collection of data on race or ethnicity, including other Federal data collection systems (such as the Social Security Administration) with which the Department interacts to collect relevant data on race and ethnicity.

(b) REPORT.—Not later than 1 year after the date of enactment of this Act, the National Academy of Sciences shall prepare and submit to the Committee on Health, Education, Labor, and Pensions of the Senate and the Committee on Commerce of the House of Representatives, a report that—

(1) identifies the data needed to support efforts to evaluate the effects of race and ethnicity on access to and quality of health care and other services and on disparity in health and other social outcomes, the data needed to define appropriate quality of care measures to assess the equivalence of health care outcomes in health care payer systems, and the data needed to enforce existing protections for equal access to health care;

(2) examines the effectiveness of the systems and practices of the Department of Health and Human Services described in subsection (a), including demonstration projects of the Department, and the effectiveness of selected systems and practices of other Federal and State agencies and the private sector, in collecting and analyzing such data;

(3) contains recommendations for ensuring that the Department of Health and Human Services, in administering its entire array of programs and activities, collects, or causes to be collected, accurate and complete information relating to race and ethnicity as may be necessary to monitor access to and quality of health care and to ensure the capability to monitor and enforce civil rights laws; and

(4) includes projections about the costs associated with the implementation of the recommendations described in paragraph (3), and the possible effects of the costs on program operations.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as may be necessary for fiscal year 2000 to carry out this section.

TITLE V—PUBLIC AWARENESS

SEC. 501. PUBLIC AWARENESS.

(a) PUBLIC AWARENESS CAMPAIGN.—The Secretary of Health and Human Services, acting through the Surgeon General and the Director of the Office for Civil Rights, shall conduct a national media campaign for the purpose of informing the public about racial and ethnic disparities in health care and health outcomes.

(b) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated such sums as may be necessary for fiscal year 2000.

STATEMENT OF LOUIS W. SULLIVAN, M.D., PRESIDENT, MOREHOUSE SCHOOL OF MEDICINE ON THE HEALTH CARE FAIRNESS ACT OF 1999, NOVEMBER 5, 1999

Thank you for the opportunity to speak in strong support of the Health Care Fairness Act of 1999, which would elevate the NIH's Office of Research on Minority Health to a National Center for Research on Minority Health and Health Disparities. Senator Kennedy and his colleagues are to be commended for their initiative.

For too many years, this country has witnessed one disturbing report after another detailing the growing disparities in health status between our minority and majority populations. Unfortunately, while these reports continue, not enough has been done to change this shocking and unacceptable dynamic.

Infant mortality is nearly twice the rate for minorities as it is for non-minorities.

African-Americans, Hispanics, and Native Americans disproportionately suffer a variety of health care disparities including cancer, diabetes, heart disease and stroke.

The HIV virus and AIDS cases result in disproportionate suffering in minority populations. While minorities in the United States represent about 28% of the population, minorities account for 54% of all AIDS cases.

The above mentioned are only a few of the health care challenges faced by minorities and disadvantaged populations.

If we as a nation are to solve these complex problems, we must take an aggressive approach on all fronts. At the core of improving the health status for all Americans is a strong biomedical research effort to understand the factors which contribute to health problems.

During the time I was HHS Secretary, I was very pleased to work with the Congress, particularly Congressman Louis Stokes (D–OH) to establish the existing Office for Research on Minority Health at NIH. Notwithstanding the success of this office in highlighting and addressing health disparities, and in supporting research focused on improving minority health, the magnitude of the problem of health status disparities warrants an even more aggressive effort.

At the beginning of this year, we were very pleased to begin working with Congressman Jesse Jackson, Jr. (D–IL), Charlie Norwood (R–GA), J.C. Watts (R–OK), and Congresswoman Donna Christensen (D–VI) to introduce H.R. 2391, the National Center for Domestic Health Disparities Act of 1999. The bipartisan Jackson bill, and the legislation that is being introduced today, would elevate the existing NIH Office of Research on Minority Health to a National Center for Research on Minority Health and Health Disparities, and provide the National Center with four new major mechanisms, which the existing office does not have. They are:

(1) The Director of the Center will participate with other Institute and Center Directors to determine research policy and initiatives at NIH.

(2) The Center will serve as the catalyst for forward-thinking, strategic planning for the entire NIH, in order to bring all of NIH's considerable resources to bear, to close the health status gap.

(3) The bill empowers the Center Director to make peer-reviewed grants in areas of promising research which are not being addressed by the existing centers and institutes at NIH.

(4) There will be a new program of support for research excellence at those academic health centers which have demonstrated a historic commitment to studying and addressing diseases which disproportionately affect minority Americans. As a result of this legislation, minority investigations and institutions like Morehouse School of Medicine, of which I am President, Meharry Medical College, and others will have access to the types of resources necessary to build and enhance research infrastructure, and seek to compete on a level playing field with other prominent institutions.

I am grateful that both of the comprehensive bills which are being introduced today in the Senate and the House embody these four principles, and I am particularly pleased that both bills enjoy strong bipartisan support.

Today, I am urging members of Congress in both chambers, and from both sides of the aisle to support and cosponsor these important bills. We need to act as quickly as possible to reverse the persistent health status gap, which affects some 28% of our citizens.

ASSOCIATION OF MINORITY
HEALTH PROFESSIONS SCHOOLS,
Washington, DC, November 3, 1999.

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

DEAR SENATOR KENNEDY: Thank you for introducing the Health Care Fairness Act of 1999. This important legislation would, among other things, elevate the existing Office of Research on Minority Health at the National Institutes of Health (NIH) to a National Center for Research on Minority Health.

The National Center would be better able to respond to the health status disparity crisis facing minority Americans and medically underserved populations through the establishment of the following provisions:

The Director of the new Center would actively participate with Institute and Center Directors in planning major NIH initiatives.

This includes discussing how NIH's considerable resources can be used to effectively address health status disparities.

The Center Director would be able to make peer-reviewed grants in areas of promising research not currently being addressed by the NIH institutes and centers.

The Center would establish a Centers of Excellence program to support those academic health centers which have a historic commitment to studying diseases which disproportionately affect minority and disadvantaged populations.

On behalf of the Association of Minority Health Professions Schools, I extend our enthusiastic support for this important legislation. Please advise me as to how we can work with you and other members of the Senate to pass this important legislation.

Thank you again for your leadership in this area.

Sincerely,

RONNY B. LANCASTER,
President.

NATIONAL MEDICAL ASSOCIATION,
Washington, DC, November 4, 1999.

Hon. EDWARD KENNEDY,
Ranking Minority, Senate Committee on Health, Education, Labor and Pensions, Hart Senate Office Building, Washington, DC.

DEAR SENATOR KENNEDY: The National Medical Association (NMA) is pleased to support the ''Health Care Fairness Act of 1999.'' While the nation has experienced tremendous advances in biomedical research, the benefits of these advances have not fully transferred to the African American and other minority communities, which are unduly plagued with disproportionate rates of death and disease. As the changing demographics of the United States yield growing racial and ethnic minority populations, it is absolutely essential that the nation become more proactive in addressing the critical health and biomedical research needs of communities of color.

Critical provisions of the ''Health Care Fairness Act of 1999'' include:

The establishment of the Center for Research on Minority Health and Health Disparities at the National Institutes of Health (NIH);

The provision of funds for peer-reviewed minority health-focused research grants, at the Institutes and Centers of the NIH;

The requirement to establish a comprehensive plan and budget for the conduct and support of all minority research activities of the NIH agencies; and

The establishment of a grant program to support the development of culturally competent curricula in health care education.

The NMA supports the ''Health Care Fairness Act of 1999'' and believes that this legislation will create important opportunities for the nation to make concrete advances in it's effort to close the health disparity gap.

Sincerely,

WALTER W. SHERVINGTON,
President.

ASSOCIATION OF
BLACK CARDIOLOGISTS, INC.,
Atlanta, GA, November 4, 1999.

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

DEAR HONORABLE SENATOR KENNEDY: The Association of Black Cardiologists, Inc. (ABC) would like to offer its full support of The Health Care Fairness Act of 1999. Its premise and objectives serve to meet the creativity and foresight needed to eliminate the disparity in health care and the mortality rate among African Americans versus White Americans. We wholeheartedly endorse the efforts of this bill to improve minority health, minority health research, data collection relating to race or ethnicity, and the promotion of medical education.

A robust economy and years of government pressure have helped move minority groups closer to the mainstream, but when it comes to health, studies show a stubborn, daunting and in some respects continuous disparity between Black and White Americans. For decades, Blacks have suffered higher death rates from nearly all-major causes including asthma, diabetes, cancer, major infectious diseases and cardiovascular diseases. The ABC recognizes that cardiovascular diseases, the leading cause of deaths in the United States, affect every family. CVD is the major cause of death for the African American population. Contrary to popular belief, the number one killer in the African American community is not violence, cancer, or AIDS. Blacks are more likely to die from cardiovascular disease than from any other disease. We can reduce the cost of health care, improve patient adherence to prescribed drug regimens, and improve the cultural competence of medical professionals with the passing of this bill.

The ABC mission states: ''We believe that good health is the cornerstone of progress for our people. We are firm in our resolve to make exemplary health care accessible and affordable to all in need, dedicated to lowering the high rate of cardiovascular diseases in minority populations and committed to advocacy and diversity. We are guided by high ethics in all our transactions and strive for excellence in our training and skills.''

Our mission throughout our organization is to assure that 'African American Children know their Grandparents'. Typically, African American men, with a life expectancy of less than 65 years, die without the joy of nurturing and guiding their grandchildren as only grandparents can.

What we know from our past efforts to address this issue is that it takes a focus effort to increase awareness, to educate, and to eliminate the disparities in health care. We are pleased that this bill will take this direction. Little progress will be made without a strong partnership among medical, public health and community organizations, and government. Please let us know what else we can do to aid in this effort. We applaud your commitment and stand ready to work actively with you to accomplish these objectives.

Sincerely,

B. WAINE KONG,
Chief Executive Officer.

BOSTON UNIVERSITY
SCHOOL OF MANAGEMENT,
Boston, MA, October 14, 1999.

Senator EDWARD M. KENNEDY,
Russell Senate Building,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I am writing to register my strong and enthusiastic support for the Comprehensive Minority Health Bill, that is currently under consideration by the United States Senate. Considerable research has documented the great disparities in minority health status and health outcomes nationally. Racial and ethnic minorities are known to suffer disproportionately high mortality and morbidity rates, impaired access to health care, and lower quality health care services. This bill includes a host of provisions that would contribute importantly to the correction of this imbalance. The Bill's proposals; to establish a NIH ''Center for Health Disparities Research;'' to provide grants to support programs of excellence in biomedical research education for underrepresented minorities; to direct AHCPR to study the causes of health disparities; to expand DHHS collection/reporting of race/ethnicity data; to improve the quality/outcomes of health care services to minority populations; and to develop graduate/continuing medical education curricula devoted to the reduction of disparity in health care and health outcomes, all represent strong actions intended to address the continuing health imbalance for racial/ethnic minorities.

I write as an academic researcher and educator, and as the national director of the Robert Wood Johnson Foundation's Scholarships in Health Policy Research Program, an initiative that supports fellowships for talented young social scientists who are interested in conducting research on critical health and health policy issues facing the United States, including racial/ethnic disparities in health status and health outcomes. I write also as a citizen who is concerned with the needless loss of human potential and quality of life resulting from the continuing health disparities in our society. I call upon you and your colleagues in the U.S. Senate to support this Bill in all of its elements.

Respectfully submitted,

ALAN B. COHEN,
Professor of Health Policy and Management; Director, Health Care Management; Director, RWJF Scholars in Health Policy Research Program.

UCLA,
Los Angeles, CA, October 13, 1999.

Senator EDWARD M. KENNEDY,
Russell Senate Building,
U.S. Senate, Washington, DC.

DEAR SENATOR KENNEDY: I write to register my strong and enthusiastic support for the Comprehensive Minority Health Bill currently under consideration by the United States Senate. Considerable research has documented the great disparities in minority health status and health outcomes nationally. Race and ethnic minorities are known to suffer disproportionate mortality and morbidity rates and lower quality health care services. This bill includes a host of provisions that will contribute to the correction of this imbalance. The Bill's proposals: to establish a NIH ''Center for Health Disparities Research''; to provide grants to support programs of excellence in biomedical research education for underrepresented minorities; to direct AHCPR to study the causes of health disparities; to expand HHS collection/reporting of race/ethnicity data and to improve the quality/outcomes of health care services to minority populations and to develop graduate/continuing medical education curricula devoted to the reduction of disparity in health care and health outcomes represent strong actions intended to address the continuing health imbalance for racial/ethnic minorities.

I write as an academic researcher and citizen who is concerned with the needless loss of human potential and quality of life resulting from the continuing health disparities in our society. I call upon you and your colleagues in the U.S. Senate to support this Bill in all of its elements.

Respectfully submitted,

WALTER R. ALLEN,
Professor of Sociology.

Attention: Ms. Stephanie Robinson

OCTOBER 13, 1999.

Senator KENNEDY,
Dirksen Senate Building,
Washington, DC.

DEAR SENATOR KENNEDY: I have read with interest your proposed changes and budget recommendations for the Office of Minority Health ''Improving Minority Health Through NIH. As a scholar who does work and collaborations in the field of minority health, and the Chair of a Sociology and Anthropology Department with 62 young scholars in our Graduate Programs, many of whom care about these issues, we are collectively pleased to see this bill brought forward.

Support for intervention and prevention research (of significance) in our community

is too long over overdue. I have held grants from the National Cancer Institute and the National Science Foundation and I know first hand about the obstacles of under funding and a focus that is primarily on advocacy and community based ''feel good'' projects rather than solid research. Research that could possibly bring about some parity in health and health care for people of color in our society. We in our Medical Sociology Program and colleagues who work in the many disciplines connected to health and qualify of life issues applaud you and bring our support by way of many letters like this one. Thank you.

Joy,

FLORENCE B. BONNER,
Chair.

By Mr. DODD:

S. 1881. A bill to amend chapter 84 of title 5, United States Code, to make certain temporary Federal service creditable for retirement purposes; to the Committee on Governmental Affairs.

THE FERS BUYBACK ACT OF 1999

Mr. DODD. Mr. President, today I am introducing the FERS Buyback Act of 1999, legislation that offers retirement security to many federal employees. Companion legislation has already been introduced in the House. Specifically, this legislation would help employees throughout the country hired as temporary workers in the 1980s that continued to work for the federal government into the 1990s.

Hundreds of current and former term employees in federal service find themselves ineligible to receive retirement benefits because of their inability to receive credit for post-1988 service as temporary federal workers.

This legislation would close a loophole in the federal pension system that has adversely impacted many federal workers through no fault of their own. It would change current law to allow individuals who have become eligible for the Federal Employee Retirement System (FERS) the option to receive credit for their past service as temporary employees and pay into the retirement fund for the prior years they worked as temporary employees. Because the legislation would merely allow qualified workers to buy into the retirement system, the government would not incur costs that it would not have incurred had the law treated them as permanent employees.

During the 1980s, the Federal Deposit Insurance Corporation (FDIC) hired thousands of employees under temporary status in response to the savings and loan crisis. Despite their temporary designation, many served in excess of five years with the federal government because of the FDIC's annual renewal of their one-year contracts. Unfortunately, these loyal employees did not enjoy the retirement benefits accorded their colleagues serving the same length of service under permanent status. To their credit, the FDIC did try to rectify the problem several years ago by granting many of their former temporary employees term appointments. Such appointments are for more than one year and allowed employees to be eligible for FERS.

The original FERS Act allowed for employees to make payments or buy back certain years of service prior to 1989 for which deductions were not taken. Therefore, the bill unintentionally denied many federal employees credit for time served after January 1, 1989.

I invite you to join me in correcting this inequity and ask that you cosponsor this fair and straightforward legislation.

By Mrs. HUTCHISON (for herself and Mr. STEVENS):

S. 1882. A bill to expand child support enforcement through means other than programs financed at Federal expense; to the Committee on Finance.

CHILD SUPPORT ENFORCEMENT OPTIONS ACT OF 1999

Mrs. HUTCHISON. Mr. President, I rise today to introduce, along with my colleague, Senator STEVENS, the Child Support Enforcement Options Act of 1999. This bill will give parents the tools and options they need to made sure their children have the resources they need to get a good start in life.

This bill will provide local public agencies and private attorneys access to certain child support enforcement procedures and information not currently available to them. To obtain this access, however, a local public agency or private attorney would first have to obtain a certificate of registration from the Secretary of the Federal Department of Health and Human Services and agree to certain federal requirements and procedures in using the enforcement tools.

Mr. President, in recent years Congress created a number of new information gathering and child support enforcement tools to enable some child support enforcement agencies to better enforce support awards. Unfortunately, these new tools are not available to hundreds of governmental and a growing number of private collection entities which many parents must use or choose to use. These so-called ''non IV–D'' entities have limited or no access to some new and effective federal collection tools. This legislation will extend these tools to so-called ''non IV–D'' entities that are properly approved and monitored by the Department of Health and Human Services.

Specifically, the bill will allow non-IV–D government agencies and private collection firms to be able to submit cases for the interception of Federal and State tax refunds for the collection of unpaid child support, in accordance with Federal and State statutory guidelines; to seek passport sanctions against delinquent parents; to report unpaid child support to credit bureaus; and to obtain current location and asset information on parents who owe child support. In addition, the bill provides that unemployment compensation benefits would be subject to income withholding for child support obligations in all child support cases, not just those enforced by a IV–D agency, as current law allows.

Mr. President, my bill will cost the Federal Government minimal or no additional funds. Nor will it impose any significant obligation on state or local child support agencies, since all government agencies would be allowed under the bill to charge necessary fees to non-IV–D agencies with which they share this information.

What this bill will do is take a significant step toward collecting on the estimated $57 billion in overdue child support owed in this country. Many states and local child support agencies are simply overwhelmed and unable to effectively and timely enforce the tens of millions of child support awards in this country. Far from undermining their role in this process, the Child Support Enforcement Options Act will help them accomplish the mutual goal of making sure that child support is collected and delivered to where it is needed the most—to the children to whom it is owed.

Particularly for families on welfare or other public assistance, child support is often critical to make ends meet. It helps put food on the table, clothes in the closet, and gas in the car. When a non-custodial parent reneges on his or her obligation to provide that support, it is incumbent upon the government to help enforce that award, through whatever means are available to the struggling custodial parent. In my opinion, any other consideration is secondary, and I am hopeful and confident that my colleagues in the Senate will agree and will work to pass this important legislation.

By Mr. BINGAMAN:

S. 1883. A bill to amend title 5, United States Code, to eliminate an inequity on the applicability of early retirement eligibility requirements to military reserve technicians; to the Committee on Governmental Affairs.

THE DUAL STATUS NATIONAL GUARD TECHNICIANS RETIREMENT EQUITY ACT

Mr. BINGAMAN. Mr. President, I rise today to introduce a bill that seeks to remove an inequity in retirement pay benefits for critical personnel in our National Guard and Reserve units who are Dual Status Technicians. They are called ''Dual Status'', Mr. President, because they serve both as military and civilian personnel. There are about 40,000 Dual Status Technicians covered by retirement requirements and restrictions contained in Title 32 of the United States Code. These men and women are the backbone of the National Guard and Reserve structure. They are the mechanics, pilots, engineers, equipment operators, supply and support technicians who keep things running so that the Guard is able to respond to natural disasters and national emergencies, as well as serve on active duty in accordance with the ''total force concept'' that integrates active and reserve forces in the military.

These hardworking men and women are often the first called to duty in an emergency.

As essential as Dual Status Technicians are, they suffer from the worst of two employment worlds. These technicians are by statute both military and civilian employees. Guard technicians must maintain their military job and grade in order to keep their technician status and remain a federal employee. In the event of separation from military service, however, they are denied the retirement benefits of those who serve in the same grade in the active military. Frequently, Dual Status Technicians who are separated from the military must wait years to qualify for their Federal Service retirement benefits.

The bill I am introducing in the Senate today is a companion bill already introduced on the House side by Representative ABERCROMBIE. It seeks to eliminate retirement inequities—a problem we just addressed head on in the Armed Services Committee when we included a provision in this year's Defense Authorization Bill the eliminate retirement inequities between active duty personnel who retired before or after 1986. We voted this year to effectively eliminate the ''Redux'' retirement benefit program because of the lower benefits it offered to personnel who retired after 1986. The action I am proposing in this legislation is somewhat similar.

This bill will permit Dual Status Technicians to retire at any age with 25 years of service or at 50 with 20 years of service. Those benefits are similar to benefits provided to Federal police and fire employees. They're similar to federal employees who retire from the Congress.

I am pleased to see, Mr. President, that this year's Defense Authorization bill took a step to provide equitable benefits to Dual Status Technicians, but in doing so, it crated an inequity within the Technician community itself. A provision in the bill provides for early retirement after 25 years at any age, or at age 50 with 20 years of service—but only for those employed as Dual Status Technicians after 1996. Those same benefits are withheld from those employed before 1996. In other words, Mr. President, we created a situation similar to the one the Senate dealt with regarding the ''Redux'' retirement program in the Defense Authorization bill. The bill I offer today would remove that inequity in the same way the Senate voted to remove the inequity for active duty personnel who retired under the ''Redux'' program.

Mr. President, the cost of equity is not high. An initial estimate by the Congressional Budget Office estimates that this bill could cost about $54 million over a five year period. That number will vary, of course, depending on the number of Technicians who would choose to take advantage of the change in the law when this bill is enacted. Of course, we're not only paying for equity here, Mr. President. We're paying appropriate, equitable compensation to the men and women who have devoted their careers to service for the nation both at home and abroad—our National Guard and Reserve who serve us all so well.

I urge my colleagues to support this bill and urge my fellow Members to support this effort through cosponsorship.

ADDITIONAL COSPONSORS

S. 311

At the request of Mr. MCCAIN, the names of the Senator from Arkansas (Mr. HUTCHINSON) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. 311, a bill to authorize the Disabled Veterans' LIFE Memorial Foundation to establish a memorial in the District of Columbia or its environs, and for other purposes.

S. 312

At the request of Mr. MCCAIN, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. 312, a bill to require certain entities that operate homeless shelters to identify and provide certain counseling to homeless veterans, and for other purposes.

S. 345

At the request of Mr. ALLARD, the name of the Senator from New York (Mr. MOYNIHAN) was added as a cosponsor of S. 345, a bill to amend the Animal Welfare Act to remove the limitation that permits interstate movement of live birds, for the purpose of fighting, to States in which animal fighting is lawful.

S. 765

At the request of Ms. COLLINS, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of S. 765, a bill to ensure the efficient allocation of telephone numbers.

S. 786

At the request of Ms. MIKULSKI, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 786, a bill to amend title II of the Social Security Act to provide that a monthly insurance benefit thereunder shall be paid for the month in which the recipient dies, subject to a reduction of 50 percent if the recipient dies during the first 15 days of such month, and for other purposes.

S. 819

At the request of Mr. GRAHAM, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 819, a bill to provide funding for the National Park System from outer Continental Shelf revenues.

S. 955

At the request of Mr. WARNER, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. 955, a bill to allow the National Park Service to acquire certain land for addition to the Wilderness Battlefield in Virginia, as previously authorized by law, by purchase or exchange as well as by donation.

S. 1016

At the request of Mr. DEWINE, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 1016, a bill to provide collective bargaining for rights for public safety officers employed by States or their political subdivisions.

S. 1020

At the request of Mr. GRASSLEY, the names of the Senator from Missouri (Mr. ASHCROFT) and the Senator from Idaho (Mr. CRAPO) were added as cosponsors of S. 1020, a bill to amend chapter 1 of title 9, United States Code, to provide for greater fairness in the arbitration process relating to motor vehicle franchise contracts.

S. 1075

At the request of Mrs. BOXER, the name of the Senator from Oregon (Mr. WYDEN) was added as a cosponsor of S. 1075, a bill to promote research to identify and evaluate the health effects of silicone breast implants, and to insure that women and their doctors receive accurate information about such implants.

S. 1242

At the request of Mr. AKAKA, the names of the Senator from Vermont (Mr. LEAHY) and the Senator from Vermont (Mr. JEFFORDS) were added as cosponsors of S. 1242, a bill to amend the Immigration and Nationality Act to make permanent the visa waiver program for certain visitors to the United States.

S. 1263

At the request of Mr. JEFFORDS, the name of the Senator from North Carolina (Mr. EDWARDS) was added as a cosponsor of S. 1263, a bill to amend the Balanced Budget Act of 1997 to limit the reductions in medicare payments under the prospective payment system for hospital outpatient department services.

S. 1327

At the request of Mr. CHAFEE, the names of the Senator from Washington (Mr. GORTON) and the Senator from Washington (Mrs. MURRAY) were added as cosponsors of S. 1327, a bill to amend part E of title IV of the Social Security Act to provide States with more funding and greater flexibility in carrying out programs designed to help children make the transition from foster care to self-sufficiency, and for other purposes.

S. 1332

At the request of Mr. BAYH, the names of the Senator from Virginia (Mr. ROBB) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 1332, a bill to authorize the President to award a gold medal on behalf of Congress to Father Theodore M. Hesburg, in recognition of his outstanding and enduring contributions to civil rights, higher education, the Catholic Church, the Nation, and the global community.

S. 1384

At the request of Mr. ABRAHAM, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 1384, a bill to amend the Public Health Service Act to provide for a national folic acid education program to prevent birth defects, and for other purposes.

S. 1419

At the request of Mr. MCCAIN, the names of the Senator from Hawaii (Mr. INOUYE), the Senator from Missouri (Mr. ASHCROFT), the Senator from Florida (Mr. MACK), the Senator from Minnesota (Mr. GRAMS), the Senator from Idaho (Mr. CRAIG), and the Senator from North Dakota (Mr. DORGAN) were added as cosponsors of S. 1419, a bill to amend title 36, United States Code, to designate May as ''National Military Appreciation Month.''

S. 1457

At the request of Mr. WYDEN, the name of the Senator from South Dakota (Mr. JOHNSON) was added as a cosponsor of S. 1457, a bill to amend the Energy Policy Act of 1992 to assess opportunities to increase carbon storage on national forests derived from the public domain and to facilitate voluntary and accurate reporting of forest projects that reduce atmospheric carbon dioxide concentrations, and for other purposes.

S. 1498

At the request of Mr. BURNS, the names of the Senator from Montana (Mr. BAUCUS), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Idaho (Mr. CRAPO), and the Senator from California (Mrs. BOXER) were added as cosponsors of S. 1498, a bill to amend chapter 55 of title 5, United States Code, to authorize equal overtime pay provisions for all Federal employees engaged in wildland fire suppression operations.

S. 1516

At the request of Mr. THOMPSON, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 1516, a bill to amend title III of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11331 et seq.) to reauthorize the Federal Emergency Management Food and Shelter Program, and for other purposes.

S. 1558

At the request of Mr. BAUCUS, the name of the Senator from Connecticut (Mr. LIEBERMAN) was added as a cosponsor of S. 1558, a bill to amend the Internal Revenue Code of 1986 to provide a tax credit for holders of Community Open Space bonds the proceeds of which are used for qualified environmental infrastructure projects, and for other purposes.

S. 1580

At the request of Mr. ROBERTS, the names of the Senator from Virginia (Mr. ROBB) and the Senator from New Mexico (Mr. BINGAMAN) were added as cosponsors of S. 1580, a bill to amend the Federal Crop Insurance Act to assist agricultural producers in managing risk, and for other purposes.

S. 1590

At the request of Mr. CRAPO, the names of the Senator from New York (Mr. MOYNIHAN), the Senator from New York (Mr. SCHUMER), the Senator from Rhode Island (Mr. REED), the Senator from Michigan (Mr. LEVIN), and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of S. 1590, a bill to amend title 49, United States Code, to modify the authority of the Surface Transportation Board, and for other purposes.

S. 1680

At the request of Mr. ASHCROFT, the name of the Senator from New Hampshire (Mr. SMITH) was added as a cosponsor of S. 1680, a bill to provide for the improvement of the processing of claims for veterans compensation and pensions, and for other purposes.

S. 1707

At the request of Mr. THOMPSON, the names of the Senator from Connecticut (Mr. LIEBERMAN) and the Senator from Georgia (Mr. CLELAND) were added as cosponsors of S. 1707, a bill to amend the Inspector General Act of 1978 (5 U.S.C. App.) to provide that certain designated Federal entities shall be establishments under such Act, and for other purposes.

S. 1723

At the request of Mr. WYDEN, the name of the Senator from Washington (Mr. GORTON) was added as a cosponsor of S. 1723, a bill to establish a program to authorize the Secretary of the Interior to plan, design, and construct facilities to mitigate impacts associated with irrigation system water diversions by local governmental entities in the Pacific Ocean drainage of the States of Oregon, Washington, Montana, and Idaho.

S. 1733

At the request of Mr. FITZGERALD, the names of the Senator from Wisconsin (Mr. KOHL), the Senator from Idaho (Mr. CRAPO), and the Senator from Nebraska (Mr. KERREY) were added as cosponsors of S. 1733, a bill to amend the Food Stamp Act of 1977 to provide for a national standard of interoperability and portability applicable to electronic food stamp benefit transactions.

S. 1795

At the request of Mr. CRAPO, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of S. 1795, a bill to require that before issuing an order, the President shall cite the authority for the order, conduct a cost benefit analysis, provide for public comment, and for other purposes.

S. 1825

At the request of Mr. ROCKEFELLER, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. 1825, a bill to empower telephone consumers, and for other purposes.

S. 1867

At the request of Mr. ROBB, the names of the Senator from Washington (Mrs. MURRAY), the Senator from Michigan (Mr. LEVIN), and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 1867, a bill to amend the Internal Revenue Code of 1986 to provide a tax reduction for small businesses, and for other purposes.

S. 1873

At the request of Mr. SESSIONS, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of S. 1873, a bill to delay the effective date of the final rule regarding the Organ Procurement and Transplantation Network.

SENATE RESOLUTION 118

At the request of Mr. REID, the name of the Senator from Illinois (Mr. FITZGERALD) was added as a cosponsor of Senate Resolution 118, a resolution designating December 12, 1999, as ''National Children's Memorial Day.''

SENATE RESOLUTION 128

At the request of Mr. COCHRAN, the name of the Senator from Nebraska (Mr. KERREY) was added as a cosponsor of Senate Resolution 128, a resolution designating March 2000, as ''Arts Education Month.''

SENATE RESOLUTION 196

At the request of Mr. WARNER, the names of the Senator from New Hampshire (Mr. GREGG), the Senator from Arkansas (Mr. HUTCHINSON), the Senator from Rhode Island (Mr. REED), the Senator from Georgia (Mr. CLELAND), the Senator from Utah (Mr. HATCH), and the Senator from New Jersey (Mr. TORRICELLI) were added as cosponsors of Senate Resolution 196, a resolution commending the submarine force of the United States Navy on the 100th anniversary of the force.

SENATE RESOLUTION 217

At the request of Mr. HUTCHINSON, the name of the Senator from Oklahoma (Mr. NICKLES) was added as a cosponsor of Senate Resolution 217, a resolution relating to the freedom of belief, expression, and association in the People's Republic of China.

AMENDMENT NO. 1730

At the request of Mr. HARKIN his name was added as a cosponsor of amendment No. 1730 proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

AMENDMENT NO. 2545

At the request of Mr. COVERDELL the name of the Senator from Maryland (Ms. MIKULSKI) was added as a cosponsor of amendment No. 2545 intended to be proposed to S. 625, a bill to amend title 11, United States Code, and for other purposes.

SENATE RESOLUTION 223—CONDEMNING THE VIOLENCE IN CHECHYNA

Mr. HELMS (for himself, Mr. BIDEN, Mr. WELLSTONE, and Mr. LUGAR) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 223

Whereas, since September 1999, the Russian Federation has conducted a military operation against Chechnya that has resulted in the deaths of thousands of innocent civilians and the displacement of more than 200,000 people;

Whereas the Russian armed forces is launching repeated bombing attacks on the capital city of Grozny;

Whereas the recent conflict in Chechnya represents a continuation of the use of military force by Russia in 1994–1996, which caused the deaths of approximately 100,000 citizens of Russia;

Whereas neither the use of force in 1994–1996, nor the current use of force in Chechnya enhances the prospects for a peaceful resolution of the status of Chechnya;

Whereas the United States condemns terrorism in all forms, including the bombing attacks of apartment buildings in Moscow and Volgodonsk in the summer of 1999;

Whereas the appropriate manner to combat terrorist attacks is not through the use of indiscriminate force against civilians;

Whereas on November 4, 1999, Elena Bonner, Chairman of the Andrei Sakharov Foundation, testified before the Committee on Foreign Relations of the Senate that ''carpet bombing and shelling of cities, villages, and refugee convoys attempting to escape the war zone constitute a grave violation of the Geneva Convention Relative to the Protection of Civilian Persons in Time of War and the Additional Protocols and demonstrate the Russian government's complete disregard for these extremely important international agreements'';

Whereas the United States believes that the recent targeting of ethnic minorities by local Russian officials, including blanket detentions and expulsions, calls into question the commitment of the Government of Russia to pluralism in the process of democratic reform in that country;

Whereas the Government of Russia has limited media access to and coverage of the conflict in Chechnya to preserve Russian popular support for the military operation;

Whereas the Government of Russia has openly violated its commitments under the Flank Document to the Treaty on Conventional Armed Forces in Europe with its deployments of military equipment in and around Chechnya; and

Whereas the conduct of the Russian armed forces in Chechnya threatens to destabilize the southern part of the Russian Federation as well as the region of the Caucasus as a whole: Now, therefore, be it

Resolved, That the Senate—

(1) condemns the use of indiscriminate force by the Russian armed forces against civilians in Chechnya;

(2) urges the Russian Federation—

(A) to assist those persons who have been displaced from Chechnya as a result of the conflict; and

(B) to allow representatives of the international community access to the internally displaced persons for humanitarian relief; and

(3) calls upon Russian President Boris Yeltsin and Prime Minister Vladimir Putin to devote every effort, including the use of third-party mediation, to the peaceful resolution of the conflict in Chechnya.

SENATE RESOLUTION 224—EXPRESSING THE SENSE OF THE SENATE TO DESIGNATE NOVEMBER 11, 1999, AS A SPECIAL DAY FOR RECOGNIZING THE MEMBERS OF THE ARMED FORCES AND THE CIVILIAN EMPLOYEES OF THE UNITED STATES WHO PARTICIPATED IN THE RECENT CONFLICT IN KOSOVO AND THE BALKANS

Mr. CLELAND submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 224

Whereas approximately 39,000 members of the Armed Forces and civilian employees of the United States were deployed at the peak of the 1999 conflict in Kosovo;

Whereas approximately 700 United States aircraft were deployed and committed to combat missions during that conflict;

Whereas approximately 37,000 combat sorties were flown by aircraft of the North Atlantic Treaty Organization (NATO) during that conflict;

Whereas approximately 25,000 combat sorties were flown by United States aircraft during that conflict;

Whereas more than 5,000 weapons strike missions were completed during that conflict;

Whereas that conflict was the largest combat operation in the history of the North Atlantic Treaty Organization;

Whereas the United States and the North Atlantic Treaty Organization achieved all the military objectives of that conflict;

Whereas there were no United States or North Atlantic Treaty Organization combat fatalities during that conflict; and

Whereas that conflict was the most precise air assault in history: Now, therefore, be it

Resolved, That it is the Sense of the Senate—

(1) to designate November 11, 1999, as a special day for recognizing and welcoming home the members of the Armed Forces (including active component and reserve component personnel), and the civilian personnel of the United States, who participated in the recently-completed operations in Kosovo and the Balkans, including combat operations and humanitarian assistance operations;

(2) to designate November 11, 1999, as a special day for remembering the members of the Armed Forces deployed in Kosovo and throughout the world, and the families of such members;

(3) to make the designations under paragraphs (1) and (2) on November 11, 1999, in light of the traditional celebration and recognition of the veterans of the United States on November 11 each year;

(4) to acknowledge that the members of the Armed Forces who served in Kosovo and the Balkans responded to the call to arms during a time of change in world history;

(5) to recognize that we live in times of international unrest and that the conflict in Kosovo was a dangerous military operation, as all combat operations are; and

(6) to acknowledge that the United States owes a debt of gratitude to the members of the Armed Forces who served in the conflict in Kosovo, to their families, and to all the members of the Armed Forces who place themselves in harm's way each and every day.

SENATE RESOLUTION 225—TO DESIGNATE NOVEMBER 23, 2000, THANKSGIVING DAY, AS A DAY TO ''GIVE THANKS, GIVE LIFE'' AND TO DISCUSS ORGAN AND TISSUE DONATION WITH OTHER FAMILY MEMBERS

Mr. DURBIN (for himself, Mr. FRIST, Mr. DEWINE, Mr. LEVIN, Mr. KENNEDY, Mr. FEINGOLD, Mr. DORGAN, Mrs. BOXER, Mr. MACK, Mr. DODD, and Mr. THURMOND) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 225

Whereas traditionally, Thanksgiving is a time for families to take time out of their busy lives to come together and to give thanks for the many blessings in their lives;

Whereas approximately 21,000 men, women, and children in the United States are given the gift of life each year through transplantation surgery, made possible by the generosity of organ and tissue donations;

Whereas more than 66,000 Americans are awaiting their chance to prolong their lives by finding a matching donor;

Whereas nearly 5,000 of these patients each year (or 13 patients each day) die while waiting for a donated heart, liver, kidney, or other organ;

Whereas nationwide there are up to 15,000 potential donors annually, but families' consent to donation is received for less than 6,000;

Whereas the need for organ donations greatly exceeds the supply available;

Whereas designation as an organ donor on a driver's license or voter's registration is a valuable step, but does not ensure donation when an occasion arises;

Whereas the demand for transplantation will likely increase in the coming years due to the growing safety of transplantation surgery due to improvements in technology and drug developments, prolonged life expectancy, and increased prevalence of diseases that may lead to organ damage and failure, including hypertension, alcoholism, and hepatitis C infection;

Whereas the need for a more diverse donor pool, including a variety of racial and ethnic minorities, will continue to grow in the coming years;

Whereas the final decision on whether a potential donor can share the gift of life usually is made by surviving family members regardless of the patient's initial intent;

Whereas many Americans have indicated a willingness to donate their organs and tissues but have not discussed this critical matter with the family members who are most likely to make the decision, if the occasion arises, as to whether that person will be an organ and tissue donor;

Whereas some family members may be reluctant to give consent to donate their deceased loved one's organs and tissues at a very difficult and emotional time if that person has not clearly expressed a desire or willingness to do so;

Whereas the vast majority of Americans are likely to spend part of Thanksgiving Day with some of those family members who would be approached to make such a decision; and

Whereas it is fitting for families to spend a portion of that day discussing how they might give life to others on a day devoted to giving thanks for their own blessings: Now, therefore, be it

Resolved, That the Senate designates November 23, 2000, Thanksgiving Day, as a day to ''Give Thanks, Give Life'' and to discuss organ and tissue donation with other family

members so that informed decisions can be made if the occasion to donate arises.

Mr. DURBIN. Mr. President, I am pleased to join with my distinguished colleagues, Senator FRIST, Senator DEWINE, Senator KENNEDY, Senator LEVIN and others in submitting a resolution that would designate November 23, 2000, Thanksgiving Day, as a day for families to discuss organ and tissue donation with other family members. The resolution uses the theme Give Thanks, Give Life to encourage these discussions so that informed decisions can be made if the occasion to donate arises.

Traditionally, Thanksgiving is a time for families to take time out of their busy lives to come together and give thanks for the many blessings in their lives. This presents the perfect opportunity for family members to discuss their intentions on the issue of organ and tissue donation. Although designation as an organ donor on a driver's license or voter's registration is a valuable first step in the donation process, it does not ensure donation will take place since the final decision on whether a potential donor will share the gift of life is always made by surviving family members regardless of their loved one's initial intent.

There are approximately 21,000 men, women, and children in the United States who receive the gift of life each year through transplantation surgery made possible by the generosity of organ and tissue donations. This is only a small proportion of the more than 66,000 Americans who are on the waiting list, hoping for their chance to prolong their lives by finding a matching donor. Tragically, nearly 5,000 of these patients each year (or 13 patients each day) die while waiting for a donated heart, liver, kidney, or other organ.

In order to narrow the gap between the supply and the increasing demand for donated organs, there must be an effort to encourage willing donors to make their desire to donate clear to the only people able to make the decision, if the occasion should arise—their immediate family members. Although there are up to 15,000 potential donors annually, families' consent to donation is received for less than 6,000 donors. As the demand for transplantation increases due to prolonged life expectancy; increased prevalence of diseases that lead to organ damage and failure including hypertension, alcoholism, and hepatitis C infection, this shortfall will become even more pronounced. Additionally, the need for a more diverse donor pool, including a variety of racial and ethnic minorities, will also continue to grow with the predicted population trends.

Many Americans will spend part of the Thanksgiving Day with some of those family members who would be most likely approached to make the important decision of whether or not to donate. Therefore, this would be a good time for families to spend a portion of that day discussing how they might give life to others on a day devoted to giving thanks for their own blessings. Open family discussions on this topic on a day of relaxation and family togetherness will increase awareness of the intentions of those willing to make the courageous and selfless decision to be organ donors, leading to more lifesaving transplants in the future. Designation of November 23, 2000, Thanksgiving Day, as a day for families to Give Thanks, Give Life is an important next step to promoting the dialogue between willing donors and their families, so that family members will know their loved ones' wishes long before the issue arises.

We have received the support of many national organ and tissue donation organizations for this resolution including: the American Heart Association, American Kidney Fund, American Liver Foundation, American Lung Association, American Society of Transplant Surgeons, Association of Organ Procurement Organizations, Coalition on Donation, Eye Bank Association of America, National Kidney Foundation, National Minority Organ and Tissue Transplant Education Program (MOTTEP), Transplant Recipients International Organization (TRIO), United Network for Organ Sharing (UNOS), and the Wendy Marks Foundation for Organ Donor Awareness. The efforts of these groups and others have been critical in increasing donor awareness and education of the public on this extremely important cause.

Mr. President, I urge all of my colleagues to join me in supporting this worthwhile resolution designating Thanksgiving day of 2000 as a day for families to discuss organ and tissue donation with other family members, a day to ''Give Thanks, Give Life.''

AMENDMENTS SUBMITTED ON NOVEMBER 5, 1999

NATIONAL AERONAUTICS AND SPACE ADMINISTRATION AUTHORIZATION ACT OF 1999

FRIST AMENDMENT NO. 2542

Mr. DOMENICI (for Mr. FRIST) proposed an amendment to the bill (H.R. 1654) to authorize appropriations for the National Aeronautics and Space Administration for fiscal year 2000, 2001, and 2002, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''National Aeronautics and Space Administration Authorization Act for Fiscal Years 2000, 2001, and 20002''.

(b) TABLE OF CONTENTS—

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) The National Aeronautics and Space Administration should continue to pursue actions and reforms directed at reducing institutional costs, including management restructuring, facility consolidation, procurement reform, personnel base downsizing, and convergence with other defense and commercial sector systems, while sustaining safety standards for personnel and hardware.

(2) The National Aeronautics and Space Administration should sustain its proud history as the leader of the United States in basic aeronautics and space research.

(3) The United States is on the verge of creating and using new technologies in microsatellites, information processing, and space launches that could radically alter the manner in which the Federal Government approaches its space mission.

(4) The Federal Government should invest in the types of research and innovative technology in which United States commercial providers do not invest, whole avoiding competition with the activities in which United States commercial providers do invest.

(5) International cooperation in space exploration and science activities serves the interest of the United States.

(6) In participating in the National Aeronautical Test Alliance, the National Aeronautics and Space Administration and the Department of Defense should cooperate more effectively in leveraging the mutual

capabilities of these agencies to conduct joint aeronautics and space missions that not only improve United States aeronautics and space capabilities, but also reduce the cost of conducting those missions.

SEC. 3. DEFINITIONS.

In this Act:

(1) ADMINISTRATOR.—The term ''Administrator'' means the Administrator of the National Aeronautics and Space Administration.

(2) COMMERCIAL PROVIDER.—The term ''Commercial provider'' means any person providing space transportation services or other space-related activities, the primary control of which is held by persons other than a Federal, State, local, or foreign government.

(3) CRITICAL PATH.—The term ''critical path'' means the sequence of events of a schedule of events under which a delay in any event causes a delay in the overall schedule.

(4) GRANT AGREEMENT.—The term ''grant agreement'' has the meaning given that term in section 6302(2) of title 31, United States Code.

(5) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given such term in section 1201(a) of the Higher Education Act of 1965 (20 U.S.C. 1141(a)).

(6) MAJOR REORGANIZATION.—With respect to the National Aeronautics and Space Administration, the term ''major reorganization'' means any reorganization of the Administration that involves the reassignment of more than 25 percent of the employees of the National Aeronautics and Space Administration.

(7) STATE.—The term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, and any other commonwealth, territory, or possession of the United States.

TITLE I—AUTHORIZATION OF APPROPRIATIONS

SUBTITLE A—AUTHORIZATIONS

SEC. 101. INTERNATIONAL SPACE STATION.

There are authorized to be appropriated to the National Aeronautics and Space Administration for the International Space Station—

(1) $2,282,700,000 for fiscal year 2000;

(2) $2,328,000,000 for fiscal year 2001; and

(3) $2,091,000,000 for fiscal year 2002.

SEC. 102. LAUNCH VEHICLE AND PAYLOAD OPERATIONS.

There are authorized to be appropriated to National Aeronautics and Space Administration for Launch Vehicle and Payload Operations—

(1) for fiscal year 2000—

(A) $2,547,400,000 for space shuttle operations;

(B) $463,800,000 for space shuttle safety and performance upgrades; and

(C) $169,100,000 for payload and utilization operations.

(2) for fiscal year 2001—

(A) $2,623,822,000 for space shuttle operations;

(B) $481,964,000 for space shuttle safety and performance upgrades; and

(C) $174,173,000 for payload and utilization operations.

(3) for fiscal year 2002—

(A) $2,702,537,000 for space shuttle operations;

(B) $505,523,000 for space shuttle safety/performance upgrades; and

(C) $179,398,000 for payload and utilization operations.

SEC. 103. SCIENCE, AERONAUTICS, AND TECHNOLOGY.

There are authorized to be appropriated to the National Aeronautics and Space Administration for Science, Aeronautics, and Technology—

(1) for fiscal year 2000—

(A) $2,196,600,000 for Space Science;

(B) $256,200,000 for life and microgravity sciences and applications, of which $2,000,000 shall be for research and early detection system for breast and ovarian cancer and other women's health issues, and $2,000,000 shall be made available for immediate clinical trials of islet transplantation in patients with Type I diabetes utilizing immunoisolation technologies derived from NASA space flights;

(C) $1,459,100,000 for Earth Science;

(D) $1,156,500,000 for aeronautics and space transportation technology, of which—

(i) $770,000,000 shall be used for aeronautical research and technology, of which at least $60,000,000 shall be used for the Aviation Safety program, and of which $25,000,000 shall be used to augment research and technology relating to reduction in aircraft noise consistent with a noise reduction goal of 10dB by 2007, and of which $50,000,000 shall be used for ultra-efficient engine technology;

(ii) $254,000,000 shall be used for advanced space transportation technology, of which $111,600,000 shall be used only for the X–33 advanced technology demonstration vehicle program; and

(iii) $132,500,000 shall be used for commercial technology,of which some funds may be used for the expansion of the NASA business incubation program which is designed to foster partnerships between educational institutions and small high-technology businesses with preference given to those programs associated with community colleges;

(E) $406,300,000 for mission communications services;

(F) $130,000,000 for academic programs, of which $46,000,000 shall be used for minority university research and education (at institutions such as Hispanic-serving institutions and tribally-controlled community colleges), of which $28,000,000 shall be used for historically black colleges and universities; and

(G) $150,000,000 for future planning (space launch).

(2) for fiscal year 2001—

(A) $2,262,498,000 for Space Science;

(B) $263,886,000 for life and microgravity sciences and applications, and appropriate funding shall be made available for continuing clinical trials of islet transplantation in patients with Type I diabetes utilizing immunoisolation technologies derived from NASA space flights;

(C) $1,502,873,000 for Earth Science;

(D) $1,036,695,000 for aeronautics and space transportation technology, of which $820,000,000 shall be used for aeronautical research and technology, of which—

(i) at least $60,000,000 shall be used for the Aviation Safety program;

(ii) $25,000,000 shall be used to augment research and technology relating to reduction in aircraft noise consistent with a noise reduction goal of 10dB by 2007;

(iii) $75,000,000 shall be used to augment research and technology for engine and airframe efficiency and emissions reduction; and

(iv) $50,000,000 shall be used for ultra-efficient engine technology;

(E) $418,489,000 for mission communications services;

(F) $133,900,000 for academic programs; and

(G) $150,000,000 for future planning (space launch).

(3) for fiscal year 2002—

(A) $2,330,373,000 for Space Science;

(B) $271,803,000 for life and microgravity sciences and applications, and appropriate funding shall be made available for continuing clinical trials of islet transplantation in patients with Type I diabetes utilizing immunoisolation technologies derived from NASA space flights;

(C) $1,547,959,000 for Earth Science;

(D) $1,067,796,000 for aeronautics and space transportation technology, of which $880,000,000 shall be used for aeronautical research and technology, of which—

(i) at least $60,000,000 shall be used for the Aviation Safety program;

(ii) $25,000,000 shall be used to augment research and technology relating to reduction in aircraft noise consistent with a noise reduction goal of 10dB by 2007;

(iii) $75,000,000 shall be used to augment research and technology for engine and airframe efficiency and emissions reduction; and

(iv) $50,000,000 shall be used for ultra-efficient engine technology;

(E) $431,044,000 for mission communications services;

(F) $137,917,000 for academic programs; and

(G) $280,000,000 for future planning (space launch).

SEC. 104. MISSION SUPPORT.

There are authorized to be appropriated to the National Aeronautics and Space Administration for mission support—

(1) for fiscal year 2000—

(A) $43,000,000 for safety, mission assurance, engineering, and advanced concepts;

(B) $89,700,000 for space communication services;

(C) $181,000,000 for construction of facilities, including land acquisition; and

(D) $2,181,200,000 for research and program management, including personnel and related costs, travel, and research operations support.

(2) $2,569,747,000 for fiscal year 2001.

(3) $2,646,839,000 for fiscal year 2002.

SEC. 105. INSPECTOR GENERAL.

There are authorized to be appropriated to the National Aeronautics and Space Administration for Inspector General—

(1) $20,800,000 for fiscal year 2000;

(2) $21,424,000 for fiscal year 2001; and

(3) $22,066,720 for fiscal year 2002.

SEC. 106. EXPERIMENTAL PROGRAM TO STIMULATE COMPETITIVE RESEARCH.

Of the amounts authorized to be appropriated for academic programs under section 103(1)(F), 103(2)(F), and 103(3)(F), respectively, the Administrator shall use, for the program known as the Experimental Program to Stimulate Competitive Research—

(1) $10,000,000 for fiscal year 2000;

(2) $15,000,000 for fiscal year 2001; and

(3) $20,000,000 for fiscal year 2002.

Subtitle B—Limitations and Special Authority

SEC. 111. USE OF FUNDS FOR CONSTRUCTION.

(a) AUTHORIZED USES.—Funds made available by appropriations under section 101, paragraphs (1)(A), (1)(B), (2)(A), (2)(B), (3)(A), and (3)(B) of section 102, section 103, and paragraphs (1)(A), (1)(B), (2)(A), and (2)(B) of section 104 and funds made available by appropriations for research operations support pursuant to section 104 may, at any location in support of the purposes for which such funds are appropriated, be used for—

(1) the construction of new facilities; and

(2) additions to, repair of, rehabilitation of, or modification of existing facilities (in existence on the date on which such funds are made available by appropriation).

(b) LIMITATION.—

(1) IN GENERAL.—Until the date specified in paragraph (2), no funds may be expended pursuant to subsection (a) for a project, with respect to which the estimated cost to the National Aeronautics and Space Administration, including collateral equipment, exceeds $1,000,000.

(2) DATE.—The date specified in this paragraphs is the date that is 30 days after the Administrator notifies the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives of the nature, location, and estimated cost to the National Aeronautics and Space Administration of the project referred to in paragraph (1).

(c) TITLE TO FACILITIES.—

(1) IN GENERAL.—If funds are used pursuant to subsection (a) for grants for the purchase or construction of additional research facilities to institutions of higher education, or to nonprofit organizations whose primary purpose is the conduct of scientific research, title to these facilities shall be vested in the United States.

(2) EXCEPTION.—If the Administrator determines that the national program of aeronautical and space activities will best be served by vesting title to a facility referred to in paragraph (1) in an institution or organization referred to in that paragraph, the title to that facility shall vest in that institution or organization.

(3) CONDITION.—Each grant referred to in paragraph (1) shall be made under such conditions as the Administrator determines to be necessary to ensure that the United States will receive benefits from the grant that are adequate to justify the making of the grant.

SEC. 112. AVAILABILITY OF APPROPRIATED AMOUNTS.

To the extent provided in appropriations Acts, appropriations authorized under subtitle A may remain available without fiscal year limitation.

SEC. 113. REPROGRAMMING FOR CONSTRUCTION OF FACILITIES.

(a) USE OF CONSTRUCTION FUNDS.—Subject to subsection (b), in addition to the amounts authorized for construction of facilities under section 101(4) or section 103(3), the Administrator may, for that purpose, from funds otherwise available to the Administrator—

(1) use an additional amount equal to 10 percent of the amount specified; or

(2) to meet unusual cost variations, use an additional amount equal to 25 percent of that amount, after the termination of a 30-day period beginning on the date on which the Administrator submits a report on the circumstances of such action by the Administrator to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(b) LIMITATION.—The aggregate amount authorized to be appropriated for construction of facilities under section 101(4) and section 103(3) shall not be increased as a result of any action taken by the Administrator under paragraph (1) or (2).

SEC. 114. CONSIDERATION BY COMMITTEES.

(a) IN GENERAL.—

(1) LIMITATION ON USE OF FUNDS.—Except as provided in subsection (b), notwithstanding any other provision of law, no amount made available by appropriations for the National Aeronautics and Space Administration in excess of the amount authorized for that program under this title may be used for any program with respect to which—

(A) the annual budget request submitted by the President under section 1105(a) of title 31, United States Code, included a request for funding; and

(B) for the fiscal year of the request referred to in subparagraph (A), Congress denied or did not provide funding.

(2) PROHIBITION.—Notwithstanding any other provision of law, no amount made available by appropriations to the National Aeronautics and Space Administration may be used for any program that is not authorized under this Act, except for projects for construction of facilities.

(b) EXCEPTION.—Funds may be used for a program of the National Aeronautics and Space Administration upon the expiration of the 30-day period beginning on the date on which the Administrator provides a notice to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives that contains—

(1) a full and complete statement of the action proposed to be taken by the Administrator with respect to be taken by the Administrator with respect to that program; and

(2) the facts and circumstances that the Administrator relied on to support the proposed action referred to in paragraph (1).

(c) INFORMATION.—The Administrator shall keep the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives fully and currently informed with respect to all activities and responsibilities of the National Aeronautics and Space Administration within the jurisdiction of those committees.

SEC. 115. USE OF FUNDS FOR SCIENTIFIC CONSULTATIONS OR EXTRAORDINARY EXPENSES.

Not more than $35,000 of the amounts made available by appropriations pursuant to section 103 may be used by the Administrator for scientific consultations or extraordinary expenses.

TITLE II—INTERNATIONAL SPACE STATION.

SEC. 201. INTERNATIONAL SPACE STATION CONTINGENCY PLAN.

(a) TRANSFER OF FUNDS TO RUSSIA.—Notwithstanding any other provision of this Act, no funds or inkind payments shall be transferred to any entity of the Russian Government or any Russian contractor to perform work on the International Space Station which the Russian Government pledged, at any time, to provide at its expense. The subsection shall not apply to the purchase or modification of—

(1) the Russian Service Module, United States owned Functional Cargo Block, Russian space launch vehicles and launch services; or

(2) until the assembly of the United States lab module, command and control capability.

(b) CONTINGENCY PLAN FOR RUSSIAN ELEMENTS IN CRITICAL PATH.—The Administrator shall develop and deliver to Congress, within 60 days of enactment, a contingency plan for the removal or replacement of each Russian Government element of the International Space Station that lies in the Station's critical path, as well as Russian space launch services. Such plan shall include—

(1) decision points for removing or replacing those elements and launch services, to the maximum extent feasible, necessary for completion of the International Space Station;

(2) the estimated cost of implementing each such decision; and

(3) the cost, to the extent determinable, of removing or replacing a Russian Government critical path element or launch service after its decision point has passed, if—

(A) the decision at that point was not to remove or replace the Russian Government element or launch service; and

(B) the National Aeronautics and Space Administration later determines that the Russian Government will be unable to provide the critical path element or launch service in a manner to allow completion of the International Space Station.

(c) BIMONTHLY REPORTING ON RUSSIAN STATUS.—On or before December 1, 1999, and until substantial completion (as defined in section 202(b)(3) of this Act) of the assembly of the International Space Station, the Administrator shall report to Congress on the first day of every other month whether or not the Russians have performed work expected of them and necessary to complete the International Space Station. Such report shall also include a statement of the Administrator's judgment concerning Russia's ability to perform work anticipated and required to complete the International Space Station before the next report under this subsection.

(d) DECISION ON RUSSIAN CRITICAL PATH ITEMS.—The President shall notify Congress within 90 days of enactment of this Act of the decision on whether or not to proceed with permanent replacement of the Russian Service Module, other Russian elements in the critical path of the International Space Station, or Russian launch services. Such notification shall include the reasons and justifications for the decision and the costs associated with the decision. Such decision shall include a judgment of when the assembly of the International Space Station will be completed. If the President decides to proceed with a permanent replacement for the Russian Service Module or any other Russian element in the critical path or Russian launch service, the President shall notify Congress of the reasons and the justification for the decision to proceed with the permanent replacement, and the costs associated with the decision.

SEC. 202. COST LIMITATION FOR THE INTERNATIONAL SPACE STATION

(a) LIMITATION OF COSTS.—Except as provided in subsection (c), the total amount appropriated for—

(1) costs of the International Space Station through completion of assembly may not exceed $21,900,000,000; and

(2) space shuttle launch costs in connection with the assembly of the International Space Station through completion of assembly may not exceed $17,700,000,000 (determined at the rate of $380,000,000 per space shuttle flight).

(b) COSTS TO WHICH LIMITATION APPLIES.—

(1) DEVELOPMENT COSTS.—The limitation imposed by subsection (a)(1) does not apply to funding for operations, research, and crew return activities subsequent to substantial completion of the International Space Station.

(2) LAUNCH COSTS.—The limitation imposed by subsection (a)(2) does not apply to space shuttle launch costs in connection with operations, research, and crew return activities subsequent to substantial completion of the International Space Station.

(3) SUBSTANTIAL COMPLETION.—For purposes of this subsection, the International Space Station is considered to be substantially completed when the development costs comprise 5 percent or less of the total International Space Station costs for the fiscal year.

(c) AUTOMATIC INCREASE OF LIMITATION AMOUNT.—The amounts set forth in subsection (a) shall each be increased to reflect any increase in costs attributable to—

(1) economic inflation;

(2) compliance with changes in Federal, State, or local laws enacted after the date of enactment of this Act;

(3) the lack of performance or the termination of participation of any of the International countries participating in the International Space Station; and

(4) new technologies to improve safety, reliability, maintainability, availability, or utilization of the International Space Station, or to reduce costs after completion of assembly, including increases in costs for on-

orbit assembly sequence problems, increased ground testing, verification and integration activities, contingency responses to on-orbit failures, and design improvements to reduce the risk of on-orbit failures.

(d) NOTICE OF CHANGES.—The Administrator shall provide with each annual budget request a written notice and analysis of any changes under subsection (c) to the amounts set forth in subsection (a) to the Senate Committees on Appropriations and on Commerce, Science, and Transportation and to the House of Representatives Committees on Appropriations and on Science. The written notice shall include—

(1) an explanation of the basis for the change, including the costs associated with the change and the expected benefit to the program to be derived from the change; and

(2) an analysis of the impact on the assembly schedule and annual funding estimates of not receiving the requested increases.

(e) REPORTING AND REVIEW.—

(1) IDENTIFICATION OF COSTS.—

(A) SPACE SHUTTLE.—As part of the over-all space shuttle program budget request for each fiscal year, the Administrator shall identify separately the amounts of the requested funding that are to be used for completion of the assembly of the International Space Station.

(B) INTERNATIONAL SPACE STATION.—As part of the overall International Space Station budget request for each fiscal year, the Administrator shall identify the amount to be used for development of the International Space Station.

(2) ACCOUNTING FOR COST LIMITATIONS.—As part of the annual budget request to the Congress, the Administrator shall account for the cost limitations imposed by subsection (a).

(3) VERIFICATION OF ACCOUNTING.—The Administrator shall arrange for a verification, by the General Accounting Office, of the accounting submitted to the Congress within 60 days after the date on which the budget request is transmitted to the Congress.

(4) INSPECTOR GENERAL.—Within 60 days after the Administrator provides a notice and analysis to the Congress under subsection (d), the Inspector General of the National Aeronautics and Space Administration shall review the notice and analysis was provided.

SEC. 203. LIABILITY CROSS-WAIVERS FOR INTERNATIONAL SPACE STATION-RELATED ACTIVITIES.

(a) IN GENERAL.—Notwithstanding any other provision of law, the Administrator, on behalf of the United States, its departments, agencies, and related entities, may reciprocally waive claims with cooperating parties, and the related entities of such cooperating parties under which each party to each such waiver agrees to be responsible, and agrees to ensure that its own related entities are responsible, for damage or loss to its property or to property for which it is responsible, or for losses resulting from any injury or death sustained by its own employees or agents, as a result of activities connected to the International Space Station Program.

(b) LIMITATIONS.—

(1) CLAIMS.—A reciprocal waiver under subsection (a) may not preclude a claim by any natural person (including, but not limited to, a natural person who is an employee of the United States, the cooperating party, or the cooperating party's subcontractors) or that natural person's estate, survivors, or subrogees for injury or death, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(2) LIABILITY FOR NEGLIGENCE.—A reciprocal waiver under subsection (a) may not absolve any party of liability to any natural person (including, but not limited to, a natural person who is an employee of the United States, the cooperating party, or the cooperating party's subcontractors) or such natural person's estate, survivors, or subrogees for negligence, except with respect to a subrogee that is a party to the waiver or has otherwise agreed to be bound by the terms of the waiver.

(3) INDEMNIFICATION FOR DAMAGES.—A reciprocal waiver under subsection (a) may not be used as the basis of a claim by the Administration or the cooperating party for indemnification against the other for damages paid to a natural person, or that natural person's estate, survivors, or subogrees, for injury or death sustained by that natural person as a result of activities connected to the International Space Station Program.

(c) SAFETY OVERSIGHT AND REVIEW REQUIRED.—In the exercise of the authority provided in subsection (a), and consistent with relevant agreements with cooperating parties in the International Space Station Program, the Administrator shall establish overall safety requirements and plans and shall conduct overall integrated system safety reviews for International Space Station elements and payloads, and may undertake any and all authorized steps (including, but not limited to, removal from launch manifest) to ensure, to the maximum extent possible, that such elements and payloads pose no safety risks for the International Space Station.

(d) DEFINITIONS.—In this section:

(1) COOPERATING PARTY.—The term ''cooperating party'' means any person who enters into an agreement or contract with the Administration for the performance or support of scientific, aeronautical, or space activities in furtherance of the International Space Station Program.

(2) RELATED ENTITY.—The term ''related entity'' includes contractors or subcontractors at any tier, suppliers, grantees, and investigators or detailees.

(3) COMMON TERMS.—Any term used in this section that is defined in the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451 et seq.) has the same meaning in this section as when it is used in that Act.

(e) EFFECT ON PREVIOUS WAIVERS.—Subsection (a) applies to any waiver of claims entered into by the Administrator without regard to whether it was entered into before, on, or after the date of enactment of this Act.

TITLE III—MISCELLANEOUS PROVISIONS

SEC. 301. NATIONAL AERONAUTICS AND SPACE ACT OF 1958 AMENDMENTS.

(a) DECLARATION OF POLICY AND PURPOSE.—Section 102 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2451) is amended—

(1) by striking subsection (f);

(2) by redesignating subsections (g) and (h) as subsection (f) and (g), respectively; and

(3) in subsection (g), as redesignated by paragraph (1) of this subsection, by striking ''(f) and (g)'' and inserting ''and (f)''.

(b) REPORTS TO CONGRESS.—Section 206(a) of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2476(a)) is amended—

(1) by striking ''January'' and inserting ''May''; and

(2) by striking ''calendar'' and inserting ''fiscal''.

(c) DISCLOSURE OF TECHNICAL DATA.—Section 303 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2454) is amended by adding at the end the following new subsection:

''(c) The Administrator may delay for a period not to exceed 5 years after development, the unrestricted public disclosure of technical data that would have been a trade secret or commercial or financial information that is privileged or confidential under the meaning of section 552(b)(4) of title 5, United States Code, if the information had been obtained from a non-Federal party, in any case in which the technical data is generated in the performance of experimental, developmental, or research activities or programs conducted by, or funded in whole or in part by, the Administration. The technical data referred to in the preceding sentence shall not be subject to the disclosure requirements of section 552 of title 5, United States Code.''.

SEC. 302. USE OF EXISTING FACILITIES.

(a) IN GENERAL.—In any case in which the Administrator considers the purchase, lease, or expansion of a facility to meet requirements of the National Aeronautics and Space Administration, the Administrator, taking into account the applicable requirements of Federal law relating to the use or disposal of excess or surplus property, including the Federal Property and Administrative Services Act of 1949, shall—

(1) consider whether there is available to the Administrator for use for meeting those requirements—

(A) any military installation that is closed or being closed;

(B) any facility at an installation referred to in subparagraph (A); or

(C) any other facility that the Administrator determines to be—

(i) owned or leased by the United States for the use of another agency of the Federal Government; and

(ii) considered by the head of the agency involved—

(I) to be excess to the needs of that agency; or

(II) to be underutilized by that agency; and

(2) in the case of an underutilized facility available in part for use to meet those requirements, consider locating an activity of the National Aeronautics and Space Administration for which a facility is required at that underutilized facility in such manner as to share the use of the facility with 1 or more agencies of the Federal Government.

(b) ADDITION OR EXPANSION.—To the maximum extent feasible and cost-effective (and not inconsistent with the purposes of the Defense Base Closure and Realignment Act of 1990 (104 Stat. 1808 et seq.) and the amendments made by that Act), the Administrator shall meet the requirements of the National Aeronautics and Space Administration for additional or expanded facilities by using facilities that—

(1) the Administrator considers, pursuant to subsection (a), to be available to the Administrator for use to meet those requirements; and

(2) meet the management needs of the National Aeronautics and Space Administration.

(c) UNDERUTILIZED INFRASTRUCTURE.—The United States space launch industry has identified underutilized infrastructure at the Stennis Space Center for potential use in launch vehicle development activities. The proposed use of this infrastructure is compatible with the Center's propulsion test programs and consistent with other efforts to optimize taxpayer investments while fostering United States competitiveness and commercial use of space. The National Aeronautics and Space Administration is encouraged to pursue an appropriate method for making the underutilized Stennis Space Center infrastructure available under suitable terms and conditions, if so requested by industry, and to notify the United States Senate Committee on Commerce, Science, and Transportation and the United States House of Representatives Committee on Science if existing Administration authority is insufficient for this purpose.

SEC. 303. AUTHORITY TO REDUCE OR SUSPEND CONTRACT PAYMENTS BASED ON SUBSTANTIAL EVIDENCE OF FRAUD.

Section 2307(i)(8) of title 10, United States Code, is amended by striking ''and (4)'' and inserting ''(4), and (6)''.

SEC. 304. NOTICE.

(a) NOTICE OF REPROGRAMMING.—If any funds appropriated pursuant to the amendments made by this Act are subject to a reprogramming action that requires notice to be provided to the Committees on Appropriations of the Senate and the House of Representatives, notice of that action shall concurrently be provided to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Science of the House of Representatives.

(b) NOTICE OF REORGANIZATION.—Not later than 30 days before any major reorganization involving the reassignment of more than 25 percent of the employees of any program, project, or activity of the National Aeronautics and Space Administration, the Administrator shall provide notice to the Committees on Commerce, Science, and Transportation and Appropriations of the Senate and the Committees on Science and Appropriations of the House of Representatives.

SEC. 305. SENSE OF CONGRESS ON THE YEAR 2000 PROBLEM.

With the year 2000 rapidly approaching, it is the sense of Congress that the Administrator should—

(1) give high priority to correcting all 2-digit date-related problems in the computer systems of the National Aeronautics and Space Administration to ensure that those systems continue to operate effectively in the year 2000 and in subsequent years;

(2) as soon as practicable after the date of enactment of this Act, assess the extent of the risk to the operations of the National Aeronautics and Space Administration posed by the problems referred to in paragraph (1), and plan and budget for achieving compliance for all of the mission-critical systems of the system by the year 2000; and

(3) develop contingency plans for those systems that the National Aeronautics and Space Administration is unable to correct by the year 2000.

SEC. 306. UNITARY WIND TUNNEL PLAN ACT OF 1949 AMENDMENTS.

The Unitary Wind Tunnel Plan Act of 1949 (50 U.S.C. 511 et seq.) is amended—

(1) in section 101 by striking ''transsonic and supersonic'' and inserting ''transsonic, supersonic, and hypersonic''; and

(2) in section 103—

(A) in subsection (a)—

(i) by striking ''laboratories'' and inserting ''laboratories and centers''; and

(ii) by striking ''supersonic'' and inserting ''transsonic, supersonic, and hypersonic''; and

(B) in subsection (c), by striking ''laboratory'' and inserting ''facility''.

SEC. 307. ENHANCEMENT OF SCIENCE AND MATHEMATICS PROGRAMS.

(a) DEFINITIONS.—In this section:

(1) EDUCATIONALLY USEFUL FEDERAL EQUIPMENT.—The term ''educationally useful Federal equipment'' means computers and related peripheral tools and research equipment that is appropriate for use in schools.

(2) SCHOOL.—The term ''school'' means a public or private educational institution that serves any of the grades of kindergarten through grade 12.

(b) SENSE OF CONGRESS.—

(1) IN GENERAL.—It is the sense of Congress that the Administrator should, to the greatest extent practicable and in a manner consistent with applicable Federal law (including Executive Order No. 12999), donate educationally useful Federal equipment to schools in order to enhance the science and mathematics programs of those schools.

(2) REPORTS.—Not later than 1 year after the date of enactment of this Act, and annually thereafter, the Administrator shall prepare and submit to Congress a report describing any donations of educationally useful Federal equipment to schools made during the period covered by the report.

SEC. 308. AUTHORITY TO VEST TITLE.

Title III of the National Aeronautics and Space Act of 1958 (72 Stat. 432 et seq.) is amended by adding at the end the following:

''AUTHORITY TO VEST TITLE TO TANGIBLE PERSONAL PROPERTY FOR RESEARCH OR TECHNOLOGY DEVELOPMENT

''SEC. 313. Notwithstanding any other provision of law, the Administrator may vest title in tangible property (as that term is defined by the Administrator) in any participant that enters into a cooperative agreement with the Administrator if—

''(1) the primary purpose of the participant is to conduct scientific research or technology development;

''(2) the property is acquired with amounts provided under a cooperative agreement between the participant and the Administrator to conduct scientific research or technology development;

''(3) the Administrator determines that vesting the title of the property in the participant furthers the objectives of the National Aeronautics and Space Administration; and

''(4) the vesting of the title in the participant is made—

''(A) on the condition that the United States Government will not incur any further obligation; and

''(B) subject to any other condition that the Administrator considers to be appropriate.''.

SEC. 309. NASA MID-RANGE PROCUREMENT TEST PROGRAM.

Section 5062 of the Federal Acquisition Streamlining Act of 1994 (42 U.S.C. 2473 nt) is amended—

(1) in subsection (a), by inserting after the first sentence the following: ''In addition to providing any other notice of any acquisition under the test conducted under this section, the Administrator shall publish a notice of that acquisition in, or make such a notice available through, the automated version of the Commerce Business Daily published by the Secretary of Commerce.'';

(2) in subsection (b), by striking ''an estimated annual total obligation of funds of $500,000 or less'' and inserting ''a basic value (as that term is defined by the Administrator)—

''(1) of $2,000,000 or less; or

''(2) if options to purchase are involved, of $10,000,000 or less.'';

(3) in subsection (c), by striking ''$100,000,000'' and inserting ''$500,000,000''; and

(4) in subsection (f), by striking ''4 years'' and inserting ''6 years''.

SEC. 310. SPACE ADVERTISING.

(a) DEFINITION.—Section 70102 of title 49, United States Code, is amended—

(1) by redesignating paragraphs (8) through (16) as paragraphs (9) through (17), respectively; and

(2) by inserting after paragraph (7) the following:

''(8) 'obtrusive space advertising' means advertising in outer space that is capable of being recognized by a human being on the surface of the Earth without the aid of a telescope or other technological device.''.

(b) PROHIBITION.—Chapter 701 of title 49, United States Code, is amended by inserting after section 70109 the following new section:

''§ 70109a. Space advertising

''(a) LICENSING.—Notwithstanding the provisions of this chapter or any other provision of law, the Secretary may not, for the launch of a payload containing any material to be used for the purposes of obtrusive space advertising—

''(1) issue or transfer a license under this chapter; or

''(2) waive the license requirements of this chapter.

''(b) LAUNCHING.—No holder of a license under this chapter may launch a payload containing any material to be used for purposes of obtrusive space advertising on or after the date of enactment of the National Aeronautics and Space Administration Authorization Act for Fiscal Year 2000.

''(c) COMMERCIAL SPACE ADVERTISING.—Nothing in this section shall apply to non-obtrusive commercial space advertising, including advertising on—

''(1) commercial space transportation vehicles;

''(2) space infrastructure, payloads;

''(3) space launch facilities; and

''(4) launch support facilities.''.

(c) NEGOTIATION WITH FOREIGN LAUNCHING NATIONS.—

(1) The President is requested to negotiate with foreign launching nations for the purpose of reaching 1 or more agreements that prohibit the use of outer space for obtrusive space advertising purposes.

(2) It is the sense of Congress that the President should take such action as is appropriate and feasible to enforce the terms of any agreement to prohibit the use of outer space for obtrusive space advertising purposes.

(3) As used in this subsection, the term ''foreign launching nation'' means a nation—

(A) that launches, or procures the launching of, a payload into outer space; or

(B) from the territory or facility of which a payload is launched into outer space.

(d) CLERICAL AMENDMENT.—The table of sections for chapter 701 is amended by inserting after the item relating to section 70109 the following:

''70109a. Space advertising.''.

SEC. 311. AUTHORITY TO LICENSE NASA-DEVELOPED SOFTWARE

Section 305 of the National Aeronautics and Space Act of 1958 (42 U.S.C. 2457) is amended by adding at the end thereof the following:

''(m) AUTHORITY TO LICENSE NASA-DEVELOPED SOFTWARE.—Notwithstanding section 105 of title 17, United States Code, the Administrator may assert copyright in computer software authored by a United States Government employee when such software is created while participating with a non-Federal party under an agreement entered into under section 203(c)(5) and (c)(6) of this Act. The Administrator may grant, to the non-Federal participating party, for royalties or other consideration, licenses or assignments on computer software copyrighted pursuant to this subsection and may retain and share such royalties or other consideration consistent with section 14 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710c).''.

SEC. 312. CARBON CYCLE REMOTE SENSING TECHNOLOGY.

(a) CARBON CYCLE REMOTE SENSING TECHNOLOGY PROGRAM.—

(1) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration, shall develop a carbon cycle remote sensing technology program—

(A) to provide, on a near-continual basis, a real-time and comprehensive view of vegetation conditions; and

(B) to assess and model agricultural carbon sequestration.

(2) USE OF CENTERS.—The Administrator of the National Aeronautics and Space Administration shall use regional earth science application centers to conduct research under this section.

(3) RESEARCHED AREAS.—The area that shall be subjects of research conducted under this section include—

(A) the mapping of carbon-sequestering land use and land cover;

(B) the monitoring of changes in land cover and management;

(C) new systems for the remote sensing of soil carbon; and

(D) regional-scale carbon sequestration estimation.

(b) REGIONAL EARTH SCIENCE APPLICATION CENTER.—

(1) IN GENERAL.—The Administrator of the National Aeronautics and Space Administration, may, at the sole discretion of the Administrator based on maximizing the use of public funds, carry out this section through the Regional Earth Science Application Center located at the University of Kansas (referred to in this section as the ''Center''), if the Center enters into a partnership with a landgrant college or university.

(2) DUTIES OF CENTER.—The Center shall serve as a research facility and clearinghouse for satellite data, software, research, and related information with respect to remote sensing research conducted under this section.

(3) USE OF CENTER.—The Administrator of the National Aeronautics and Space Administration, may use the Center for carrying out remote sensing research relating to agricultural best practices.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $5,000,000 for fiscal years 2000 through 2002.

SEC. 313. INDEMNIFICATION AND INSURANCE.

Section 431(d)(5) of the Departments of Veterans Affairs and Housing and Urban Development, and Independent Agencies Appropriations Act, 1999 (42 U.S.C. 2458b nt) is amended by striking ''before the date of enactment of this Act.'' and inserting ''before July 31, 1999.''.

AMENDMENTS SUBMITTED ON NOVEMBER 8, 1999

TECHNICAL CORRECTIONS TO THE WATER RESOURCES DEVELOPMENT ACT OF 1999

WARNER (AND OTHERS) AMENDMENT NO. 2773

Mr. GRASSLEY (for Mr. WARNER (for himself, Mr. CHAFEE, and Mr. REED)) proposed an amendment to the bill (H.R. 2724) to make technical corrections to the Water Resoruces Development Act of 1999; as follows:

On page 3, line 8, strike ''$30,000,000'' and insert ''$20,000,000''.

On page 4, strike lines 19 through 21 and insert the following:

(1) by striking ''Each'' and all that follows through the colon and inserting the following: ''Each of the following projects is authorized to be carried out by the Secretary, and no construction on any such project may be initiated until the Secretary determines that the project is technically sound, environmentally acceptable, and economically justified:'';

On page 5, strike lines 9 through 12 and insert the following:

SEC. ___. COMITE RIVER, LOUISIANA.

Section 371 of the Water Resources Development Act of 1999 (113 Stat. 321) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The''; and

(2) by adding at the end the following:

''(b) CREDITING OF REDUCTION IN NON-FEDERAL SHARE.—The project cooperation agreement for the Comite River Diversion Project shall include a provision that specifies that any reduction in the non-Federal share that results from the modification under subsection (a) shall be credited toward the share of project costs to be paid by the Amite River Basin Drainage and Water Conservation District.''.

SEC. ___. CHESAPEAKE CITY, MARYLAND.

Section 535(b) of the Water Resources Development Act of 1999 (113 Stat. 349) is amended by striking ''the city of Chesapeake'' each place it appears and inserting ''Chesapeake City''.

SEC. ___. CONTINUATION OF SUBMISSION OF CERTAIN REPORTS BY THE SECRETARY OF THE ARMY.

(a) RECOMMENDATIONS OF INLAND WATERWAYS USERS BOARD.—Section 302(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2251(b)) is amended in the last sentence by striking ''The'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), the''.

(b) LIST OF AUTHORIZED BUT UNFUNDED STUDIES.—Section 710(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2264(a)) is amended in the first sentence by striking ''Not'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), not''.

(c) REPORTS ON PARTICIPATION OF MINORITY GROUPS AND MINORITY-OWNED FIRMS IN MISSISSIPPI RIVER-GULF OUTLET FEATURE.—Section 844(b) of the Water Resources Development Act of 1986 (100 Stat. 4177) is amended in the second sentence by striking ''The'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), the''.

(d) LIST OF AUTHORIZED BUT UNFUNDED PROJECTS.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended in the first sentence by striking ''Every'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), every''.

SEC. ___. AUTHORIZATIONS FOR PROGRAM PREVIOUSLY AND CURRENTLY FUNDED.

(a) PROGRAM AUTHORIZATION.—The program described in subsection (c) is hereby authorized.

(b) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for the Department of Transportation for the program authorized in subsection (a) in amounts as follows:

(1) FISCAL YEAR 2000.—For fiscal year 2000, $10,000,000.

(2) FISCAL YEAR 2001.—For fiscal year 2001, $10,000,000.

(3) FISCAL YEAR 2002.—For fiscal year 2002, $7,000,000.

(c) APPLICABILITY.—The program referred to in subsection (a) is the program for which funds appropriated in title I of Public Law 106–69 under the heading ''FEDERAL RAILROAD ADMINISTRATION'' are available for obligation upon the enactment of legislation authorizing the program.

ARCTIC TUNDRA HABITAT EMERGENCY CONSERVATION ACT

ABRAHAM AMENDMENT NO. 2774

Mr. GRASSLEY (for Mr. ABRAHAM) proposed an amendment to the bill (H.R. 2454) to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese; as follows:

Strike Title II.

COASTAL BARRIER MAP BOUNDARY CLARIFICATION LEGISLATION

SMITH OF NEW HAMPSHIRE AMENDMENT NO. 2775

Mr. GRASSLEY (for Mr. SMITH of New Hampshire) proposed an amendment to the bill (S. 1398) to clarify certain boundaries on maps relating to the Coastal Barrier Resources System; as follows:

On page 2, line 25, strike ''July 1, 1999'' and insert ''October 18, 1999''.

EXPRESSING THE SENSE OF THE SENATE REGARDING THE UNITED STATES POLICY TOWARD NATIO AND THE EUROPEAN UNION

LEVIN AMENDMENT NO. 2776

Mr. GRASSLEY (for Mr. LEVIN) proposed an amendment to the resolution (S. Res. 208) expressing the sense of the Senate regarding United States policy toward the North Atlantic Treaty Organization and the European Union, in light of the Alliance's April 1999 Washington Summit and the European Union's June 1999 Cologne Summit; as follows:

In section 1(b), strike paragraph (1) and insert the following:

(1) on matters of trans-Atlantic concern, the European Union should make clear that it would undertake an autonomous mission through the European Security and Defense Identity only after the North Atlantic Treaty Organization had declined to undertake that mission;

In section 1(b)(5), strike ''must'' and insert ''should''.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate Committee on Commerce, Science, and transportation be authorized to meet on Monday, November 8, 1999, at 9:30 a.m. on mergers in the communications industry.

The PRESIDING OFFICER. Without objection it is so ordered.

SPECIAL COMMITTEE ON AGING

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate Committee on Aging be authorized to meet on November 8, 1999, at 2:00 p.m.–5:00 p.m. in Hart 216 for the purpose of conducting a hearing.

The PRESIDING OFFICER. Without objection it is so ordered.

PAUL KIRK ON ''WHAT WE CAN DO FOR DEMOCRACY''

Mr. KENNEDY. Mr. President, Paul Kirk, who is well known to many of us as a distinguished past chairman of the Democratic Party, recently wrote an eloquent and insightful article on the state of politics in America today. Entitled ''What We Can Do For Democracy,'' Mr. Kirk's article discusses the growing political apathy of Americans, and challenges citizens to take a more active role in government. This issue goes to the heart of our democracy, and I believe that all of us who are concerned about it will be interested in Mr. Kirk's ideas. I ask that his article may be printed in the RECORD.

The article follows:

[From the Boston Globe, Nov. 3, 1999]

''WHAT WE CAN DO FOR DEMOCRACY''

(By Paul G. Kirk, Jr.)

Alarms have sounded; no one has panicked; the response has been universal. Much time and an estimated $200 billion have been spent on readiness and remediation plans to avert a Y2K computer calamity. But how well are we responding to a Y2K alarm of greater consequence—the distressed health of America's democracy?

John Kennedy once admonished: ''Democracy is never a final achievement . . . it is a call to an untiring effort.'' In this twilight of ''America's Century'' and before the dawn of a new millennium, now seems a logical time to take stock of our effort.

A few weeks ago the Kennedy Library observed its 20th anniversary by inviting more than 75 distinguished business leaders, college presidents, public officials, nonprofit executives, and journalists to begin the assessment. They found the following symptoms:

An all-time high level of cynicism, disaffection, and citizen disconnect from politics coincides with an all-time high level of powerful interest money being spent on political campaigns.

Money is now the all-consuming obsession of candidates and parties, the deterrent to political competition, the barrier to equal representation, the controlling factor in nominations and elections, and the corrupting influence of public policy decisions.

62 percent of Americans eligible to vote in the 1998 midterm election chose not to, while less than a majority voted in the 1996 presidential election.

Those of us who know less, care less, participate less, and vote less than other eligible voters are the 18- to 24-year-olds.

Personal consumption and borrowing are at an all-time high while our savings rate is at an all-time low.

Record market growth and new prosperity will likely result in the largest transfer of individual fortune and economic capital to the next generation in our history.

Concurrently, the abrogation of any obligation to transfer to the next generation some appreciation of civic capital and public responsibility is more palpable than ever in our history.

Writing of an earlier democracy, historian Edward Gibbon put our symptoms in perspective: ''When the Athenians finally wanted not to give to society but for society to give to them, when the freedom they wished for most was freedom from responsibility, then Athens ceased to be free.''

Let's face it. We, too, have become so obsessed with self-gratification and gain that we view our rights and freedoms as entitlements and ignore the civic duties and responsibilities that ensure them.

George Santayana warned: ''Those who fail to remember the past are condemned to repeat it.'' To avert a repeat of an Athenian calamity, Americans' attitudes must change.

When the Kennedy Library conference asked what we must do to strengthen citizenship and service for the future, the attendees responded:

The present ''access for sale'' culture must be replaced with comprehensive campaign finance reform that provides some public financing and free TV time to candidates who agree to reasonable spending limits. Only this can renew citizens' trust that our votes matter and our voices will be heard equally.

Civic literacy education must be ingrained from grade school through college with extra-curricular citizenship activities that include possible school credit for community service.

An attitude of welcome inclusion and continuing citizenship education must be available to all ''new'' Americans.

Each measure is critical, but who will assure their adoption? John W. Gardner counseled that the ''plain truth is that government (and other powerful institutions) will not become worthy of trust until citizens take positive action to hold them to account.'' You and I can ignore the alarm, thus contributing to the calamity, or we can take positive action to rescue our democracy.

Citizens must launch a campaign to renew our national character and the spirit of citizenship and participation. One by one, our individual response can inspire a collective national chorus reminding others that our freedom and democracy are directly dependent on our own patriotism, active citizenship, unselfish service, respect for pluralism, and intolerance of the present condition.

Mark my words. If you and I commit ''an untiring effort'' to this national civic campaign, communities, organizations, educators, religious and business leaders, the media and opinion shapers, political candidates and parties, and, yes, the President of the United States whom we elect one year from now will follow.

Think about it. It's called ''consent of the governed.'' It's our democracy, and it's a noble campaign you'll be proud to win.●

U.N. ARREARS PACKAGE

● Mr. GRAMS. Mr. President, I have come to the floor today to call on Congress and the President to make sure the UN reform package is signed into law before we recess. As Chairman of the International Operations Subcommittee, I have worked hard to help forge a solid bipartisan United Nations reform package.

Our message in crafting this legislation is simple and straightforward. The U.S. can help make the United Nations a more effective, more efficient and financially sounder organization, but only if the U.N. and other member states, in return, are willing to finally become accountable to the American taxpayers.

The reforms proposed by the United States are critical to ensure the United Nations is effective and relevant. Ambassador Holbrooke has been pushing other member states to accept the reforms in this package in return for the payment of arrears. He has succeeded beyond all reasonable expectations, by gaining our seat back on the budget oversight committee—the ACABQ. But he needs this bill signed into law in order to convince the UN that reform will bring certain rewards.

But passing this UN package is not just about a series of reforms for the future. It impacts directly on the ability of the US mission to achieve our goals at the United Nations right now. The US does not owe most of these arrears to the UN. It owes them to our allies, like Britain and France, for reimbursement for peacekeeping expenses. And our arrears are being used as a convenient excuse to dismiss US concerns on matters of policy. Depriving the US government the ability to use these funds as leverage is irresponsible; after all, our diplomats need ''carrots'' as well as reasonable ''sticks'' to achieve our foreign policy goals.

Unfortunately, the Clinton Administration and my colleagues in the House of Representatives are jeopardizing the payment of our arrears over a policy that I call ''Mexico City lite.'' While I support the proposal to prohibit US government grant recipients from lobbying foreign governments to change their abortion laws, I do not believe it should be linked to the payment of our UN arrears. If these unrelated issues continue to be tied, then there is a good chance neither proposal will be enacted.

I am hopeful that my colleagues in the House and the Administration will see the wisdom of adopting measures that will enhance America's ability to exert leadership in the international arena with the revitalization of the UN. The State Department Authorization bill should be allowed to pass or fail on its own merit—not on the merits of the Mexico City lite policy. This agreement is in America's best interest, and the best interest of the entire international community.●

MAYOR JOE SERNA

● Mrs. BOXER. Mr. President, a great American died this past weekend: Mayor Joe Serna Jr. of Sacramento, California. Mayor Serna was much beloved by his constituents, family, and friends. We will all miss him terribly.

Joe Serna and I became friends while working closely together on gun control, education, and other issues of mutual concern. He was a man of great vision, courage, energy, warmth, and humor.

He was also a living embodiment of the American Dream: a first-generation American who helped to reshape the capital of our Nation's largest state.

Joe Serna Jr. was born in 1939, the son of Mexican immigrants. As the oldest of four children, Joe grew up in a bunkhouse and worked with his family in the beet fields around Lodi.

Joe never forgot his roots. After attending Sacramento City College and graduating from California State University, Sacramento, he served in the

Peace Corps and went to work for the United Farm Workers, where Cesar Chavez became his mentor and role model.

In 1969, Joe managed the successful campaign of Manuel Ferrales for the Sacramento City Council. After serving on the city's redevelopment agency in the 1970s, Joe was elected to the Council himself in 1981. He was elected mayor in 1992 and re-elected in 1996, winning both races by wide margins. Throughout his terms in office, he continued to work as a professor of government and ethnic studies at his alma mater, Cal State Sacramento.

Mayor Serna virtually rebuilt the city of Sacramento. He forged public-private partnerships to redevelop the downtown, revitalize the neighborhoods, and reform the public school system. He presided over an urban renaissance that transformed Sacramento into a dynamic modern metropolis.

Joe Serna died as he lived: with great strength and dignity. Last month, as he publicly discussed his impending death from cancer, he said, ''I was supposed to live and die as a farmworker, not as a mayor and a college professor. I have everything to be thankful for. I have the people to thank for allowing me to be their mayor. I have society to thank for the opportunity it has given me.''

Mr. President, it is we who are thankful today for having had such a man serve the people of California.●

CIVIL RIGHTS LEADER DAISY BATES

● Mr. HUTCHINSON. Mr. President, I rise today before the Senate to praise one of the true heroes of the civil rights movement, Daisy Bates. In her death yesterday at age 84, America has lost one of the most courageous advocates for justice and equality between races.

Daisy Bates' life was one of conviction and resolve. Her character was a model of grace and dignity.

Mrs. Bates was born in 1914, the small town of Huttig, Arkansas in the southern part of the state. Her life was touched by the violence of racial hatred at a young age, when her mother was killed while resisting the advances of three white men. Her father left soon thereafter, and Daisy was raised by friends of her family.

Daisy moved to Little rock and married L.C. Bates, a former newspaperman, in 1942. For eighteen years, the two published the Arkansas State Press, the largest black newspaper in the state. The Arkansas State Press was an influential voice in the state of Arkansas which played a key role in the civil rights movement. Daisy and L.C. used the State Press to focus attention on issues of inequity in the criminal justice system, police brutality and segregation.

In 1952, Daisy was elected president of the state chapter of the National Association for the Advancement of Colored People. It was from this position that she was thrust into the national spotlight, as a leader during the crisis of Central High School in 1957, when black students attempting to enter the school were blocked by rioters and the National Guard.

Throughout the crisis, the Little Rock Nine would gather in her tiny home before and after school to strategize about their survival. It was her home from which the Little Rock Nine were picked up from every morning by federal troops to take them to Central High, to face the rioters and the hatred. It was her home that was attacked by the segregationists.

Even after the Little Rock Nine finally received federal protection to attend Central High, Daisy Bates continued to face violence and harassment. Threats were made against her life. Bombs made of dynamite were thrown at her house. KKK crosses were burned on her lawn. On two separate occasions, her house was set on fire and all the glass in the front of the house was broken out.

It's hard to imagine how difficult it must have been for Daisy Bates to continue pursuing her convictions under such circumstances, but her perseverance is true testament to the strength of her character. Despite the violence, harassment and intimidation, Daisy Bates would not be deterred. She spent several more decades actively advancing the cause of civil rights, and helped the town of Mitchellville, Arkansas to elect its first black mayor and city council.

I am saddened that Mrs. Bates will not be on hand next week when the Little Rock Nine is presented the Congressional Medal of Honor. That honor is truly one that belongs to her, the woman who shepherded those brave young men and women through those extremely difficult days forty years ago. My prayers go out to the family and the many friends of Daisy Bates. I know that God is throwing open the gates of heaven today for Daisy, a woman who helped so many others enter doors that were once barred to them.●

THE DEPARTURE OF A.M. ROSENTHAL FROM THE NEW YORK TIMES

● Mr. MOYNIHAN. Mr. President, Please read these remarks! A.M. Rosenthal has just this past Friday concluded fifty-five years as a reporter, editor, and columnist for The New York Times. There has been none such ever. Nor like to be again. Save, of course, that this moment marks a fresh start for the legendary, and although he would demur, beloved Abe.

Mr. President, I ask unanimous consent that A.M. Rosenthal's last column and an editorial from Friday's Times be printed in the RECORD.

The material follows:

[From The New York Times, Nov. 5, 1999]

ON MY MIND

(By A.M. Rosenthal)

On Jan. 6, 1987, when The New York Times printed my first column, the headline I had written was: ''Please Read This Column!'' It was not just one journalist's message of the day, but every writer's prayer—come know me.

Sometimes I wanted to use it again. But I was smitten by seizures of modesty and decided twice might be a bit showy. Now I have the personal and journalistic excuse to set it down one more time.

This is the last column I will write for The Times and my last working day on the paper. I have no intention of stopping writing, journalistically or otherwise. And I am buoyed by the knowledge that I will be starting over.

Still, who could work his entire journalistic career—so far—for one paper and not leave with sadnesses, particularly when the paper is The Times? Our beloved, proud New York Times—ours, not mine or theirs, or yours, but ours, created by the talents and endeavor of its staff, the faithfulness of the publishing family and, as much as anything else, by the ethics and standards of its readers and their hunger for ever more information, of a range without limit.

Arrive in a foreign capital for the first time, call a government minister and give just your name. Ensues iciness. But add ''of The New York Times,'' and you expect to be invited right over and usually are; nice.

''Our proud New York Times''—sounds arrogant and is a little, why not? But the pride is individual as well as institutional. For members of the staff, news and business, the pride is in being important to the world's best paper—you hear?—and being able to stretch its creative reach. And there is pride knowing that even if we are not always honest enough with ourselves to achieve fairness, that is what we promise the readers, and the standard to which they must hold us.

I used to tell new reporters: The Times is far more flexible in writing styles than you might think, so don't button up your vest and go all stiff on us. But when it comes to the foundation—fairness—don't fool around with it, or we will come down on you.

Journalists often have to hurt people, just by reporting the facts. But they do not have to cause unnecessary cruelty, to run their rings across anybody's face for the pleasure of it—and that goes for critics, too.

When you finish a story, I would say, read it, substitute your name for the subject's. If you say, well, it would make me miserable, make my wife cry, but it has no innuendo, no unattributed pejorative remarks, no slap in the face for joy of slapping, it is news, not gutter gossip, and as a reporter I know the writer was fair, then give it to the copy desk. If not, try again—we don't want to be your cop.

Sometimes I have a nightmare that on a certain Wednesday—why Wednesday I don't know—The Times disappeared forever. I wake trembling; I know this paper could never be recreated. I will never tremble for the loss of any publication that has no enforced ethic of fairness.

Starting fresh—the idea frightened me. Then I realized I was not going alone. I would take my brain and decades of newspapering with me. And I understood many of us had done that on the paper—moving from one career to another.

First I was a stringer from City College, my most important career move. It got me inside a real paper and paid real money. Twelve dollars a week, at a time when City's free tuition was more than I could afford.

My second career was as a reporter in New York, with a police press pass, which cops were forever telling me to shove in my ear.

I got a two-week assignment at the brand-new United Nations, and stayed eight years, until I got what I lusted for—a foreign post.

I served The Times in Communist Poland, for the first time encountering the suffocating intellectual blanket that is Communism's great weapon. In due time I was thrown out.

But mostly it was Asia. The four years in India excited me then and forever. Rosenthal, King of the Khyber Pass!

After nine years as a foreign correspondent, somebody decided I was too happy in Tokyo and nagged me into going home to be an editor. At first I did not like it, but I came to enjoy editing—once I became the top editor. Rosenthal, King of the Hill!

When I stepped down from that job, I started all over again as a times Op-Ed columnist, paid to express my own opinions. If I had done that as a reporter or editor dealing with the news, I would have broken readers' trust that the news would be written and played straight.

Straight does not mean dull. It means straight. If you don't know what that means, you don't belong on this paper. Clear?

As a columnist, I discovered that there were passions in me I had not been aware of, lying under the smatterings of knowledge about everything that I had to collect as executive editor—including hockey and debentures, for heaven's sake.

Mostly the passions had to do with human rights, violations of—like African women having their genitals mutilated to keep them virgin, and Chinese and Tibetan political prisoners screaming their throats raw.

I wrote with anger at drug legitimizers and rationalizers, helping make criminals and destroying young minds, all the while with nauseating sanctimony.

As a correspondent, it was the Arab states, not Israel, that I wanted to cover. But they did not welcome resident Jewish correspondents. As a columnist, I felt fear for the whittling away of Israeli strength by the Israelis, and still do.

I wrote about the persecution of Christians in china. When people, in astonishment, asked why, I replied, in astonishment, because it is happening, because the world, including American and European Christians and Jews, pays almost no attention, and that plain disgusts me.

The lassitude about Chinese Communist brutalities is part of the most nasty American reality of this past half-century. Never before have the U.S. government, business and public been willing, eager really, to praise and enrich tyranny, to crawl before it, to endanger our martial technology—and all for the hope (vain) of trade profit.

America is going through plump times. But economic strength is making us weaker in head and soul. We accept back without penalty a president who demeaned himself and us. We rain money on a Politburo that must rule by terror lest it lose its collective head.

I cannot promise to change all that. But I can say that I will keep trying and that I thank God for (a) making me an American citizen, (b) giving me that college-boy job on The Times, and (c) handing me the opportunity to make other columnists kick themselves when they see what I am writing, in this fresh start of my life.

[From The New York Times, Nov. 5, 1999]

A.M. ROSENTHAL OF THE NEW YORK TIMES

The departure of a valued colleague from The New York Times is not, as a rule, occasion for editorial comment. But the appearance today of A. M. Rosenthal's last column on the Op-Ed page requires an exception. Mr. Rosenthal's life and that of this newspaper have been braided together over a remarkable span—from World War II to the turning of the millennium. His talent and passionate ambition carried him on a personal journey from City College correspondent to executive editor, and his equally passionate devotion to quality journalism made him one of the principal architects of the modern New York Times.

Abe Rosenthal began his career at The Times as a 21-year-old cub reporter scratching for space in the metropolitan report, and he ended it as an Op-Ed page columnist noted for his commitment to political and religious freedom. In between he served as a correspondent at the United Nations and was based in three foreign countries, winning a Pulitzer Prize in 1960 for his reporting from Poland. He came home in 1963 to be metropolitan editor. In that role and in higher positions, he became a tireless advocate of opening the paper to the kind of vigorous writing and deep reporting that characterized his work. As managing editor and executive editor, Abe Rosenthal was in charge of The Times's news operations for a total of 17 years.

Of his many contributions as an editor, two immediately come to mind. One was his role in the publication of the Pentagon Papers, the official documents tracing a quarter-century of missteps that entangled America in the Vietnam War. Though hardly alone among Times editors, Mr. Rosenthal was instrumental in mustering the arguments that led to the decision by our then publisher, Arthur Ochs Sulzberger, to publish the archive. That fateful decision helped illustrate the futile duplicity of American policy in Vietnam, strengthened the press's First Amendment guarantees and reinforced The Times's reputation as a guardian of the public interest.

The second achievement, more institutional in nature, was Mr. Rosenthal's central role in transforming The Times from a two-section to a four-section newspaper with the introduction of a separate business section and new themed sections like SportsMonday, Weekend and Science Times. Though a journalist of the old school, Abe Rosenthal grasped that such features were necessary to broaden the paper's universe of readers. He insisted only that the writing, editing and article selection measure up to The Times's traditional standards.

By his own admission, Abe Rosenthal could be ferocious in his pursuit and enforcement of those standards. Sometimes, indeed, debate about his management style competed for attention with his journalistic achievements. But the scale of this man's editorial accomplishments has come more fully into focus since he left the newsroom in 1986. It is now clear that he seeded the place with talent and helped ensure that future generations of Times writers and editors would hew to the principles of quality journalism

Born in Canada, Mr. Rosenthal developed a deep love for New York City and a fierce affection for the democratic values and civil liberties of his adopted country. For the last 13 years, his lifelong interest in foreign affairs and his compassion for victims of political, ethnic or religious oppression in Tibet, China, Iran, Africa and Eastern Europe formed the spine of his Op-Ed columns. His strong, individualistic views and his bedrock journalistic convictions have informed his work as reporter, editor and columnist. His voice will continue to be a force on the issues that engage him. And his commitment to journalism as an essential element in a democratic society will abide as part of the living heritage of the newspaper he loved and served for more than 55 years.●

THE MARTEL FAMILY

● Mr. BURNS. Mr. President, I rise today in recognition of the Martel family of Bozeman, Montana.

In 1951, Emil Martel and his family fled communist Russia and eventually settled in Bozeman. In 1960, Emil and his son, Bill, formed Martel Construction and constituted its entire workforce. In the past forty years, however, Martel Construction has grown to employ 200 people and now contracts in six states. Today, Martel Construction maintains its familiar character and is still run as a family business. Martel Construction was recently awarded the United States Small Business Administration's 1999 Entrepreneurial Success Award as well as the 1999 Montana Family Business of the Year award by the College of Business at Montana State University-Bozeman.

Martel Construction and the Martel family represent a modern American success story. I applaud them not only for what they have accomplished for themselves but also for what they have given back to their community. Their hard work serves as inspiration for other small businesses in my state of Montana; their success is proof that the American Dream lives on.●

UNANIMOUS CONSENT REQUEST—H.R. 3196

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 3196, the foreign operations appropriations bill. I further ask consent that a substitute amendment, which is at the desk, be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statement relating to the bill be printed in the RECORD. I further ask consent that the Senate insist on its amendment and request a conference with the House.

Ms. LANDRIEU. I object.

The PRESIDING OFFICER. Objection is heard.

10TH ANNIVERSARY OF HISTORIC EVENTS IN CENTRAL AND EASTERN EUROPE

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of Calendar No. 380, S. Con. Res. 68.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 68) expressing the sense of Congress on the occasion of the 10th anniversary of historic events in Central and Eastern Europe, particularly the Velvet Revolution in Czechoslovakia, and reaffirming the bonds of friendship and cooperation between the United States and the Czech and Slovak Republics.

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

Mr. BIDEN. Mr. President, I rise to congratulate my colleagues for having supported S. Con. Res. 68, a sense-of-the-Senate resolution, which I cosponsored with Senator HELMS, commemorating the tenth anniversary of the so-called Velvet Revolution, whereby the people of Czechoslovakia overthrew the communist dictatorship that had oppressed them for four decades.

Since then, Czechoslovakia decided to effect a ''Velvet Divorce.'' Today both successor states, the Czech Republic and the Slovak Republic, are in the process of integrating into the West. The Czech Republic is already a member of the North Atlantic Treaty Organization, and Slovakia is emerging as a strong candidate for the next round of enlargement. Both countries are busily preparing to qualify for membership in the European Union.

Both countries have growing pains associated with the difficult transitions from dictatorship to democracy, and from a command economy to the free market. Both have ongoing challenges to guarantee equal rights for minorities. But the overall picture for the Czech Republic and for the Slovak Republic is bright.

I am delighted that the Senate has recognized the accomplishments of the Czechs and the Slovaks and has wished them continued success in the future as partners of the United States.

I thank the Chair.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed in the RECORD.

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

The concurrent resolution (S. Con. Res. 68) was agreed to.

The preamble was agreed to.

The concurrent resolution, with its preamble, reads as follows:

S. CON. RES. 68

Whereas on September 3, 1918, the United States Government recognized the Czecho-Slovak National Council as the official Government of Czechoslovakia;

Whereas on October 28, 1918, the peoples of Bohemia, Moravia, and part of Silesia, comprising the present Czech Republic, and peoples of Slovakia, comprising the present Slovak Republic, proclaimed their independence in a common state of the Czechoslovak Republic;

Whereas on November 17, 1939, the Czech institutions of higher learning were closed by the Nazis, many students were taken to concentration camps, and nine representatives of the student movement were executed;

Whereas between 1938 and 1945, the Nazis annexed part of Bohemia, set up a fascist ''protectorate'' in the rest of Bohemia and in Moravia, and installed a puppet fascist government in Slovakia;

Whereas the Communists seized power from the democratically elected government of Czechoslovakia in March 1948;

Whereas troops from Warsaw Pact countries invaded Czechoslovakia in August 1968, ousted the reformist government of Alexander Dubcek, and restored a hard-line communist regime;

Whereas on November 17, 1989, the brutal break up of a student demonstration commemorating the 50th anniversary of the execution of Czech student leaders and the closure of universities by the Nazis triggered the explosion of mass discontent that launched the Velvet Revolution, which was characterized by reliance on nonviolence and open public discourse;

Whereas the peoples of Czechoslovakia overthrew 40-years of totalitarian communist rule in order to rebuild a democratic society;

Whereas since November 17, 1989, the people of the Czech and Slovak Republics have established a vibrant, pluralistic, democratic political system based upon freedom of speech, a free press, free and fair open elections, the rule of law, and other democratic principles and practices as they were recognized by President Wilson and President Thomas G. Masaryk;

Whereas the Czech Republic joined the North Atlantic Treaty Organization on March 12, 1999, the admission of which was approved by the Senate of the United States on April 30, 1998;

Whereas the Czech and Slovak Republics are in the process of preparing for admission to the European Union;

Whereas the people of the United States and the Czech and Slovak Republics have maintained a special relationship based on shared democratic values, common interests, and bonds of friendship and mutual respect; and

Whereas the American people have an affinity with the peoples of the Czech and Slovak Republics and regard the Czech and Slovak Republics as trusted and important partners: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes the 10th anniversary of the historic events in Central and Eastern Europe that brought about the collapse of the communist regimes and the fall of the Iron Curtain, and commemorates with the Czech and Slovak Republics the 10th anniversary of the Velvet Revolution in Czechoslovakia, which underscores the significance and value of reclaimed freedom and the dignity of individual citizens;

(2) commends the peoples of the present Czech and Slovak Republics for their achievements in building new states and pluralistic democratic societies nearly 60 years of totalitarian fascist and communist rule;

(3) supports the peoples of the Czech and Slovak Republics in their determination to join trans-Atlantic institutions through memberships in the North Atlantic Treaty Organization (NATO) and the European Union;

(4) reaffirms the bonds of friendship and close cooperation that have existed between the United States and the Czech and Slovak Republics; and

(5) extends the warmest congratulations and best wishes to the Czech Republic and Slovak Republic and their people for a peaceful, prosperous, and successful future.

IMMIGRATION AND NATIONALITY ACT EXTENSION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to Calendar No. 350, H.R. 3061.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 3061) to amend the Immigration and Nationality Act to extend for an additional 2 years the period for admission of an alien as a nonimmigrant under section 101(a)(15)(S) of such Act, and to authorize appropriations for the refugee assistance program under chapter 2 of title IV of the Immigration and Nationality Act.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be considered read a third time and passed, the motion to reconsider be laid upon the table, and any statement relating to the bill be printed in the RECORD.

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

The bill (H.R. 3061) was read the third time and passed.

EQUALITY FOR ISRAEL AT THE UNITED NATIONS ACT OF 1999

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 376, S. 923.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 923) to promote full equality at the United Nations for Israel.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (S. 923) was read the third time and passed, as follows:

S. 923

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 ''Equality for Israel at the United Nations Act of 1999''.

SEC. 2. EFFORT TO PROMOTE FULL EQUALITY AT THE UNITED NATIONS FOR ISRAEL.

(a) CONGRESSIONAL STATEMENT.—It is the sense of the Congress that—

(1) the United States should help promote an end to the inequity experienced by Israel in the United Nations whereby Israel is the only longstanding member of the organization to be denied acceptance into any of the United Nations region blocs, which serve as the basis for participation in important activities of the United Nations, including rotating membership on the United Nations Security Council; and

(2) the United States Ambassador to the United Nations should take all steps necessary to ensure Israel's acceptance in the Western Europe and Others Group (WEOG) regional bloc, whose membership includes the non-European countries of Canada, Australia, and the United States.

(b) REPORTS TO CONGRESS.—Not later than 60 days after the date of the enactment of this Act and on a quarterly basis thereafter, the Secretary of State shall submit to the appropriate congressional committees a report which includes the following information (in classified or unclassified form as appropriate):

(1) actions taken by representatives of the United States, including the United States Ambassador to the United Nations, to encourage the nations of the Western Europe

and Others Group (WEOG) to accept Israel into their regional bloc;

(2) efforts undertaken by the Secretary General of the United Nations to secure Israel's full and equal participation in that body;

(3) specific responses solicited and received by the Secretary of State from each of the nations of Western Europe and Others Group (WEOG) on their position concerning Israel's acceptance into their organization; and

(4) other measures being undertaken, and which will be undertaken, to ensure and promote Israel's full and equal participation in the United Nations.

TECHNICAL CORRECTIONS TO THE WATER RESOURCES DEVELOPMENT ACT OF 1999

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 316, H.R. 2724.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2724) to make technical corrections to the Water Resources Development Act of 1999.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with an amendment to strike all after the enacting clause and inserting in lieu thereof the following:

SECTION 1. ENVIRONMENTAL INFRASTRUCTURE.

(a) JACKSON COUNTY, MISSISSIPPI.—Section 219 of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757) is amended—

(1) in subsection (c), by striking paragraph (5) and inserting the following:

''(5) JACKSON COUNTY, MISSISSIPPI.—Provision of an alternative water supply and a project for the elimination or control of combined sewer overflows for Jackson County, Mississippi.''; and

(2) in subsection (e)(1), by striking ''$10,000,000'' and inserting ''$20,000,000''.

(b) MANCHESTER, NEW HAMPSHIRE.—Section 219(e)(3) of the Water Resources Development Act of 1992 (106 Stat. 4835; 110 Stat. 3757) is amended by striking ''$10,000,000'' and inserting ''$30,000,000''.

(c) ATLANTA, GEORGIA.—Section 219(f)(1) of the Water Resources Development Act of 1992 (106 Stat. 4835; 113 Stat. 335) is amended by striking ''$25,000,000 for''.

(d) PATERSON, PASSAIC COUNTY, AND PASSAIC VALLEY, NEW JERSEY.—Section 219(f)(2) of the Water Resources Development Act of 1992 (106 Stat. 4835; 113 Stat. 335) is amended by striking ''$20,000,000 for''.

(e) ELIZABETH AND NORTH HUDSON, NEW JERSEY.—Section 219(f) of the Water Resources Development Act of 1992 (106 Stat. 4835; 113 Stat. 335) is amended—

(1) in paragraph (33), by striking ''$20,000,000'' and inserting ''$10,000,000''; and

(2) in paragraph (34)—

(A) by striking ''$10,000,000'' and inserting ''$20,000,000''; and

(B) by striking ''in the city of North Hudson'' and inserting ''for the North Hudson Sewerage Authority''.

SEC. 2. UPPER MISSISSIPPI RIVER ENVIRONMENTAL MANAGEMENT PROGRAM.

Section 1103(e)(5) of the Water Resources Development Act of 1986 (33 U.S.C. 652(e)(5)) (as amended by section 509(c)(3) of the Water Resources Development Act of 1999 (113 Stat. 340)) is amended by striking ''paragraph (1)(A)(i)'' and inserting ''paragraph (1)(B)''.

SEC. 3. DELAWARE RIVER, PENNSYLVANIA AND DELAWARE.

Section 346 of the Water Resources Development Act of 1999 (113 Stat. 309) is amended by striking ''economically acceptable'' and inserting ''environmentally acceptable''.

SEC. 4. PROJECT REAUTHORIZATIONS.

Section 364 of the Water Resources Development Act of 1999 (113 Stat. 313) is amended—

(1) by striking ''Each'' and inserting ''Subject to section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)), each'';

(2) by striking paragraph (1); and

(3) by redesignating paragraphs (2) through (6) as paragraphs (1) through (5), respectively.

SEC. 5. SHORE PROTECTION.

Section 103(d)(2)(A) of the Water Resources Development Act of 1986 (33 U.S.C. 2213(d)(2)(A)) (as amended by section 215(a)(2) of the Water Resources Development Act of 1999 (113 Stat. 292)) is amended by striking ''or for which a feasibility study is completed after that date,'' and inserting ''except for a project for which a District Engineer's Report is completed by that date,''.

SEC. 6. DAM SAFETY.

Section 504(a)(2) of the Water Resources Development Act of 1999 (113 Stat. 338) is amended by inserting ''No. 5'' after ''Dam''.

AMENDMENT NO. 2773

Mr. GRASSLEY. Mr. President, Senators WARNER, CHAFEE, and REED have an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY] for Mr. WARNER, for himself, Mr. CHAFEE, and Mr. REED, proposes an amendment numbered 2773.

The amendment is as follows:

On page 3, line 8, strike ''$30,000,000'' and insert ''$20,000,000''.

On page 4, strike lines 19 through 21 and insert the following:

(1) by striking ''Each'' and all that follows through the colon and inserting the following: ''Each of the following projects is authorized to be carried out by the Secretary, and no construction on any such project may be initiated until the Secretary determines that the project is technically sound, environmentally acceptable, and economically justified:'';

On page 5, strike lines 9 through 12 and insert the following:

SEC. ___. COMITE RIVER, LOUISIANA.

Section 371 of the Water Resources Development Act of 1999 (113 Stat. 321) is amended—

(1) by inserting ''(a) IN GENERAL.—'' before ''The''; and

(2) by adding at the end the following:

''(b) CREDITING OF REDUCTION IN NON-FEDERAL SHARE.—The project cooperation agreement for the Comite River Diversion Project shall include a provision that specifies that any reduction in the non-Federal share that results from the modification under subsection (a) shall be credited toward the share of project costs to be paid by the Amite River Basin Drainage and Water Conservation District.''.

SEC. ___. CHESAPEAKE CITY, MARYLAND.

Section 535(b) of the Water Resources Development Act of 1999 (113 Stat. 349) is amended by striking ''the city of Chesapeake'' each place it appears and inserting ''Chesapeake City''.

SEC. ___. CONTINUATION OF SUBMISSION OF CERTAIN REPORTS BY THE SECRETARY OF THE ARMY.

(a) RECOMMENDATIONS OF INLAND WATERWAYS USERS BOARD.—Section 302(b) of the Water Resources Development Act of 1986 (33 U.S.C. 2251(b)) is amended in the last sentence by striking ''The'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), the''.

(b) LIST OF AUTHORIZED BUT UNFUNDED STUDIES.—Section 710(a) of the Water Resources Development Act of 1986 (33 U.S.C. 2264(a)) is amended in the first sentence by striking ''Not'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), not''.

(c) REPORTS ON PARTICIPATION OF MINORITY GROUPS AND MINORITY-OWNED FIRMS IN MISSISSIPPI RIVER-GULF OUTLET FEATURE.—Section 844(b) of the Water Resources Development Act of 1986 (100 Stat. 4177) is amended in the second sentence by striking ''The'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), the''.

(d) LIST OF AUTHORIZED BUT UNFUNDED PROJECTS.—Section 1001(b)(2) of the Water Resources Development Act of 1986 (33 U.S.C. 579a(b)(2)) is amended in the first sentence by striking ''Every'' and inserting ''Notwithstanding section 3003 of Public Law 104–66 (31 U.S.C. 1113 note; 109 Stat. 734), every''.

SEC. ___. AUTHORIZATIONS FOR PROGRAM PREVIOUSLY AND CURRENTLY FUNDED.

(a) PROGRAM AUTHORIZATION.—The program described in subsection (c) is hereby authorized.

(b) AUTHORIZATION OF APPROPRIATIONS.—Funds are hereby authorized to be appropriated for the Department of Transportation for the program authorized in subsection (a) in amounts as follows:

(1) FISCAL YEAR 2000.—For fiscal year 2000, $10,000,000.

(2) FISCAL YEAR 2001.—For fiscal year 2001, $10,000,000.

(3) FISCAL YEAR 2002.—For fiscal year 2002, $7,000,000.

(c) APPLICABILITY.—The program referred to in subsection (a) is the program for which funds appropriated in title I of Public Law 106–69 under the heading ''FEDERAL RAILROAD ADMINISTRATION'' are available for obligation upon the enactment of legislation authorizing the program.

Mr. WARNER. Mr. President, today the Senate is considering legislation reported from the Committee on Environment and Public Works to make technical corrections to the Water Resources Development Act of 1999.

In July, 1999, the conference report on the Water Resources Development Act was enacted. The press of the conference business to reach final agreement prior to the August recess led to inaccurate cite references and omissions that need to be corrected.

This legislation and the accompanying amendment simply address technical modifications that have been brought to our attention by the Corps of Engineers. There are no new project authorizations, policy changes, or funding issues contained in this legislation.

As the Committee, by practice, has reauthorized the civil works mission of the Corps of Engineers every two years, the 1999 authorization bill is a produce initiated by the Committee in 1998. it is expected that, again next year, the Committee will examine the civil works mission of the Corps with all of the associated policy issues.

I respectfully request that my colleagues support this legislation and the

amendment so that WRDA 1999 can be fully implemented.

Mr. GRASSLEY. I ask unanimous consent that the amendment be agreed to.

The amendment (No. 2773) was agreed to.

Mr. GRASSLEY. Mr. President, I ask unanimous consent the committee amendment, as amended, be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (H.R. 2724), as amended, was read the third time and passed.

ARCTIC TUNDRA HABITAT EMERGENCY CONSERVATION ACT

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of calendar No. 322, H.R. 2454.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 2454) to assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend, by directing the Secretary of the Interior to implement rules to reduce the overabundant population of mid-continent light geese.

There being no objection, the Senate proceeded to consider the bill, which had been reported from the Committee on Environment and Public Works, with amendments; as follows:

(The parts of the bill intended to be stricken as shown in boldface brackets and the parts of the bill intended to be inserted are shown in italic.)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TITLE I—ARCTIC TUNDRA HABITAT EMERGENCY CONSERVATION

[SECTION 1.] ***SEC. 101.*** **SHORT TITLE.**

This [Act] *title* may be cited as the ''Arctic Tundra Habitat Emergency Conservation Act''.

[SEC. 2.] ***SEC. 102.*** **FINDINGS AND PURPOSES.**

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

(1) The winter index population of mid-continent light geese was 800,000 birds in 1969, while the total population of such geese is more than 5,200,000 birds today.

(2) The population of mid-continent light geese is expanding by over 5 percent each year, and in the absence of new wildlife management actions it could grow to more than 6,800,000 breeding light geese in 3 years.

(3) The primary reasons for this unprecedented population growth are—

(A) the expansion of agricultural areas and the resulting abundance of cereal grain crops in the United States;

(B) the establishment of sanctuaries along the United States flyways of migrating light geese; and

(C) a decline in light geese harvest rates.

(4) As a direct result of this population explosion, the Hudson Bay Lowlands Salt-Marsh ecosystem in Canada is being systematically destroyed. This ecosystem contains approximately 135,000 acres of essential habitat for migrating light geese and many other avian species. Biologists have testified that one-third of this habitat has been destroyed, one-third is on the brink of devastation, and the remaining one-third is overgrazed.

(5) The destruction of the Arctic tundra is having a severe negative impact on many avian species that breed or migrate through this habitat, including the following:

(A) Canada Goose.
(B) American Wigeon.
(C) Dowitcher.
(D) Hudsonian Godwit.
(E) Stilt Sandpiper.
(F) Northern Shoveler.
(G) Red-Breasted Merganser.
(H) Oldsquaw.
(I) Parasitic Jaeger.
(J) Whimbrel.
(K) Yellow Rail.

(6) It is essential that the current population of mid-continent light geese be reduced by 50 percent by the year 2005 to ensure that the fragile Arctic tundra is not irreversibly damaged.

(b) PURPOSES.—The purposes of this [Act] *title* are the following:

(1) To reduce the population of mid-continent light geese.

(2) To assure the long-term conservation of mid-continent light geese and the biological diversity of the ecosystem upon which many North American migratory birds depend.

[SEC. 3.] ***SEC. 103.*** **FORCE AND EFFECT OF RULES TO CONTROL OVERABUNDANT MID-CONTINENT LIGHT GEESE POPULATIONS.**

(a) FORCE AND EFFECT.—

(1) IN GENERAL.—The rules published by the Service on February 16, 1999, relating to use of additional hunting methods to increase the harvest of mid-continent light geese (64 Fed. Reg. 7507–7517) and the establishment of a conservation order for the reduction of mid-continent light goose populations (64 Fed. Reg. 7517–7528), shall have the force and effect of law.

(2) PUBLIC NOTICE.—The Secretary, acting through the Director of the Service, shall take such action as is necessary to appropriately notify the public of the force and effect of the rules referred to in paragraph (1).

(b) APPLICATION.—Subsection (a) shall apply only during the period that—

(1) begins on the date of the enactment of this Act; and

(2) ends on the latest of—

(A) the effective date of rules issued by the Service after such date of enactment to control overabundant mid-continent light geese populations;

(B) the date of the publication of a final environmental impact statement for such rules under section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)); and

(C) May 15, 2001.

(c) RULE OF CONSTRUCTION.—This section shall not be construed to limit the authority of the Secretary or the Service to issue rules, under another law, to regulate the taking of mid-continent light geese.

[SEC. 4. DEFINITIONS.]

SEC. 104. COMPREHENSIVE MANAGEMENT PLAN.

(a) IN GENERAL.—Not later than the end of the period described in section 103(b), the Secretary shall prepare, and as appropriate implement, a comprehensive, long-term plan for the management of mid-continent light geese and the conservation of their habitat.

(b) REQUIRED ELEMENTS.—The plan shall apply principles of adaptive resource management and shall include—

(1) a description of methods for monitoring the levels of populations and the levels of harvest of mid-continent light geese, and recommendations concerning long-term harvest levels;

(2) recommendations concerning other means for the management of mid-continent light goose populations, taking into account the reasons for the population growth specified in section 102(a)(3);

(3) an assessment of, and recommendations relating to, conservation of the breeding habitat of mid-continent light geese;

(4) an assessment of, and recommendations relating to, conservation of native species of wildlife adversely affected by the overabundance of mid-continent light geese, including the species specified in section 102(a)(5); and

(5) an identification of methods for promoting collaboration with the government of Canada, States, and other interested persons.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $1,000,000 for each of fiscal years 2000 through 2002.

SEC. 105. DEFINITIONS.

In this [Act] *title*:

(1) MID-CONTINENT LIGHT GEESE.—The term ''mid-continent light geese'' means Lesser snow geese (Anser caerulescens caerulescens) and Ross' geese (Anser rossii) that primarily migrate between Canada and the States of Alabama, Arkansas, Colorado, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Michigan, Minnesota, Mississippi, Missouri, Montana, Nebraska, New Mexico, North Dakota, Ohio, Oklahoma, South Dakota, Tennessee, Texas, Wisconsin, and Wyoming.

(2) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

(3) SERVICE.—The term ''Service'' means the United States Fish and Wildlife Service.

TITLE II—NEOTROPICAL MIGRATORY BIRD CONSERVATION

SEC. 201. SHORT TITLE.

This title may be cited as the ''Neotropical Migratory Bird Conservation Act''.

SEC. 202. FINDINGS.

Congress finds that—

(1) of the nearly 800 bird species known to occur in the United States, approximately 500 migrate among countries, and the large majority of those species, the neotropical migrants, winter in Latin America and the Caribbean;

(2) neotropical migratory bird species provide invaluable environmental, economic, recreational, and aesthetic benefits to the United States, as well as to the Western Hemisphere;

(3)(A) many neotropical migratory bird populations, once considered common, are in decline, and some have declined to the point that their long-term survival in the wild is in jeopardy; and

(B) the primary reason for the decline in the populations of those species is habitat loss and degradation (including pollution and contamination) across the species' range; and

(4)(A) because neotropical migratory birds range across numerous international borders each year, their conservation requires the commitment and effort of all countries along their migration routes; and

(B) although numerous initiatives exist to conserve migratory birds and their habitat, those initiatives can be significantly strengthened and enhanced by increased coordination.

SEC. 203. PURPOSES.

The purposes of this title are—

(1) to perpetuate healthy populations of neotropical migratory birds;

(2) to assist in the conservation of neotropical migratory birds by supporting conservation initiatives in the United States, Latin America, and the Caribbean; and

(3) to provide financial resources and to foster international cooperation for those initiatives.

SEC. 204. DEFINITIONS.

In this title:

(1) ACCOUNT.—The term ''Account'' means the Neotropical Migratory Bird Conservation Account established by section 209(a).

(2) CONSERVATION.—The term ''conservation'' means the use of methods and procedures necessary to bring a species of neotropical migratory bird to the point at which there are sufficient populations in the wild to ensure the long-term viability of the species, including—

(A) protection and management of neotropical migratory bird populations;

(B) maintenance, management, protection, and restoration of neotropical migratory bird habitat;

(C) research and monitoring;

(D) law enforcement; and

(E) community outreach and education.

(3) SECRETARY.—The term ''Secretary'' means the Secretary of the Interior.

SEC. 205. FINANCIAL ASSISTANCE.

(a) IN GENERAL.—The Secretary shall establish a program to provide financial assistance for projects to promote the conservation of neotropical migratory birds.

(b) PROJECT APPLICANTS.—A project proposal may be submitted by—

(1) an individual, corporation, partnership, trust, association, or other private entity;

(2) an officer, employee, agent, department, or instrumentality of the Federal Government, of any State, municipality, or political subdivision of a State, or of any foreign government;

(3) a State, municipality, or political subdivision of a State;

(4) any other entity subject to the jurisdiction of the United States or of any foreign country; and

(5) an international organization (as defined in section 1 of the International Organizations Immunities Act (22 U.S.C. 288)).

(c) PROJECT PROPOSALS.—To be considered for financial assistance for a project under this title, an applicant shall submit a project proposal that—

(1) includes—

(A) the name of the individual responsible for the project;

(B) a succinct statement of the purposes of the project;

(C) a description of the qualifications of individuals conducting the project; and

(D) an estimate of the funds and time necessary to complete the project, including sources and amounts of matching funds;

(2) demonstrates that the project will enhance the conservation of neotropical migratory bird species in Latin America, the Caribbean, or the United States;

(3) includes mechanisms to ensure adequate local public participation in project development and implementation;

(4) contains assurances that the project will be implemented in consultation with relevant wildlife management authorities and other appropriate government officials with jurisdiction over the resources addressed by the project;

(5) demonstrates sensitivity to local historic and cultural resources and complies with applicable laws;

(6) describes how the project will promote sustainable, effective, long-term programs to conserve neotropical migratory birds; and

(7) provides any other information that the Secretary considers to be necessary for evaluating the proposal.

(d) PROJECT REPORTING.—Each recipient of assistance for a project under this title shall submit to the Secretary such periodic reports as the Secretary considers to be necessary. Each report shall include all information required by the Secretary for evaluating the progress and outcome of the project.

(e) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the cost of each project shall be not greater than 33 percent.

(2) NON-FEDERAL SHARE.—

(A) SOURCE.—The non-Federal share required to be paid for a project shall not be derived from any Federal grant program.

(B) FORM OF PAYMENT.—

(i) PROJECTS IN THE UNITED STATES.—The non-Federal share required to be paid for a project carried out in the United States shall be paid in cash.

(ii) PROJECTS IN FOREIGN COUNTRIES.—The non-Federal share required to be paid for a project carried out in a foreign country may be paid in cash or in kind.

SEC. 206. DUTIES OF THE SECRETARY.

In carrying out this title, the Secretary shall—

(1) develop guidelines for the solicitation of proposals for projects eligible for financial assistance under section 205;

(2) encourage submission of proposals for projects eligible for financial assistance under section 205, particularly proposals from relevant wildlife management authorities;

(3) select proposals for financial assistance that satisfy the requirements of section 205, giving preference to proposals that address conservation needs not adequately addressed by existing efforts and that are supported by relevant wildlife management authorities; and

(4) generally implement this title in accordance with its purposes.

SEC. 207. COOPERATION.

(a) IN GENERAL.—In carrying out this title, the Secretary shall—

(1) support and coordinate existing efforts to conserve neotropical migratory bird species, through—

(A) facilitating meetings among persons involved in such efforts;

(B) promoting the exchange of information among such persons;

(C) developing and entering into agreements with other Federal agencies, foreign, State, and local governmental agencies, and nongovernmental organizations; and

(D) conducting such other activities as the Secretary considers to be appropriate; and

(2) coordinate activities and projects under this title with existing efforts in order to enhance conservation of neotropical migratory bird species.

(b) ADVISORY GROUP.—

(1) IN GENERAL.—To assist in carrying out this title, the Secretary may convene an advisory group consisting of individuals representing public and private organizations actively involved in the conservation of neotropical migratory birds.

(2) PUBLIC PARTICIPATION.—

(A) MEETINGS.—The advisory group shall—

(i) ensure that each meeting of the advisory group is open to the public; and

(ii) provide, at each meeting, an opportunity for interested persons to present oral or written statements concerning items on the agenda.

(B) NOTICE.—The Secretary shall provide to the public timely notice of each meeting of the advisory group.

(C) MINUTES.—Minutes of each meeting of the advisory group shall be kept by the Secretary and shall be made available to the public.

(3) EXEMPTION FROM FEDERAL ADVISORY COMMITTEE ACT.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the advisory group.

SEC. 208. REPORT TO CONGRESS.

Not later than October 1, 2002, the Secretary shall submit to Congress a report on the results and effectiveness of the program carried out under this title, including recommendations concerning how this title might be improved and whether the program should be continued.

SEC. 209. NEOTROPICAL MIGRATORY BIRD CONSERVATION ACCOUNT.

(a) ESTABLISHMENT.—There is established in the Multinational Species Conservation Fund of the Treasury a separate account to be known as the ''Neotropical Migratory Bird Conservation Account'', which shall consist of amounts deposited into the Account by the Secretary of the Treasury under subsection (b).

(b) DEPOSITS INTO THE ACCOUNT.—The Secretary of the Treasury shall deposit into the Account—

(1) all amounts received by the Secretary in the form of donations under subsection (d); and

(2) other amounts appropriated to the Account.

(c) USE.—

(1) IN GENERAL.—Subject to paragraph (2), the Secretary may use amounts in the Account, without further Act of appropriation, to carry out this title.

(2) ADMINISTRATIVE EXPENSES.—Of amounts in the Account available for each fiscal year, the Secretary may expend not more than 6 percent to pay the administrative expenses necessary to carry out this title.

(d) ACCEPTANCE AND USE OF DONATIONS.—The Secretary may accept and use donations to carry out this title. Amounts received by the Secretary in the form of donations shall be transferred to the Secretary of the Treasury for deposit into the Account.

SEC. 210. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to the Account to carry out this title $8,000,000 for each of fiscal years 2000 through 2003, to remain available until expended, of which not less than 50 percent of the amounts made available for each fiscal year shall be expended for projects carried out outside the United States.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the committee amendments be agreed to.

The committee amendments were agreed to.

AMENDMENT NO. 2774

(Purpose: To assure the long-term conservation of mid-continent light geese)

Mr. GRASSLEY. Mr. President, Senator ABRAHAM has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for Mr. ABRAHAM, proposes an amendment numbered 2774.

The amendment is as follows:

Strike Title II.

Mr. ABRAHAM. Mr. President, I rise today to speak on two pieces of legislation designed to protect the habitat of this continent's migratory birds. Both H.R. 2454, known as the ''Snow Goose'' bill, and S. 148, the Neotropical Migratory Bird Conservation Act are intended to protect bird habitat, and by extension, the species which frequent these lands.

At the Senate markup last month, Senator Chafee combined these two bills in the hopes of passing them as a complete package this year. Unfortunately, it has become obvious that this strategy will not work because some Members of the House, lacking a better vehicle, intend to use the Neotropical Migratory Bird Conservation Act as a tool for debating the merits of property rights legislation. Apparently, they do not care that in doing so they jeopardize the passage of both bills.

I want very much for the Congress to pass the Neotropical Migratory Bird Conservation Act and am disappointed that the House has failed to even bring this issue to the floor. It is an important bill that will help ensure that the migratory species which Americans enjoy will receive additional protection in their winter habitats.

But the Snow Goose is equally important and it is imperative that the Congress Act on this legislation as soon as possible. I fear the refusal of the House to act on S. 148 jeopardizes the chances of the Snow Goose legislation this year. For that reason, I have offered an amendment to H.R. 2454 to strip the language pertaining to the neotropicals from the text of the Snow Goose bill.

As part of my agreeing to do this, I have been assured by both the Chairman of the House Resources Committee and the Chairman of the Subcommittee on Fisheries Conservation, Wildlife and Oceans that they will do everything they can to assure that the Neotropical Migratory Bird Conservation Act is considered by the full House early next year. I am encouraged by their support and wish to thank them for their willingness to try to move this legislation.

Therefore, I believe that removing the text of the Neotropical Migratory Bird Conservation Act is only a short-term setback. I am confident that once the full House has the opportunity to consider this legislation that a good bill will emerge from that respected body. I urge my colleagues to pass H.R. 2454, as amended.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment be agreed to, the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The amendment (No. 2774) was agreed to.

The bill (H.R. 2454), as amended, was read the third time and passed.

BOUNDARY CLARIFICATION ON MAPS RELATING TO COASTAL BARRIER RESOURCES SYSTEM

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 301, S. 1398.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1398) to clarify certain boundaries on maps relating to the Coastal Barrier Resources System.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Environment and Public Works with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

SECTION 1. REPLACEMENT OF COASTAL BARRIER RESOURCES SYSTEM MAPS.

(a) IN GENERAL.—The 7 maps described in subsection (b) are replaced by 14 maps entitled ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P'' or ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P, Hatteras Island Unit L03'' and dated July 1, 1999.

(b) DESCRIPTION OF MAPS.—The maps described in this subsection are the 7 maps that—

(1) relate to the portions of Cape Hatteras Unit NC–03P and Hatteras Island Unit L03 that are located in Dare County, North Carolina; and

(2) are included in a set of maps entitled ''Coastal Barrier Resources System'', dated October 24, 1990, and referred to in section 4(a) of the Coastal Barrier Resources Act (16 U.S.C. 3503(a)).

(c) AVAILABILITY.—The Secretary of the Interior shall keep the maps referred to in subsection (a) on file and available for inspection in accordance with section 4(b) of the Coastal Barrier Resources Act (16 U.S.C. 3503(b)).

AMENDMENT NO. 2775

(Purpose: To make a technical correction)

Mr. GRASSLEY. Mr. President, Senator SMITH of New Hampshire has an amendment at the desk, and I ask for its consideration.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Senator from Iowa [Mr. GRASSLEY], for Mr. SMITH of New Hampshire, proposes an amendment numbered 2775.

The amendment is as follows:

On page 2, line 25, strike ''July 1, 1999'' and insert ''October 18, 1999''.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment be agreed to.

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

The amendment (No. 2775) was agreed to.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the committee substitute, as amended, be agreed to, the bill, as amended, be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The committee amendment in the nature of a substitute, as amended, was agreed to.

The bill (S. 1398), as amended, was read the third time and passed, as follows:

S. 1398

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. REPLACEMENT OF COASTAL BARRIER RESOURCES SYSTEM MAPS.

(a) IN GENERAL.—The 7 maps described in subsection (b) are replaced by 14 maps entitled ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P'' or ''Dare County, North Carolina, Coastal Barrier Resources System, Cape Hatteras Unit NC–03P, Hatteras Island Unit L03'' and dated October 18, 1999.

(b) DESCRIPTION OF MAPS.—The maps described in this subsection are the 7 maps that—

(1) relate to the portions of Cape Hatteras Unit NC–03P and Hatteras Island Unit L03 that are located in Dare County, North Carolina; and

(2) are included in a set of maps entitled ''Coastal Barrier Resources System'', dated October 24, 1990, and referred to in section 4(a) of the Coastal Barrier Resources Act (16 U.S.C. 3503(a)).

(c) AVAILABILITY.—The Secretary of the Interior shall keep the maps referred to in subsection (a) on file and available for inspection in accordance with section 4(b) of the Coastal Barrier Resources Act (16 U.S.C. 3503(b)).

COST OF LIVING ADJUSTMENT FOR ADMINISTRATIVE LAW JUDGES

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of Calendar No. 339, H.R. 915.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 915) to authorize a cost of living adjustment in the pay of administrative law judges.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 915) was read the third time and passed.

HONORING CIVIL DEFENSE AND EMERGENCY MANAGEMENT PROGRAMS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the consideration of H.R. 348, which is at the desk.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (H.R. 348) to authorize the construction of a monument to honor those who have served the Nation's civil defense and emergency management programs.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the bill be read a third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The bill (H.R. 348) was read the third time and passed.

THE DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT OF 1999

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now provide to the consideration of Calendar No. 387, S. 1809.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 1809) to improve service systems for individuals with developmental disabilities, and for other purposes.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions with an amendment to strike all

after the enacting clause and insert in lieu thereof the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

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

TITLE I—PROGRAMS FOR INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

Subtitle A—General Provisions

SEC. 101. FINDINGS, PURPOSES, AND POLICY.

(a) FINDINGS.—Congress finds that—

(1) disability is a natural part of the human experience that does not diminish the right of individuals with developmental disabilities to live independently, to exert control and choice over their own lives, and to fully participate in and contribute to their communities through full integration and inclusion in the economic, political, social, cultural, and educational mainstream of United States society;

(2) in 1999, there are between 3,200,000 and 4,500,000 individuals with developmental disabilities in the United States, and recent studies indicate that individuals with developmental disabilities comprise between 1.2 and 1.65 percent of the United States population;

(3) individuals whose disabilities occur during their developmental period frequently have severe disabilities that are likely to continue indefinitely;

(4) individuals with developmental disabilities often encounter discrimination in the provision of critical services, such as services in the areas of emphasis (as defined in section 102);

(5) individuals with developmental disabilities are at greater risk than the general population of abuse, neglect, financial and sexual exploitation, and the violation of their legal and human rights;

(6) a substantial portion of individuals with developmental disabilities and their families do not have access to appropriate support and services, including access to assistive technology, from generic and specialized service systems, and remain unserved or underserved;

(7) individuals with developmental disabilities often require lifelong community services, individualized supports, and other forms of assistance, that are most effective when provided in a coordinated manner;

(8) there is a need to ensure that services, supports, and other assistance are provided in a culturally competent manner, that ensures that individuals from racial and ethnic minority backgrounds are fully included in all activities provided under this title;

(9) family members, friends, and members of the community can play an important role in enhancing the lives of individuals with developmental disabilities, especially when the family members, friends, and community members are provided with the necessary community services, individualized supports, and other forms of assistance;

(10) current research indicates that 88 percent of individuals with developmental disabilities live with their families or in their own households;

(11) many service delivery systems and communities are not prepared to meet the impending needs of the 479,862 adults with developmental disabilities who are living at home with parents who are 60 years old or older and who serve as the primary caregivers of the adults;

(12) in almost every State, individuals with developmental disabilities are waiting for appropriate services in their communities, in the areas of emphasis;

(13) the public needs to be made more aware of the capabilities and competencies of individuals with developmental disabilities, particularly in cases in which the individuals are provided with necessary services, supports, and other assistance;

(14) as increasing numbers of individuals with developmental disabilities are living, learning, working, and participating in all aspects of community life, there is an increasing need for a well trained workforce that is able to provide the services, supports, and other forms of direct assistance required to enable the individuals to carry out those activities;

(15) there needs to be greater effort to recruit individuals from minority backgrounds into professions serving individuals with developmental disabilities and their families;

(16) the goals of the Nation properly include a goal of providing individuals with developmental disabilities with the information, skills, opportunities, and support to—

(A) make informed choices and decisions about their lives;

(B) live in homes and communities in which such individuals can exercise their full rights and responsibilities as citizens;

(C) pursue meaningful and productive lives;

(D) contribute to their families, communities, and States, and the Nation;

(E) have interdependent friendships and relationships with other persons;

(F) live free of abuse, neglect, financial and sexual exploitation, and violations of their legal and human rights; and

(G) achieve full integration and inclusion in society, in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of each individual; and

(17) as the Nation, States, and communities maintain and expand community living options for individuals with developmental disabilities, there is a need to evaluate the access to those options by individuals with developmental disabilities and the effects of those options on individuals with developmental disabilities.

(b) PURPOSE.—The purpose of this title is to assure that individuals with developmental disabilities and their families participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and integration and inclusion in all facets of community life, through culturally competent programs authorized under this title, including specifically—

(1) State Councils on Developmental Disabilities in each State to engage in advocacy, capacity building, and systemic change activities that—

(A) are consistent with the purpose described in this subsection and the policy described in subsection (c); and

(B) contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system that includes needed community services, individualized supports, and other forms of assistance that promote self-determination for individuals with developmental disabilities and their families;

(2) protection and advocacy systems in each State to protect the legal and human rights of individuals with developmental disabilities;

(3) University Centers for Excellence in Developmental Disabilities Education, Research, and Service—

(A) to provide interdisciplinary pre-service preparation and continuing education of students and fellows, which may include the preparation and continuing education of leadership, direct service, clinical, or other personnel to strengthen and increase the capacity of States and communities to achieve the purpose of this title;

(B) to provide community services—

(i) that provide training and technical assistance for individuals with developmental disabilities, their families, professionals, paraprofessionals, policymakers, students, and other members of the community; and

(ii) that may provide services, supports, and assistance for the persons described in clause (i) through demonstration and model activities;

(C) to conduct research, which may include basic or applied research, evaluation, and the analysis of public policy in areas that affect or could affect, either positively or negatively, individuals with developmental disabilities and their families; and

(D) to disseminate information related to activities undertaken to address the purpose of

this title, especially dissemination of information that demonstrates that the network authorized under this subtitle is a national and international resource that includes specific substantive areas of expertise that may be accessed and applied in diverse settings and circumstances; and

(4) funding for—

(A) national initiatives to collect necessary data on issues that are directly or indirectly relevant to the lives of individuals with developmental disabilities;

(B) technical assistance to entities who engage in or intend to engage in activities consistent with the purpose described in this subsection or the policy described in subsection (c); and

(C) other nationally significant activities.

(c) POLICY.—It is the policy of the United States that all programs, projects, and activities receiving assistance under this title shall be carried out in a manner consistent with the principles that—

(1) individuals with developmental disabilities, including those with the most severe developmental disabilities, are capable of self-determination, independence, productivity, and integration and inclusion in all facets of community life, but often require the provision of community services, individualized supports, and other forms of assistance;

(2) individuals with developmental disabilities and their families have competencies, capabilities, and personal goals that should be recognized, supported, and encouraged, and any assistance to such individuals should be provided in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of such individuals;

(3) individuals with developmental disabilities and their families are the primary decisionmakers regarding the services and supports such individuals and their families receive, including regarding choosing where the individuals live from available options, and play decisionmaking roles in policies and programs that affect the lives of such individuals and their families;

(4) services, supports, and other assistance should be provided in a manner that demonstrates respect for individual dignity, personal preferences, and cultural differences;

(5) specific efforts must be made to ensure that individuals with developmental disabilities from racial and ethnic minority backgrounds and their families enjoy increased and meaningful opportunities to access and use community services, individualized supports, and other forms of assistance available to other individuals with developmental disabilities and their families;

(6) recruitment efforts in disciplines related to developmental disabilities relating to pre-service training, community training, practice, administration, and policymaking must focus on bringing larger numbers of racial and ethnic minorities into the disciplines in order to provide appropriate skills, knowledge, role models, and sufficient personnel to address the growing needs of an increasingly diverse population;

(7) with education and support, communities can be accessible to and responsive to the needs of individuals with developmental disabilities and their families and are enriched by full and active participation in community activities, and contributions, by individuals with developmental disabilities and their families;

(8) individuals with developmental disabilities have access to opportunities and the necessary support to be included in community life, have interdependent relationships, live in homes and communities, and make contributions to their families, communities, and States, and the Nation;

(9) efforts undertaken to maintain or expand community-based living options for individuals with disabilities should be monitored in order to determine and report to appropriate individuals and entities the extent of access by individuals with developmental disabilities to those options and the extent of compliance by entities providing those options with quality assurance standards;

(10) families of children with developmental disabilities need to have access to and use of safe and appropriate child care and before-school and after-school programs, in the most integrated settings, in order to enrich the participation of the children in community life;

(11) individuals with developmental disabilities need to have access to and use of public transportation, in order to be independent and directly contribute to and participate in all facets of community life; and

(12) individuals with developmental disabilities need to have access to and use of recreational, leisure, and social opportunities in the most integrated settings, in order to enrich their participation in community life.

SEC. 102. DEFINITIONS.

In this title:

(1) AMERICAN INDIAN CONSORTIUM.—The term ''American Indian Consortium'' means any confederation of 2 or more recognized American Indian tribes, created through the official action of each participating tribe, that has a combined total resident population of 150,000 enrolled tribal members and a contiguous territory of Indian lands in 2 or more States.

(2) AREAS OF EMPHASIS.—The term ''areas of emphasis'' means the areas related to quality assurance activities, education activities and early intervention activities, child care-related activities, health-related activities, employment-related activities, housing-related activities, transportation-related activities, recreation-related activities, and other services available or offered to individuals in a community, including formal and informal community supports, that affect their quality of life.

(3) ASSISTIVE TECHNOLOGY DEVICE.—The term ''assistive technology device'' means any item, piece of equipment, or product system, whether acquired commercially, modified or customized, that is used to increase, maintain, or improve functional capabilities of individuals with developmental disabilities.

(4) ASSISTIVE TECHNOLOGY SERVICE.—The term ''assistive technology service'' means any service that directly assists an individual with a developmental disability in the selection, acquisition, or use of an assistive technology device. Such term includes—

(A) conducting an evaluation of the needs of an individual with a developmental disability, including a functional evaluation of the individual in the individual's customary environment;

(B) purchasing, leasing, or otherwise providing for the acquisition of an assistive technology device by an individual with a developmental disability;

(C) selecting, designing, fitting, customizing, adapting, applying, maintaining, repairing or replacing an assistive technology device;

(D) coordinating and using another therapy, intervention, or service with an assistive technology device, such as a therapy, intervention, or service associated with an education or rehabilitation plan or program;

(E) providing training or technical assistance for an individual with a developmental disability, or, where appropriate, a family member, guardian, advocate, or authorized representative of an individual with a developmental disability; and

(F) providing training or technical assistance for professionals (including individuals providing education and rehabilitation services), employers, or other individuals who provide services to, employ, or are otherwise substantially involved in the major life functions of, an individual with developmental disabilities.

(5) CENTER.—The term ''Center'' means a University Center for Excellence in Developmental Disabilities Education, Research, and Service established under subtitle D.

(6) CHILD CARE-RELATED ACTIVITIES.—The term ''child care-related activities'' means advocacy, capacity building, and systemic change activities that result in families of children with developmental disabilities having access to and use of child care services, including before-school, after-school, and out-of-school services, in their communities.

(7) CULTURALLY COMPETENT.—The term ''culturally competent'', used with respect to services, supports, or other assistance, means services, supports, or other assistance that is conducted or provided in a manner that is responsive to the beliefs, interpersonal styles, attitudes, language, and behaviors of individuals who are receiving the services, supports, or other assistance, and in a manner that has the greatest likelihood of ensuring their maximum participation in the program involved.

(8) DEVELOPMENTAL DISABILITY.—

(A) IN GENERAL.—The term ''developmental disability'' means a severe, chronic disability of an individual that—

(i) is attributable to a mental or physical impairment or combination of mental and physical impairments;

(ii) is manifested before the individual attains age 22;

(iii) is likely to continue indefinitely;

(iv) results in substantial functional limitations in 3 or more of the following areas of major life activity:

(I) Self-care.

(II) Receptive and expressive language.

(III) Learning.

(IV) Mobility.

(V) Self-direction.

(VI) Capacity for independent living.

(VII) Economic self-sufficiency; and

(v) reflects the individual's need for a combination and sequence of special, interdisciplinary, or generic services, individualized supports, or other forms of assistance that are of lifelong or extended duration and are individually planned and coordinated.

(B) INFANTS AND YOUNG CHILDREN.—An individual from birth to age 9, inclusive, who has a substantial developmental delay or specific congenital or acquired condition, may be considered to have a developmental disability without meeting 3 or more of the criteria described in clauses (i) through (v) of subparagraph (A) if the individual, without services and supports, has a high probability of meeting those criteria later in life.

(9) EARLY INTERVENTION ACTIVITIES.—The term ''early intervention activities'' means advocacy, capacity building, and systemic change activities provided to individuals described in paragraph (8)(B) and their families to enhance—

(A) the development of the individuals to maximize their potential; and

(B) the capacity of families to meet the special needs of the individuals.

(10) EDUCATION ACTIVITIES.—The term ''education activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities being able to access appropriate supports and modifications when necessary, to maximize their educational potential, to benefit from lifelong educational activities, and to be integrated and included in all facets of student life.

(11) EMPLOYMENT-RELATED ACTIVITIES.—The term ''employment-related activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities acquiring, retaining, or advancing in paid employment, including supported employment or self-employment, in integrated settings in a community.

(12) FAMILY SUPPORT SERVICES.—

(A) IN GENERAL.—The term ''family support services'' means services, supports, and other assistance, provided to families with members who have developmental disabilities, that are designed to—

(i) strengthen the family's role as primary caregiver;

(ii) prevent inappropriate out-of-the-home placement of the members and maintain family unity; and

(iii) reunite families with members who have been placed out of the home whenever possible.

(B) SPECIFIC SERVICES.—Such term includes respite care, provision of rehabilitation technology and assistive technology, personal assistance services, parent training and counseling, support for families headed by aging caregivers, vehicular and home modifications, and assistance with extraordinary expenses, associated with the needs of individuals with developmental disabilities.

(13) HEALTH-RELATED ACTIVITIES.—The term ''health-related activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of coordinated health, dental, mental health, and other human and social services, including prevention activities, in their communities.

(14) HOUSING-RELATED ACTIVITIES.—The term ''housing-related activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of housing and housing supports and services in their communities, including assistance related to renting, owning, or modifying an apartment or home.

(15) INCLUSION.—The term ''inclusion'', used with respect to individuals with developmental disabilities, means the acceptance and encouragement of the presence and participation of individuals with developmental disabilities, by individuals without disabilities, in social, educational, work, and community activities, that enables individuals with developmental disabilities to—

(A) have friendships and relationships with individuals and families of their own choice;

(B) live in homes close to community resources, with regular contact with individuals without disabilities in their communities;

(C) enjoy full access to and active participation in the same community activities and types of employment as individuals without disabilities; and

(D) take full advantage of their integration into the same community resources as individuals without disabilities, living, learning, working, and enjoying life in regular contact with individuals without disabilities.

(16) INDIVIDUALIZED SUPPORTS.—The term ''individualized supports'' means supports that—

(A) enable an individual with a developmental disability to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life;

(B) are designed to—

(i) enable such individual to control such individual's environment, permitting the most independent life possible;

(ii) prevent placement into a more restrictive living arrangement than is necessary; and

(iii) enable such individual to live, learn, work, and enjoy life in the community; and

(C) include—

(i) early intervention services;

(ii) respite care;

(iii) personal assistance services;

(iv) family support services;

(v) supported employment services;

(vi) support services for families headed by aging caregivers of individuals with developmental disabilities; and

(vii) provision of rehabilitation technology and assistive technology, and assistive technology services.

(17) INTEGRATION.—The term ''integration'', used with respect to individuals with developmental disabilities, means exercising the equal right of individuals with developmental disabilities to access and use the same community resources as are used by and available to other individuals.

(18) NOT-FOR-PROFIT.—The term ''not-for-profit'', used with respect to an agency, institution, or organization, means an agency, institution, or organization that is owned or operated by 1 or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

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

(20) PREVENTION ACTIVITIES.—The term ''prevention activities'' means activities that address the causes of developmental disabilities and the exacerbation of functional limitation, such as activities that—

(A) eliminate or reduce the factors that cause or predispose individuals to developmental disabilities or that increase the prevalence of developmental disabilities;

(B) increase the early identification of problems to eliminate circumstances that create or increase functional limitations; and

(C) mitigate against the effects of developmental disabilities throughout the lifespan of an individual.

(21) PRODUCTIVITY.—The term ''productivity'' means—

(A) engagement in income-producing work that is measured by increased income, improved employment status, or job advancement; or

(B) engagement in work that contributes to a household or community.

(22) PROTECTION AND ADVOCACY SYSTEM.—The term ''protection and advocacy system'' means a protection and advocacy system established in accordance with section 143.

(23) QUALITY ASSURANCE ACTIVITIES.—The term ''quality assurance activities'' means advocacy, capacity building, and systemic change activities that result in improved consumer- and family-centered quality assurance and that result in systems of quality assurance and consumer protection that—

(A) include monitoring of services, supports, and assistance provided to an individual with developmental disabilities that ensures that the individual—

(i) will not experience abuse, neglect, sexual or financial exploitation, or violation of legal or human rights; and

(ii) will not be subject to the inappropriate use of restraints or seclusion;

(B) include training in leadership, self-advocacy, and self-determination for individuals with developmental disabilities, their families, and their guardians to ensure that those individuals—

(i) will not experience abuse, neglect, sexual or financial exploitation, or violation of legal or human rights; and

(ii) will not be subject to the inappropriate use of restraints or seclusion; or

(C) include activities related to interagency coordination and systems integration that result in improved and enhanced services, supports, and other assistance that contribute to and protect the self-determination, independence, productivity, and integration and inclusion in all facets of community life, of individuals with developmental disabilities.

(24) RECREATION-RELATED ACTIVITIES.—The term ''recreation-related activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of recreational, leisure, and social activities, in their communities.

(25) REHABILITATION TECHNOLOGY.—The term ''rehabilitation technology'' means the systematic application of technologies, engineering methodologies, or scientific principles to meet the needs of, and address the barriers confronted by, individuals with developmental disabilities in areas that include education, rehabilitation, employment, transportation, independent living, and recreation. Such term includes rehabilitation engineering, and the provision of assistive technology devices and assistive technology services.

(26) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(27) SELF-DETERMINATION ACTIVITIES.—The term ''self-determination activities'' means activities that result in individuals with developmental disabilities, with appropriate assistance, having—

(A) the ability and opportunity to communicate and make personal decisions;

(B) the ability and opportunity to communicate choices and exercise control over the type and intensity of services, supports, and other assistance the individuals receive;

(C) the authority to control resources to obtain needed services, supports, and other assistance;

(D) opportunities to participate in, and contribute to, their communities; and

(E) support, including financial support, to advocate for themselves and others, to develop leadership skills, through training in self-advocacy, to participate in coalitions, to educate policymakers, and to play a role in the development of public policies that affect individuals with developmental disabilities.

(28) STATE.—The term ''State'', except as otherwise provided, includes, in addition to each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(29) STATE COUNCIL ON DEVELOPMENTAL DISABILITIES.—The term ''State Council on Developmental Disabilities'' means a Council established under section 125.

(30) SUPPORTED EMPLOYMENT SERVICES.—The term ''supported employment services'' means services that enable individuals with developmental disabilities to perform competitive work in integrated work settings, in the case of individuals with developmental disabilities—

(A)(i) for whom competitive employment has not traditionally occurred; or

(ii) for whom competitive employment has been interrupted or intermittent as a result of significant disabilities; and

(B) who, because of the nature and severity of their disabilities, need intensive supported employment services or extended services in order to perform such work.

(31) TRANSPORTATION-RELATED ACTIVITIES.—The term ''transportation-related activities'' means advocacy, capacity building, and systemic change activities that result in individuals with developmental disabilities having access to and use of transportation.

(32) UNSERVED AND UNDERSERVED.—The term ''unserved and underserved'' includes populations such as individuals from racial and ethnic minority backgrounds, disadvantaged individuals, individuals with limited English proficiency, individuals from underserved geographic areas (rural or urban), and specific groups of individuals within the population of individuals with developmental disabilities, including individuals who require assistive technology in order to participate in and contribute to community life.

SEC. 103. RECORDS AND AUDITS.

(a) RECORDS.—Each recipient of assistance under this title shall keep such records as the Secretary shall prescribe, including—

(1) records that fully disclose—

(A) the amount and disposition by such recipient of the assistance;

(B) the total cost of the project or undertaking in connection with which such assistance is given or used; and

(C) the amount of that portion of the cost of the project or undertaking that is supplied by other sources; and

(2) such other records as will facilitate an effective audit.

(b) ACCESS.—The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients of assistance under this title that are pertinent to such assistance.

SEC. 104. RESPONSIBILITIES OF THE SECRETARY.

(a) PROGRAM ACCOUNTABILITY.—

(1) IN GENERAL.—In order to monitor entities that received funds under this Act to carry out activities under subtitles B, C, and D and determine the extent to which the entities have been responsive to the purpose of this title and have taken actions consistent with the policy described in section 101(c), the Secretary shall develop and implement an accountability process as described in this subsection, with respect to activities conducted after October 1, 2000.

(2) AREAS OF EMPHASIS.—The Secretary shall develop a process for identifying and reporting (pursuant to section 105) on progress achieved through advocacy, capacity building, and systemic change activities, undertaken by the entities described in paragraph (1), that resulted in individuals with developmental disabilities and their families participating in the design of and having access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and integration and inclusion in all facets of community life. Specifically, the Secretary shall develop a process for identifying and reporting on progress achieved, through advocacy, capacity building, and systemic change activities, by the entities in the areas of emphasis.

(3) INDICATORS OF PROGRESS.—

(A) IN GENERAL.—In identifying progress made by the entities described in paragraph (1) in the areas of emphasis, the Secretary, in consultation with the Commissioner of the Administration on Developmental Disabilities and the entities, shall develop indicators for each area of emphasis.

(B) PROPOSED INDICATORS.—Not later than 180 days after the date of enactment of this Act, the Secretary shall develop and publish in the Federal Register for public comment proposed indicators of progress for monitoring how entities described in paragraph (1) have addressed the areas of emphasis described in paragraph (2) in a manner that is responsive to the purpose of this title and consistent with the policy described in section 101(c).

(C) FINAL INDICATORS.—Not later than October 1, 2000, the Secretary shall revise the proposed indicators of progress, to the extent necessary based on public comment, and publish final indicators of progress in the Federal Register.

(D) SPECIFIC MEASURES.—At a minimum, the indicators of progress shall be used to describe and measure—

(i) the satisfaction of individuals with developmental disabilities with the advocacy, capacity building, and systemic change activities provided under subtitles B, C, and D;

(ii) the extent to which the advocacy, capacity building, and systemic change activities provided through subtitles B, C, and D result in improvements in—

(I) the ability of individuals with developmental disabilities to make choices and exert control over the type, intensity, and timing of services, supports, and assistance that the individuals have used;

(II) the ability of individuals with developmental disabilities to participate in the full range of community life with persons of the individuals' choice; and

(III) the ability of individuals with developmental disabilities to access services, supports, and assistance in a manner that ensures that such an individual is free from abuse, neglect, sexual and financial exploitation, violation of legal and human rights, and the inappropriate use of restraints and seclusion; and

(iii) the extent to which the entities described in paragraph (1) collaborate with each other to achieve the purpose of this title and the policy described in section 101(c).

(4) TIME LINE FOR COMPLIANCE WITH INDICATORS OF PROGRESS.—The Secretary shall require entities described in paragraph (1) to meet the indicators of progress described in paragraph (3). For fiscal year 2001 and each year thereafter, the Secretary shall apply the indicators in monitoring entities described in paragraph (1), with respect to activities conducted after October 1, 2000.

(b) TIME LINE FOR REGULATIONS.—Except as otherwise expressly provided in this title, the Secretary, not later than 1 year after the date of enactment of this Act, shall promulgate such regulations as may be required for the implementation of this title.

(c) INTERAGENCY COMMITTEE.—

(1) IN GENERAL.—The Secretary shall maintain the interagency committee authorized in section 108 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6007) as in effect on the day before the date of enactment of this Act, except as otherwise provided in this subsection.

(2) COMPOSITION.—The interagency committee shall be composed of representatives of—

(A) the Administration on Developmental Disabilities, the Administration on Children, Youth, and Families, the Administration on Aging, and the Health Resources and Services Administration, of the Department of Health and Human Services; and

(B) such other Federal departments and agencies as the Secretary of Health and Human Services considers to be appropriate.

(3) DUTIES.—Such interagency committee shall meet regularly to coordinate and plan activities conducted by Federal departments and agencies for individuals with developmental disabilities.

(4) MEETINGS.—Each meeting of the interagency committee (except for any meetings of any subcommittees of the committee) shall be open to the public. Notice of each meeting, and a statement of the agenda for the meeting, shall be published in the Federal Register not later than 14 days before the date on which the meeting is to occur.

SEC. 105. REPORTS OF THE SECRETARY.

At least once every 2 years, the Secretary, using information submitted in the reports and information required under subtitles B, C, D, and E, shall prepare and submit to the President, Congress, and the National Council on Disability, a report that describes the goals and outcomes of programs supported under subtitles B, C, D, and E. In preparing the report, the Secretary shall provide—

(1) meaningful examples of how the councils, protection and advocacy systems, centers, and entities funded under subtitles B, C, D, and E, respectively—

(A) have undertaken coordinated activities with each other;

(B) have enhanced the ability of individuals with developmental disabilities and their families to participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, and integration and inclusion in all facets of community life;

(C) have brought about advocacy, capacity building, and systemic change activities (including policy reform), and other actions on behalf of individuals with developmental disabilities and their families, including individuals who are traditionally unserved or underserved, particularly individuals who are members of ethnic and racial minority groups and individuals from underserved geographic areas; and

(D) have brought about advocacy, capacity building, and systemic change activities that affect individuals with disabilities other than individuals with developmental disabilities;

(2) information on the extent to which programs authorized under this title have addressed—

(A) protecting individuals with developmental disabilities from abuse, neglect, sexual and financial exploitation, and violations of legal and human rights, so that those individuals are at no greater risk of harm than other persons in the general population; and

(B) reports of deaths of and serious injuries to individuals with developmental disabilities; and

(3) a summary of any incidents of noncompliance of the programs authorized under this title with the provisions of this title, and corrections made or actions taken to obtain compliance.

SEC. 106. STATE CONTROL OF OPERATIONS.

Except as otherwise specifically provided, nothing in this title shall be construed as conferring on any Federal officer or employee the right to exercise any supervision or control over the administration, personnel, maintenance, or operation of any programs, services, and supports for individuals with developmental disabilities with respect to which any funds have been or may be expended under this title.

SEC. 107. EMPLOYMENT OF INDIVIDUALS WITH DISABILITIES.

As a condition of providing assistance under this title, the Secretary shall require that each recipient of such assistance take affirmative action to employ and advance in employment qualified individuals with disabilities on the same terms and conditions required with respect to the employment of such individuals under the provisions of title V of the Rehabilitation Act of 1973 (29 U.S.C. 791 et seq.) and the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), that govern employment.

SEC. 108. CONSTRUCTION.

Nothing in this title shall be construed to preclude an entity funded under this title from engaging in advocacy, capacity building, and systemic change activities for individuals with developmental disabilities that may also have a positive impact on individuals with other disabilities.

SEC. 109. RIGHTS OF INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.

(a) IN GENERAL.—Congress makes the following findings respecting the rights of individuals with developmental disabilities:

(1) Individuals with developmental disabilities have a right to appropriate treatment, services, and habilitation for such disabilities, consistent with section 101(c).

(2) The treatment, services, and habitation for an individual with developmental disabilities should be designed to maximize the potential of the individual and should be provided in the setting that is least restrictive of the individual's personal liberty.

(3) The Federal Government and the States both have an obligation to ensure that public funds are provided only to institutional programs, residential programs, and other community programs, including educational programs in which individuals with developmental disabilities participate, that—

(A) provide treatment, services, and habilitation that are appropriate to the needs of such individuals; and

(B) meet minimum standards relating to—

(i) provision of care that is free of abuse, neglect, sexual and financial exploitation, and violations of legal and human rights and that subjects individuals with developmental disabilities to no greater risk of harm than others in the general population;

(ii) provision to such individuals of appropriate and sufficient medical and dental services;

(iii) prohibition of the use of physical restraint and seclusion for such an individual unless absolutely necessary to ensure the immediate physical safety of the individual or others, and prohibition of the use of such restraint and seclusion as a punishment or as a substitute for a habilitation program;

(iv) prohibition of the excessive use of chemical restraints on such individuals and the use of such restraints as punishment or as a substitute for a habilitation program or in quantities that interfere with services, treatment, or habilitation for such individuals; and

(v) provision for close relatives or guardians of such individuals to visit the individuals without prior notice.

(4) All programs for individuals with developmental disabilities should meet standards—

(A) that are designed to assure the most favorable possible outcome for those served; and

(B)(i) in the case of residential programs serving individuals in need of comprehensive health-related, habilitative, assistive technology or rehabilitative services, that are at least equivalent to those standards applicable to intermediate care facilities for the mentally retarded, promulgated in regulations of the Secretary on June 3, 1988, as appropriate, taking into account the size of the institutions and the service delivery arrangements of the facilities of the programs;

(ii) in the case of other residential programs for individuals with developmental disabilities, that assure that—

(I) care is appropriate to the needs of the individuals being served by such programs;

(II) the individuals admitted to facilities of such programs are individuals whose needs can be met through services provided by such facilities; and

(III) the facilities of such programs provide for the humane care of the residents of the facilities, are sanitary, and protect their rights; and

(iii) in the case of nonresidential programs, that assure that the care provided by such programs is appropriate to the individuals served by the programs.

(b) CLARIFICATION.—The rights of individuals with developmental disabilities described in findings made in this section shall be considered to be in addition to any constitutional or other rights otherwise afforded to all individuals.

Subtitle B—Federal Assistance to State Councils on Developmental Disabilities

SEC. 121. PURPOSE.

The purpose of this subtitle is to provide for allotments to support State Councils on Developmental Disabilities (referred to individually in this subtitle as a ''Council'') in each State to—

(1) engage in advocacy, capacity building, and systemic change activities that are consistent with the purpose described in section 101(b) and the policy described in section 101(c); and

(2) contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that enable individuals with developmental disabilities to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life.

SEC. 122. STATE ALLOTMENTS.

(a) ALLOTMENTS.—

(1) IN GENERAL.—

(A) AUTHORITY.—For each fiscal year, the Secretary shall, in accordance with regulations and this paragraph, allot the sums appropriated for such year under section 129 among the States on the basis of—

(i) the population;

(ii) the extent of need for services for individuals with developmental disabilities; and

(iii) the financial need,

of the respective States.

(B) USE OF FUNDS.—Sums allotted to the States under this section shall be used to pay for the Federal share of the cost of carrying out projects in accordance with State plans approved under section 124 for the provision under such plans of services for individuals with developmental disabilities.

(2) ADJUSTMENTS.—The Secretary may make adjustments in the amounts of State allotments based on clauses (i), (ii), and (iii) of paragraph (1)(A) not more often than annually. The Secretary shall notify each State of any adjustment made under this paragraph and the percentage of the total sums appropriated under section 129 that the adjusted allotment represents not later than 6 months before the beginning of the fiscal year in which such adjustment is to take effect.

(3) MINIMUM ALLOTMENT FOR APPROPRIATIONS LESS THAN OR EQUAL TO $70,000,000.—

(A) IN GENERAL.—Except as provided in paragraph (4), for any fiscal year the allotment under this section—

(i) to each of American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands may not be less than $210,000; and

(ii) to any State not described in clause (i) may not be less than $400,000.

(B) REDUCTION OF ALLOTMENT.—Notwithstanding subparagraph (A), if the aggregate of the amounts to be allotted to the States pursuant to subparagraph (A) for any fiscal year exceeds the total amount appropriated under section 129 for such fiscal year, the amount to be allotted to each State for such fiscal year shall be proportionately reduced.

(4) MINIMUM ALLOTMENT FOR APPROPRIATIONS IN EXCESS OF $70,000,000.—

(A) IN GENERAL.—In any case in which the total amount appropriated under section 129 for a fiscal year is more than $70,000,000, the allotment under this section for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, or the Commonwealth of the Northern Mariana Islands may not be less than $220,000; and

(ii) to any State not described in clause (i) may not be less than $450,000.

(B) REDUCTION OF ALLOTMENT.—The requirements of paragraph (3)(B) shall apply with respect to amounts to be allotted to States under subparagraph (A), in the same manner and to the same extent as such requirements apply with respect to amounts to be allotted to States under paragraph (3)(A).

(5) STATE SUPPORTS, SERVICES, AND OTHER ACTIVITIES.—In determining, for purposes of paragraph (1)(A)(ii), the extent of need in any State for services for individuals with developmental disabilities, the Secretary shall take into account the scope and extent of the services, supports, and assistance described, pursuant to section 124(c)(3)(A), in the State plan of the State.

(6) INCREASE IN ALLOTMENTS.—In any year in which the total amount appropriated under section 129 for a fiscal year exceeds the total amount appropriated under such section (or a corresponding provision) for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 720(c)(1)) (if the percentage change indicates an increase), the Secretary shall increase each of the minimum allotments described in paragraphs (3) and (4). The Secretary shall increase each minimum allotment by an amount that bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph (or a corresponding provision) for prior fiscal years) as the amount that is equal to the difference between—

(A) the total amount appropriated under section 129 for the fiscal year for which the increase in the minimum allotment is being made; minus

(B) the total amount appropriated under section 129 (or a corresponding provision) for the immediately preceding fiscal year,

bears to the total amount appropriated under section 129 (or a corresponding provision) for such preceding fiscal year.

(b) UNOBLIGATED FUNDS.—Any amount paid to a State for a fiscal year and remaining unobligated at the end of such year shall remain available to such State for the next fiscal year for the purposes for which such amount was paid.

(c) OBLIGATION OF FUNDS.—For the purposes of this subtitle, State Interagency Agreements are considered valid obligations for the purpose of obligating Federal funds allotted to the State under this subtitle.

(d) COOPERATIVE EFFORTS BETWEEN STATES.—If a State plan approved in accordance with section 124 provides for cooperative or joint effort between or among States or agencies, public or private, in more than 1 State, portions of funds allotted to 1 or more States described in this subsection may be combined in accordance with the agreements between the States or agencies involved.

(e) REALLOTMENTS.—

(1) IN GENERAL.—If the Secretary determines that an amount of an allotment to a State for a period (of a fiscal year or longer) will not be required by the State during the period for the purpose for which the allotment was made, the Secretary may reallot the amount.

(2) TIMING.—The Secretary may make such a reallotment from time to time, on such date as the Secretary may fix, but not earlier than 30 days after the Secretary has published notice of the intention of the Secretary to make the reallotment in the Federal Register.

(3) AMOUNTS.—The Secretary shall reallot the amount to other States with respect to which the Secretary has not made that determination. The Secretary shall reallot the amount in proportion to the original allotments of the other States for such fiscal year, but shall reduce such proportionate amount for any of the other States to the extent the proportionate amount exceeds the sum that the Secretary estimates the State needs and will be able to use during such period.

(4) REALLOTMENT OF REDUCTIONS.—The Secretary shall similarly reallot the total of the reductions among the States whose proportionate amounts were not so reduced.

(5) TREATMENT.—Any amount reallotted to a State under this subsection for a fiscal year shall be deemed to be a part of the allotment of the State under subsection (a) for such fiscal year.

SEC. 123. PAYMENTS TO THE STATES FOR PLANNING, ADMINISTRATION, AND SERVICES.

(a) STATE PLAN EXPENDITURES.—From each State's allotments for a fiscal year under section 122, the Secretary shall pay to the State the Federal share of the cost, other than the cost for construction, incurred during such year for activities carried out under the State plan approved under section 124. The Secretary shall make such payments from time to time in advance on the basis of estimates by the Secretary of the sums the State will expend for the cost under the State plan. The Secretary shall make such adjustments as may be necessary to the payments on account of previously made underpayments or overpayments under this section.

(b) DESIGNATED STATE AGENCY EXPENDITURES.—The Secretary may make payments to a State for the portion described in section 124(c)(5)(B)(vi) in advance or by way of reimbursement, and in such installments as the Secretary may determine.

SEC. 124. STATE PLAN.

(a) IN GENERAL.—Any State desiring to receive assistance under this subtitle shall submit to the Secretary, and obtain approval of, a 5-year strategic State plan under this section.

(b) PLANNING CYCLE.—The plan described in subsection (a) shall be updated as appropriate during the 5-year period.

(c) STATE PLAN REQUIREMENTS.—In order to be approved by the Secretary under this section, a State plan shall meet each of the following requirements:

(1) STATE COUNCIL.—The plan shall provide for the establishment and maintenance of a Council in accordance with section 125 and describe the membership of such Council.

(2) DESIGNATED STATE AGENCY.—The plan shall identify the agency or office within the State designated to support the Council in accordance with this section and section 125(d) (referred to in this subtitle as a ''designated State agency'').

(3) COMPREHENSIVE REVIEW AND ANALYSIS.—The plan shall describe the results of a comprehensive review and analysis of the extent to which services, supports, and other assistance are available to individuals with developmental disabilities and their families, and the extent of unmet needs for services, supports, and other assistance for those individuals and their families, in the State. The results of the comprehensive review and analysis shall include—

(A) a description of the services, supports, and other assistance being provided to individuals with developmental disabilities and their families under other federally assisted State programs, plans, and policies under which the State operates and in which individuals with developmental disabilities are or may be eligible to participate, including particularly programs relating to the areas of emphasis, including—

(i) medical assistance, maternal and child health care, services for children with special health care needs, children's mental health services, comprehensive health and mental health services, and institutional care options;

(ii) job training, job placement, worksite accommodation, and vocational rehabilitation, and other work assistance programs; and

(iii) social, child welfare, aging, independent living, and rehabilitation and assistive technology services, and such other services as the Secretary may specify;

(B) a description of the extent to which agencies operating such other federally assisted State programs, including activities authorized under section 101 or 102 of the Assistive Technology Act of 1998 (29 U.S.C. 3011, 3012), pursue interagency initiatives to improve and enhance community services, individualized supports, and other forms of assistance for individuals with developmental disabilities;

(C) an analysis of the extent to which community services and opportunities related to the areas of emphasis directly benefit individuals with developmental disabilities, especially with regard to their ability to access and use services provided in their communities, to participate in opportunities, activities, and events offered in their communities, and to contribute to community life, identifying particularly—

(i) the degree of support for individuals with developmental disabilities that are attributable to either physical impairment, mental impairment, or a combination of physical and mental impairments;

(ii) criteria for eligibility for services, including specialized services and special adaptation of generic services provided by agencies within the State, that may exclude individuals with developmental disabilities from receiving services described in this clause;

(iii) the barriers that impede full participation of members of unserved and underserved groups of individuals with developmental disabilities and their families;

(iv) the availability of assistive technology, assistive technology services, or rehabilitation technology, or information about assistive technology, assistive technology services, or rehabilitation technology to individuals with developmental disabilities;

(v) the numbers of individuals with developmental disabilities on waiting lists for services described in this subparagraph;

(vi) a description of the adequacy of current resources and projected availability of future resources to fund services described in this subparagraph;

(vii) a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are in facilities receive (based in part on each independent review (pursuant to section 1902(a)(30)(C) of the Social Security Act (42 U.S.C. 1396a(a)(30)(C))) of an Intermediate Care Facility (Mental Retardation) within the State, which the State shall provide to the Council not later than 30 days after the availability of the review); and

(viii) to the extent that information is available, a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are served through home and community-based waivers (authorized under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c))) receive;

(D) a description of how entities funded under subtitles C and D, through interagency agreements or other mechanisms, collaborated with the entity funded under this subtitle in the State, each other, and other entities to contribute to the achievement of the purpose of this subtitle; and

(E) the rationale for the goals related to advocacy, capacity building, and systemic change to be undertaken by the Council to contribute to the achievement of the purpose of this subtitle.

(4) PLAN GOALS.—The plan shall focus on Council efforts to bring about the purpose of this subtitle, by—

(A) specifying 5-year goals, as developed through data driven strategic planning, for advocacy, capacity building, and systemic change related to the areas of emphasis, to be undertaken by the Council, that—

(i) are derived from the unmet needs of individuals with developmental disabilities and their families identified under paragraph (3); and

(ii) include a goal, for each year of the grant, to—

(I) establish or strengthen a program for the direct funding of a State self-advocacy organization led by individuals with developmental disabilities;

(II) support opportunities for individuals with developmental disabilities who are considered leaders to provide leadership training to individuals with developmental disabilities who may become leaders; and

(III) support and expand participation of individuals with developmental disabilities in cross-disability and culturally diverse leadership coalitions; and

(B) for each year of the grant, describing—

(i) the goals to be achieved through the grant, which, beginning in fiscal year 2001, shall be consistent with applicable indicators of progress described in section 104(a)(3);

(ii) the strategies to be used in achieving each goal; and

(iii) the method to be used to determine if each goal has been achieved.

(5) ASSURANCES.—

(A) IN GENERAL.—The plan shall contain or be supported by assurances and information described in subparagraphs (B) through (N) that are satisfactory to the Secretary.

(B) USE OF FUNDS.—With respect to the funds paid to the State under section 122, the plan shall provide assurances that—

(i) not less than 70 percent of such funds will be expended for activities related to the goals described in paragraph (4);

(ii) such funds will contribute to the achievement of the purpose of this subtitle in various political subdivisions of the State;

(iii) such funds will be used to supplement, and not supplant, the non-Federal funds that would otherwise be made available for the purposes for which the funds paid under section 122 are provided;

(iv) such funds will be used to complement and augment rather than duplicate or replace services for individuals with developmental disabilities and their families who are eligible for Federal assistance under other State programs;

(v) part of such funds will be made available by the State to public or private entities;

(vi) at the request of any State, a portion of such funds provided to such State under this subtitle for any fiscal year shall be available to pay up to ½ (or the entire amount if the Council is the designated State agency) of the expenditures found to be necessary by the Secretary for the proper and efficient exercise of the functions of the designated State agency, except that not more than 5 percent of such funds provided to such State for any fiscal year, or $50,000, whichever is less, shall be made available for total expenditures for such purpose by the designated State agency; and

(vii) not more than 20 percent of such funds will be allocated to the designated State agency for service demonstrations by such agency that—

(I) contribute to the achievement of the purpose of this subtitle; and

(II) are explicitly authorized by the Council.

(C) STATE FINANCIAL PARTICIPATION.—The plan shall provide assurances that there will be reasonable State financial participation in the cost of carrying out the plan.

(D) CONFLICT OF INTEREST.—The plan shall provide an assurance that no member of such Council will cast a vote on any matter that would provide direct financial benefit to the member or otherwise give the appearance of a conflict of interest.

(E) URBAN AND RURAL POVERTY AREAS.—The plan shall provide assurances that special financial and technical assistance will be given to organizations that provide community services, individualized supports, and other forms of assistance to individuals with developmental disabilities who live in areas designated as urban or rural poverty areas.

(F) PROGRAM ACCESSIBILITY STANDARDS.—The plan shall provide assurances that programs, projects, and activities funded under the plan, and the buildings in which such programs, projects, and activities are operated, will meet standards prescribed by the Secretary in regulations and all applicable Federal and State accessibility standards, including accessibility requirements of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.), section 508 of the Rehabilitation Act of 1973 (29 U.S.C. 794d), and the Fair Housing Act (42 U.S.C. 3601 et seq.).

(G) INDIVIDUALIZED SERVICES.—The plan shall provide assurances that any direct services provided to individuals with developmental disabilities and funded under the plan will be provided in an individualized manner, consistent with the unique strengths, resources, priorities, concerns, abilities, and capabilities of such individual.

(H) HUMAN RIGHTS.—The plan shall provide assurances that the human rights of the individuals with developmental disabilities (especially individuals without familial protection) who are receiving services under programs assisted under this subtitle will be protected consistent with section 109 (relating to rights of individuals with developmental disabilities).

(I) MINORITY PARTICIPATION.—The plan shall provide assurances that the State has taken affirmative steps to assure that participation in programs funded under this subtitle is geographically representative of the State, and reflects the diversity of the State with respect to race and ethnicity.

(J) EMPLOYEE PROTECTIONS.—The plan shall provide assurances that fair and equitable arrangements (as determined by the Secretary after consultation with the Secretary of Labor)

will be provided to protect the interests of employees affected by actions taken under the plan to provide community living activities, including arrangements designed to preserve employee rights and benefits and provide training and retraining of such employees where necessary, and arrangements under which maximum efforts will be made to guarantee the employment of such employees.

(K) STAFF ASSIGNMENTS.—The plan shall provide assurances that the staff and other personnel of the Council, while working for the Council, will be responsible solely for assisting the Council in carrying out the duties of the Council under this subtitle and will not be assigned duties by the designated State agency, or any other agency, office, or entity of the State.

(L) NONINTERFERENCE.—The plan shall provide assurances that the designated State agency, and any other agency, office, or entity of the State, will not interfere with the advocacy, capacity building, and systemic change activities, budget, personnel, State plan development, or plan implementation of the Council, except that the designated State agency shall have the authority necessary to carry out the responsibilities described in section 125(d)(3).

(M) STATE QUALITY ASSURANCE.—The plan shall provide assurances that the Council will participate in the planning, design or redesign, and monitoring of State quality assurance systems that affect individuals with developmental disabilities.

(N) OTHER ASSURANCES.—The plan shall contain such additional information and assurances as the Secretary may find necessary to carry out the provisions (including the purpose) of this subtitle.

(d) PUBLIC INPUT AND REVIEW, SUBMISSION, AND APPROVAL.—

(1) PUBLIC INPUT AND REVIEW.—The plan shall be based on public input. The Council shall make the plan available for public review and comment, after providing appropriate and sufficient notice in accessible formats of the opportunity for such review and comment. The Council shall revise the plan to take into account and respond to significant comments.

(2) CONSULTATION WITH THE DESIGNATED STATE AGENCY.—Before the plan is submitted to the Secretary, the Council shall consult with the designated State agency to ensure that the State plan is consistent with State law and to obtain appropriate State plan assurances.

(3) PLAN APPROVAL.—The Secretary shall approve any State plan and, as appropriate, amendments of such plan that comply with the provisions of subsections (a), (b), and (c) and this subsection. The Secretary may take final action to disapprove a State plan after providing reasonable notice and an opportunity for a hearing to the State.

SEC. 125. STATE COUNCILS ON DEVELOPMENTAL DISABILITIES AND DESIGNATED STATE AGENCIES.

(a) IN GENERAL.—Each State that receives assistance under this subtitle shall establish and maintain a Council to undertake advocacy, capacity building, and systemic change activities (consistent with subsections (b) and (c) of section 101) that contribute to a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that contribute to the achievement of the purpose of this subtitle. The Council shall have the authority to fulfill the responsibilities described in subsection (c).

(b) COUNCIL MEMBERSHIP.—

(1) COUNCIL APPOINTMENTS.—

(A) IN GENERAL.—The members of the Council of a State shall be appointed by the Governor of the State from among the residents of that State.

(B) RECOMMENDATIONS.—The Governor shall select members of the Council, at the discretion of the Governor, after soliciting recommendations from organizations representing a broad range of individuals with developmental disabilities and individuals interested in individuals with developmental disabilities, including the non-State agency members of the Council. The Council may, at the initiative of the Council, or on the request of the Governor, coordinate Council and public input to the Governor regarding all recommendations.

(C) REPRESENTATION.—The membership of the Council shall be geographically representative of the State and reflect the diversity of the State with respect to race and ethnicity.

(2) MEMBERSHIP ROTATION.—The Governor shall make appropriate provisions to rotate the membership of the Council. Such provisions shall allow members to continue to serve on the Council until such members' successors are appointed. The Council shall notify the Governor regarding membership requirements of the Council, and shall notify the Governor when vacancies on the Council remain unfilled for a significant period of time.

(3) REPRESENTATION OF INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES.—Not less than 60 percent of the membership of each Council shall consist of individuals who are—

(A)(i) individuals with developmental disabilities;

(ii) parents or guardians of children with developmental disabilities; or

(iii) immediate relatives or guardians of adults with mentally impairing developmental disabilities who cannot advocate for themselves; and

(B) not employees of a State agency that receives funds or provides services under this subtitle, and who are not managing employees (as defined in section 1126(b) of the Social Security Act (42 U.S.C. 1320a–5(b)) of any other entity that receives funds or provides services under this subtitle.

(4) REPRESENTATION OF AGENCIES AND ORGANIZATIONS.—

(A) IN GENERAL.—Each Council shall include—

(i) representatives of relevant State entities, including—

(I) State entities that administer funds provided under Federal laws related to individuals with disabilities, including the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), and titles V and XIX of the Social Security Act (42 U.S.C. 701 et seq. and 1396 et seq.);

(II) Centers in the State; and

(III) the State protection and advocacy system; and

(ii) representatives, at all times, of local and nongovernmental agencies, and private nonprofit groups concerned with services for individuals with developmental disabilities in the State in which such agencies and groups are located.

(B) AUTHORITY AND LIMITATIONS.—The representatives described in subparagraph (A) shall—

(i) have sufficient authority to engage in policy planning and implementation on behalf of the department, agency, or program such representatives represent; and

(ii) recuse themselves from any discussion of grants or contracts for which such representatives' departments, agencies, or programs are grantees, contractors, or applicants and comply with the conflict of interest assurance requirement under section 124(c)(5)(D).

(5) COMPOSITION OF MEMBERSHIP WITH DEVELOPMENTAL DISABILITIES.—Of the members of the Council described in paragraph (3)—

(A) ⅓ shall be individuals with developmental disabilities described in paragraph (3)(A)(i);

(B) ⅓ shall be parents or guardians of children with developmental disabilities described in paragraph (3)(A)(ii), or immediate relatives or guardians of adults with developmental disabilities described in paragraph (3)(A)(iii); and

(C) ⅓ shall be a combination of individuals described in paragraph (3)(A).

(6) INSTITUTIONALIZED INDIVIDUALS.—

(A) IN GENERAL.—Of the members of the Council described in paragraph (5), at least 1 shall be an immediate relative or guardian of an individual with a developmental disability who resides or previously resided in an institution or shall be an individual with a developmental disability who resides or previously resided in an institution.

(B) LIMITATION.—Subparagraph (A) shall not apply with respect to a State if such an individual does not reside in that State.

(c) COUNCIL RESPONSIBILITIES.—

(1) IN GENERAL.—A Council, through Council members, staff, consultants, contractors, or subgrantees, shall have the responsibilities described in paragraphs (2) through (10).

(2) ADVOCACY, CAPACITY BUILDING, AND SYSTEMIC CHANGE ACTIVITIES.—The Council shall serve as an advocate for individuals with developmental disabilities and conduct or support programs, projects, and activities that carry out the purpose of this subtitle.

(3) EXAMINATION OF GOALS.—At the end of each grant year, each Council shall—

(A) determine the extent to which each goal of the Council was achieved for that year;

(B) determine to the extent that each goal was not achieved, the factors that impeded the achievement;

(C) determine needs that require amendment of the 5-year strategic State plan required under section 124;

(D) separately determine the information on the self-advocacy goal described in section 124(c)(4)(A)(ii); and

(E) determine customer satisfaction with Council supported or conducted activities.

(4) STATE PLAN DEVELOPMENT.—The Council shall develop the State plan and submit the State plan to the Secretary after consultation with the designated State agency under the State plan. Such consultation shall be solely for the purposes of obtaining State assurances and ensuring consistency of the plan with State law.

(5) STATE PLAN IMPLEMENTATION.—

(A) IN GENERAL.—The Council shall implement the State plan by conducting and supporting advocacy, capacity building, and systemic change activities such as those described in subparagraphs (B) through (L).

(B) OUTREACH.—The Council may support and conduct outreach activities to identify individuals with developmental disabilities and their families who otherwise might not come to the attention of the Council and assist and enable the individuals and families to obtain services, individualized supports, and other forms of assistance, including access to special adaptation of generic community services or specialized services.

(C) TRAINING.—The Council may support and conduct training for persons who are individuals with developmental disabilities, their families, and personnel (including professionals, paraprofessionals, students, volunteers, and other community members) to enable such persons to obtain access to, or to provide, community services, individualized supports, and other forms of assistance, including special adaptation of generic community services or specialized services for individuals with developmental disabilities and their families. To the extent that the Council supports or conducts training activities under this subparagraph, such activities shall contribute to the achievement of the purpose of this subtitle.

(D) TECHNICAL ASSISTANCE.—The Council may support and conduct technical assistance activities to assist public and private entities to contribute to the achievement of the purpose of this subtitle.

(E) SUPPORTING AND EDUCATING COMMUNITIES.—The Council may support and conduct activities to assist neighborhoods and communities to respond positively to individuals with developmental disabilities and their families—

(i) by encouraging local networks to provide informal and formal supports;

(ii) through education; and

(iii) by enabling neighborhoods and communities to offer such individuals and their families access to and use of services, resources, and opportunities.

(F) INTERAGENCY COLLABORATION AND COORDINATION.—The Council may support and conduct activities to promote interagency collaboration and coordination to better serve, support, assist, or advocate for individuals with developmental disabilities and their families.

(G) COORDINATION WITH RELATED COUNCILS, COMMITTEES, AND PROGRAMS.—The Council may support and conduct activities to enhance coordination of services with—

(i) other councils, entities, or committees, authorized by Federal or State law, concerning individuals with disabilities (such as the State interagency coordinating council established under subtitle C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.), the State Rehabilitation Council and the Statewide Independent Living Council established under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the State mental health planning council established under subtitle B of title XIX of the Public Health Service Act (42 U.S.C. 300x–1 et seq.), and the activities authorized under section 101 or 102 of the Assistive Technology Act of 1998 (29 U.S.C. 3011, 3012), and entities carrying out other similar councils, entities, or committees);

(ii) parent training and information centers under part D of the Individuals with Disabilities Education Act (20 U.S.C. 1451 et seq.) and other entities carrying out federally funded projects that assist parents of children with disabilities; and

(iii) other groups interested in advocacy, capacity building, and systemic change activities to benefit individuals with disabilities.

(H) BARRIER ELIMINATION, SYSTEMS DESIGN AND REDESIGN.—The Council may support and conduct activities to eliminate barriers to assess and use of community services by individuals with developmental disabilities, enhance systems design and redesign, and enhance citizen participation to address issues identified in the State plan.

(I) COALITION DEVELOPMENT AND CITIZEN PARTICIPATION.—The Council may support and conduct activities to educate the public about the capabilities, preferences, and needs of individuals with developmental disabilities and their families and to develop and support coalitions that support the policy agenda of the Council, including training in self-advocacy, education of policymakers, and citizen leadership skills.

(J) INFORMING POLICYMAKERS.—The Council may support and conduct activities to provide information to policymakers by supporting and conducting studies and analyses, gathering information, and developing and disseminating model policies and procedures, information, approaches, strategies, findings, conclusions, and recommendations. The Council may provide the information directly to Federal, State, and local policymakers, including Congress, the Federal executive branch, the Governors, State legislatures, and State agencies, in order to increase the ability of such policymakers to offer opportunities and to enhance or adapt generic services to meet the needs of, or provide specialized services to, individuals with developmental disabilities and their families.

(K) DEMONSTRATION OF NEW APPROACHES TO SERVICES AND SUPPORTS.—

(i) IN GENERAL.—The Council may support and conduct, on a time-limited basis, activities to demonstrate new approaches to serving individuals with developmental disabilities that are a part of an overall strategy for systemic change. The strategy may involve the education of policymakers and the public about how to deliver effectively, to individuals with developmental disabilities and their families, services, supports, and assistance that contribute to the achievement of the purpose of this subtitle.

(ii) SOURCES OF FUNDING.—The Council may carry out this subparagraph by supporting and conducting demonstration activities through sources of funding other than funding provided under this subtitle, and by assisting entities conducting demonstration activities to develop strategies for securing funding from other sources.

(L) OTHER ACTIVITIES.—The Council may support and conduct other advocacy, capacity building, and systemic change activities to promote the development of a coordinated, consumer- and family-centered, consumer- and family-directed, comprehensive system of community services, individualized supports, and other forms of assistance that contribute to the achievement of the purpose of this subtitle.

(6) REVIEW OF DESIGNATED STATE AGENCY.—The Council shall periodically review the designated State agency and activities carried out under this subtitle by the designated State agency and make any recommendations for change to the Governor.

(7) REPORTS.—Beginning in fiscal year 2001, the Council shall annually prepare and transmit to the Secretary a report. Each report shall be in a form prescribed by the Secretary by regulation under section 104(b). Each report shall contain information about the progress made by the Council in achieving the goals of the Council (as specified in section 124(c)(4)), including—

(A) a description of the extent to which the goals were achieved;

(B) a description of the strategies that contributed to achieving the goals;

(C) to the extent to which the goals were not achieved, a description of factors that impeded the achievement;

(D) separate information on the self-advocacy goal described in section 124(c)(4)(A)(ii);

(E)(i) as appropriate, an update on the results of the comprehensive review and analysis described in section 124(c)(3); and

(ii) information on consumer satisfaction with Council supported or conducted activities;

(F)(i) a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities in Intermediate Care Facilities (Mental Retardation) receive; and

(ii) a description of the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities served through home and community-based waivers (authorized under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c)) receive;

(G) an accounting of the manner in which funds paid to the State under this subtitle for a fiscal year were expended;

(H) a description of—

(i) resources made available to carry out activities to assist individuals with developmental disabilities that are directly attributable to Council actions; and

(ii) resources made available for such activities that are undertaken by the Council in collaboration with other entities; and

(I) a description of the method by which the Council will widely disseminate the annual report to affected constituencies and the general public and will assure that the report is available in accessible formats.

(8) BUDGET.—Each Council shall prepare, approve, and implement a budget using amounts paid to the State under this subtitle to fund and implement all programs, projects, and activities carried out under this subtitle, including—

(A)(i) conducting such hearings and forums as the Council may determine to be necessary to carry out the duties of the Council; and

(ii) as determined in Council policy—

(I) reimbursing members of the Council for reasonable and necessary expenses (including expenses for child care and personal assistance services) for attending Council meetings and performing Council duties;

(II) paying a stipend to a member of the Council, if such member is not employed or must forfeit wages from other employment, to attend Council meetings and perform other Council duties;

(III) supporting Council member and staff travel to authorized training and technical assistance activities including in-service training and leadership development activities; and

(IV) carrying out appropriate subcontracting activities;

(B) hiring and maintaining such numbers and types of staff (qualified by training and experience) and obtaining the services of such professional, consulting, technical, and clerical staff (qualified by training and experience), consistent with State law, as the Council determines to be necessary to carry out the functions of the Council under this subtitle, except that such State shall not apply hiring freezes, reductions in force, prohibitions on travel, or other policies to the staff of the Council, to the extent that such policies would impact the staff or functions funded with Federal funds, or would prevent the Council from carrying out the functions of the Council under this subtitle; and

(C) directing the expenditure of funds for grants, contracts, interagency agreements that are binding contracts, and other activities authorized by the State plan approved under section 124.

(9) STAFF HIRING AND SUPERVISION.—The Council shall, consistent with State law, recruit and hire a Director of the Council, should the position of Director become vacant, and supervise and annually evaluate the Director. The Director shall hire, supervise, and annually evaluate the staff of the Council. Council recruitment, hiring, and dismissal of staff shall be conducted in a manner consistent with Federal and State nondiscrimination laws. Dismissal of personnel shall be conducted in a manner consistent with State law and personnel policies.

(10) STAFF ASSIGNMENTS.—The staff of the Council, while working for the Council, shall be responsible solely for assisting the Council in carrying out the duties of the Council under this subtitle and shall not be assigned duties by the designated State agency or any other agency or entity of the State.

(11) CONSTRUCTION.—Nothing in this title shall be construed to authorize a Council to direct, control, or exercise any policymaking authority or administrative authority over any program assisted under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) or the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.).

(d) DESIGNATED STATE AGENCY.—

(1) IN GENERAL.—Each State that receives assistance under this subtitle shall designate a State agency that shall, on behalf of the State, provide support to the Council. After the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1994 (Public Law 103–230), any designation of a State agency under this paragraph shall be made in accordance with the requirements of this subsection.

(2) DESIGNATION.—

(A) TYPE OF AGENCY.—Except as provided in this subsection, the designated State agency shall be—

(i) the Council if such Council may be the designated State agency under the laws of the State;

(ii) a State agency that does not provide or pay for services for individuals with developmental disabilities; or

(iii) a State office, including the immediate office of the Governor of the State or a State planning office.

(B) CONDITIONS FOR CONTINUATION OF STATE SERVICE AGENCY DESIGNATION.—

(i) DESIGNATION BEFORE ENACTMENT.—If a State agency that provides or pays for services for individuals with developmental disabilities was a designated State agency for purposes of

part B of the Developmental Disabilities Assistance and Bill of Rights Act on the date of enactment of the Developmental Disabilities Assistance and Bill of Rights Act Amendments of 1994, and the Governor of the State (or the legislature, where appropriate and in accordance with State law) determines prior to June 30, 1994, not to change the designation of such agency, such agency may continue to be a designated State agency for purposes of this subtitle.

(ii) CRITERIA FOR CONTINUED DESIGNATION.—The determination, at the discretion of the Governor (or the legislature, as the case may be), shall be made after—

(I) the Governor has considered the comments and recommendations of the general public and a majority of the non-State agency members of the Council with respect to the designation of such State agency; and

(II) the Governor (or the legislature, as the case may be) has made an independent assessment that the designation of such agency will not interfere with the budget, personnel, priorities, or other action of the Council, and the ability of the Council to serve as an independent advocate for individuals with developmental disabilities.

(C) REVIEW OF DESIGNATION.—The Council may request a review of and change in the designation of the designated State agency by the Governor (or the legislature, as the case may be). The Council shall provide documentation concerning the reason the Council desires a change to be made and make a recommendation to the Governor (or the legislature, as the case may be) regarding a preferred designated State agency.

(D) APPEAL OF DESIGNATION.—After the review is completed under subparagraph (C), a majority of the non-State agency members of the Council may appeal to the Secretary for a review of and change in the designation of the designated State agency if the ability of the Council to serve as an independent advocate is not assured because of the actions or inactions of the designated State agency.

(3) RESPONSIBILITIES.—

(A) IN GENERAL.—The designated State agency shall, on behalf of the State, have the responsibilities described in subparagraphs (B) through (G).

(B) SUPPORT SERVICES.—The designated State agency shall provide required assurances and support services as requested by and negotiated with the Council.

(C) FISCAL RESPONSIBILITIES.—The designated State agency shall—

(i) receive, account for, and disburse funds under this subtitle based on the State plan required in section 124; and

(ii) provide for such fiscal control and fund accounting procedures as may be necessary to assure the proper disbursement of, and accounting for, funds paid to the State under this subtitle.

(D) RECORDS, ACCESS, AND FINANCIAL REPORTS.—The designated State agency shall keep and provide access to such records as the Secretary and the Council may determine to be necessary. The designated State agency, if other than the Council, shall provide timely financial reports at the request of the Council regarding the status of expenditures, obligations, and liquidation by the agency or the Council, and the use of the Federal and non-Federal shares described in section 126, by the agency or the Council.

(E) NON-FEDERAL SHARE.—The designated State agency, if other than the Council, shall provide the required non-Federal share described in section 126(c).

(F) ASSURANCES.—The designated State agency shall assist the Council in obtaining the appropriate State plan assurances and in ensuring that the plan is consistent with State law.

(G) MEMORANDUM OF UNDERSTANDING.—On the request of the Council, the designated State agency shall enter into a memorandum of understanding with the Council delineating the roles and responsibilities of the designated State agency.

(4) USE OF FUNDS FOR DESIGNATED STATE AGENCY RESPONSIBILITIES.—

(A) CONDITION FOR FEDERAL FUNDING.—

(i) IN GENERAL.—The Secretary shall provide amounts to a State under section 124(c)(5)(B)(vi) for a fiscal year only if the State expends an amount from State sources for carrying out the responsibilities of the designated State agency under paragraph (3) for the fiscal year that is not less than the total amount the State expended from such sources for carrying out similar responsibilities for the previous fiscal year.

(ii) EXCEPTION.—Clause (i) shall not apply in a year in which the Council is the designated State agency.

(B) SUPPORT SERVICES PROVIDED BY OTHER AGENCIES.—With the agreement of the designated State agency, the Council may use or contract with agencies other than the designated State agency to perform the functions of the designated State agency.

SEC. 126. FEDERAL AND NON-FEDERAL SHARE.

(a) AGGREGATE COST.—

(1) IN GENERAL.—Except as provided in paragraphs (2) and (3), the Federal share of the cost of all projects in a State supported by an allotment to the State under this subtitle may not be more than 75 percent of the aggregate necessary cost of such projects, as determined by the Secretary.

(2) URBAN OR RURAL POVERTY AREAS.—In the case of projects whose activities or products target individuals with developmental disabilities who live in urban or rural poverty areas, as determined by the Secretary, the Federal share of the cost of all such projects may not be more than 90 percent of the aggregate necessary cost of such projects, as determined by the Secretary.

(3) STATE PLAN ACTIVITIES.—In the case of projects undertaken by the Council or Council staff to implement State plan activities, the Federal share of the cost of all such projects may be not more than 100 percent of the aggregate necessary cost of such activities.

(b) NONDUPLICATION.—In determining the amount of any State's Federal share of the cost of such projects incurred by such State under a State plan approved under section 124, the Secretary shall not consider—

(1) any portion of such cost that is financed by Federal funds provided under any provision of law other than section 122; and

(2) the amount of any non-Federal funds required to be expended as a condition of receipt of the Federal funds described in paragraph (1).

(c) NON-FEDERAL SHARE.—

(1) IN-KIND CONTRIBUTIONS.—The non-Federal share of the cost of any project supported by an allotment under this subtitle may be provided in cash or in kind, fairly evaluated, including plant, equipment, or services.

(2) CONTRIBUTIONS OF POLITICAL SUBDIVISIONS AND PUBLIC OR PRIVATE ENTITIES.—

(A) IN GENERAL.—Contributions to projects by a political subdivision of a State or by a public or private entity under an agreement with the State shall, subject to such limitations and conditions as the Secretary may by regulation prescribe under section 104(b), be considered to be contributions by such State, in the case of a project supported under this subtitle.

(B) STATE CONTRIBUTIONS.—State contributions, including contributions by the designated State agency to provide support services to the Council pursuant to section 125(d)(4), may be counted as part of such State's non-Federal share of the cost of projects supported under this subtitle.

(3) VARIATIONS OF THE NON-FEDERAL SHARE.—The non-Federal share required of each recipient of a grant from a Council under this subtitle may vary.

SEC. 127. WITHHOLDING OF PAYMENTS FOR PLANNING, ADMINISTRATION, AND SERVICES.

Whenever the Secretary, after providing reasonable notice and an opportunity for a hearing to the Council and the designated State agency, finds that—

(1) the Council or agency has failed to comply substantially with any of the provisions required by section 124 to be included in the State plan, particularly provisions required by paragraphs (4)(A) and (5)(B)(vii) of section 124(c), or with any of the provisions required by section 125(b)(3); or

(2) the Council or agency has failed to comply substantially with any regulations of the Secretary that are applicable to this subtitle,

the Secretary shall notify such Council and agency that the Secretary will not make further payments to the State under section 122 (or, in the discretion of the Secretary, that further payments to the State under section 122 for activities for which there is such failure), until the Secretary is satisfied that there will no longer be such failure. Until the Secretary is so satisfied, the Secretary shall make no further payments to the State under section 122, or shall limit further payments under section 122 to such State to activities for which there is no such failure.

SEC. 128. APPEALS BY STATES.

(a) APPEAL.—If any State is dissatisfied with the Secretary's action under section 124(d)(3) or 127, such State may appeal to the United States court of appeals for the circuit in which such State is located, by filing a petition with such court not later than 60 days after such action.

(b) FILING.—The clerk of the court shall transmit promptly a copy of the petition to the Secretary, or any officer designated by the Secretary for that purpose. The Secretary shall file promptly with the court the record of the proceedings on which the Secretary based the action, as provided in section 2112 of title 28, United States Code.

(c) JURISDICTION.—Upon the filing of the petition, the court shall have jurisdiction to affirm the action of the Secretary or to set the action aside, in whole or in part, temporarily or permanently. Until the filing of the record, the Secretary may modify or set aside the order of the Secretary relating to the action.

(d) FINDINGS AND REMAND.—The findings of the Secretary about the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case involved to the Secretary for further proceedings to take further evidence. On remand, the Secretary may make new or modified findings of fact and may modify the previous action of the Secretary, and shall file with the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(e) FINALITY.—The judgment of the court affirming or setting aside, in whole or in part, any action of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(f) EFFECT.—The commencement of proceedings under this section shall not, unless so specifically ordered by a court, operate as a stay of the Secretary's action.

SEC. 129. AUTHORIZATION OF APPROPRIATIONS.

(a) FUNDING FOR STATE ALLOTMENTS.—Except as described in subsection (b), there are authorized to be appropriated for allotments under section 122 $76,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2006.

(b) RESERVATION FOR TECHNICAL ASSISTANCE.—

(1) LOWER APPROPRIATION YEARS.—For any fiscal year for which the amount appropriated under subsection (a) is less than $76,000,000, the

Secretary shall reserve funds in accordance with section 163(c) to provide technical assistance to entities funded under this subtitle.

(2) HIGHER APPROPRIATION YEARS.—For any fiscal year for which the amount appropriated under subsection (a) is not less than $76,000,000, the Secretary shall reserve not less than $300,000 and not more than 1 percent of the amount appropriated under subsection (a) to provide technical assistance to entities funded under this subtitle.

Subtitle C—Protection and Advocacy of Individual Rights

SEC. 141. PURPOSE.

The purpose of this subtitle is to provide for allotments to support a protection and advocacy system (referred to in this subtitle as a ''system'') in each State to protect the legal and human rights of individuals with developmental disabilities in accordance with this subtitle.

SEC. 142. ALLOTMENTS AND PAYMENTS.

(a) ALLOTMENTS.—

(1) IN GENERAL.—To assist States in meeting the requirements of section 143(a), the Secretary shall allot to the States the amounts appropriated under section 145 and not reserved under paragraph (6). Allotments and reallotments of such sums shall be made on the same basis as the allotments and reallotments are made under subsections (a)(1)(A) and (e) of section 122, except as provided in paragraph (2).

(2) MINIMUM ALLOTMENTS.—In any case in which—

(A) the total amount appropriated under section 145 for a fiscal year is not less than $20,000,000, the allotment under paragraph (1) for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands may not be less than $107,000; and

(ii) to any State not described in clause (i) may not be less than $200,000; or

(B) the total amount appropriated under section 145 for a fiscal year is less than $20,000,000, the allotment under paragraph (1) for such fiscal year—

(i) to each of American Samoa, Guam, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands may not be less than $80,000; and

(ii) to any State not described in clause (i) may not be less than $150,000.

(3) REDUCTION OF ALLOTMENT.—Notwithstanding paragraphs (1) and (2), if the aggregate of the amounts to be allotted to the States pursuant to such paragraphs for any fiscal year exceeds the total amount appropriated for such allotments under section 145 for such fiscal year, the amount to be allotted to each State for such fiscal year shall be proportionately reduced.

(4) INCREASE IN ALLOTMENTS.—In any year in which the total amount appropriated under section 145 for a fiscal year exceeds the total amount appropriated under such section (or a corresponding provision) for the preceding fiscal year by a percentage greater than the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 720(c)(1)) (if the percentage change indicates an increase), the Secretary shall increase each of the minimum allotments described in subparagraphs (A) and (B) of paragraph (2). The Secretary shall increase each minimum allotment by an amount that bears the same ratio to the amount of such minimum allotment (including any increases in such minimum allotment under this paragraph (or a corresponding provision) for prior fiscal years) as the amount that is equal to the difference between—

(A) the total amount appropriated under section 145 for the fiscal year for which the increase in the minimum allotment is being made; minus

(B) the total amount appropriated under section 145 (or a corresponding provision) for the immediately preceding fiscal year,

bears to the total amount appropriated under section 145 (or a corresponding provision) for such preceding fiscal year.

(5) MONITORING THE ADMINISTRATION OF THE SYSTEM.—In a State in which the system is housed in a State agency, the State may use not more than 5 percent of any allotment under this subsection for the costs of monitoring the administration of the system required under section 143(a).

(6) TECHNICAL ASSISTANCE AND AMERICAN INDIAN CONSORTIUM.—In any case in which the total amount appropriated under section 145 for a fiscal year is more than $24,500,000, the Secretary shall—

(A) use not more than 2 percent of the amount appropriated to provide technical assistance to eligible systems with respect to activities carried out under this subtitle (consistent with requests by such systems for such assistance for the year); and

(B) provide a grant in accordance with section 143(b), and in an amount described in paragraph (2)(A)(i), to an American Indian consortium to provide protection and advocacy services.

(b) PAYMENT TO SYSTEMS.—Notwithstanding any other provision of law, the Secretary shall pay directly to any system in a State that complies with the provisions of this subtitle the amount of the allotment made for the State under this section, unless the system specifies otherwise.

(c) UNOBLIGATED FUNDS.—Any amount paid to a system under this subtitle for a fiscal year and remaining unobligated at the end of such year shall remain available to such system for the next fiscal year, for the purposes for which such amount was paid.

SEC. 143. SYSTEM REQUIRED.

(a) SYSTEM REQUIRED.—In order for a State to receive an allotment under subtitle B or this subtitle—

(1) the State shall have in effect a system to protect and advocate the rights of individuals with developmental disabilities;

(2) such system shall—

(A) have the authority to—

(i) pursue legal, administrative, and other appropriate remedies or approaches to ensure the protection of, and advocacy for, the rights of such individuals within the State who are or who may be eligible for treatment, services, or habilitation, or who are being considered for a change in living arrangements, with particular attention to members of ethnic and racial minority groups; and

(ii) provide information on and referral to programs and services addressing the needs of individuals with developmental disabilities;

(B) have the authority to investigate incidents of abuse and neglect of individuals with developmental disabilities if the incidents are reported to the system or if there is probable cause to believe that the incidents occurred;

(C) on an annual basis, develop, submit to the Secretary, and take action with regard to goals (each of which is related to 1 or more areas of emphasis) and priorities, developed through data driven strategic planning, for the system's activities;

(D) on an annual basis, provide to the public, including individuals with developmental disabilities attributable to either physical impairment, mental impairment, or a combination of physical and mental impairment, and their representatives, and as appropriate, non-State agency representatives of the State Councils on Developmental Disabilities, and Centers, in the State, an opportunity to comment on—

(i) the goals and priorities established by the system and the rationale for the establishment of such goals; and

(ii) the activities of the system, including the coordination of services with the entities carrying out advocacy programs under the Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.), the Older Americans Act of 1965 (42 U.S.C. 3001 et seq.), and the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10801 et seq.), and with entities carrying out other related programs, including the parent training and information centers funded under the Individuals with Disabilities Education Act (20 U.S.C. 1400 et seq.), and activities authorized under section 101 or 102 of the Assistive Technology Act of 1998 (29 U.S.C. 3011, 3012);

(E) establish a grievance procedure for clients or prospective clients of the system to ensure that individuals with developmental disabilities have full access to services of the system;

(F) not be administered by the State Council on Developmental Disabilities;

(G) be independent of any agency that provides treatment, services, or habilitation to individuals with developmental disabilities;

(H) have access at reasonable times to any individual with a developmental disability in a location in which services, supports, and other assistance are provided to such an individual, in order to carry out the purpose of this subtitle;

(I) have access to all records of—

(i) any individual with a developmental disability who is a client of the system if such individual, or the legal guardian, conservator, or other legal representative of such individual, has authorized the system to have such access;

(ii) any individual with a developmental disability, in a situation in which—

(I) the individual, by reason of such individual's mental or physical condition, is unable to authorize the system to have such access;

(II) the individual does not have a legal guardian, conservator, or other legal representative, or the legal guardian of the individual is the State; and

(III) a complaint has been received by the system about the individual with regard to the status or treatment of the individual or, as a result of monitoring or other activities, there is probable cause to believe that such individual has been subject to abuse or neglect; and

(iii) any individual with a developmental disability, in a situation in which—

(I) the individual has a legal guardian, conservator, or other legal representative;

(II) a complaint has been received by the system about the individual with regard to the status or treatment of the individual or, as a result of monitoring or other activities, there is probable cause to believe that such individual has been subject to abuse or neglect;

(III) such representative has been contacted by such system, upon receipt of the name and address of such representative;

(IV) such system has offered assistance to such representative to resolve the situation; and

(V) such representative has failed or refused to act on behalf of the individual;

(J)(i) have access to the records of individuals described in subparagraphs (B) and (I), and other records that are relevant to conducting an investigation, under the circumstances described in those subparagraphs, not later than 3 business days after the system makes a written request for the records involved; and

(ii) have immediate access, not later than 24 hours after the system makes such a request, to the records without consent from another party, in a situation in which services, supports, and other assistance are provided to an individual with a developmental disability—

(I) if the system determines there is probable cause to believe that the health or safety of the individual is in serious and immediate jeopardy; or

(II) in any case of death of an individual with a developmental disability;

(K) hire and maintain sufficient numbers and types of staff (qualified by training and experience) to carry out such system's functions, except that the State involved shall not apply hiring freezes, reductions in force, prohibitions on travel, or other policies to the staff of the system, to the extent that such policies would impact the staff or functions of the system funded

with Federal funds or would prevent the system from carrying out the functions of the system under this subtitle;

(L) have the authority to educate policymakers; and

(M) provide assurances to the Secretary that funds allotted to the State under section 142 will be used to supplement, and not supplant, the non-Federal funds that would otherwise be made available for the purposes for which the allotted funds are provided;

(3) to the extent that information is available, the State shall provide to the system—

(A) a copy of each independent review, pursuant to section 1902(a)(30)(C) of the Social Security Act (42 U.S.C. 1396a(a)(30)(C)), of an Intermediate Care Facility (Mental Retardation) within the State, not later than 30 days after the availability of such a review; and

(B) information about the adequacy of health care and other services, supports, and assistance that individuals with developmental disabilities who are served through home and community-based waivers (authorized under section 1915(c) of the Social Security Act (42 U.S.C. 1396n(c))) receive; and

(4) the agency implementing the system shall not be redesignated unless—

(A) there is good cause for the redesignation;

(B) the State has given the agency notice of the intention to make such redesignation, including notice regarding the good cause for such redesignation, and given the agency an opportunity to respond to the assertion that good cause has been shown;

(C) the State has given timely notice and an opportunity for public comment in an accessible format to individuals with developmental disabilities or their representatives; and

(D) the system has an opportunity to appeal the redesignation to the Secretary, on the basis that the redesignation was not for good cause.

(b) AMERICAN INDIAN CONSORTIUM.—Upon application to the Secretary, an American Indian consortium established to provide protection and advocacy services under this subtitle, shall receive funding pursuant to section 142(a)(6) to provide the services. Such consortium shall be considered to be a system for purposes of this subtitle and shall coordinate the services with other systems serving the same geographic area. The tribal council that designates the consortium shall carry out the responsibilities and exercise the authorities specified for a State in this subtitle, with regard to the consortium.

(c) RECORD.—In this section, the term ''record'' includes—

(1) a report prepared or received by any staff at any location at which services, supports, or other assistance is provided to individuals with developmental disabilities;

(2) a report prepared by an agency or staff person charged with investigating reports of incidents of abuse or neglect, injury, or death occurring at such location, that describes such incidents and the steps taken to investigate such incidents; and

(3) a discharge planning record.

SEC. 144. ADMINISTRATION.

(a) GOVERNING BOARD.—In a State in which the system described in section 143 is organized as a private nonprofit entity with a multimember governing board, or a public system with a multimember governing board, such governing board shall be selected according to the policies and procedures of the system, except that—

(1)(A) the governing board shall be composed of members who broadly represent or are knowledgeable about the needs of the individuals served by the system;

(B) a majority of the members of the board shall be—

(i) individuals with disabilities, including individuals with developmental disabilities, who are eligible for services, or have received or are receiving services through the system; or

(ii) parents, family members, guardians, advocates, or authorized representatives of individuals referred to in clause (i); and

(C) the board may include a representative of the State Council on Developmental Disabilities, the Centers in the State, and the self-advocacy organization described in section 124(c)(4)(A)(ii)(I);

(2) not more than ⅓ of the members of the governing board may be appointed by the chief executive officer of the State involved, in the case of any State in which such officer has the authority to appoint members of the board;

(3) the membership of the governing board shall be subject to term limits set by the system to ensure rotating membership;

(4) any vacancy in the board shall be filled not later than 60 days after the date on which the vacancy occurs; and

(5) in a State in which the system is organized as a public system without a multimember governing or advisory board, the system shall establish an advisory council—

(A) that shall advise the system on policies and priorities to be carried out in protecting and advocating the rights of individuals with developmental disabilities; and

(B) on which a majority of the members shall be—

(i) individuals with developmental disabilities who are eligible for services, or have received or are receiving services, through the system; or

(ii) parents, family members, guardians, advocates, or authorized representatives of individuals referred to in clause (i).

(b) LEGAL ACTION.—

(1) IN GENERAL.—Nothing in this title shall preclude a system from bringing a suit on behalf of individuals with developmental disabilities against a State, or an agency or instrumentality of a State.

(2) USE OF AMOUNTS FROM JUDGMENT.—An amount received pursuant to a suit described in paragraph (1) through a court judgment may only be used by the system to further the purpose of this subtitle and shall not be used to augment payments to legal contractors or to award personal bonuses.

(3) LIMITATION.—The system shall use assistance provided under this subtitle in a manner consistent with section 5 of the Assisted Suicide Funding Restriction Act of 1997 (42 U.S.C. 14404).

(c) DISCLOSURE OF INFORMATION.—For purposes of any periodic audit, report, or evaluation required under this subtitle, the Secretary shall not require an entity carrying out a program to disclose the identity of, or any other personally identifiable information related to, any individual requesting assistance under such program.

(d) PUBLIC NOTICE OF FEDERAL ONSITE REVIEW.—The Secretary shall provide advance public notice of any Federal programmatic or administrative onsite review of a system conducted under this subtitle and solicit public comment on the system through such notice. The Secretary shall prepare an onsite visit report containing the results of such review, which shall be distributed to the Governor of the State and to other interested public and private parties. The comments received in response to the public comment solicitation notice shall be included in the onsite visit report.

(e) REPORTS.—Beginning in fiscal year 2001, each system established in a State pursuant to this subtitle shall annually prepare and transmit to the Secretary a report that describes the activities, accomplishments, and expenditures of the system during the preceding fiscal year, including a description of the system's goals, the extent to which the goals were achieved, barriers to their achievement, the process used to obtain public input, the nature of such input, and how such input was used.

SEC. 145. AUTHORIZATION OF APPROPRIATIONS.

For allotments under section 142, there are authorized to be appropriated $32,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2006.

Subtitle D—National Network of University Centers for Excellence in Developmental Disabilities Education, Research, and Service

SEC. 151. GRANT AUTHORITY.

(a) NATIONAL NETWORK.—From appropriations authorized under section 156(a)(1), the Secretary shall make 5-year grants to entities in each State designated as University Centers for Excellence in Developmental Disabilities Education, Research, and Service to carry out activities described in section 153(a).

(b) NATIONAL TRAINING INITIATIVES.—From appropriations authorized under section 156(a)(1) and reserved under section 156(a)(2), the Secretary shall make grants to Centers to carry out activities described in section 153(b).

(c) TECHNICAL ASSISTANCE.—From appropriations authorized under section 156(a)(1) and reserved under section 156(a)(3) (or from funds reserved under section 163, as appropriate), the Secretary shall enter into 1 or more cooperative agreements or contracts for the purpose of providing technical assistance described in section 153(c).

SEC. 152. GRANT AWARDS.

(a) EXISTING CENTERS.—

(1) IN GENERAL.—In awarding and distributing grant funds under section 151(a) for a fiscal year, the Secretary, subject to the availability of appropriations and the condition specified in subsection (d), shall award and distribute grant funds in equal amounts of $500,000 (adjusted in accordance with subsection (b)), to each Center that existed during the preceding fiscal year and that meets the requirements of this subtitle, prior to making grants under subsection (c) or (d).

(2) REDUCTION OF AWARD.—Notwithstanding paragraph (1), if the aggregate of the funds to be awarded to the Centers pursuant to paragraph (1) for any fiscal year exceeds the total amount appropriated under section 156 for such fiscal year, the amount to be awarded to each Center for such fiscal year shall be proportionately reduced.

(b) ADJUSTMENTS.—Subject to the availability of appropriations, for any fiscal year following a year in which each Center described in subsection (a) received a grant award of not less than $500,000 under subsection (a) (adjusted in accordance with this subsection), the Secretary shall adjust the awards to take into account the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 720(c)(1)) (if the percentage change indicates an increase), prior to making grants under subsection (c) or (d).

(c) NATIONAL TRAINING INITIATIVES ON CRITICAL AND EMERGING NEEDS.—Subject to the availability of appropriations, for any fiscal year in which each Center described in subsection (a) receives a grant award of not less than $500,000, under subsection (a) (adjusted in accordance with subsection (b)), after making the grant awards, the Secretary shall make grants under section 151(b) to Centers to pay for the Federal share of the cost of training initiatives related to the unmet needs of individuals with developmental disabilities and their families, as described in section 153(b).

(d) ADDITIONAL GRANTS.—For any fiscal year in which each Center described in subsection (a) receives a grant award of not less than $500,000 under subsection (a) (adjusted in accordance with subsection (b)), after making the grant awards, the Secretary may make grants under section 151(a) for activities described in section 153(a) to additional Centers, or additional grants to Centers, for States or populations that are unserved or underserved by Centers due to such factors as—

(1) population;

(2) a high concentration of rural or urban areas; or

(3) a high concentration of unserved or underserved populations.

SEC. 153. PURPOSE AND SCOPE OF ACTIVITIES.

(a) NATIONAL NETWORK OF UNIVERSITY CENTERS FOR EXCELLENCE IN DEVELOPMENTAL DISABILITIES EDUCATION, RESEARCH, AND SERVICE.—

(1) IN GENERAL.—In order to provide leadership in, advise Federal, State, and community policymakers about, and promote opportunities for individuals with developmental disabilities to exercise self-determination, be independent, be productive, and be integrated and included in all facets of community life, the Secretary shall award grants to eligible entities designated as Centers in each State to pay for the Federal share of the cost of the administration and operation of the Centers. The Centers shall be interdisciplinary education, research, and public service units of universities (as defined by the Secretary) or public or not-for-profit entities associated with universities that engage in core functions, described in paragraph (2), addressing, directly or indirectly, 1 or more of the areas of emphasis.

(2) CORE FUNCTIONS.—The core functions referred to in paragraph (1) shall include the following:

(A) Provision of interdisciplinary pre-service preparation and continuing education of students and fellows, which may include the preparation and continuing education of leadership, direct service, clinical, or other personnel to strengthen and increase the capacity of States and communities to achieve the purpose of this title.

(B) Provision of community services—

(i) that provide training or technical assistance for individuals with developmental disabilities, their families, professionals, paraprofessionals, policymakers, students, and other members of the community; and

(ii) that may provide services, supports, and assistance for the persons described in clause (i) through demonstration and model activities.

(C) Conduct of research, which may include basic or applied research, evaluation, and the analysis of public policy in areas that affect or could affect, either positively or negatively, individuals with developmental disabilities and their families.

(D) Dissemination of information related to activities undertaken to address the purpose of this title, especially dissemination of information that demonstrates that the network authorized under this subtitle is a national and international resource that includes specific substantive areas of expertise that may be accessed and applied in diverse settings and circumstances.

(b) NATIONAL TRAINING INITIATIVES ON CRITICAL AND EMERGING NEEDS.—

(1) SUPPLEMENTAL GRANTS.—After consultation with relevant, informed sources, including individuals with developmental disabilities and their families, the Secretary shall award, under section 151(b), supplemental grants to Centers to pay for the Federal share of the cost of training initiatives related to the unmet needs of individuals with developmental disabilities and their families. The Secretary shall make the grants on a competitive basis, and for periods of not more than 5 years.

(2) ESTABLISHMENT OF CONSULTATION PROCESS BY THE SECRETARY.—Not later than 1 year after the date of enactment of this Act, the Secretary shall establish a consultation process that, on an ongoing basis, allows the Secretary to identify and address, through supplemental grants authorized under paragraph (1), training initiatives related to the unmet needs of individuals with developmental disabilities and their families.

(c) TECHNICAL ASSISTANCE.—In order to strengthen and support the national network of Centers, the Secretary may enter into 1 or more cooperative agreements or contracts to—

(1) assist in national and international dissemination of specific information from multiple Centers and, in appropriate cases, other entities whose work affects the lives of individuals with developmental disabilities;

(2) compile, analyze, and disseminate state-of-the-art training, research, and demonstration results policies, and practices from multiple Centers and, in appropriate cases, other entities whose work affects the lives of persons with developmental disabilities;

(3) convene experts from multiple Centers to discuss and make recommendations with regard to national emerging needs of individuals with developmental disabilities;

(4)(A) develop portals that link users with every Center's website; and

(B) facilitate electronic information sharing using state-of-the-art Internet technologies such as real-time online discussions, multipoint video conferencing, and web-based audio/video broadcasts, on emerging topics that impact individuals with disabilities and their families;

(5) serve as a research-based resource for Federal and State policymakers on information concerning and issues impacting individuals with developmental disabilities and entities that assist or serve those individuals; or

(6) undertake any other functions that the Secretary determines to be appropriate;

to promote the viability and use of the resources and expertise of the Centers nationally and internationally.

SEC. 154. APPLICATIONS.

(a) APPLICATIONS FOR CORE CENTER GRANTS.—

(1) IN GENERAL.—To be eligible to receive a grant under section 151(a) for a Center, an entity shall submit to the Secretary, and obtain approval of, an application at such time, in such manner, and containing such information, as the Secretary may require.

(2) APPLICATION CONTENTS.—Each application described in paragraph (1) shall describe a 5-year plan, including a projected goal related to 1 or more areas of emphasis for each of the core functions described in section 153(a).

(3) ASSURANCES.—The application shall be approved by the Secretary only if the application contains or is supported by reasonable assurances that the entity designated as the Center will—

(A) meet regulatory standards as established by the Secretary for Centers;

(B) address the projected goals, and carry out goal-related activities, based on data driven strategic planning and in a manner consistent with the objectives of this subtitle, that—

(i) are developed in collaboration with the consumer advisory committee established pursuant to subparagraph (E);

(ii) are consistent with, and to the extent feasible complement and further, the Council goals contained in the State plan submitted under section 124 and the system goals established under section 143; and

(iii) will be reviewed and revised annually as necessary to address emerging trends and needs;

(C) use the funds made available through the grant to supplement, and not supplant, the funds that would otherwise be made available for activities described in section 153(a);

(D) protect, consistent with the policy specified in section 101(c) (relating to rights of individuals with developmental disabilities), the legal and human rights of all individuals with developmental disabilities (especially those individuals under State guardianship) who are involved in activities carried out under programs assisted under this subtitle;

(E) establish a consumer advisory committee—

(i) of which a majority of the members shall be individuals with developmental disabilities and family members of such individuals;

(ii) that is comprised of—

(I) individuals with developmental disabilities and related disabilities;

(II) family members of individuals with developmental disabilities;

(III) a representative of the State protection and advocacy system;

(IV) a representative of the State Council on Developmental Disabilities;

(V) a representative of a self-advocacy organization described in section 124(c)(4)(A)(ii)(I); and

(VI) representatives of organizations that may include parent training and information centers assisted under section 682 or 683 of the Individuals with Disabilities Education Act (20 U.S.C. 1482, 1483), entities carrying out activities authorized under section 101 or 102 of the Assistive Technology Act of 1998 (29 U.S.C. 3011, 3012), relevant State agencies, and other community groups concerned with the welfare of individuals with developmental disabilities and their families;

(iii) that reflects the racial and ethnic diversity of the State; and

(iv) that shall—

(I) consult with the Director of the Center regarding the development of the 5-year plan, and shall participate in an annual review of, and comment on, the progress of the Center in meeting the projected goals contained in the plan, and shall make recommendations to the Director of the Center regarding any proposed revisions of the plan that might be necessary; and

(II) meet as often as necessary to carry out the role of the committee, but at a minimum twice during each grant year;

(F) to the extent possible, utilize the infrastructure and resources obtained through funds made available under the grant to leverage additional public and private funds to successfully achieve the projected goals developed in the 5-year plan;

(G)(i) have a director with appropriate academic credentials, demonstrated leadership, expertise regarding developmental disabilities, significant experience in managing grants and contracts, and the ability to leverage public and private funds; and

(ii) allocate adequate staff time to carry out activities related to each of the core functions described in section 153(a); and

(H) educate, and disseminate information related to the purpose of this title to, the legislature of the State in which the Center is located, and to Members of Congress from such State.

(b) SUPPLEMENTAL GRANT APPLICATIONS PERTAINING TO NATIONAL TRAINING INITIATIVES IN CRITICAL AND EMERGING NEEDS.—To be eligible to receive a supplemental grant under section 151(b), a Center may submit a supplemental application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, pursuant to the terms and conditions set by the Secretary consistent with section 153(b).

(c) PEER REVIEW.—

(1) IN GENERAL.—The Secretary shall require that all applications submitted under this subtitle be subject to technical and qualitative review by peer review groups established under paragraph (2). The Secretary may approve an application under this subtitle only if such application has been recommended by a peer review group that has conducted the peer review required under this paragraph. In conducting the review, the group may conduct onsite visits or inspections of related activities as necessary.

(2) ESTABLISHMENT OF PEER REVIEW GROUPS.—

(A) IN GENERAL.—The Secretary, acting through the Commissioner of the Administration on Developmental Disabilities, may, notwithstanding—

(i) the provisions of title 5, United States Code, concerning appointments to the competitive service; and

(ii) the provisions of chapter 51, and subchapter III of chapter 53 of title 5, United States Code, concerning classification and General Schedule pay rates;

establish such peer review groups and appoint and set the rates of pay of members of such groups.

(B) COMPOSITION.—Each peer review group shall include such individuals with disabilities and parents, guardians, or advocates of or for individuals with developmental disabilities, as are necessary to carry out this subsection.

(3) WAIVERS OF APPROVAL.—The Secretary may waive the provisions of paragraph (1) with respect to review and approval of an application if the Secretary determines that exceptional circumstances warrant such a waiver.

(d) FEDERAL SHARE.—

(1) IN GENERAL.—The Federal share of the cost of administration or operation of a Center, or the cost of carrying out a training initiative, supported by a grant made under this subtitle may not be more than 75 percent of the necessary cost of such project, as determined by the Secretary.

(2) URBAN OR RURAL POVERTY AREAS.—In the case of a project whose activities or products target individuals with developmental disabilities who live in an urban or rural poverty area, as determined by the Secretary, the Federal share of the cost of the project may not be more than 90 percent of the necessary costs of the project, as determined by the Secretary.

(3) GRANT EXPENDITURES.—For the purpose of determining the Federal share with respect to the project, expenditures on that project by a political subdivision of a State or by a public or private entity shall, subject to such limitations and conditions as the Secretary may by regulation prescribe under section 104(b), be considered to be expenditures made by a Center under this subtitle.

(e) ANNUAL REPORT.—Each Center shall annually prepare and transmit to the Secretary a report containing—

(1) information on progress made in achieving the projected goals of the Center for the previous year, including—

(A) the extent to which the goals were achieved;

(B) a description of the strategies that contributed to achieving the goals;

(C) to the extent to which the goals were not achieved, a description of factors that impeded the achievement; and

(D) an accounting of the manner in which funds paid to the Center under this subtitle for a fiscal year were expended;

(2) information on proposed revisions to the goals; and

(3) a description of successful efforts to leverage funds, other than funds made available under this subtitle, to pursue goals consistent with this subtitle.

SEC. 155. DEFINITION.

In this subtitle, the term ''State'' means each of the several States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, and Guam.

SEC. 156. AUTHORIZATION OF APPROPRIATIONS.

(a) AUTHORIZATION AND RESERVATIONS.—

(1) AUTHORIZATION.—There are authorized to be appropriated to carry out this subtitle (other than section 153(c)(4)) $30,000,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2006.

(2) RESERVATION FOR TRAINING INITIATIVES.—From any amount appropriated for a fiscal year under paragraph (1) and remaining after each Center described in section 152(a) has received a grant award of not less than $500,000, as described in section 152, the Secretary shall reserve funds for the training initiatives authorized under section 153(b).

(3) RESERVATION FOR TECHNICAL ASSISTANCE.—

(A) YEARS BEFORE APPROPRIATION TRIGGER.—For any covered year, the Secretary shall reserve funds in accordance with section 163(c) to fund technical assistance activities under section 153(c) (other than section 153(c)(4)).

(B) YEARS AFTER APPROPRIATION TRIGGER.—For any fiscal year that is not a covered year, the Secretary shall reserve not less than $300,000 and not more than 2 percent of the amount appropriated under paragraph (1) to fund technical assistance activities under section 153(c) (other than section 153(c)(4)).

(C) COVERED YEAR.—In this paragraph, the term ''covered year'' means a fiscal year prior to the first fiscal year for which the amount appropriated under paragraph (1) is not less than $20,000,000.

(b) LIMITATION.—The Secretary may not use, for peer review or other activities directly related to peer review conducted under this subtitle—

(1) for fiscal year 2000, more than $300,000 of the funds made available under subsection (a); and

(2) for any succeeding fiscal year, more than the amount of funds used for the peer review and related activities in fiscal year 2000, adjusted to take into account the most recent percentage change in the Consumer Price Index published by the Secretary of Labor under section 100(c)(1) of the Rehabilitation Act of 1973 (29 U.S.C. 720(c)(1)) (if the percentage change indicates an increase).

Subtitle E—Projects of National Significance

SEC. 161. PURPOSE.

The purpose of this subtitle is to provide grants, contracts, or cooperative agreements for projects of national significance that—

(1) create opportunities for individuals with developmental disabilities to directly and fully contribute to, and participate in, all facets of community life; and

(2) support the development of national and State policies that reinforce and promote, with the support of families, guardians, advocates, and communities, of individuals with developmental disabilities, the self-determination, independence, productivity, and integration and inclusion in all facets of community life of such individuals through—

(A) family support activities;

(B) data collection and analysis;

(C) technical assistance to entities funded under subtitles B and D, subject to the limitations described in sections 129(b), 156(a)(3), and 163(c); and

(D) other projects of sufficient size and scope that hold promise to expand or improve opportunities for such individuals, including—

(i) projects that provide technical assistance for the development of information and referral systems;

(ii) projects that provide technical assistance to self-advocacy organizations of individuals with developmental disabilities;

(iii) projects that provide education for policymakers;

(iv) Federal interagency initiatives;

(v) projects that enhance the participation of racial and ethnic minorities in public and private sector initiatives in developmental disabilities;

(vi) projects that provide aid to transition youth with developmental disabilities from school to adult life, especially in finding employment and postsecondary education opportunities and in upgrading and changing any assistive technology devices that may be needed as a youth matures;

(vii) initiatives that address the development of community quality assurance systems and the training related to the development, implementation, and evaluation of such systems, including training of individuals with developmental disabilities and their families;

(viii) initiatives that address the needs of aging individuals with developmental disabilities and aging caregivers of adults with developmental disabilities in the community;

(ix) initiatives that create greater access to and use of generic services systems, community organizations, and associations, and initiatives that assist in community economic development;

(x) initiatives that create access to increased living options;

(xi) initiatives that address the challenging behaviors of individuals with developmental disabilities, including initiatives that promote positive alternatives to the use of restraints and seclusion; and

(xii) initiatives that address other areas of emerging need.

SEC. 162. GRANT AUTHORITY.

(a) IN GENERAL.—The Secretary shall award grants, contracts, or cooperative agreements to public or private nonprofit entities for projects of national significance relating to individuals with developmental disabilities to carry out activities described in section 161(2).

(b) FEDERAL INTERAGENCY INITIATIVES.—

(1) IN GENERAL.—

(A) AUTHORITY.—The Secretary may—

(i) enter into agreements with Federal agencies to jointly carry out activities described in section 161(2) or to jointly carry out activities of common interest related to the objectives of such section; and

(ii) transfer to such agencies for such purposes funds appropriated under this subtitle, and receive and use funds from such agencies for such purposes.

(B) RELATION TO PROGRAM PURPOSES.—Funds transferred or received pursuant to this paragraph shall be used only in accordance with statutes authorizing the appropriation of such funds. Such funds shall be made available through grants, contracts, or cooperative agreements only to recipients eligible to receive such funds under such statutes.

(C) PROCEDURES AND CRITERIA.—If the Secretary enters into an agreement under this subsection for the administration of a jointly funded project—

(i) the agreement shall specify which agency's procedures shall be used to award grants, contracts, or cooperative agreements and to administer such awards;

(ii) the participating agencies may develop a single set of criteria for the jointly funded project, and may require applicants to submit a single application for joint review by such agencies; and

(iii) unless the heads of the participating agencies develop joint eligibility requirements, an applicant for an award for the project shall meet the eligibility requirements of each program involved.

(2) LIMITATION.—The Secretary may not construe the provisions of this subsection to take precedence over a limitation on joint funding contained in an applicable statute.

SEC. 163. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out the projects specified in this section $16,000,000 for fiscal year 2000, and such sums as may be necessary for each of fiscal years 2001 through 2006.

(b) USE OF FUNDS.—

(1) GRANTS, CONTRACTS, AND AGREEMENTS.—Except as provided in paragraph (2), the amount appropriated under subsection (a) for each fiscal year shall be used to award grants, or enter into contracts, cooperative agreements, or other agreements, under section 162.

(2) ADMINISTRATIVE COSTS.—Not more than 1 percent of the amount appropriated under subsection (a) for each fiscal year may be used to provide for the administrative costs (other than compensation of Federal employees) of the Administration on Developmental Disabilities for administering this subtitle and subtitles B, C, and D, including monitoring the performance of and providing technical assistance to, entities that receive funds under this title.

(c) TECHNICAL ASSISTANCE FOR COUNCILS AND CENTERS.—

(1) IN GENERAL.—For each covered year, the Secretary shall expend, to provide technical assistance for entities funded under subtitle B or D, an amount from funds appropriated under subsection (a) that is not less than the amount the Secretary expended on technical assistance

for entities funded under that subtitle (or a corresponding provision) in the previous fiscal year.

(2) COVERED YEAR.—In this subsection, the term ''covered year'' means—

(A) in the case of an expenditure for entities funded under subtitle B, a fiscal year for which the amount appropriated under section 129(a) is less than $76,000,000; and

(B) in the case of an expenditure for entities funded under subtitle D, a fiscal year prior to the first fiscal year for which the amount appropriated under section 156(a)(1) is not less than $20,000,000.

(3) REFERENCES.—References in this subsection to subtitle D shall not be considered to include section 153(c)(4).

(d) TECHNICAL ASSISTANCE ON ELECTRONIC INFORMATION SHARING.—In addition to any funds reserved under subsection (c), the Secretary shall reserve $100,000 from the amount appropriated under subsection (a) for each fiscal year to carry out section 153(c)(4).

(e) LIMITATION.—For any fiscal year for which the amount appropriated under subsection (a) is not less than $10,000,000, not more than 50 percent of such amount shall be used for activities carried out under section 161(2)(A).

TITLE II—FAMILY SUPPORT

SEC. 201. SHORT TITLE.

This title may be cited as the ''Families of Children With Disabilities Support Act of 1999''.

SEC. 202. FINDINGS, PURPOSES, AND POLICY.

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

(1) It is in the best interest of our Nation to preserve, strengthen, and maintain the family.

(2) Families of children with disabilities provide support, care, and training to their children that can save States millions of dollars. Without the efforts of family caregivers, many persons with disabilities would receive care through State-supported out-of-home placements.

(3) Most families of children with disabilities, especially families in unserved and underserved populations, do not have access to family-centered and family-directed services to support such families in their efforts to care for such children at home.

(4) Medical advances and improved health care have increased the life span of many people with disabilities, and the combination of the longer life spans and the aging of family caregivers places a continually increasing demand on the finite service delivery systems of the States.

(5) In 1996, 49 States provided family support initiatives in response to the needs of families of children with disabilities. Such initiatives included the provision of cash subsidies, respite care, and other forms of support. There is a need in each State, however, to strengthen, expand, and coordinate the activities of a system of family support services for families of children with disabilities that is easily accessible, avoids duplication, uses resources efficiently, and prevents gaps in services to families in all areas of the State.

(6) The goals of the Nation properly include the goal of providing to families of children with disabilities the family support services necessary—

(A) to support the family;

(B) to enable families of children with disabilities to nurture and enjoy their children at home;

(C) to enable families of children with disabilities to make informed choices and decisions regarding the nature of supports, resources, services, and other assistance made available to such families; and

(D) to support family caregivers of adults with disabilities.

(b) PURPOSES.—The purposes of this title are—

(1) to promote and strengthen the implementation of comprehensive State systems of family support services, for families with children with disabilities, that are family-centered and family-directed, and that provide families with the greatest possible decisionmaking authority and control regarding the nature and use of services and support;

(2) to promote leadership by families in planning, policy development, implementation, and evaluation of family support services for families of children with disabilities;

(3) to promote and develop interagency coordination and collaboration between agencies responsible for providing the services; and

(4) to increase the availability of, funding for, access to, and provision of family support services for families of children with disabilities.

(c) POLICY.—It is the policy of the United States that all programs, projects, and activities funded under this title shall be family-centered and family-directed, and shall be provided in a manner consistent with the goal of providing families of children with disabilities with the support the families need to raise their children at home.

SEC. 203. DEFINITIONS AND SPECIAL RULE.

(a) DEFINITIONS.—In this title:

(1) CHILD WITH A DISABILITY.—The term ''child with a disability'' means an individual who—

(A) has a significant physical or mental impairment, as defined pursuant to State policy to the extent that such policy is established without regard to type of disability; or

(B) is an infant or a young child from birth through age 8 and has a substantial developmental delay or specific congenital or acquired condition that presents a high probability of resulting in a disability if services are not provided to the infant or child.

(2) FAMILY.—

(A) IN GENERAL.—Subject to subparagraph (B), for purposes of the application of this title in a State, the term ''family'' has the meaning given the term by the State.

(B) EXCLUSION OF EMPLOYEES.—The term does not include an employee who, acting in a paid employment capacity, provides services to a child with a disability in an out-of-home setting such as a hospital, nursing home, personal care home, board and care home, group home, or other facility.

(3) FAMILY SUPPORT FOR FAMILIES OF CHILDREN WITH DISABILITIES.—The term ''family support for families of children with disabilities'' means supports, resources, services, and other assistance provided to families of children with disabilities pursuant to State policy that are designed to—

(A) support families in the efforts of such families to raise their children with disabilities in the home;

(B) strengthen the role of the family as primary caregiver for such children;

(C) prevent involuntary out-of-the-home placement of such children and maintain family unity; and

(D) reunite families with children with disabilities who have been placed out of the home, whenever possible.

(4) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

(5) STATE.—The term ''State'' means each of the 50 States of the United States, the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, Guam, American Samoa, and the Commonwealth of the Northern Mariana Islands.

(6) SYSTEMS CHANGE ACTIVITIES.—The term ''systems change activities'' means efforts that result in laws, regulations, policies, practices, or organizational structures—

(A) that are family-centered and family-directed;

(B) that facilitate and increase access to, provision of, and funding for, family support services for families of children with disabilities; and

(C) that otherwise accomplish the purposes of this title.

(b) SPECIAL RULE.—References in this title to a child with a disability shall be considered to include references to an individual who is not younger than age 18 who—

(1) has a significant impairment described in subsection (a)(1)(A); and

(2) is residing with and receiving assistance from a family member.

SEC. 204. GRANTS TO STATES.

(a) IN GENERAL.—The Secretary shall make grants to States on a competitive basis, in accordance with the provisions of this title, to support systems change activities designed to assist States to develop and implement, or expand and enhance, a statewide system of family support services for families of children with disabilities that accomplishes the purposes of this title.

(b) AWARD PERIOD AND GRANT LIMITATION.—No grant shall be awarded under this section for a period of more than 3 years. No State shall be eligible for more than 1 grant under this section.

(c) AMOUNT OF GRANTS.—

(1) GRANTS TO STATES.—

(A) FEDERAL MATCHING SHARE.—From amounts appropriated under section 212(a), the Secretary shall pay to each State that has an application approved under section 205, for each year of the grant period, an amount that is—

(i) equal to not more than 75 percent of the cost of the systems change activities to be carried out by the State; and

(ii) not less than $100,000 and not more than $500,000.

(B) NON-FEDERAL SHARE.—The non-Federal share of the cost of the systems change activities may be in cash or in kind, fairly evaluated, including plant, equipment, or services.

(2) CALCULATION OF AMOUNTS.—The Secretary shall calculate a grant amount described in paragraph (1) on the basis of—

(A) the amounts available for making grants under this section; and

(B) the child population of the State concerned.

(d) PRIORITY FOR PREVIOUSLY PARTICIPATING STATES.—For the second and third fiscal years for which amounts are appropriated to carry out this section, the Secretary, in providing payments under this section, shall give priority to States that received payments under this section during the preceding fiscal year.

(e) PRIORITIES FOR DISTRIBUTION.—To the extent practicable, the Secretary shall award grants to States under this section in a manner that—

(1) is geographically equitable;

(2) distributes the grants among States that have differing levels of development of statewide systems of family support services for families of children with disabilities; and

(3) distributes the grants among States that attempt to meet the needs of unserved and underserved populations, such as individuals from racial and ethnic minority backgrounds, disadvantaged individuals, individuals with limited English proficiency, and individuals from underserved geographic areas (rural or urban).

SEC. 205. APPLICATION.

To be eligible to receive a grant under this title, a State shall submit an application to the Secretary at such time, in such manner, and containing such information and assurances as the Secretary may require, including information about the designation of a lead entity, a description of available State resources, and assurances that systems change activities will be family-centered and family-directed.

SEC. 206. DESIGNATION OF THE LEAD ENTITY.

(a) DESIGNATION.—The Chief Executive Officer of a State that desires to receive a grant under section 204, shall designate the office or entity (referred to in this title as the ''lead entity'') responsible for—

(1) submitting the application described in section 205 on behalf of the State;

(2) administering and supervising the use of the amounts made available under the grant;

(3) coordinating efforts related to and supervising the preparation of the application;

(4) coordinating the planning, development, implementation (or expansion and enhancement), and evaluation of a statewide system of family support services for families of children with disabilities among public agencies and between public agencies and private agencies, including coordinating efforts related to entering into interagency agreements;

(5) coordinating efforts related to the participation by families of children with disabilities in activities carried out under a grant made under this title; and

(6) submitting the report described in section 208 on behalf of the State.

(b) QUALIFICATIONS.—In designating the lead entity, the Chief Executive Officer may designate—

(1) an office of the Chief Executive Officer;

(2) a commission appointed by the Chief Executive Officer;

(3) a public agency;

(4) a council established under Federal or State law; or

(5) another appropriate office, agency, or entity.

SEC. 207. AUTHORIZED ACTIVITIES.

(a) IN GENERAL.—A State that receives a grant under section 204 shall use the funds made available through the grant to carry out systems change activities that accomplish the purposes of this title.

(b) SPECIAL RULE.—In carrying out activities authorized under this title, a State shall ensure that such activities address the needs of families of children with disabilities from unserved or underserved populations.

SEC. 208. REPORTING.

A State that receives a grant under this title shall prepare and submit to the Secretary, at the end of the grant period, a report containing the results of State efforts to develop and implement, or expand and enhance, a statewide system of family support services for families of children with disabilities.

SEC. 209. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—The Secretary shall enter into contracts or cooperative agreements with appropriate public or private agencies and organizations, including institutions of higher education, with documented experience, expertise, and capacity, for the purpose of providing technical assistance and information with respect to the development and implementation, or expansion and enhancement, of a statewide system of family support services for families of children with disabilities.

(b) PURPOSE.—An agency or organization that provides technical assistance and information under this section in a State that receives a grant under this title shall provide the technical assistance and information to the lead entity of the State, family members of children with disabilities, organizations, service providers, and policymakers involved with children with disabilities and their families. Such an agency or organization may also provide technical assistance and information to a State that does not receive a grant under this title.

(c) REPORTS TO THE SECRETARY.—An entity providing technical assistance and information under this section shall prepare and submit to the Secretary periodic reports regarding Federal policies and procedures identified within the States that facilitate or impede the delivery of family support services to families of children with disabilities. The report shall include recommendations to the Secretary regarding the delivery of services, coordination with other programs, and integration of the policies described in section 202 in Federal law, other than this title.

SEC. 210. EVALUATION.

(a) IN GENERAL.—The Secretary shall conduct a national evaluation of the program of grants to States authorized by this title.

(b) PURPOSE.—

(1) IN GENERAL.—The Secretary shall conduct the evaluation under subsection (a) to assess the status and effects of State efforts to develop and implement, or expand and enhance, statewide systems of family support services for families of children with disabilities in a manner consistent with the provisions of this title. In particular, the Secretary shall assess the impact of such efforts on families of children with disabilities, and recommend amendments to this title that are necessary to assist States to accomplish fully the purposes of this title.

(2) INFORMATION SYSTEMS.—The Secretary shall work with the States to develop an information system designed to compile and report, from information provided by the States, qualitative and quantitative descriptions of the impact of the program of grants to States authorized by this title on—

(A) families of children with disabilities, including families from unserved and underserved populations;

(B) access to and funding for family support services for families of children with disabilities;

(C) interagency coordination and collaboration between agencies responsible for providing the services; and

(D) the involvement of families of children with disabilities at all levels of the statewide systems.

(c) REPORT TO CONGRESS.—Not later than 2½ years after the date of enactment of this Act, the Secretary shall prepare and submit to the appropriate committees of Congress a report concerning the results of the evaluation conducted under this section.

SEC. 211. PROJECTS OF NATIONAL SIGNIFICANCE.

(a) STUDY BY THE SECRETARY.—The Secretary shall review Federal programs to determine the extent to which such programs facilitate or impede access to, provision of, and funding for family support services for families of children with disabilities, consistent with the policies described in section 202.

(b) PROJECTS OF NATIONAL SIGNIFICANCE.—The Secretary shall make grants or enter into contracts for projects of national significance to support the development of national and State policies and practices related to the development and implementation, or expansion and enhancement, of family-centered and family-directed systems of family support services for families of children with disabilities.

SEC. 212. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There are authorized to be appropriated to carry out this title such sums as may be necessary for each of fiscal years 2000 through 2006.

(b) RESERVATION.—

(1) IN GENERAL.—The Secretary shall reserve for each fiscal year 10 percent, or $400,000 (whichever is greater), of the amount appropriated pursuant to subsection (a) to carry out—

(A) section 209 (relating to the provision of technical assistance and information to States); and

(B) section 210 (relating to the conduct of evaluations).

(2) SPECIAL RULE.—For each year that the amount appropriated pursuant to subsection (a) is $10,000,000 or greater, the Secretary may reserve 5 percent of such amount to carry out section 211.

TITLE III—PROGRAM FOR DIRECT SUPPORT WORKERS WHO ASSIST INDIVIDUALS WITH DEVELOPMENTAL DISABILITIES

SEC. 301. FINDINGS.

Congress finds that—

(1) direct support workers, especially young adults, have played essential roles in providing the support needed by individuals with developmental disabilities and expanding community options for those individuals;

(2) 4 factors have contributed to a decrease in the available pool of direct support workers, specifically—

(A) the small population of individuals who are age 18 through 25, an age group that has been attracted to direct support work in the past;

(B) the rapid expansion of the service sector, which attracts individuals who previously would have elected to pursue employment as direct support workers;

(C) the failure of wages in the human services sector to keep pace with wages in other service sectors; and

(D) the lack of quality training and career advancement opportunities available to direct support workers; and

(3) individuals with developmental disabilities benefit from assistance from direct support workers who are well trained, and benefit from receiving services from professionals who have spent time as direct support workers.

SEC. 302. DEFINITIONS.

In this title:

(1) DEVELOPMENTAL DISABILITY.—The term ''developmental disability'' has the meaning given the term in section 102.

(2) INSTITUTION OF HIGHER EDUCATION.—The term ''institution of higher education'' has the meaning given the term in section 1201 of the Higher Education Act of 1965 (20 U.S.C. 1141).

(3) SECRETARY.—The term ''Secretary'' means the Secretary of Health and Human Services.

SEC. 303. REACHING UP SCHOLARSHIP PROGRAM.

(a) PROGRAM AUTHORIZATION.—The Secretary may award grants to eligible entities, on a competitive basis, to enable the entities to carry out scholarship programs by providing vouchers for postsecondary education to direct support workers who assist individuals with developmental disabilities residing in diverse settings. The Secretary shall award the grants to pay for the Federal share of the cost of providing the vouchers.

(b) ELIGIBLE ENTITY.—To be eligible to receive a grant under this section, an entity shall be—

(1) an institution of higher education;

(2) a State agency; or

(3) a consortium of such institutions or agencies.

(c) APPLICATION REQUIREMENTS.—To be eligible to receive a grant under this section, an eligible entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including a description of—

(1) the basis for awarding the vouchers;

(2) the number of individuals to receive the vouchers; and

(3) the amount of funds that will be made available by the eligible entity to pay for the non-Federal share of the cost of providing the vouchers.

(d) SELECTION CRITERIA.—In awarding a grant under this section for a scholarship program, the Secretary shall give priority to an entity submitting an application that—

(1) specifies that individuals who receive vouchers through the program will be individuals—

(A) who are direct support workers who assist individuals with developmental disabilities residing in diverse settings, while pursuing postsecondary education; and

(B) each of whom verifies, prior to receiving the voucher, that the worker has completed 250 hours as a direct support worker in the past 90 days;

(2) states that the vouchers that will be provided through the program will be in amounts of not more than $2,000 per year;

(3) provides an assurance that the eligible entity (or another specified entity that is not a voucher recipient) will contribute the non-Federal share of the cost of providing the vouchers; and

(4) meets such other conditions as the Secretary may specify.

(e) FEDERAL SHARE.—The Federal share of the cost of providing the vouchers shall be not more than 80 percent.

SEC. 304. STAFF DEVELOPMENT CURRICULUM AUTHORIZATION.

(a) FUNDING.—

(1) IN GENERAL.—The Secretary shall award funding, on a competitive basis, through a grant, cooperative agreement, or contract, to a public or private entity or a combination of such entities, for the development, evaluation, and dissemination of a staff development curriculum, and related guidelines, for computer-assisted, competency-based, multimedia, interactive instruction, relating to service as a direct support worker.

(2) PARTICIPANTS.—The curriculum shall be developed for individuals who—

(A) seek to become direct support workers who assist individuals with developmental disabilities or are such direct support workers; and

(B) seek to upgrade their skills and competencies related to being a direct support worker.

(b) APPLICATION REQUIREMENTS.—To be eligible to receive an award under this section, an entity shall submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, including—

(1) a comprehensive analysis of the content of direct support roles;

(2) information identifying an advisory group that—

(A) is comprised of individuals with experience and expertise with regard to the support provided by direct support workers, and effective ways to provide the support, for individuals with developmental disabilities in diverse settings; and

(B) will advise the entity throughout the development, evaluation, and dissemination of the staff development curriculum and guidelines;

(3) information describing how the entity will—

(A) develop, field test, and validate a staff development curriculum that—

(i) relates to the appropriate reading level for direct service workers who assist individuals with disabilities;

(ii) allows for multiple levels of instruction;

(iii) provides instruction appropriate for direct support workers who work in diverse settings; and

(iv) is consistent with subsections (b) and (c) of section 101 and section 109;

(B) develop, field test, and validate guidelines for the organizations that use the curriculum that provide for—

(i) providing necessary technical and instructional support to trainers and mentors for the participants;

(ii) ensuring easy access to and use of such curriculum by workers that choose to participate in using, and agencies that choose to use, the curriculum;

(iii) evaluating the proficiency of the participants with respect to the content of the curriculum;

(iv) providing necessary support to the participants to assure that the participants have access to, and proficiency in using, a computer in order to participate in the development, testing, and validation process;

(v) providing necessary technical and instructional support to trainers and mentors for the participants in conjunction with the development, testing, and validation process;

(vi) addressing the satisfaction of participants, individuals with developmental disabilities and their families, providers of services for such individuals and families, and other relevant entities with the curriculum; and

(vii) developing methods to maintain a record of the instruction completed, and the content mastered, by each participant under the curriculum; and

(C) nationally disseminate the curriculum and guidelines, including dissemination through—

(i) parent training and information centers funded under part D of the Individuals with Disabilities Education Act (20 U.S.C. 1451 et seq.);

(ii) community-based organizations of and for individuals with developmental disabilities and their families;

(iii) entities funded under title I;

(iv) centers for independent living;

(v) State educational agencies and local educational agencies;

(vi) entities operating appropriate medical facilities;

(vii) postsecondary education entities; and

(viii) other appropriate entities; and

(4) such other information as the Secretary may require.

SEC. 305. AUTHORIZATION OF APPROPRIATIONS.

(a) SCHOLARSHIPS.—There are authorized to be appropriated to carry out section 303 $800,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 through 2006.

(b) STAFF DEVELOPMENT CURRICULUM.—There are authorized to be appropriated to carry out section 304 $800,000 for fiscal year 2000 and such sums as may be necessary for each of fiscal years 2001 and 2002.

TITLE IV—REPEAL

SEC. 401. REPEAL.

(a) IN GENERAL.—The Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.) is repealed.

(b) CONFORMING AMENDMENTS.—

(1) INDIVIDUALS WITH DISABILITIES EDUCATION ACT.—Sections 644(b)(4) and 685(b)(4) of the Individuals with Disabilities Education Act (20 U.S.C. 1444(b)(4), 1484a(b)(4)) are amended by striking ''the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(2) NATIVE AMERICAN HOUSING ASSISTANCE AND SELF-DETERMINATION ACT OF 1996.—Section 4(17)(C) of the Native American Housing Assistance and Self-Determination Act of 1996 (25 U.S.C. 4103(17)(C)) is amended by striking ''as defined in'' and all that follows and inserting ''as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

(3) REHABILITATION ACT OF 1973.—

(A) Section 105(c)(6) of the Rehabilitation Act of 1973 (29 U.S.C. 725(c)(6)) is amended by striking ''the State Developmental Disabilities Council described in section 124 of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6024)'' and inserting ''the State Council on Developmental Disabilities established under section 125 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Sections 202(h)(2)(D)(iii) and 401(a)(5)(A) of the Rehabilitation Act of 1973 (29 U.S.C. 762(h)(2)(D)(iii), 781(a)(5)(A)) are amended by striking ''Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.)'' and inserting ''Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(C) Subsections (a)(1)(B)(i), (f)(2), and (m)(1) of section 509 of the Rehabilitation Act of 1973 (29 U.S.C. 794e) are amended by striking ''part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.)'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(D) Section 509(f)(5)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 794e(f)(5)(B)) is amended by striking ''Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.)'' and inserting ''Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(4) ASSISTIVE TECHNOLOGY ACT OF 1998.—

(A) Section 3(a)(11)(A) of the Assistive Technology Act of 1998 (29 U.S.C. 3002(a)(11)(A)) is amended by striking ''part C of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6041 et seq.)'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Paragraphs (1) and (2) of section 102(a) of the Assistive Technology Act of 1998 (29 U.S.C. 3012(a)) are amended by striking ''Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6000 et seq.)'' and inserting ''Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(5) HEALTH PROGRAMS EXTENSION ACT OF 1973.—Section 401(e) of the Health Programs Extension Act of 1973 (42 U.S.C. 300a–7(e)) is amended by striking ''or the'' and all that follows through ''may deny'' and inserting ''or the Developmental Disabilities Assistance and Bill of Rights Act of 1999 may deny''.

(6) SOCIAL SECURITY ACT.—

(A) Section 1919(c)(2)(B)(iii)(III) of the Social Security Act (42 U.S.C. 1396r(c)(2)(B)(iii)(III)) is amended by striking ''part C of the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Section 1930(d)(7) of the Social Security Act (42 U.S.C. 1396u(d)(7)) is amended by striking ''State Planning Council established under section 124 of the Developmental Disabilities Assistance and Bill of Rights Act, and the Protection and Advocacy System established under section 142 of such Act'' and inserting ''State Council on Developmental Disabilities established under section 125 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999 and the protection and advocacy system established under subtitle C of that Act''.

(7) UNITED STATES HOUSING ACT OF 1937.—Section 3(b)(3)(E)(iii) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(3)(E)(iii)) is amended by striking ''developmental disability'' and all that follows and inserting ''developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

(8) HOUSING ACT OF 1949.—The third sentence of section 501(b)(3) of the Housing Act of 1949 (42 U.S.C. 1471(b)(3)) is amended by striking ''developmental disability'' and all that follows and inserting ''developmental disability as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

(9) OLDER AMERICANS ACT OF 1965.—

(A) Section 203(b)(17) of the Older Americans Act of 1965 (42 U.S.C. 3013(b)(17)) is amended by striking ''Developmental Disabilities and Bill of Rights Act'' and inserting ''Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Section 427(a) of the Older Americans Act of 1965 (42 U.S.C. 3035f(a)) is amended by striking ''part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.)'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(C) Section 429F(a)(1) of the Older Americans Act of 1965 (42 U.S.C. 3035n(a)(1)) is amended by striking ''section 102(5) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(5))'' and inserting ''section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(D) Section 712(h)(6)(A) of the Older Americans Act of 1965 (42 U.S.C. 3058g(h)(6)(A)) is amended by striking ''part A of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001 et seq.)'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(10) CRIME VICTIMS WITH DISABILITIES AWARENESS ACT.—Section 3 of the Crime Victims With Disabilities Awareness Act (42 U.S.C. 3732 note) is amended by striking ''term'' and all that follows and inserting the following ''term in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

(11) CRANSTON-GONZALEZ NATIONAL AFFORDABLE HOUSING ACT.—The third sentence of section 811(k)(2) of the Cranston-Gonzalez National Affordable Housing Act (42 U.S.C.

8013(k)(2)) is amended by striking ''as defined'' and all that follows and inserting ''as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

(12) STATE DEPENDENT CARE DEVELOPMENT GRANTS ACT.—Section 670G(3) of the State Dependent Care Development Grants Act (42 U.S.C. 9877(3)) is amended by striking ''section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(13) PROTECTION AND ADVOCACY FOR MENTALLY ILL INDIVIDUALS ACT OF 1986.—

(A) Section 102(2) of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10802(2)) is amended by striking ''part C of the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Section 114 of the Protection and Advocacy for Mentally Ill Individuals Act of 1986 (42 U.S.C. 10824) is amended by striking ''section 107(c) of the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''section 105 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(14) STEWART B. MCKINNEY HOMELESS ASSISTANCE ACT.—Section 422(2)(C) of the Stewart B. McKinney Homeless Assistance Act (42 U.S.C. 11382(2)(C)) is amended by striking ''as defined'' and all that follows and inserting ''as defined in section 102 of the Developmental Disabilities Assistance and Bill of Rights Act of 1999, or''.

(15) ASSISTED SUICIDE FUNDING RESTRICTION ACT OF 1997.—

(A) Section 4 of the Assisted Suicide Funding Restriction Act of 1997 (42 U.S.C. 14403) is amended—

(i) by striking the section heading and inserting the following:

''SEC. 4. RESTRICTION ON USE OF FEDERAL FUNDS UNDER CERTAIN GRANT PROGRAMS.'';

and

(ii) by striking ''part B, D, or E of the Developmental Disabilities Assistance and Bill of Rights Act'' and inserting ''subtitle B, D, or E of the Developmental Disabilities Assistance and Bill of Rights Act of 1999''.

(B) Section 5(b)(1) of the Assisted Suicide Funding Restriction Act of 1997 (42 U.S.C. 14404(b)(1)) is amended by striking subparagraph (A) and inserting the following:

''(A) PROTECTION AND ADVOCACY SYSTEMS UNDER THE DEVELOPMENTAL DISABILITIES ASSISTANCE AND BILL OF RIGHTS ACT OF 1999.—Subtitle C of the Developmental Disabilities Assistance and Bill of Rights Act of 1999.''.

Mr. JEFFORDS. Mr. President, on behalf of myself, and my colleagues Senators KENNEDY, HARKIN, FRIST, COLLINS, WELLSTONE, REED, DODD, MURRAY, and ENZI, I am pleased that we are considering S. 1809, the Developmental Disabilities Assistance and Bill of Rights Act of 1999. This legislation, commonly referred to as the DD Act, represents the reauthorization of a piece of legislation with a rich legacy, and a long history of bipartisan Congressional support. It was initially enacted as Title I of the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 as part of the legacy of President Kennedy, and was last reauthorized in 1996 under the sponsorship of Senator FRIST. It has always focused on the needs of our most vulnerable citizens, currently an estimated four million Americans with developmental disabilities, including individuals with mental retardation and other lifelong, severe disabilities. I am pleased to say that S. 1809 was reported out, unanimously, by the Committee on Health, Education, Labor, and Pensions on November 3, 1999.

I would like to take a moment to review the history of this legislation, and the programs in each State that it authorizes. The earliest version of this legislation focused on the interdisciplinary training of professionals to work with individuals with developmental disabilities by authorizing funding for University Affiliated Facilities charged with expanding the carde of professionals able to address the needs of individuals with developmental disabilities. Later, the name of the programs was changed to University Affiliated Programs (UAPs), and their mission was expanded to include community services and information dissemination pertaining to individuals with developmental disabilities. In 1996, after 33 years of planned expansion by Congress, the DD Act provided funding for at least one UAP in each State. The present reauthorization recognizes the development of these programs, adds research as a core function, and renames UAPs as Centers for Excellence in Developmental Disabilities Education, Research, and Service.

In the 1970 reauthorization of the DD Act, Congress recognized the need for and value of strengthening State efforts to coordinate and integrate services for individuals with developmental disabilities. As a result, Congress established and authorized funding for State Developmental Disabilities Councils (DD Councils) in each State. The purpose of the Councils was, and continues to be, to advise governors and State agencies regarding the use of available and potential resources to meet the needs of individuals with developmental disabilities. Every State has a DD Council. The Councils undertake advocacy, capacity building, and systemic change activities directed at improving access to and quality of community services, supports, and other forms of assistance for individuals with disabilities and their families.

In 1975, Congress created and authorized funding for Protection and Advocacy Systems (P&As) in each State to ensure the safety and well being of individuals with developmental disabilities. The mission of these systems has evolved over the years, initially addressing the protection of individuals with developmental disabilities who lived in institutions, to the present responsibilities related to the protection of individuals with developmental disabilities from abuse, neglect, and exploitation, and from the violation of their legal and human rights, both in institutions and other community settings.

The 1975 reauthorization of the DD Act also established funding for Projects of National Significance. Through this new authority Congress authorizes funding for initiatives to address areas of national importance. Over the years, projects related to individuals with developmental disabilities and their treatment in the criminal justice system, their experiences with home ownership, in employment, their use of assistive technology, and their involvement in self-advocacy have been supported through Projects of National Significance.

The legislation before us today, S. 1809, the Developmental Disabilities Assistance and Bill of Rights Act of 1999 builds on the past successes of these programs. Additionally, this bill reflects today's changing society and seeks to provide a foundation for the services and supports that individuals with developmental disabilities, their families, and communities need as we enter the next century. Let me take a moment to highlight the major provisions of this legislation.

S. 1809 continues a tradition of support for DD programs in each State including DD Councils, Protection and Advocacy Systems, and University Centers for Excellence in Developmental Disabilities Education, Research, and Service. The purpose of the DD programs in each State is to engage in advocacy, capacity building, and systemic change activities related to improving the quality of life for individuals with developmental disabilities and their families. This legislation seeks to ensure that individuals with developmental disabilities are able to fully participate in and contribute to their communities through fall integration and inclusion in the economic, political, social, cultural, and educational mainstream of our Nation. It also assists DD Act programs to improve the range and quality of supports and services for individuals with developmental disabilities and their families regardless of where they choose to live.

This legislation recognizes that individuals with developmental disabilities often have multiple, evolving, life long needs that require services and supports from agencies and organizations that offer specialized and generic forms of assistance in their communities. The nature of the needs of these individuals and the capacity of States and communities to respond to them have changed. In the past 5 years, new strategies for reaching, engaging, and assisting individuals with developmental disabilities have gained visibility and credibility. These state of the art strategies are reinforced by and reflected in this bill.

This bill also recognizes that individuals with developmental disabilities often are at greater risk of abuse, neglect, financial and sexual exploitation, and the violation of their legal and human rights, than the general population. Based upon this recognition, the bill supports the extra effort and attention needed, in both individual and systemic situations, to ensure that individuals with developmental disabilities are at no greater risk of harm than others in the general population.

In the past, the Councils, P&A Systems, and Centers have been authorized to provide advocacy, capacity building, and systemic change activities to make access to and navigation through various service systems easier for individuals with developmental disabilities. Over time there has been pressure for these three programs to provide assistance beyond the limit of their resources and beyond their authorized missions. The bill clearly and concisely specifies the roles and responsibilities of Councils, P&A Systems, and Centers so that there is a common understanding of what the programs are intended to contribute toward a State's efforts to respond to the needs of individuals with developmental disabilities and their families.

S. 1809 gives States' Councils, P&A Systems, and Centers increased flexibility. Each program in a State, working with stakeholders, is to develop goals for how to assure that individuals with developmental disabilities and their families participate in the design of and have access to needed community services, individualized supports, and other forms of assistance that promote self-determination, independence, productivity, integration, and inclusion in all facets of community life. Goals may be set in any of the following areas of emphasis: quality assurance, education and early intervention, child care, health, employment, housing, transportation, recreation, or other community services.

Consistent with Congressional emphasis on strengthening accountability for all Federal programs, this legislation requires each program to determine, before undertaking a goal, how that goal will be measured. The Secretary of the Department of Health and Human Services (HHS) is to develop indicators of progress to evaluate how the three programs in each State have engaged in activities to promote and achieve the purposes of the Act. In particular, the Secretary is to monitor how the three programs funded in each State coordinate their efforts, and how that coordination affects the quality of supports and services for individuals with developmental disabilities and their families in that State. In doing so Congress recognizes that the programs funded under the DD Act do not have day to day responsibility for the outcomes of the programs directly serving people with developmental disabilities in their States. Therefore, Congressional intent is that the Secretary of the Department of Health and Human Services develop measures regarding the quality of program activities funded under Title I of this bill, to provide accountability in the areas of advocacy, capacity building, and systems changes as they relate to the areas of emphasis defined in Section 102(2), and that these measures are consistent with the purposes and policies articulated in Section 101.

In recent years, a clearer picture has emerged of what individuals with developmental disabilities are able to accomplish, with the appropriate support, when they have access to the same choices and opportunities available to others. There has been increasing recognition of and support for self-advocacy organizations established by and for individuals with developmental disabilities, particularly individuals with cognitive disabilities. This bill reflects and promotes such efforts by authorizing DD Councils to support the establishment and strengthening of at least one statewide self-advocacy organization for individuals with developmental disabilities in each State. It also authorizes national technical assistance for self advocacy organizations.

In addition to S. 1809 renaming the University Affiliated Programs as University Centers for Excellence in Developmental Disabilities Education, Research, and Service, this legislation expands Centers' responsibilities to include the conduct of research, authorizes National Training Initiatives on Critical and Emerging Needs, and links the Centers to create a National Network. In doing so Congress recognizes that Centers have a long history of providing state of the art community education and training in a variety of areas related to improving the capacity of communities to meet the needs of individuals with developmental disabilities and their families. It is the intention of Congress that Centers will continue to provide this training. It is also Congress' intention to recognize and utilize the capacity of all Centers to meet critical and emerging training needs in accordance with Sections 152(c) and 153(b). It also anticipates that Congress will authorize Centers to meet other emerging and critical training and research needs related to individuals with developmental disabilities through other legislation.

By administering the three programs specifically authorized under the DD Act and by funding Projects of National Significance to accomplish similar or complementary efforts, the Administration on Developmental Disabilities (ADD) in HHS plays a critical role in supporting and fostering new ways to assist individuals with developmental disabilities and their families, and in promoting system integration to expand and improve community services for individuals with disabilities. The bill provides ADD with the ability to foster similar efforts across the Executive Branch. It authorizes ADD to pursue and join with other Executive Branch entities in activities that will improve choices, opportunities, and services for individuals with developmental disabilities and to fully utilize the potential of the entities authorized under title I to achieve these goals. Since this bill adds new responsibilities for tracking accountability and collaboration which may trigger the need for additional resources, Section 163(b)(2) authorizes funds for administrative purposes. The intent is that these funds supplement, but not supplant existing administrative funds provided to ADD.

I would like to thank Senator HARKIN, and Senators FRIST and WELLSTONE for drafting provisions in Title II and Title III, respectively. Title II of this legislation addresses the critical need for family support for families of individuals with severe disabilities. The bill authorizes grants (one, 3-year grant per State, on a competitive basis) to assist States to provide services to families who choose to keep their children with disabilities at home. It gives support to States' efforts to assist families. Family support services are cost effective in reducing the costs associated with life-long disability, and in preventing the expense of out-of-home placement. Such services allow individuals with disabilities to stay at home with their families.

Title II gives flexibility and authority to States in the design of statewide systems of family support services for families of children with disabilities. Family support activities supported through this bill should be family-centered and family-directed. This means families of children with disabilities have control over decisions relating to the supports that will meet the priorities of their family, and participate in the planning, development, implementation, and evaluation of the statewide system of family support.

When applying for a grant, States are expected to demonstrate the nature and extent of the involvement of families of children with disabilities and individuals with disabilities in the development of the application and in the development, implementation, and evaluation of the statewide system of family support for families of children with disabilities.

The bill requires States to designate a lead entity that will coordinate activities funded under the grant. The lead agency should have the capacity to promote a statewide system of family support services that is family-centered and family-directed; to promote and implement systems change activities; and to maximize access to public and private funds for family support services for families of children with disabilities. The application should also designate the involvement of other State or local agencies, including local councils, in both the preparation of the application and the continuing role of each agency in the statewide system of family support for families of children with disabilities.

This legislation also gives States maximum flexibility in selecting activities they will implement in providing family support services for families of children with disabilities, including populations who are unserved or underserved. Activities may include training and technical assistance; the development or strengthening of family-centered and family-directed approaches to services, including service coordination services, service planning

services, and respite care services; and assistance to families of children with disabilities in accessing natural and community supports and in obtaining benefits and services. A State may also conduct needs assessments; evaluations of data related to the statewide system of family support for families of children with disabilities; or pilot demonstration projects to demonstrate new approaches to the provision of family support services for families of children with disabilities.

Title III recognizes and responds to a national need to increase the number of, and improve the training for, direct support workers who assist individuals with developmental disabilities where they live, work, go to school, and engage in other aspects of community life, consistent and in coordination with title I of this legislation. Title III acknowledges that direct support workers play essential roles in providing the support that individuals with developmental disabilities need, and in expanding community options for these individuals.

Section 303 of title III authorizes the Reaching Up Scholarships Program to encourage continuing education for individuals who provide direct support to individuals with developmental disabilities. This scholarship program authorizes vouchers of up to $2,000 to an eligible direct support worker. Recipients of these vouchers will be direct support workers who assist individuals with developmental disabilities in a wide range of settings. This grant program will be administered through institutions of higher education, State agencies, or consortia of such institutions or agencies. It will enable direct support workers to access training related to providing state of the art supports and services to individuals with developmental disabilities and their families.

Title III, section 304 of this legislation provides funding for the development, evaluation, and dissemination of a staff development curriculum, and related guidelines for computer-assisted, competency-based, multi-media, interactive instruction to provide staff development for individuals in direct service roles with people with developmental disabilities and their families. Title III also recognizes the potential contribution of individuals with developmental disabilities who themselves may choose to become direct service providers. This state of the art curriculum will allow direct service workers, including those with limited levels of literacy, access to and participation in, state of the art training that reflects the principles articulated in title I, particularly the principles of self-determination, independence, productivity, integration, and inclusion of individuals with developmental disabilities in all aspects of community life. The curriculum will also address the use of positive supports and interventions as alternatives to the use of aversive treatment, particularly the inappropriate use of restraint and seclusion with individuals with developmental disabilities across the age span and in a variety of settings. The curriculum will be fully field-tested, evaluated, and nationally disseminated.

Throughout the country, the DD Act programs have a long history of achievement. In Vermont, the DD Act programs make on-going contributions to major initiatives affecting individuals with developmental disabilities and their families. They play significant roles in many of Vermont's accomplishments, including: the inclusion of children with severe disabilities into local schools and classrooms; early intervention and family leadership initiatives that are national models; and innovative programs in the areas of employment, and community living options for individuals with developmental disabilities. Based upon the letters our office has received from across the country, it is clear that these DD programs make substantial, positive differences in all States.

S. 1809 is bi-partisan, balanced, and responsive legislation that reflects months of discussion and collaboration among individuals and organizations representing a full range of opinion. I would like to recognize the contributions of the numerous disability and advocacy groups that provided public input, especially the Developmental Disabilities Task Force of the Consortium for Citizens with Disabilities and their co-chairs, who have worked with staff over nine months to develop this legislation.

I would like to thank Senate staff including Connie Garner from Senator KENNEDY's staff, Katie Corrigan and Tom Hlavacek from Senator HARKIN's staff, Dave Larson from Senator FRIST's staff, Cheryl Chambers from Senator WELLSTONE's staff, and Liz King from the Senate Legislative Counsel. I would also like to thank staff from the U.S. Department of Health and Human Services including Sue Swenson, Reggie Wells, and Elsbeth Wyatt from the Administration on Developmental Disabilities, and Barbara Clark and Amy Lockhart from the Office of the Assistant Secretary for Legislation. And finally, I would like to thank my own HELP Committee staff particularly Pat Morrissey, Lu Zeph, Leah Menzies, Heidi Scheuermann, and Mark Powden who worked long and hard on this legislation.

S. 1809 continues a long tradition of Congressional support for individuals with developmental disabilities, their families, and their communities and ensures that this support will continue to meet their needs into the next century. I ask my colleagues to join me today in voting to pass this bill out of the Senate.

Mr. HARKIN. Mr. President, I support the passage of Senate Bill 1809, the Developmental Disabilities Assistance and Bill of Rights Act of 1999.

As the chief sponsor of the Americans with Disabilities Act and the former chair of the Senate Subcommittee on Disability Policy, I take a particular interest in the Developmental Disabilities Act, which has been a cornerstone of our national policy for people with disabilities. In fact, the Supreme Court cited the Developmental Disabilities Act in the recent Olmstead decision as evidence of Congress' intent that people with disabilities should have the choice to receive services in the community.

The entities funded under the Act—the Developmental Disabilities Councils, University Affiliated Programs, and the Protection and Advocacy systems—have enabled us to move away from a service system that denied people with disabilities the choice to receive services where families and individuals want them—in their own homes, communities, and neighborhoods.

This year's reauthorization is very important for several reasons. First, we must continue our progress toward ensuring that people with developmental disabilities achieve their maximum potential through increased self-determination, independence, productivity, and integration in all facets of life.

Second, we must ensure that people with developmental disabilities are free from abuse and neglect in all aspects of the service delivery system. This bill will help protect people with disabilities from abuse and neglect no matter where they live—inside an institution or in the community.

And finally, we must do more to strengthen and support families as they provide care and support to family members with a disability. Family caregivers are the true heroes of our long-term care system. In Title II of this bill, Congress lends support to State efforts to give individuals with disabilities the choice to stay at home, with their families.

I thank Senator JEFFORDS for acknowledging my strong interest and contributions to this important title. This Family Support grant program gives flexibility and authority to the States in designing statewide systems of family support services for families of children with disabilities. It is our intention that all activities conducted under the Family Support program should be family-centered and family-directed. This means that services and programs should facilitate the full participation and control by families of children with disabilities in decisions relating to the supports that will meet the priorities of the family; and in the planning, development, implementation, and evaluation of the statewide system of family support.

We have given States the flexibility of defining what Family Support services will be provided. Family Support services should lead to the integration and inclusion of children with disabilities and their families in the use and participation of the same community resources that are used by and available to other individuals and families.

Family Support services may include help with service coordination; the provision of goods and services such as specialized evaluations and diagnostic services, adaptive equipment, respite care, personal assistance services, homemaker and chore services, behavioral supports, assistive technology services and devices, permanency and future planning, home and vehicle modifications and repairs, equipment and consumable supplies, transportation, specialized nutrition and clothing, counseling and mental health services, family education and training services, communication services, crisis intervention, daycare and child care for a child with a disability, supports and services for integrated and inclusive community activities, parent or family member support groups, peer support, sitter service or companion service, education aids; and financial assistance, which may include cash subsidies, allowances, voucher or reimbursement systems, low-interest loans, or lines of credit.

A statewide system of Family Support Services means a system that is family-centered and family-directed, and that assists and enables families to receive rights and procedural safeguards and to gain access to social, medical, legal, educational, and other supports and services; and that include follow along services that ensure that the changing needs of the child and family are met; the coordination and monitoring of services provided to the family; the provision of information to children with disabilities and their families about the availability of services, and assistance to such children and their families in obtaining appropriate services; and the facilitation and organization of existing social networks and natural sources of support, and community resources and services.

Such a statewide system should also be culturally competent, community-centered, and comprehensive so that it addresses the needs of all families of children with disabilities, including unserved and underserved populations; and addresses such needs without regard to the age, type of disability, race, ethnicity, or gender of such children or the major life activity for which such children need the assistance.

When applying for a grant, States should demonstrate the nature and extent of the involvement of families of children with disabilities and individuals with disabilities in the development of the application, including the involvement of unserved and underserved populations; and in strategies for actively involving families of children with disabilities and individuals with disabilities in the development, implementation, and evaluation of the statewide system of family support for families of children with disabilities. In the application, States should also describe the unmet needs for family support for families of children with disabilities in the State.

When applying for a grant, States should designate a lead entity that will coordinate activities funded under the grant with activities of other relevant State and local agencies. The lead agency should have the capacity to promote a statewide system of family support for families of children with disabilities throughout the State that is family-centered and family-directed; to promote and implement systems change activities; and to maximize access to public and private funds for family support services for families of children with disabilities. The application should also designate the involvement of other State or local agencies, including local councils, in the preparation of the application and the continuing role of each agency in the statewide system of family support for families of children with disabilities.

We have given States maximum flexibility in selecting activities they will implement in providing family support services for families of children with disabilities. The State may support training and technical assistance activities for family members, service providers, community members, professionals, students, and others to increase family participation, choice, and control in the provision of family support services for families of children with disabilities; to develop or strengthen family-centered and family-directed approaches to services, including service coordination services, service planning services, and respite care services; and to assist families of children with disabilities in accessing natural and community supports and in obtaining benefits and services.

A State may conduct needs assessments, evaluations of data related to the statewide system of family support for families of children with disabilities, or pilot demonstration projects to demonstrate new approaches to the provision of family support services for families of children with disabilities. A State may also support activities to identify and coordinate Federal and State policies, resources, and services, relating to the provision of family support services for families of children with disabilities, including interagency activities and agreements.

In addition, a State may conduct outreach activities to locate families who are eligible for family support services for families of children with disabilities; to solicit input from such families; and to identify groups who are unserved and underserved. Such activities may involve the creation or maintenance of, support of, or provision of, assistance to statewide and community parent organizations, and organizations that provide family support to families of children with disabilities; the dissemination of relevant information; and other education activities.

In closing, I remind my colleagues that the toughest barriers faced by people with disabilities are not architectural, they are attitudinal. They are not in the environment, they are in our hearts and in our minds. When people with disabilities are integrated throughout our communities, we are given the opportunity to change our attitudes from ones based on stereotypes, fear, and ignorance, to ones based on admiration, acceptance, and affection.

In this way, the Developmental Disabilities Act benefits all of us. Not only are people with disabilities assisted in taking their rightful place in the mainstream of American society. Not only are families that include a child with a disability given access to the supports, resources, and services needed to maintain family unity. But in the process, we all gain from the opportunity to experience people with developmental disabilities as friends, as neighbors, as co-workers, as classmates.

I especially thank Senator JEFFORDS and Senator KENNEDY for their leadership on this issue, and I am glad to join so many of my colleagues from the HELP Committee as a co-sponsor of this legislation.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the committee substitute be agreed to, the bill be considered read the third time and passed, the motion to reconsider be laid upon the table, and any statements relating to the bill be printed in the RECORD.

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

The committee amendment in the nature of a substitute was agreed to.

The bill (S. 1809), as amended, was read the third time and passed.

RECOGNIZING AMERICA'S NONGOVERNMENTAL ORGANIZATIONS AND PRIVATE VOLUNTEER ORGANIZATIONS

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 379, S. Con. Res. 30.

The PRESIDING OFFICER. The clerk will report the concurrent resolution by title.

The legislative clerk read as follows:

A concurrent resolution (S. Con. Res. 30) recognizing the sacrifice and dedication of members of America's nongovernmental organizations (NGOs) and private volunteer organizations (PVOs) throughout their history and specifically in answer to their courageous response to recent disasters in Central America and Kosovo.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the concurrent resolution be agreed to, the motion to reconsider be laid upon the table, and any statements relating to this resolution be printed at this point in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered. The concurrent resolution (S. Con. Res. 30) was agreed to, as follows:

S. CON. RES. 30

Resolved by the Senate (the House of Representatives concurring), That the Congress—

(1) recognizes and commends the sacrifice, dedication, and commitment of those serving with, and those who have served with, American nongovernmental organizations (NGO's) and private volunteer organizations (PVO's) that provide humanitarian relief to millions of the world's poor and displaced;

(2) urges all Americans to join in commemorating and honoring those serving in, and those who have served in, America's NGO and PVO community for their sacrifice, dedication and commitment; and

(3) calls upon the people of the United States to appreciate and reflect upon the commitment and dedication of relief workers, that they often serve in harm's way with threats to their own health and safety, and their organizations who have responded to recent tragedies in Central America and Kosovo with great care, skill, and speed, and to make appropriate steps to recognize and encourage awareness of the contributions that these relief workers and their organizations have made in helping ease human suffering.

EXPRESSING CONCERN OVER FREEDOM OF PRESS AND ELECTORAL INSTITUTIONS IN PERU

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate now proceed to the immediate consideration of calendar No. 378, S. Res. 209.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 209) expressing concern over interference with freedom of the press and independence of judicial and electoral institutions in Peru.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the resolution be agreed to, the preamble be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the resolution appear at this point in the RECORD.

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

The resolution (S. Res. 209) was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

S. RES. 209

Whereas the independence of Peru's legislative and judicial branches has been brought into question by the May 29, 1997, dismissal of 3 Constitutional Tribunal magistrates;

Whereas Peru's National Council of Magistrates and the National Election Board have been manipulated by President Alberto Fujimori and his allies so he can seek a third term in office;

Whereas the Department of State's Country Report on Human Rights Practices for 1998, dated February 26, 1999, concludes, with respect to Peru, that ''government intelligence agents allegedly orchestrated a campaign of spurious attacks by the tabloid press against a handful of publishers and investigative journalists in the strongly pro-opposition daily La Republica and the other print outlets and electronic media'';

Whereas the Department of State's Country Report on Human Rights Practices for 1997, dated January 30, 1998, states that Channel 2 television station reporters in Peru ''revealed torture by Army Intelligence Service Officers'' and ''the systematic wiretapping of journalists, government officials, and opposition politicians'';

Whereas on July 13, 1997, Peruvian immigration authorities revoked the Peruvian citizenship of Baruch Ivcher, the Israeli-born owner of the Channel 2 television station; and

Whereas Baruch Ivcher subsequently lost control of Channel 2 under an interpretation of a law that provides that a foreigner may not own a media organization, causing the Department of State's Report on Human Rights Practices for 1998 to report that ''threats and harassment continued against Baruch Ivcher and some of his former journalists and administrative staff . . . In September Ivcher and several of his staff involved in his other nonmedia businesses were charged with customs fraud. The Courts sentenced Ivcher in absentia to 12 years imprisonment and his secretary to 3 years in prison. Other persons from his former television station, who resigned in protest in 1997 when the station was taken away, also have had various charges leveled against them and complain of telephone threats and surveillance by persons in unmarked cars'': Now, therefore, be it

Resolved,

SECTION 1. SENSE OF THE SENATE ON ANTI-DEMOCRATIC MEASURES BY THE GOVERNMENT OF PERU.

It is the sense of the Senate that—

(1) the erosion of the independence of judicial and electoral branches of the Government of Peru and the blatant intimidation of journalists in Peru are matters of serious concern to the United States;

(2) efforts by any person or political movement in Peru to undermine that country's constitutional order for personal or political gain are inconsistent with the standard of representative democracy in the Western Hemisphere;

(3) the Government of the United States supports the effort of the Inter-American Commission on Human Rights to report on the pattern of threats to democracy, freedom of the press, and judicial independence by the Government of Peru; and

(4) systematic abuse of the rule of law and threats to democracy in Peru could undermine the confidence of foreign investors in, as well as the creditworthiness of, Peru.

SEC. 2. TRANSMITTAL OF RESOLUTION.

The Secretary of the Senate shall transmit a copy of this resolution to the Secretary of State with the request that the Secretary further transmit such copy to the Secretary General of the Organization of American States, the President of the Inter-American Development Bank, and the President of the International Bank for Reconstruction and Development.

UNITED STATES POLICY TOWARD NATO AND THE EUROPEAN UNION

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of calendar No. 377, S. Res. 208.

The PRESIDING OFFICER. The clerk will report the resolution by title.

The legislative clerk read as follows:

A resolution (S. Res. 208) expressing the sense of the Senate regarding United States policy toward the North Atlantic Treaty Organization and European Union, in light of the Alliance's April 1999 Washington Summit and the European Union's June 1999 Cologne Summit.

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

AMENDMENT NO. 2776

(Purpose: To make technical amendments)

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

The PRESIDING OFFICER. The clerk will report.

The legislative assistant read as follows:

The Senator from Iowa [Mr. GRASSLEY], for Mr. LEVIN, proposes an amendment numbered 2776.

The amendment is as follows:

In section 1(b), strike paragraph (1) and insert the following:

(1) on matters of trans-Atlantic concern, the European Union should make clear that it would undertake an autonomous mission through the European Security and Defense Identity only after the North Atlantic Treaty Organization had declined to undertake that mission;

In section 1(b)(5), strike ''must'' and insert ''should''.

Mr. LEVIN. Mr. President, I wish to explain my amendment to S. Res. 208 expressing the sense of the Senate on United States policy toward NATO and the European Union and my own personal view regarding the desirability of our European Allies conducting operations in their own backyard.

My amendment makes three important changes to the language of the resolution as reported out by the Foreign Relations Committee.

First of all, the amendment substitutes ''the'' for ''its'' before ''European Security and Defense Identity'' to make the point that the European Security and Defense Identity, or ESDI, is being developed within, not outside, the NATO Alliance. This simple fact is enshrined in a number of North Atlantic Council communiques and declarations, starting with the Declaration of Heads of State and Government issued at the Council meeting in Brussels on June 11, 1994. This is important because the development of the ESDI within the Alliance means that, as the 1994 Brussels Declaration stated, ''NATO will remain the essential forum for consultation among its members and the venue for agreement on policies bearing on security and defense commitments of Allies under the Washington Treaty.''

Next, my amendment deletes the references to NATO being ''offered the opportunity to undertake the mission'' and then that NATO ''referred it to the European Union for action.'' The first point here is that on one has to offer a mission to NATO; the North Atlantic Council is in permanent session so that it can continuously review events that could impact on stability in the Euro-Atlantic area and can react to them, if necessary. Consequently, it doesn't have to be offered an opportunity to undertake a mission; it has that responsibility and the means to effect it on a continuing basis. The next point is that NATO doesn't refer a mission to the European Union; the EU will undoubtedly have been following such an

event on its own and won't need a referral from NATO to do so. And the final and perhaps most important point is that this change removes the connotation that somehow the European Union is subservient to NATO.

The last change is to simply substitute ''should'' for ''must'' in the subparagraph relating to the implementation of the European Union's Common Foreign and Security Policy. This will avoid the connotation that the United States is dictating to an organization of sovereign states.

Finally, Mr. President, I want to express my own personal view concerning the desirability of our European Allies conducting operations in their own backyard. I have long been a supporter of the ESDI and I am a supporter of the U.S.-sponsored Defense Capabilities Initiative that was recently adopted by NATO. NATO's Operation Allied Force demonstrated a capabilities gap between the United States and our NATO Allies. I welcome the stated determination of our European Allies to develop the capability to act on their own. I welcome the fact that they are providing more than 80 percent of the forces participating in the NATO-led Kosovo Force. I would welcome it if our European Allies would handle the next crisis that develops in Europe. I would be happy if the United States' contribution was limited, for instance, to providing such things as command and control, communications, and intelligence support and I would be even more pleased if the United States didn't have to provide any support and our European Allies were capable of handling a crisis on their own.

I have characterized the United States as being a junior partner and the European Allies being the senior partner in the KFOR peacekeeping mission. I know that there are many people, including some within the Administration who don't like that characterization, but I see nothing wrong with it.

Mr. President, the United States Congress for years has urged Europe to play a greater role in its own defense and to bear more of the collective security burden in NATO. I, for one, can take yes for an answer.

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the amendment be agreed to, the resolution and preamble be agreed to en bloc, the motion to reconsider be laid upon the table, that any statements relating thereto be placed in the RECORD as if read in the appropriate place.

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

The amendment (No. 2776) was agreed to.

The resolution, as amended, was agreed to.

The preamble was agreed to.

The resolution, with its preamble, reads as follows:

[The resolution was not available for printing. It will appear in a future edition of the RECORD.]

ORDERS FOR TUESDAY, NOVEMBER 9, 1999

Mr. GRASSLEY. Mr. President, I ask unanimous consent that when the Senate completes its business today, it adjourn until the hour of 9:30 a.m. on Tuesday, November 9. I further ask consent that on Tuesday, immediately following the prayer, the Journal of the proceedings be approved to date, the morning hour be deemed to have expired, the time for the two leaders be reserved for their use later in the day, and the Senate then resume debate on S. 625, the bankruptcy reform bill, under the previous order.

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

Mr. GRASSLEY. Mr. President, I ask unanimous consent that the Senate stand in recess from the hours of 12:30 p.m. to 2:15 p.m. tomorrow for the weekly policy conferences to meet.

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

PROGRAM

Mr. GRASSLEY. Mr. President, for the information of all Senators, the Senate will resume consideration of the bankruptcy bill at 9:30 on Tuesday. There will be 1 hour of debate on the pending minimum wage and business cost amendments, with votes scheduled to occur at 10:30 a.m. Further amendments are expected to be offered and debated and therefore votes are expected throughout tomorrow's session of the Senate. Senators can also anticipate votes regarding the appropriations process prior to the Veterans Day recess.

ORDER FOR ADJOURNMENT

Mr. GRASSLEY. If there is no further business to come before the Senate, I now ask that the Senate stand in adjournment under the previous order following the remarks of the Senator from Oregon, Mr. WYDEN.

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

Mr. WYDEN. Mr. President, I ask unanimous consent to speak for up to 20 minutes in morning business.

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

THE SPICE ACT

Mr. WYDEN. Mr. President, the newspapers of the Nation this weekend were filled with stories about the politics of prescription drug coverage for the Nation's elderly. One poll after another said that the question of covering prescription drugs for seniors was one of the top three concerns of millions of Americans—not just seniors, but people of all ages. And then, in addition to all the polls and surveys that were published this weekend, some of our most distinguished political journalists were out across the country interviewing people in America asking them what they thought about Congress' handling of the prescription drug issue. And one interview after another essentially has seniors and families responding that they could not figure out why the Congress in Washington, DC, could not tackle this issue in a bipartisan way.

I remember one of the interviewees in particular, in effect, saying, ''What are they so busy fussing about in Washington, DC, that they can't find the time to deal with an issue so important to millions of older people?'' I think that person who got interviewed pretty much summed it up.

I have been coming up to the floor of the Senate over the last 2 or 3 weeks in an effort to try to bring folks' attention, both in the Senate and in our country, that there is bipartisan legislation to cover the question of prescription drugs for older people, and to talk about why it is so important. As part of that effort, as you can see in the poster next to me, I have been urging that seniors send in copies of their prescription drug bills—actually send in copies of their prescription drug bills to those of us in the Senate in Washington, DC. I have been getting a great many of these bills. I have been coming to the floor on a number of occasions and actually reading from these bills because I think it helps to drive home what we saw in the newspapers all across the country this weekend, and that is that we have to come up with a bipartisan plan to meet these needs of vulnerable elderly people.

So tonight I am going to read from some of the letters that I am receiving from older people at home in Oregon. Four letters in particular struck me as particularly compelling in recent days. I have heard from folks in North Bend, Redmond, Roseburg, and Milwaukie in the metropolitan area of our State. All of them essentially make the same kind of case, and that is that so many seniors are walking on an economic tightrope. They are balancing food costs against the fuel costs and the fuel costs against their medical bills. With so many being unable to afford their prescriptions, they are writing and saying they can't afford to wait for another election, the 2000 election, to resolve this issue. They have been reading these articles with Members of Congress saying that it is too complicated to tackle now. It is too difficult to get a consensus. I just don't think that is the case.

There is a bipartisan bill now before the U.S. Senate. It is one that was drafted by the distinguished senior Senator from Maine, OLYMPIA SNOWE, and myself. We got 54 votes for it on the floor of the Senate. A majority of Members of the Senate voted in a specific way to fund the prescription drug benefit for the Nation's older people. So it is just not right to say that there is no consensus, there is no way to bring Senators of both political parties together on this issue. It is just factually wrong. Fifty-four Members of the

Senate have said that they would vote for a specific approach to funding a drug benefit for the Nation's older people, and it was a bipartisan vote. It wasn't done in the dead of night. It was part of the budget debate. A majority in the Senate is now on record.

It is a plan that I think unleashes the forces of the marketplace. It is built on the model from which Members of Congress get their health care, the Federal Employees Health Benefits Plan. It is called the SPICE Program, the Senior Prescription Insurance Coverage Equity Act. It gives seniors the kind of bargaining power that some of these big purchasers such as the health maintenance organizations have.

Right now, seniors with prescriptions get hit by sort of a double whammy.

First, Medicare doesn't cover prescriptions. It hasn't since the program began in 1965.

Second, when a senior citizen walks into a drugstore, walks into their neighborhood pharmacy, in effect that senior has to pay a premium for their prescription drugs because the big buyers actually get discounts.

You have these health care plans. You have health maintenance organizations. You have the big buyers going out and negotiating discounts. Then senior citizens walk into the pharmacy in their community in effect having to pay a premium and in effect subsidizing the big buyers in town who get these discounts.

I am often asked whether our country can afford to cover prescription drugs for the Nation's older people. My response is that America can't afford not to cover these prescription drugs because so many of these drugs at this time are essentially ones that help keep older people well. They help keep them healthy—lower blood pressure, deal with cholesterol problems—and keep seniors from getting sick and landing in the hospital where they need very expensive services from what is called the Part A program of Medicare, the hospital institutional part.

I have cited on several occasions on the floor of the Senate anticoagulant drugs because I think they best illustrate how serious the problem is and why it needs a bipartisan solution along the lines of the Snowe-Wyden bill. It makes some sense. These anticoagulant drugs might cost in the vicinity of $1,000 a year to cover the needs of an older person. But if with anticoagulant medicine we can prevent this debilitating injury, that could save in the vicinity of $100,000. That would be expenses incurred when an older person suffers a stroke.

Think of that: $1,000 for an anticoagulant medicine, and as a result of a senior being able to afford that, very often that person can stay healthy and keep from being struck by debilitating stroke and incurring $100,000 in expenses that would come about as a result of that illness.

I hope seniors will continue to write to me and to other Members of the Senate, as this poster says. We hope they will send us copies of their prescription drug bills and actually send copies of how they are affected to each of us here in the Senate in Washington, DC.

I want to take just a minute or two now to read from some of the letters I have received in the last few days.

One of the first is a letter I received from an older couple in North Bend. The spouse is 73. Her husband is 77. They report that they have about $18,000 a year in Social Security income and spend about $2,000 of it on their prescription drugs. They have a Blue Cross plan. It doesn't cover any of their prescriptions—none of them.

I think this is really sort of typical of what I have been hearing from senior citizens across our State.

Here is a copy of what these bills look like for folks who are thinking about sending them to us. This one comes from North Bend, OR. It comes from the Safeway pharmacy there in North Bend. An older couple points out in a letter to me that they simply are not going to be able to afford what they are told is going to be the next increase. They are told that next month their bills are going to go up again on top of what I have cited they are having to pay for over-the-counter medications as well. Compared to some of their friends, they are not what they call ''pill takers.'' With an income of $18,000 a year, think of having to spend about $2,000 of it on prescription drugs, and that doesn't even count for what they spend on over-the-counter medications. Their bills are going up again next month.

These are the kinds of people to whom I think the Senate ought to be listening.

Another letter I received in the last few days comes from an older couple in Redmond. They sent me this bill for the month of October. Just for the month of October, colleagues who maybe listening in—$282 a month just for the month of October from an older couple in Redmond. They went to the Rite-Aid Pharmacy in a mall in Redmond. They are faced now with the prospect of having to spend $282 a month all year round on their prescriptions, and, suffice it to say, they too are asking why it is that the Congress, and the Senate specifically, isn't being responsive. Here is a third bill I received in the last few days. This is from an older woman who is spending close to $300 a month on her prescription drugs at the Wal-Mart in Roseburg.

This is again the kind of real-life case to which I think the Senate ought to be paying attention. They are just sending us now copies of their bills. These are not drugs that are uncommon. Glucophage, for example, for a lot of seniors is an essential medicine because it helps them with their diabetes. When senior citizens can't afford to pay for a prescription for glucophage, they are going to suffer some very serious health problems as a result.

I cited examples at the end of last week.

There are seniors at home in Oregon who have prescriptions their doctor wrote out for drugs such as that, and they simply could not afford to have them filled. They were hanging on to the prescription hoping that sometime down the road they would get the funds to be able to afford their prescriptions.

That is the kind of case we are hearing about from the Nation's older people.

I hope folks who are listening in tonight will see, as this poster says, that we hope to hear from more of them. We would like for them, as this poster says, to send copies of their prescription drug bills directly to us in the Senate in Washington, DC.

I intend to keep coming to the floor of this body and going through some of these cases in the hopes that this can pique the conscience of the Senate for bipartisan action.

Finally, tonight I have one other bill that struck me as so poignant and really summing it up. It comes from an older man who sends his wife's mother's bill because she is 91 and she is spending about $400 per month on prescription medicines. The letter says this is outrageous for a 91-year-old person, a person who is on a fixed income, to have to pay. She is 91 years old. The list goes on for pages.

I am going to wrap up tonight by saying it would be one thing if you couldn't bring Senators together around an important issue and simply not find any consensus whatsoever.

That is not the case with respect to the Snowe-Wyden legislation. The senior Senator from Maine and I have teamed up on a bill that is modeled after the kind of health care Members of the United States Senate receive.

Mr. President, 54 Members of the Senate, as part of the budget debate, said they would vote for a way to pay for the plan. We are seeing these polls and interviews along the lines of what I cited. Newspapers were filled this weekend with folks saying, why can't the Senate act? That is the question: Why can't the Senate act when there is a bipartisan bill?

The SPICE legislation, the Senior Prescription Insurance Coverage Equity Act, is legislation I believe can move forward because it is bipartisan. Certainly, our colleagues have other ideas about how to proceed. Senator SNOWE and I are anxious to hear from them with respect to their approach.

What is important is that the Senate stop ducking this issue. The Senate ought to say we are now going to recognize how serious these concerns of the Nation's older people are and not just put them off and say it is too complicated to deal with now and we will talk about it in 2001, but with a year to go until election, we ought to roll up our sleeves and come up with a bipartisan plan to address these needs.

Until that time, I hope seniors will continue to send copies of their prescription drug bills to each Senator. I

am particularly anxious to have them. Send them to our offices in Washington, DC. I will keep coming to the floor of this body, reading from letters from folks, including this 91-year-old who cannot afford next month's increase in prescription drugs, folks who cannot pay for their diabetes medicine and are likely to get much sicker as a result. I intend to keep coming to the floor of this body, reading from those letters, and doing everything I can to try to bring the Senate together around bipartisan legislation to meet the needs of our elderly.

The approach behind the Snowe-Wyden legislation does not involve price controls. We have a lot of Senators legitimately concerned about that. It is not a one-size-fits-all Federal regime. It is a model based on something we all know well. That is the Federal Employees Health Benefits Plan. In fact, the SPICE Program that Senator SNOWE and I have drafted is a senior citizens version of the Federal Employees Health Benefits Plan. We are convinced it can work for the Nation's older people.

I hope we will not pass up this opportunity to address these heartfelt concerns that seniors are passing on. I hope we will not say this issue is too complicated for the Senate to act. We may be leaving in a few days, but there will be an opportunity in the days ahead to bring Senators of both political parties together and fashion legislation that is responsive to the country's older people. I am convinced older people cannot afford to wait another year, wait another year for politicking and debates to go forward. Certainly, based on the kinds of bills, as the bill I read from, including the 91-year-old senior spending $400 a month, she cannot afford to wait, at 91, for another year of electioneering. I believe when there is a bipartisan bill before the Senate, she shouldn't have to wait.

I will continue to read from these letters. I hope folks will send copies of their prescription drug bills. We need to act on this matter. We saw again this weekend how important it is to the American people. I will be coming back to this floor again and again and again until we get bipartisan action on this urgent matter for millions of the Nation's older people.

I yield the floor.

ADJOURNMENT UNTIL 9:30 A.M. TOMORROW

The PRESIDING OFFICER. Under the previous order, the Senate stands in adjournment until 9:30 a.m., Tuesday, November 9, 1999.

Thereupon, the Senate, at 8:16 p.m., adjourned until Tuesday, November 9, 1999, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate November 8, 1999:

NATIONAL TRANSPORTATION SAFETY BOARD

CAROL JONES CARMODY, OF LOUISIANA, TO BE A MEMBER OF THE NATIONAL TRANSPORTATION SAFETY BOARD FOR A TERM EXPIRING DECEMBER 31, 2004, VICE ROBERT TALCOTT FRANCIS II.

DEPARTMENT OF JUSTICE

DONALD W. HORTON, OF MARYLAND, TO BE UNITED STATES MARSHAL FOR THE DISTRICT OF COLUMBIA FOR THE TERM OF FOUR YEARS, VICE HERBERT M. RUTHERFORD III, TERM EXPIRED.