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Senate

The Senate met at 10 a.m. and was called to order by the President pro tempore (Mr. STEVENS).

PRAYER

The Chaplain, Dr. Barry C. Black, offered the following prayer:

O God, the King of Glory, Your never failing providence sets in order all things both in Heaven and Earth. You give comfort to all who seek You. You have promised to supply all our needs with riches from Your celestial bounty.

You are at work in the events of our lives, bringing melody from cacophony and unity from division.

Bless our Senators as they trust Your mighty power. Bless, also, the members of their families who support them in their arduous work. Remind each of us that righteousness is the only true national defense.

O God, we wait for You to answer and trust You with our future. Help us to live by faith, so that we are acceptable to You. May the lives we live tell the world of Your marvelous deeds.

Amen.

PLEDGE OF ALLEGIANCE

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

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

RESERVATION OF LEADER TIME

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

MORNING BUSINESS

The PRESIDENT pro tempore. Under the previous order, there will be a period for the transaction of morning business for up to 60 minutes, with the first 30 minutes under the control of the majority leader or his designee,

and the second 30 minutes under the control of the Democratic leader or his designee.

RECOGNITION OF THE MINORITY LEADER

The PRESIDENT pro tempore. The Democratic leader is recognized.

THE TRANSPORTATION BILL

Mr. DASCHLE. Mr. President, this week we have been talking about a fundamental standard to guide our debates in the Senate.

As we do our work, we need to ask a simple question: "Are we doing right by America?" We need to ask that question on policies affecting farmers, seniors, and veterans. And we always need to ask whether we are doing right by American families when it comes to economic policies.

While the economy has finally started adding jobs these past few months, this comes after 2½ years in which the economy lost jobs every month. What is clear to many of us is that we still have a long way to go, and we need to do more to help improve our economy. That is one of the main reasons it is so unfortunate that we have not completed the long-overdue transportation reauthorization bill—legislation that expired at the end of last September.

The ability to plan how roads and bridges will be built has suffered greatly due to Congress's failure to get this bill completed on time. Well over 100,000 jobs have been lost due to this delay. And each month that we do not complete our work brings more job losses.

Job creation will suffer, too—in South Dakota and across the country. In my State, because our construction season is short, there is not enough time to plan ahead and put people to work, even if we passed a bill today. But we will not pass a bill today.

Earlier this year, on February 12, the Senate passed S. 1072, the Safe, Ac-

countable, Flexible, and Efficient Transportation Equity Act. It was passed by an overwhelming, bipartisan vote of 76 to 21. The Senate bill would authorize \$318 billion over 6 years and is revenue-neutral. It is fully paid for and does not increase gas taxes.

Nearly 400 organizations, representing the full spectrum of transportation interests, all support the Senate funding level.

The Chamber of Commerce, the Associated General Contractors, the governors, the State legislators—the list goes on and on. All attest to the need for this kind of infrastructure investment.

The Senate bill would create over 1.7 million jobs—new, good jobs for the millions of Americans who are looking for work. In my State, the Senate bill would create over 6,500 jobs. It would also provide for important transportation needs on our rural roads and Native American reservations, and would allow us to move forward with high-priority projects in towns like Sioux Falls, Rapid City, Yankton, and Pierre. These are important projects that simply will not get completed without the assistance of the Federal Government.

One might ask: "What was the Bush administration's response to the Senate's bipartisan job-creating bill?" Their response has been, a veto threat—hardly the answer that Republicans and Democrats alike were hoping for; hardly the response that the economy needs; and hardly the response that the infrastructure deficit we have in this country cries out for.

Fast forward to April 2. After a bipartisan House plan to offer a bill at a \$375 billion level was scuttled by the Bush administration and the Republican House leadership, the House passed H.R. 3550, the Transportation Equity Act. This bill authorizes only \$284 billion over 6 years, and is not fully paid for. Again, one might ask: "What was the Bush administration's response to the House bill?" If it did

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



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not like the original bipartisan House proposal at \$375 billion, and it did not like the bipartisan Senate bill at \$318 billion, how about the reduced bipartisan House bill at \$284 billion? The answer was another veto threat.

Again, hardly the answer that House and Senate Republicans and Democrats were hoping for from their President and hardly the response the economy needs.

Fast forward one more time to June 23, when the Senate conferees voted in the conference committee meeting with the House to resolve the differences between the two bills. The Senate made a formal offer to the House in the amount of \$318 billion and requested that the House respond to the offer at the next meeting on July 7. So, yesterday, after 2 weeks' time, the House and Senate met again. There had been hopeful signs that the House conferees might be prepared to accept the Senate's funding level, and many of us thought we might have a breakthrough that would move the bill forward. But what did we hear yesterday? The House was not yet prepared to respond to the Senate's offer.

What is clear to many of us is that unless the White House and the Republican leadership in the House release their stranglehold on House conferees, we will not have a transportation bill this year.

Transportation has almost always been—and has been in the Senate again this year—a bipartisan priority. Chairman INHOFE has done a superb job of guiding the bill forward. But he cannot do it alone.

I remain hopeful that the Bush administration will realize that our economy, our infrastructure, and American families need and deserve a good transportation bill, a bill that will create good jobs and provide the investments in our Nation's infrastructure that are so desperately needed.

We need more than a President who simply says "no"—a President who says he will veto a final transportation bill with either the Senate or the House spending levels.

By continuing to say "no," the President jeopardizes 1.7 million new jobs in our Nation and 6,500 jobs in South Dakota alone. He puts at risk necessary improvements for rural and Native American roads.

Next Tuesday, there will be another meeting of the conferees. I hope this critical issue of the investment level will be resolved, and that we can get on with the business the American people expect us to conduct. If we ask ourselves, Are we doing right by America on this transportation bill? The answer is that the Senate has done right. The House has made a start. But, unfortunately, without the President's constructive participation, we cannot complete the assignment. We will not have a transportation bill. We will not create needed jobs. We will be failing the American people.

I urge all Americans to let their Representatives in the House know, and let

the President know, that we cannot afford to fail when it comes to this important bill.

We can do better, and I remain hopeful that the President will confront the challenge, reverse his continued opposition, and join the Senate in supporting a transportation bill that makes sense for our country.

Mr. President, I also want to address a concern that many of us expressed yesterday about our current circumstances, procedurally and parliamentarily.

The majority leader threw down the gauntlet again last night in a very unfortunate decision. That decision, of course, was to file cloture. Having filled the tree, which means not only are Senate Democrats precluded from offering amendments before we have even offered the first amendment or had one vote, it is now the majority's decision to thwart the effort to have the kind of debate that all of us anticipated on class action and, simply said, we will have wasted an entire week in what is a very limited legislative period to begin with.

There is no question the cloture vote will be defeated. We will have wasted that week. We could have disposed of most of the amendments by now. Most of my colleagues had already expressed to me a willingness to offer their amendments with very short time limits. How ironic that in the name of saving time we have wasted time.

I made a legitimate and bona fide heartfelt offer yesterday that we limit Democratic nonrelevant amendments to 5, relevant amendments to 10. I thought it was an interesting juxtaposition—the majority leader actually offered an unlimited list of relevant amendments which would have prolonged debate perhaps for weeks if that had been agreed to.

We have made a good-faith offer. I am troubled and again frustrated that we have come to this point. We have wasted a week. We will waste many more days, if not weeks, in the future with this practice. We have learned from the past how unproductive these approaches to debate can be. It is too bad we have to learn all over.

I yield the floor.

The PRESIDENT pro tempore. The Senator from Utah.

Mr. REID. Mr. President, will the Senator from Utah yield for a unanimous consent request?

Mr. BENNETT. I am happy to.

ORDER OF PROCEDURE

Mr. REID. First of all, I ask consent morning business be extended 5 minutes on each side.

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

Mr. REID. Mr. President, I ask on the Democratic side, when our time occurs in half an hour, that Senator HARKIN be given 15 minutes, Senator LAUTENBERG 10 minutes, and Senator CANTWELL 10 minutes.

The PRESIDING OFFICER (Ms. MURKOWSKI). Without objection, it is so ordered.

THE ECONOMY

Mr. BENNETT. Madam President, one of the things that has struck me since I have been in the Senate is that during debate in the Senate, particularly during morning business, Senators seem to have no sense of history. They seem to create a crisis out of the moment and have no sense of placing their statements in any kind of historic context. This is an opportunity for missing what really is happening. If you do not place something in its context, you do not understand it properly. For that reason, I have decided to talk a little bit about the debates that have been going on with respect to the economy, where the economy is, where the economy is going.

Let me take listeners back to the election of 1992. I have particular focus there because that is the election in which I was first chosen to come to the Senate. During that election, there was a lot of conversation about the economy. We were in a recession, everybody said. We are in a terrible slowdown, everybody said. In fact, as we now know, looking at it in historic context, things were on the rise. There had, in fact, been a recession, but we were in recovery during the election of 1992. It just did not feel like a recovery.

That is one of the historic lessons we should all learn. The sense of where we are is almost always lagging events. That is, we have a feel that we are in a recession when, in fact, we are in a recovery. On the flip side of that, we can have a feel that we are in a recovery when we are, in fact, in a recession. It is because things take a little while to sink into the consciousness even though they are going on in reality.

In 1992, then-Governor Clinton and I, running, obviously, for different offices, both were faced with an electorate that felt the economy was in trouble. We both talked about what we needed to do to get the economy out of trouble. Then, when the normal course of the business cycle brought the economy back, the temptation on the part of all politicians was to take credit for that, as if the recovery that was taking place in 1993 and 1994 occurred solely because we had been elected. That is very satisfying for a politician to want to do. It does not happen to be intellectually accurate, but it is something everybody does.

As I say, I was elected in 1992. In 1993, I joined the Banking Committee. As a member of the Banking Committee, I had the occasion to listen to the Chairman of the Federal Reserve Board when he came before the Banking Committee to make his report on the state of the economy. I remember very clearly because the Chairman of the Federal Reserve Board, Alan Greenspan, had been appointed by a Republican President and was viewed as a Republican

holdover, some of the Democratic members of the Banking Committee were very critical of him at the time. They said: If this is a recovery—voices dripping with sarcasm—where are the jobs? I remember charts being held up in the Banking Committee to confront Alan Greenspan to say, if it is a recovery at all, it is a jobless recovery. Where are the jobs? Greenspan was subjected to heavy criticism from Democratic members of the Banking Committee because somehow it must be his fault that there was a jobless recovery.

Looking back, again in the context of history, we know that the creation of jobs is always what the economists call a lagging indicator. That is, a recovery starts; it takes hold; the jobs that had been lost in a recession are always the last thing to come back in a recovery.

The jobs started to come back in 1994, in 1995. The Clinton administration took credit for that: We did it; the only reason the jobs came back is because Bill Clinton was elected President in 1992. The Republicans had an answer to that: No, we did it; the only reason the jobs came back is because Newt Gingrich became Speaker in 1995. In fact, of course, the business cycle was well entrenched, the recovery was underway, and the jobs came back, probably without regard to who was President or who was Speaker. It was part of the standard business cycle.

Then we got into that period of boom, and everybody was excited that the boom was going to go on forever. I remember asking Alan Greenspan in one of his other appearances before the Banking Committee, as we were talking about the continual rise in the economy: Mr. Chairman, have we repealed the business cycle? Is the business cycle over, and we are never going to have another recession?

Chairman Greenspan smiled that wry smile of his and said: No, Senator, we have not repealed the business cycle, and there will be a correction, a recession—call it what you will—at some point in the future. We cannot predict when and we cannot predict how deep, but it will be there.

The point of this in political terms is that President Clinton and the Congress that was elected with him in 1992 inherited a strong recovery tide in the economy. However much we took credit for it ourselves, we really had little or nothing to do with it.

Now, let's go ahead 8 years to the election of 2000. In the election of 2000, it felt as if the economy was still enormously strong. Remember, I discussed our feelings of how things are going usually lag reality. In fact, we now know that the economy started to slow down in 2000. We now know that gross domestic production growth, which is the main measure of recessions and recoveries, was dropping sharply in the last two quarters of 2000, but it did not feel like it. The layoffs had not started yet because businesses were hoping this was temporary. Employment was still up, and we talked about this enor-

mously strong economy we were having.

Looking back on it now, we know that the President who was elected in 2000 inherited a slowing economy headed toward recession, in contrast to the President who was elected in 1992, who inherited a strong recovery headed toward a period of great growth. Naturally, in the political world, that President was blamed for that slowdown. It all happened on his watch, so it was all his fault.

Interestingly enough, I recall that in the election of 2000, there was one candidate who spoke of the coming slowdown, and he was attacked for trying to talk down the economy for political purposes. That was Governor George W. Bush of Texas, holder of a Harvard MBA, who could see the signs that this slowdown was coming and talked about it during the campaign, only to be attacked by his political opponents for his pessimism.

But he inherited a slowing economy, a slowdown that started in 2000. The GDP went negative in the first quarter of 2001 and hit its worst point in the third quarter of 2001, simultaneous with September 11 and the hit that gave to the economy.

So we did have a recession. It was advertised and forecast by the economic information that preceded it, and the President and the Congress have been struggling with that recession and the recovery that has followed ever since.

It is interesting to me that even though that recession was shorter and shallower than the recession that had occurred 8 or 9 years before, the rhetoric on the Senate floor referred to it as "the worst economy in 50 years." We were told this President was "the worst President since Herbert Hoover." No sense of history, no understanding of the reality, no connection with the real data—but that kind of rhetoric has been used on the floor of the Senate.

It is also interesting that the same attack that was made when Bill Clinton was a fresh President was made again with respect to this recovery: Where are the jobs? The same questions I heard thrown at Alan Greenspan by the Democrats on the Banking Committee have now been thrown not at Alan Greenspan but at George W. Bush: Where are the jobs? Once again, economic history shows that jobs are the lagging indicator, that jobs come at the end of the turnaround and not in the middle of it. And now, exactly on time where economic history would indicate, the jobs have started to appear.

All of a sudden, the argument that this is a jobless recovery no longer holds any water. We have increased jobs for 10 consecutive months. In the months of March, April, and May, we added more jobs to the economy than were lost in the 3 months following 9/11. We had the disaster of 9/11 and 3 months of a loss of jobs. As the airline industry went into the tank, the hospitality industry and others were shattered by the 9/11 situation. We lost a

tremendous number of jobs. In March, April, and May of 2004, we added more jobs than were lost in that corresponding 3-month period following 9/11.

So now we do not hear about the jobless recovery any more. Now the rhetoric has shifted to "the middle-class squeeze." I heard one Senator on the Senate floor stand here and say: Property taxes in my State have gone up so high the middle class cannot handle it—to which I want to say, you mean George W. Bush is responsible for the fact that property values in your State have gone up, and your State legislature has responded to that by reassessing property and raising property taxes in your State? That is the President's fault?

Well, in today's political atmosphere, of course, it is the President's fault. Anything that happens is the President's fault.

The point I want to make is, in historic terms, just as President Clinton inherited an economy that was on the rise because of forces that were in place prior to his election, just as President Bush inherited an economy where the forces were on the decline prior to his election, the next President, the one who will be inaugurated on January 20, 2005—whoever he may be—will inherit an economy that is strongly on the rise where all of the economic indicators are up and where the groundwork for a significant period of growth and prosperity has already been laid. Whoever that President is will take credit for that growth, even though the groundwork for it has been laid prior to his inauguration.

Now, I will say that if that President is George W. Bush, he might be entitled to some of that credit. But the fact is, the combination of the actions in monetary policy by the Federal Reserve Board and in fiscal policy by the Congress of the United States has been responsible for creating the atmosphere of economic growth and strength the next President and the next administration will preside over.

I repeat what I say here often: We politicians need to have a greater sense of humility and reality and understand we do not control whether the economy is good or bad. If we could control that, the economy would constantly be good. What politician of either party would deliberately preside over policies that make the economy go bad and the voters get mad? If it were up to the Congress to say, "Do this, and the economy will be good" or "Do that, and the economy will be bad," every Congress, regardless of ideological stripe, would always say, "Let's do what makes the economy good."

So maybe it is time to visit just a little bit about what causes the business cycle. It is not elections. Recessions are caused by one of two general categories of events. One which we cannot control is outside shocks, such as 9/11, such as the oil shock that set off the recession in the 1970s. Recessions are

caused by shocks that are outside our control.

Or the second general category: They are caused by a series of mistakes, mistakes that business men and women make. They make decisions about purchasing stock and then discover they have too much inventory. They make decisions about going into a market and discover that the market will not work, and they have to lay people off. They make decisions about the future of their product and then discover the product will not sell, so they have to cut back.

When the number of decisions that are wrong exceeds the number of decisions that are right, in an \$11 trillion economy, you get a recession. The recession is the way those mistakes are paid for. The recession is the way the impact of those mistakes are corrected.

Perhaps the most dramatic one I can think of was the recession of 1958 where the automobile industry collectively made a series of major mistakes. They assumed the boom they had in previous years—1955 model year, 1956 model year, 1957 model year—was going to go forward, and then suddenly they discovered they had huge amounts of inventory on their hands, as people did not buy cars at the same level they had projected. As a consequence, the automobile industry started to shut down until the inventory got sold off. That meant the steel industry, the aluminum industry, the glass industry, the rubber industry, all had to shut down because they were not building cars, and we had one of the most difficult recessions we have had in the postwar period in 1958. The recession was the way you corrected those mistakes. It did not have anything to do with who was elected President or who was elected to the Congress; it was caused by a series of bad business decisions on the part of people in the automobile industry.

Look at the recession we have just gone through. What did it come on the heels of? Yes, 9/11 was there. Yes, there were some outside shocks. But it came after what we called the dot-com bubble. A lot of jobs were created in companies that were not earning anything. They had no income other than selling stock on the stock market. People got caught up in the froth of the dot-com bubble: This is going to be a great future; we are going to buy the stock, and we are going to get rich.

Somewhere along the line somebody said: But where are the earnings? When it dawned on people these companies with these brilliant projections and plans had no earnings, shareholders decided they did not want to hold those stocks anymore. The dot-com bubble burst. The stock market collapsed, and we were on our way toward a correction or, if you will, recession. It had nothing to do with who got elected.

But this point I want to make: Maybe we in government can't create economic growth. Maybe it doesn't

matter who gets elected in terms of economic power. But we can certainly do dumb things that can hurt it. The Federal Government can't create jobs, but the Federal Government can mess up the economy in such a way that jobs are destroyed.

How do we do it? One of the ways that we disrupt the economy, and we do it regularly, is by our tax policy. We can create an atmosphere where it is easier for the economy to grow, or we can create an atmosphere where there are penalties in the form of taxes when the economy grows.

I have told this story before about my own experience founding a company and making it grow in what some have called the decade of greed. When Ronald Reagan was President and the Congress created a situation where the top marginal tax rate was 28 percent, oh, what a tremendous windfall for the rich to have the top marginal tax rate at 28 percent. What they don't realize, those who talk about how terrible this was, is that the enormous economic growth we had in the 1980s, and indeed on into the 1990s, in my view, was spurred by the fact that a company like ours, starting with four employees and growing ultimately to 4,000, was able to finance that growth because we were able to keep 72 cents out of every dollar we earned.

When the Clinton administration came in, and the Congress responded to his call, the top marginal tax rate went effectively to over 40 percent, which meant a starting business was able to keep only 60 cents out of every dollar that it earned and had to go someplace else to finance its growth rather than from internal funds.

I have made these points before. I have learned in the Senate there is no such thing as repetition because on the other side of the aisle we get the repetition day after day about how terrible the economy is.

I say again, in conclusion, the next President, whoever he is, will preside over a strong and robust economy. The groundwork for that reality has been laid during the last 4 years. Whoever takes credit for it in the next 4 years will be taking credit for work that was done prior to his taking office.

I yield the floor.

The PRESIDING OFFICER. The Senator from Wyoming.

VENUE SHOPPING

Mr. THOMAS. Madam President, I appreciate the comments of the Senator from Utah. Certainly, the impact of the economy on all these things is a little hard to determine and easy to make political. I hope we can understand and stick with some of the economic elements that are there and then deal with the political ones that go with it.

First, let me say I am a little disappointed in the way we are moving in the Senate, frankly. We don't have many days left to deal with a number

of issues. Frankly, I think we have about four or five issues that we ought to be dealing with. One, of course, is the difficult one called the budget.

Some people out there say: Why do you fool with it? You don't pay any attention to it anyway.

That is not true. It is a way to protect spending within the limits of the budget. If you don't have one, that makes it difficult.

Appropriations, of course, must be done by the end of September in order to continue to deal with the things we must do.

I believe our energy policy, where we are going in the future, ought to be laid out. That is one of the most important issues we have before us.

And as the Democratic leader said this morning, the highway bill has the most direct impact on the creation of jobs of anything we could do, and we have completed all the efforts on that for some time.

I am certainly hoping that we can move forward. Unfortunately, we have been held up by this idea of having unrelated amendments to every bill. We ought to fix that issue. When we are on an issue, we ought to stick with that issue and have only amendments that are pertinent. But that is not the case, of course. We use every bill as an opportunity to bring up something totally unrelated, and that has been a problem.

In any event, I will discuss a little while this morning something that is related to what we are talking about on the Senate floor. It isn't part of the bill, nor do I expect to put it in as an amendment, but I think it is something that is quite important to the legal system, particularly as it affects decisions vis-a-vis public lands. Of course, being from Wyoming—the Presiding Officer being from Alaska—a large percentage of our States is public lands. So how decisions are made with respect to those is very important.

Furthermore, we find ourselves with an increasing number of lawsuits. Unfortunately, we almost have ourselves in a position of managing through lawsuits as opposed to managing based on good decisions.

I would like to talk a moment about venue shopping. We have been steamrolled in Federal land issues by judges who are thousands of miles away from the area where the question is raised. Specifically, these courts have systematically denied access to Yellowstone and Grand Teton National Parks. We have national parks to protect them, and at the same time, so that people can enjoy them and have access to them. Those are the important things.

Special interest groups that have different feelings about it like to search out over the country for a venue where they think they can go that will give them the best opportunity to succeed in the lawsuits that they have filed. Environmentalists tend to go to a venue in Washington, DC, for a more sympathetic court than those courts

they are closest to and deal with the issues that are there. This action, of course, is contrary to the system of circuit courts, judges thousands of miles away from disputes involving certain impacted areas. Those lawsuits should be tried in the courts of primary jurisdiction because they are the courts that are there.

We have had a real problem in Yellowstone National Park. The district court judge here in Washington decided to move back again on something that we thought was resolved. The Park Service had asked for relief from Judge Sullivan's December order because it would have left an impossible decision. It then moved back to a Wyoming court where it belonged, a Federal circuit court, of course. So now we find ourselves with 2 years of indecisiveness which means we have not made a decision. People don't know whether they can go into Yellowstone Park in the winter.

I have introduced legislation that would limit the ability of individuals to venue shop. Federal land issues arising in a particular State ought to go to that circuit court in which the Federal judges there are involved. These Federal judges have the same qualifications as anywhere else, and that is what Federal courts are for. That is why we have different venues. So it is important. Access to public lands is very important to our State and certainly we need to exercise the system that has been set up.

The Federal judiciary is a system of circuits. Wyoming is in the Tenth Circuit. Unfortunately, this system now allows people to go around the Tenth Circuit and go to another place where they think they will have better success.

My friend from Montana is here. I hope and I am pushing for a bill that says you ought to go to the circuit in which the problem arises for the Federal court jurisdiction.

I yield the floor.

The PRESIDING OFFICER. The Senator from Montana.

A ROCKY START

Mr. BURNS. Madam President, we all came back from our States after the Fourth of July break knowing that we would be working on a short timeline. Lots of legislation and policy has to be done before we end this Congress and all go home and campaign for election and reelection. We are off to kind of a rocky start. Not only do we not have a budget and the rules that we must abide by within a budget in order to proceed to appropriations and to make any sense out of the appropriations process, but we also do not have our appropriations process as being sort of supplanted, that we may have to take another tack in order to pass them and keep the Nation's Government in business.

This week, we have witnessed that we are not really ready to pass any leg-

islation in this body. We, as 100 Senators, are concentrating on votes and issues that lean to doing the business of a political party rather than doing the people's business, which we were sent here to do. This is the people's forum. All people in this country expect us to get our work done. We have issues that are held up, yes, in policy, but the business of financing this Government in a direction that faces the challenges that we do at this time is also being held up.

I am sorry we could not move on to the class action legislation. It was not the intent of this Senate to do that, as objections were thrown out that blocked the legislation no matter what the conditions were, let alone amendments—no agreement on them or a timeframe in which to finish the legislation.

This is important for small business. Class action is important for a State such as mine, because we are a State of small businesses. We don't have any large corporations in the State of Montana. Lawsuits—and frivolous lawsuits—are just sapping the life out of the people who perform the services and deliver the goods for the rest of the citizenry in the State of Montana. That is not being allowed to move forward. Under any condition, there is an objection. Are we heading toward the small end of the tunnel whenever we get down to the end of the session, and then everything breaks loose—issues, bills, and articles are moved much faster. Sometimes they move so fast there are some unintended consequences.

I am disappointed that we don't finish our business. This is the people's house. Issues are on the line. We are just wasting our time. In fact, we are doing it to the point where we might as well be home, working at home, and whenever we decide we want to do business, then we will come back to town and complete the Nation's work.

It is incumbent upon all of us who share the same responsibility, not only to our States but to this country, to complete the work at hand, providing economic opportunities for more people, which we have done.

Look at the statistics. More people own homes now in the United States than ever before in the history of this country, and the same is true about Montana. More people are working today than any other time in Montana history. We gained jobs in the last 4 years, when the rest of the country was struggling. We want to keep that trend going, expanding. Yet we are held up here on issues that are very important in order to make sure that the expansion continues.

I appeal to my colleagues on both sides of the aisle. It is time to move from the frivolous discourse that we have heard in the last couple of weeks and this week, and get on with the business at hand and vote. Let the will of the American people be heard and done. It is our responsibility. It falls on each and every one of our shoulders,

and if we are part of an obstructionist move, we must reassess our position and understand what is at stake.

I appeal to my colleagues. It is time.

I yield the floor.

The PRESIDING OFFICER. The Senator from Iowa is recognized.

Mr. HARKIN. Is this Senator allotted a certain amount of time?

The PRESIDING OFFICER. Fifteen minutes.

CIA AGENT REVEALED

Mr. HARKIN. Madam President, yesterday I stood before the Senate and noted that it had been almost a full year since the identity of a covert CIA agent was revealed in print by the columnist Robert Novak. It has been 360 days and counting. Next Wednesday, it will be 1 full year. It is time to ask, Why hasn't the White House cleared this up?

Madam President, 360 days have gone by since a CIA agent's name was revealed by top White House officials. We know how agent Valerie Plame's coverage was blown. Back in September, the Washington Post reported that two senior White House officials called at least six Washington journalists and disclosed the identity of a covert CIA agent.

It has also become fairly clear why the agent's cover was blown. It was part of an ongoing effort to discredit and retaliate against critics of this administration, especially those who revealed that intelligence used to justify the war in Iraq was flawed or fabricated. Now Ms. Plame, as we know now, is married to former Ambassador Joseph Wilson. Ambassador Wilson was sent on a factfinding mission to Niger to examine claims that Saddam Hussein had sought to purchase uranium from that nation. He found no evidence to support the claim. But President Bush, nonetheless, made that claim in his State of the Union Address.

How those famous 16 words read by the President to the listening Nation about the efforts by Saddam Hussein to purchase uranium from Niger made it into the State of the Union Address remains a great literary mystery. Who lied in President Bush's State of the Union speech? We still don't know. We do know that Ambassador Wilson published an article disputing the uranium claim in the New York Times. Apparently to discredit and punish Mr. Wilson, senior White House officials leaked the identity of Wilson's wife and the fact that she was a CIA operative.

One day Ms. Plame was a valued human intelligence asset; the next day she was political cannon fodder. What we still don't know almost 1 year later is who the senior White House officials responsible for this destructive leak were. We still don't know who it was that gave this classified information to the White House, to the leakers. Was it someone at the NSC? Was it someone at the CIA? Was it the same person who made the decision to include the

false claims about uranium from Niger in the State of the Union Message?

Madam President, 20 years of training and experience and millions of dollars were invested in this agent. Leaking her identity violated the law and constituted a betrayal of this country. Yet, for all we know, the person responsible for this betrayal could at this very moment still be exercising a senior decisionmaking role in this administration where the buck never stops, an administration where abuses occur, but no one at the top is ever forced to accept responsibility.

In her 20-year career, Valerie Plame operated with unofficial cover, which means she had no diplomatic immunity. Effectively, her only defense was a painstakingly created and maintained cover. She worked closely with undercover operatives and a network of contacts. All were potentially placed in jeopardy and exposed to danger by the disclosure of her status.

Last November, we heard testimony from three former CIA experts. They all agreed on the far-reaching damage this disclosure represented for Ms. Plame's broader network of contacts and for the intelligence community as a whole. After all, what guarantee does any intelligence agent now have that they could not be the next victim of some administration's smear campaign?

Vincent Cannistraro, former chief of operations and analysis at the CIA Counterterrorism Center, said of the Plame disclosure:

The consequences are much greater than Valerie Plame's job as a clandestine CIA employee—they include the damage to the lives and livelihoods of many foreign nationals with whom she was connected and it has destroyed a clandestine cover mechanism that may have been used to protect other CIA nonofficial cover officers.

James Marcinkowski, a former CIA operations officer, seconded this by saying:

The deliberate exposure and identification of Ambassador Wilson's wife, by our government, was unprecedented, unnecessary, harmful and dangerous.

Larry Johnson, a former CIA analyst and State Department employee, said:

For this administration to run on a security platform and allow people in the administration to compromise the security of intelligence assets, I think is unconscionable.

No one in this Chamber, after listening to these three men, could have any doubts about the damage this act has done to the relationship between the intelligence community and the administration. From all reports, the special prosecutor, finally appointed the day before New Year's, Mr. Fitzgerald, has been conducting a very aggressive investigation. He has issued subpoenas, called witnesses before a grand jury, and interviewed the President and Vice President.

I inquired as to whether the President or Vice President were put under oath. I am informed they were not.

Now I find this more than passing strange that the previous President of the United States, President Clinton, when he was being questioned about his relationship with a White House intern, was put under oath and filmed, and yet this President and this Vice President, the head of an administration where people leaked the identity in clear violation of the law of a CIA operative, are interviewed; they are not put under oath; they are not filmed. Would someone please explain the priorities?

In fact, the President has been kind of cavalier and dismissive of this entire situation. In his only public statement about the leak, he told reporters, and this is a direct quote from President Bush:

... I don't know if we are going to find out the senior administration official. Now, this is a large administration, and there's a lot of senior officials. I don't have any idea.

That is what George Bush said on October 7, 2003.

What I would like to know is, where is the President's outrage? Where is the recognition that this is not the same as leaking promising numbers on the economy? Where is the President's fury that one of his own valuable intelligence assets has been destroyed? And what about the Vice President? We know he can be relentless when he is on a quest for information to justify the case for the war in Iraq. Where is his determination to find the people who have destroyed the confidence of the intelligence community in this administration?

All we hear from the President and the Vice President is silence on this issue, as if they do not want to know who leaked this information, or they know and they do not want to be held accountable. In either case, it is inexcusable for the President or Vice President.

The disclosure of Ms. Plame's identity represents an extremely damaging breach of national security. She worked gathering human intelligence, exactly the type of intelligence we have heard over and over again since September 11, 2001 that is so critical to our fighting terrorism.

Only 2 days ago, National Public Radio reported on the fact that there is a growing consensus on the need to improve our human intelligence capacity. There is a recognition that after years of increasing reliance on intercepts and satellite imagery, only solid human intelligence can help us deal with the type of insurgency we face in Iraq in effectively fighting al-Qaida.

The other critical point that was made is that sending troops to a training course on intelligence gathering is not enough. According to one CIA agent, he said it takes 10 years to season somebody as a case officer in order to judge the information and the people they are dealing with, check on bona fides. That is the kind of asset Valerie Plame used to be, and, as Mr. Cannistraro pointed out, the damage

that was done was not only to her but to her network and potentially to all CIA human intelligence operatives.

One publication reported after reading of her own blown cover, Ms. Plame immediately sat down to make a list of all of her contacts and associates who could be in jeopardy. I can only hope when we find out the identity of this leaker or leakers, that person is forced to see this list and be confronted with the full extent of their betrayal of this country and our citizens.

Usually when the cover of agents like Valerie Plame is blown and their contacts placed in jeopardy, it is a result of espionage. The perpetrators, when convicted, face life in prison or even death. In many ways, it is almost worse that this was done as an act of political revenge. The disclosure of Ms. Plame's identity was unquestionably a vicious act of political intimidation and retribution, but it is much more than that. It is part of a clear pattern of coverup, concealment, and contempt for the truth. That is why so much rests on the outcome of Mr. Fitzgerald's investigation.

We need to identify and prosecute those responsible for this damaging episode, and in so doing we need to send a clear message to the President and the Vice President that sacrificing intelligence assets and breaching national security is too high a price to pay for maintaining the issue of deceit that was used to justify the war in Iraq to the American people.

I yield the floor.

The PRESIDING OFFICER. The Senator from Washington.

ENERGY POLICY

Ms. CANTWELL. Madam President, I rise this morning to talk about where we are going with our Nation's energy policy and what this body and the House of Representatives are going to do in protecting consumers and ratepayers from continued market manipulation and energy fraud.

This morning, most of America woke up to a picture of one of America's corporate leaders led off to an indictment in handcuffs. Yes, that is right, Ken Lay from the Enron Corporation, while not found guilty today, was indicted on 11 different counts, including wire fraud, securities fraud, and making false and misleading statements. The question is whether this 65-page indictment of Ken Lay, which does prove that no one is above the law, is going to bring justice to ratepayers and consumers in America who have suffered from market manipulation at the hands of Enron.

I say that because there are still about 10 States in America that have utilities that are being sued by Enron. That is right, even though Enron has manipulated contracts, even though there are documents from Federal investigators showing that market manipulation has happened, Enron still has the audacity to sue utilities across

the country forcing them to pay on fraudulent contracts. For the State of Washington there has not been an insignificant consequence for our economy. The fact that people in Snohomish County had a more than 50-percent rate increase and have had that rate increase in place for some time, shows the great impact it has had on our ability to keep jobs, keep people in their homes with proper heating. Even the school districts have had challenges. Snohomish, Mukilteo, and Everett School Districts have estimated that they will pay \$2-plus million in energy costs if their utility is forced to pay Enron. That money could go for hiring teachers, putting classroom materials together, and helping to promote programs under the No Child Left Behind Act, but at the same time they are getting hit with exorbitant energy costs.

So my constituents want to know whether this 65-page indictment is going to lead to justice for Americans who have been impacted by this matter.

Washington is not the only State. Nevada, the State of the Presiding Officer who understands this issue well, has been impacted. There are States in the Midwest. There are many utilities that cannot believe that with all this information that has come about they are being asked to pay on these fraudulent contracts.

I think the question that Federal regulators ought to be asking themselves, and those who are responsible for the indictment of Ken Lay—I want to applaud the Department of Justice for doing the great work they have done in actually bringing about this indictment today. But the question becomes, How did Mr. Lay influence the rest of the regulatory process? If you are the Department of Justice you are bringing about justice to individuals believed to have manipulated the market, financial documents, or made false or misleading statements. Then is the Department of Justice not doing its job? The Securities Exchange Commission, an independent organization that has basically helped in producing this indictment, showing that there has been accounting fraud, aren't they doing their job? The question remains, Why aren't energy regulatory officials doing their job. They are the ones who are supposed to make sure there are just and reasonable rates and that there isn't market manipulation. And, basically, they have said you are right, there weren't just and reasonable rates as it relates to manipulated contracts, but we are keeping those contracts in place.

I raise the question this morning, with Ken Lay's indictment, whether in fact Mr. Lay did not have undue influence on the process of actually helping to get FERC Commissioners on board, and influencing policy by saying to them, stay the course with the California crisis and in the impact it is having on western markets. Today, I

say we definitely need relief from these Enron contracts.

Still, Mr. Lay sent a letter to the executive branch basically saying: I am attaching a list of potential candidates we think would do an excellent job on the Federal Energy Regulatory Commission. Basically, he went on in that document to then give a list of issues that he thought were very important to consider for the Commission appointees that he thought would help influence the process. Specifically, he talked about how basically the free market should continue to be allowed, that they should not push in the energy crisis for a variety of resolutions.

In fact, he actually said one of the criteria should be: Willingness to abolish current native load preference under current tariffs. For us in the Northwest, right there he was lobbying the administration to say, only appoint Commissioners to the Federal Energy Regulatory Commission who are going to let us have our way, putting whatever Enron power on the grid that can go on the grid. If we are willing to pay to put Enron energy onto the grid and pay more money than the Bonneville Power Administration is willing to pay, nominate FERC Commissioners that are going to let us do that.

He goes on to say that he wants to select people who are going to ensure that there are free markets and open access, which is a concern. While he mentions orderly rules of the road, one of the issues has been whether there have been any orderly rules of the road. I think that is part of the concern that we have with his indictment: how much did he influence the regulatory process?

A second thing came to light within the context of the Governmental Affairs Committee. The committee performed an investigation of how much Enron did influence the Commission. In fact, after reviewing memos that had been sent by Ken Lay to the Federal Government, to various individuals, including his support for the nomination of two of the Commissioners, basically the Senate Governmental Affairs Committee said that "documents obtained indicate that Enron attempted to directly and indirectly influence the FERC investigation of the California markets and subsequent decision-making."

So here we have Federal regulators that have been basically nominated and pushed by Ken Lay, and not in the normal, let's nominate somebody to head up an independent commission with such an important role for our economy and Government, way. He sent a letter basically with a litmus test:

Support these people to be Commissioners of the FERC if in fact they support this philosophy of continuing to let the market go without the proper rules and regulations, and basically let standard market design, something that this body has had a lot of concern about, let that be the policy of the day.

Well, one of our committees, the Government Affairs Committee, basi-

cally found that Enron attempted to have direct and indirect influence upon FERC's investigation of the market; that they were trying to lobby FERC, if you will, to do nothing about the California crisis. I find that a very interesting connection in this particular issue, again, because my ratepayers are continuing to pay exorbitant amounts for energy, being sued by Enron. They are on the hook for millions more. Madam President, \$122 million just from the utility in my home county is what they want to get out of our ratepayers, when they have admitted market manipulation. I find this interesting. The day that Ken Lay actually sent the letter to the executive branch was January 8, 2001. In it, he is basically saying: I want to get Commissioners who think like Enron does. I want to get those people making these important policy decisions. Here are the policy decisions I think they should make. Make sure these markets continue to operate in the way that Enron likes.

I find it amazing because instead of Ken Lay doing his job on a daily basis as a CEO, with oversight over an organization, he was lobbying for FERC commissioners. Meanwhile, less than 2 days after Ken Lay writes this letter we have audiotapes from Enron traders talking about the ricochet scheme, which was selling power outside of California and then selling it back in, doing that because it could get a higher price.

So he writes this letter on January 8, and we have audiotapes on January 18 of Enron discussing how they were manipulating the market using the ricochet scheme. On January 23, about 2 weeks after he writes this, there are tapes of Enron traders on the phone discussing how they are going to take a contract with a utility in my State, in Snohomish County, and jack up the price, lying to make them think there was a higher demand for the power, and that way the county would pay more money.

Just after that, 2½ weeks after he sends this letter, there is another audiotape where Enron traders are discussing how much money they are going to make off of the Snohomish County deal and how they are going to account for it in two different ways, one at \$10 million and the other at \$20 million, just because that is the way they keep the books.

Here is a CEO who is spending his time lobbying Federal regulators on how they should not take a hard stance in California, how they should do nothing about the crisis, how they should continue to let the free market work its will, and at the same time his own employees are on the phone talking about how to manipulate price and gouge consumers.

In fact, 2 days after this letter—sent on January 8—on January 10, traders discuss whether they should lie to the Wall Street Journal about their activities.

Here are the people who work for this company. He could have been doing oversight of the people within his company and the market manipulation, particularly since these individuals, executives of his company, had come before Congress basically telling everybody that they were doing their job and that market manipulation was not occurring.

I have a great deal of concern about whether this indictment of Ken Lay is going to bring justice for the American people and the ratepayers. Again, I applaud DOJ for getting the indictment, but the question is whether people who are still being impacted by this crisis are going to get relief.

What does Chairman Pat Wood of the Federal Energy Regulatory Commission say about Enron? At the time this happened, Pat Wood continued to be, I guess, a market-oriented person even though the deregulation experiment in California had proven to be ill-fated, it was proven people would take advantage and manipulate the market. The publication, *Inside FERC*, wrote that Pat Wood believed that "the marketmaking style created by Enron should be emulated by other companies and supported by regulators."

This is after Enron's bankruptcy. Enron had gone bankrupt and we had the chairman, supported by Ken Lay—we had the Federal regulator, who is the policeman on the beat supposedly protecting people—saying Enron should be emulated.

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

Ms. CANTWELL. I ask unanimous consent for an additional 5 minutes.

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

Ms. CANTWELL. I thank the Chair. What else did Chairman Pat Wood say about Enron and the market manipulation? I get that he thinks a market needs to be open, but a market without transparency and a market without aggressive regulators to make sure they monitor for manipulation is not a true market.

Pat Wood, again according to *Inside FERC*, shortly after Enron went bankrupt, said, "While Enron may be a 'goner,' . . . 'the innovation and entrepreneurial [spirit] that characterized this company remain . . .'"

I will hope Mr. Wood's observations have changed by today with the 65-page, 11-count indictment of Mr. Lay. There are lots of things going on here, and the entrepreneurial spirit that he thought existed in 2001 has definitely been characterized in a different light today. It has been shown that market manipulation has happened and was perpetrated by Enron.

I think where we are is taking a closer look at a deeper philosophy of what Chairman Wood really believes. It is a philosophy, again, where Chairman Wood of the Federal Energy Regulatory Commission was quoted as saying:

. . . the new breed of energy company, in fact, is going to be the only game in town 5 years from now.

That is his philosophy. This leads to the kind of hands-off approach for which Ken Lay lobbied. And again, an approach that the Governmental Affairs Committee said Enron attempted to put in place through direct and indirect influence on the Federal energy regulators. This is basically the policy I think got us into so much trouble in California, without regulators responding in due time. It is the same philosophy that has gotten utilities in about 10 States in financial risk because Enron continues to sue them. Pat Wood is clear in his philosophy. He thinks that the Enron model is the only game in town and it is the way we should proceed.

I can tell you, I don't think it is the only game in town. I don't think we are doing enough on this matter. This body needs to take a firm stand that market manipulation is wrong. It can't be just and reasonable. It can't be in the public interest. And it is not what we ratepayers across the country should be forced to pay on.

Again, Pat Wood, Chairman of the Federal Energy Regulatory Commission, has said, "We're doing the maximum we can do."

We are doing the maximum we can do. He said that in January of this year. In January of this year, while the utility in my State, in Snohomish County, was being the policeman on the beat, transcribing audiotapes, looking through documents, doing all the homework the Federal energy regulators should be doing. While Pat Wood was making the same statement saying we are doing all we can do, my constituents in Washington State were proving there was a heck of a lot more to do to give ratepayers justice.

Again, I applaud what the Department of Justice has done in the indictment of Ken Lay. They are going to try to get to the bottom of this story. But what my colleagues need to realize, and understand, is we have an imbalance. We cannot have the Department of Justice doing a great job with its Enron task force and prosecution of various Enron executives on accounting and securities fraud. We can't have the SEC doing a great job on making sure there are new securities regulations in place to make sure these violations don't happen again, and then have the Federal energy regulators who are in charge of protecting ratepayers fall down on the job. That is exactly what has happened. They have fallen down on the job, they are not protecting ratepayers. We are going to see that after this indictment we are going to continue to pursue this case in the Senate, if we have to, and in the House of Representatives, to make sure that all Federal agencies do their job, and they are giving justice to ratepayers who have been impacted by fraudulent contracts.

I yield the floor.

Mr. BINGAMAN. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER (Mr. ENSIGN). The clerk will call the roll.

The bill clerk proceeded to call the roll.

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

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

CONCLUSION OF MORNING BUSINESS

The PRESIDING OFFICER. Morning business is closed.

CLASS ACTION FAIRNESS ACT OF 2004

The PRESIDING OFFICER. Under the previous order, the Senate will resume consideration of S. 2062, which the clerk will report.

The assistant legislative clerk read as follows:

A bill (S. 2062) to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes.

Pending:

Frist amendment No. 3548, relative to the enactment date of the act.

Frist amendment No. 3549 (amendment No. 3548), relative to the enactment date of the act.

Frist amendment No. 3550 (to the instructions of the motion to commit), relative to the enactment date of the act.

Frist amendment No. 3551 (amendment No. 3550), relative to the enactment date of the act.

The PRESIDING OFFICER. The Senator from California is recognized.

Mrs. BOXER. Mr. President, I know that most in the Chamber, and those who are in their offices, went home to their home States over the Fourth of July break. It is always a treat for me to do that because, frankly, I think I come from one of the most beautiful places in the world. For me to go to California and get "rooted" in why I want this job, to protect that beautiful place, and to protect the people who live there and to work for them, it is always a joy.

Constituents asked me: What are you going to be doing when you come back? They had asked me about a number of issues they cared about. They are worried about this economy. They say it is uneven. They point out that college tuition is going up more than 20 percent. They are squeezed. They point out that gasoline prices in our State are raging. It is costing them more. They point out that their health care premiums are going up. They are worried about even keeping health insurance. Some of them do not have any.

Those on Medicare are very worried about what they view as a false promise of the administration's Medicare proposal which was supposed to be so great for them in terms of prescription drugs. It turns out the thing is so bureaucratic and such a nightmare they cannot figure it out.

Not only that, they express shock when I tell them in that bill we do

something outrageous, saying to Medicare, you cannot negotiate for lower prices for the people on Medicare. Constituents say: Wait a minute. Why does that make sense? If you are sitting across the table from someone and you represent 40 million senior citizens, you have a good card in your hand that you can play. You can say, if you want to have your high blood pressure medicine on our formulary, if you want to have your heart medicine on our formulary, if you want to have an arthritis drug on our formulary, you have to give us a better deal.

No, this administration and the majority in this body decided to tell Medicare they could not negotiate for lower drug prices for our seniors.

When I go home, people are flooding me with these questions. They are very worried about Iraq. What is the plan? What is the plan to get more help there? Why are we spending so much there? Why aren't we focusing on our problems at home? This is what I heard all over my State.

They ask: Senator, what is on the agenda when you get back? Which one of these issues are you going to take up? What about rail security? We are worried about that because we have a lot of Amtrak ridership in California. What about nuclear plant security? When are you doing more about that? I have to tell them the truth; that is, I am not in charge. My party is not in charge of the Senate. The Republican leadership has chosen, instead of putting any of those issues you have mentioned on the agenda, they are taking up class action reform because there is too much forum shopping—at which point they look at me and ask, What?—and we have to protect business from these consumer complaints.

They kind of look at me quizzically and say: There are other things that mean a lot more to my family. Then they ask: What are you going to take up after you take up class action reform? We are going to talk about gay marriage. And they say: Well, wait a minute. Every day in my life I have all these pressing issues; I thought the States handled that issue. Well, I say, you are right; the States have always handled that issue.

I find it amazing, given the Republicans are in charge of this Senate and they always believe in States rights and local control, they are now going to bring up the issue of gay marriage, and not only take it up—it was taken up once before; Bob Barr in the House wrote the Defense of Marriage Act, and Bob Barr said that would take care of everything and still says it takes care of everything—but, no, they are going to take the most precious document known to human kind, the Constitution of the United States, and they are going to now talk about marriage in the Constitution. In fact, marriage has been sacred in the various religions, along with the rules surrounding marriage, and the States have handled marriage for years.

My constituents are completely confused. They have many worries. They have many concerns. They are worried about the fact they are not respected abroad. They are worried about this recovery that they see as very wobbly. They see better corporate profits—although those seem not to be going as well—and they do not see the increases in their standard of living.

If we look at the numbers, the increase in the take-home pay, when you include inflation and the high cost of living, has only gone up about 1 percent, while all the other issues have gone up over 20 percent, the issues people deal with every day.

Now I come back to Washington and I am called to a meeting in a secret room in the Capitol. The press knows all about this. We are called to a secret room in the Capitol. We have to discuss the threats to our country. This is very serious stuff. Of course, I cannot go into everything that was said, but I can state what has been reported in the press, which is not classified. And that is, we need to be on the alert at home. We have known since September 11 that al-Qaida has cells in our country and that they never give up. If they fail, they go back again. We know all this. We need to stay ahead of the threat.

That is why I am so proud to be on the Commerce Committee. I am so proud to have as part of the portfolio of the Commerce Committee, rail security, aviation security, and port security. These are key issues. Since Madrid, for example, and the horrible bombing of the train there, we need to be on our toes. That means we need to pass rail security legislation.

This is the great news I have for my constituents and for all Americans. At a time when we are in the middle of an election, where there is a lot of disagreement, where we have even seen language that is prohibited to be used in the Senate being used by the Vice President of the United States—in other words, a time where emotions are running high politically—guess what happened on rail security. Every single member of the committee voted for that bill—every single member. From liberal to conservative, to moderate, everybody voted for that bill. That means we could easily take up that bill. That means we could easily pass that bill.

But what do we have before the Senate? Class action. The people who want us to pass this bill say there is a lot of abuse and that we need to make sure we take these cases away from the States and put them more into the Federal courts. Again, I find it unbelievable that we have a Republican majority that keeps saying, States rights, States take care of it, States do it, but when they are not happy with the way it goes—oops, forget that. As Roseanne Rosanna-Dana used to say, "Never mind." Take it to the Federal court. Everyone knows what will happen there.

A lot of these cases are very important. We remember Dalkon Shield was one of those class action cases where women were dying. Not until there was a class action lawsuit was that fixed. That does not mean there aren't abuses. It does not mean that we cannot have reforms.

It does say to me that there is no crying need to take this up when we are called to room 407 for a secret briefing about the threats that face this country before the election. It is extraordinary to me. And I believe the American people who are watching what we do here are thinking: What is the Senate doing about my life, about my family, about what I need for my kids?

I went to a press conference on the minimum wage. Do you know the minimum wage has not been raised in 8 years? Every colleague here has had a pay raise. For 8 years the minimum wage has not been raised. People are living below the poverty line. Mr. President, 61 percent of those people happen to be women, many single moms. All we want is a chance to do that. We should do that by unanimous consent today. Why do we need to debate it? Eight years long and no increase in the minimum wage, zero.

These are people who work hard. These are not mostly teenagers; these are grownups who are working hard to support their families on the minimum wage. The cost of living has gone up 14 percent in those 8 years. The minimum wage has stayed stagnant. These people are falling, falling, falling, falling—and we talk about family values here? And we are rushing to do a marriage amendment when the States are taking care of that?

My State has decided what it wants to do. They have a law. It is not perfect. It says there are domestic partnerships and they have rights and responsibilities. We could make it better. But do you know what. My State has taken care of this, thank you very much.

It is all about politics, folks, let's face it. For 5 minutes, why don't we put aside politics and pass the minimum wage and help the millions of people who need it to be done? What are we talking about? We are talking about an increase, over a couple years, of \$3,800 a year for these people, who will still be below the poverty line. I bet if you had a vote in this Senate, the way it is made up, to give more tax breaks to the people making a million bucks a year, it would fly through here, it would fly through this place, even though those in the million-dollar range are already getting back hundreds of thousands of dollars a year. Imagine.

So every once in a while I come down to this Senate floor and I say: Why am I here? What are we doing? Are we meeting the needs of the people? And this is a perfect time to do it because there is a bill on the Senate floor that not one person in my State, except

high-paid lobbyists in very fancy suits, want to take up. This is true. The things we should take up, the things we talk about in that room, that secret room in the Capitol—making our rail systems safe, making our ports safe, making our buses safe—oh, no, we do not have time for that because after we do this for the big businesses in this country, oh, we are going to go on to gay marriage before the Democratic Convention so some people can cast a vote that might hurt them in their election. Shame on us. We should be better than that as Senators. We should be better. So I am going to give us a chance to be better.

UNANIMOUS CONSENT REQUEST—S. 2273

Mr. President, I ask unanimous consent that the Senate proceed to calendar No. 536, S. 2273, the Rail Transportation Security Act, that the bill be read a third time and passed, and that the motion to reconsider be laid upon the table.

The PRESIDING OFFICER. The Chair informs the Senator from California that in my capacity as a Senator from the State of Nevada, I object at this time.

Mrs. BOXER. I understand.

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

Mrs. BOXER. I will yield for a question.

Mr. REID. Is the Senator from California saying that we should be engaged on the Senate floor today on issues relating to homeland security; that is, the security of the State of California, the State of Nevada, and the other 48 States, and that we should not be wasting our time on class action? Next we are going to go to a gay marriage amendment. Would the Senator acknowledge no matter how strongly people feel about this gay marriage amendment, it has no—zero—I am from Nevada; I do not gamble personally, but I know a little bit about it, having been chairman of the Gaming Commission—it has zero chance of passing. None. It won't pass. And we are going to spend valuable Senate floor time on an amendment that stands absolutely no chance of passing when we have at the desk the homeland security appropriations bill, and I have been told today we are not going to go to that until September.

Now, is the Senator saying we should not be doing class action, we should not be doing gay marriage, we should be doing things that make my family and your family and the rest of America safe from these evil terrorists?

Mrs. BOXER. Mr. President, I thank my friend. It is obvious he sees it the way I see it.

We were called up to a secret meeting today to hear about all the threats on our Nation. That is not an idle trip up to that room. If it is to mean anything, we better get busy. I meet with my local police and fire. Do you know what? When there is a terrorist attack, the White House does not get the call; the Senate does not get the call; the

House does not get the call. They dial 911, and our local people—be they in Nevada, be they in New Mexico, be they in California—get the call. They are hurting.

The bill I wanted to get us to vote on today—and I have a couple of others I am going to ask since we got objection to this one. The Rail Transportation Security Act—this is one that passed out of the Commerce Committee, I say to the assistant Democratic leader, unanimously. It is very important. I will tell my friend what it does. The bill authorizes grants to all of our railroads and to hazardous material shippers for freight and passenger rail security. It is a critical bill.

We saw what happened in Madrid. You do not have to haul me up to any secret room. The minute we saw that happen in Madrid, the Commerce Committee, which the Presiding Officer of the Senate is on and participated in this, we for the second time voted in a unanimous fashion—100 percent of the committee—for this rail security bill. Unfortunately, there has been objection to it because the Republicans, who control the Senate, are not interested in moving this bill.

UNANIMOUS CONSENT REQUEST—S. 2279

So I am going to give them a chance to move another bill, and that is the port security bill. Port security is another bill that passed out of our committee without one dissenting vote. We know the problem at our ports. We have containers coming into them. They are not checking them. We do not know who is going to be putting something in one of those containers. We are doing better, but we are not giving it the attention it deserves.

Mr. President, I ask unanimous consent that the Senate proceed to calendar No. 530, S. 2279, the Maritime Security Act of 2004.

The PRESIDING OFFICER. The Chair again informs the Senator from California that in my capacity as a Senator from the State of Nevada, I object.

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

Mrs. BOXER. I will be happy to yield.

Mr. REID. Ships coming into the United States today have on them transponders. The purpose of that is so those people ashore can find out where the ship is and have a better idea of where they are. As we speak, there are about 43,000 very large ships on our oceans—43,000. For them to come to the United States, one of the requirements is they have a transponder on them, like an airplane has, like the situation we had a few weeks ago where the plane was coming into National and the transponder was not working.

I say to my friend from New York, even though those ships have transponders—

Mrs. BOXER. I am from California. I was born in New York, but I am from California.

Mr. REID. I am sorry?

Mrs. BOXER. You said: I say to my friend from New York. I was born

there, but I am from California and have been since I was 25 years old.

Mr. REID. We have only known each other 22 years.

Mrs. BOXER. I know. When we have known each other 23 years, you will get it right, I know.

Mr. REID. So I say to my friend, there is a transponder on every ship coming into the United States, but we do not have the equipment on shore to have the transponders picked up on shore. Why? Because we have not spent the money to do it.

The distinguished Senator from South Carolina has fought to have money placed in these bills so we can have the transponders on shore so we can do what they do with airplanes, with ships.

Is the Senator aware we don't even do that?

Mrs. BOXER. I am quite aware we have not done what Senator HOLLINGS has long asked us to do. We have not done the work of homeland security. There is a lot of talk. There are a lot of meetings. There is a lot of yack-yack about it. But when it comes down to where we are putting the dollars and where we are putting the emphasis, we are on some bill here I can honest to God tell you, not one person except a highly paid lobbyist has ever talked to me about, class action. I can honestly tell you, on the gay marriage, people have a lot of views in my State, but they believe our State is handling that issue in a good way. So there is no reason to go to this.

In Madrid, 200 people died, 1,400 people were injured in that rail accident. And we go up to 407 up here and we hear all the talk about what we need to do. I am suggesting as a result of my unanimous consent requests today, both being objected to, when you have this majority party, it is very clear: there is a lot of talk, but there is no action.

That is a reason why people are disenchanted. It is the reason why people want change around here. They want us to be strong at home. They want us to be respected in the world. And it is time for many changes to occur. I am looking forward to those changes, to the day when we can vote these bills out of the Commerce Committee without one single objection, and no one on the floor here would then object to taking them up.

I yield the floor.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. BINGAMAN. Mr. President, I came to the floor intending to talk about an amendment I had prepared to offer to the class action legislation, the underlying class action legislation. I think instead of getting into a discussion of that amendment, let me express my disappointment that we are not doing anything this week here in the Senate.

I was asked last week, as I am sure all of us were by our constituents, what are you doing in the Senate? What is

Congress doing these days? I tried to answer honestly and said: Nothing. We are treading water in the Senate. We are not doing anything.

I checked with the Parliamentarian about the procedural status we are in in the Senate this morning. I am informed this is the status: We have S. 2062, which is this bill to reform class action procedures. There is an amendment offered to that by Senator FRIST, a perfecting amendment. There is a second-degree perfecting amendment offered to that. There is a motion to commit that has been made by Senator FRIST. There is a Frist perfecting amendment to the motion to commit, and there is a Frist second-degree perfecting amendment to the first-degree perfecting amendment to the motion to commit. So the obvious question I put to the Parliamentarian is, what is there that is in order for us to offer at this time for the Senate to consider? The answer is, nothing. Nothing is in order. The tree is full, as the parliamentary expression goes, and nothing can be offered.

There is also a cloture motion that has been filed on the underlying measure. That would be a motion that will come to a vote presumably tomorrow to bring the debate on the underlying bill to a close. Of course, that motion will come up without Senators having been able to offer amendments. I would doubt seriously that that cloture motion would prevail, but that would be a surmise. I don't know that that is the case.

All of this procedural mumbo jumbo I am reciting in order to make the point that there is no effort I am aware of to move ahead with a lot of the important items that need to be dealt with in the Senate. The Senator from California raised a couple of those items that relate to homeland security. There are many others also we could get unanimous consent to move ahead on and that would be good policy initiatives that would benefit our country. I am frustrated—as I am sure many Senators are—that we are in this circumstance. I am frustrated this week is essentially lost to any productive activity.

Next week I am informed we will be debating a constitutional amendment on gay marriage. I concur with the comments of the Senator from Nevada that there is no chance the necessary two-thirds vote of the Senate is going to be there to pass that constitutional amendment. The Founding Fathers had great wisdom in saying, when you are amending the Constitution, you can't just do it with a majority vote. You have to have a two-thirds vote. I can say with very little fear of contradiction, there are not two-thirds of all Senators who favor going ahead and passing a constitutional amendment at this time. So again, that will be another wasted week next week.

We have one more week then, and then we are in recess for 6 weeks. Then we come back in the second week in

September and presumably have a few weeks of work there before we adjourn. I regret we are not able to do more. I regret our procedural circumstance we find ourselves in prevents me from offering the amendment I had intended to offer. But I will look forward to an opportunity to offer that amendment, if and when we get to a point where amendments are in order on this pending legislation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Utah.

Mr. HATCH. What is the parliamentary situation?

The PRESIDING OFFICER. The pending question is the second-degree amendment to the motion to commit.

Mr. HATCH. Mr. President, I would like to take a moment to address a few remarks made by my colleagues on the other side of the aisle during yesterday's debate on the class action bill. First, they repeatedly accused the leader of jeopardizing the chances of getting this bill passed by filling in the amendment tree. Give me a break. That is the phoniest argument I have ever heard. The fact is, they are trying to kill this bill, and they are probably going to be effective in doing so.

I hate to give up—and I haven't given up yet—but that is what is happening. I have been through it so many times around here that I know when there is a real desire to kill a bill. The way you do it is with nongermane amendments that are called killer amendments or poison pills, because they are political amendments one side or the other does not want. The leader filled the tree because he wanted to protect the bill from extraneous amendments that would eliminate any chances of this measure becoming law. Anybody who argues otherwise is being deceptive.

Everyone here knows the class action bill was an extremely attractive vehicle for extraneous amendments, especially those amendments that were sure to be offered for the sole purpose of scoring political points during an election year. But what my Democratic colleagues conveniently overlook is this bill will find itself in the recycle bin if it is saddled with a host of irrelevant amendments. While this is certainly a win/win situation for those on the other side of the aisle who oppose this bill, apparently including some of the Democratic leadership, I find it a truly puzzling outcome for those who say they support class action reform. Not only does a loaded bill risk peeling away Senate votes from the underlying class action measure, it will, in all certainty, undergo changes when it goes through the House. And what happens then? Do we have a conference to resolve our differences? I think the answer is a resounding no. I don't think the other side is going to permit this because this bill flies in the face of the demands of one of their greatest hard money constituent givers, and that is the trial lawyers of America.

We all know there is little time left in this Congress to go through the mo-

tion of doing a conference. I think the chances of getting a conference done in this election year with two conventions and with all the problems we have to address. The appointment of conferees is further cast into doubt by virtue of the minority leader's threat earlier in the year to the appointment of conferees for the rest of the year. So if you add these poison amendments to this bill, these extraneous amendments that have nothing to do with the bill, you are basically killing the bill. Everybody knows that. The majority leader had no choice other than to do what he did.

I certainly did not hear any assurances from the minority leader yesterday on whether he would consent to the appointment of conferees to this bill. As such, I am led to believe his position remains unchanged. But even if he did consent, I don't think there would be enough time to do a conference. We have 62 people who said they would support this bill. That means all 62 should vote for cloture so we can actually pass this bill. But unfortunately, we have some who agreed they would vote for cloture—that was the whole reason for the agreement last November—and are now changing their minds and saying, well, this is something I can't support because we want our colleagues to have their right to put poison pills on this bill.

(Mr. TALENT assumed the Chair.)

Mr. HATCH. Well, they cannot have it both ways. Let me be clear. It is because of the potential feeding frenzy that the leader moved to safeguard the bill from an open season on nongermane, nonrelevant, extraneous amendments. He did it to advance the ball on this legislation so it can be considered without the same initiatives we saw with other measures that were considered by the Senate this year. He did it with the hope of reaching a time agreement on amendments. He was not being unreasonable. He even allowed one nongermane amendment the Democrats have tried to get an up or down vote on all year, which members on this side feel is a terrible amendment. But probably it would pass, who knows. At least some think it would probably pass. I think there needs to be a substitute amendment to it that would probably pass.

I want to remind my Democratic colleagues the majority leader made three extremely generous offers regarding the consideration of germane and nongermane amendments.

First, he asked unanimous consent that amendments be limited to five related amendments to be offered by each side. So nobody would be foreclosed from offering the amendments they might think are important. When the minority leader objected to the offer, he expanded the request to include 10 related amendments on each side. I don't know how he could have been more fair. When the minority leader rejected this even more generous counterproposal, the majority

leader yet again expanded the agreement to include an unlimited number of related amendments. In other words, amendments that are pertinent to the bill, that are at least germane. Again, the minority leader rejected this third offer. Of course, let us not forget each offer included an up-or-down vote on a nongermane amendment that the Democrats demanded, which is an amendment by Senator KENNEDY on the minimum wage.

We also heard yesterday that filling the amendment tree was unprecedented, and we are somehow committing a terrible wrong against the institution of the Senate. How soon we forget the past. I remind my colleagues that the minority leader filled the tree in October of 2002 on the homeland security bill, which was even a more important bill than this one, although this is an extremely important bill for this country. Mind you, he filled the tree after promising at the beginning of his tenure as then-majority leader he would never fill the tree. But he did so, anyway. To be sure, we even saw Senator BYRD do it when he was the majority leader. Unprecedented? Come on, give me a break. Terrible wrong?

Let us not hide behind Senate process in order to play both sides of the fence on class action reform. I said it yesterday, and I will say it again today: S. 2062 represents a bipartisan agreement we reached in good faith with key Democrats who say they support class action reform. We agreed to a number of their amendments in order to get them to agree to vote for cloture. That was the agreement. And implied in that agreement was to vote down poison pill amendments that would kill the bill. Otherwise, they weren't sincere; we know they must have been at the time, but they would not have been sincere in the bipartisan agreement we reached. We reached a compromise because I thought the ultimate goal was to get class action enacted into law.

Let me be clear when I say my agreement to further moderate this bill was in no way predicated on letting this legislation become a "Christmas tree" for unrelated measures. This is never the way we have done business around here. Our agreement was about getting class action reform enacted, and that is the very direction our leader is moving us toward. I can only hope my colleagues on the other side of the aisle who say they support this bill can see that. A deal is a deal. They should not break it because politically it might be in their best interest to do so. That works both ways. We should not break it because politically it might be in our best interest to bring up extraneous, nongermane amendments and make them vote on them.

Another argument my colleagues on the other side raised repeatedly yesterday was the Judicial Conference and the Chief Justice of the United States are somehow opposed to this bill. I have heard this point made over and

over. I think it is about time to set the record straight.

Let me start by saying Chief Justice Rehnquist has never written a letter, issued a statement, nor published an opinion that comes out in opposition to this bill. Rather, my colleagues who make this claim rely on outdated letters from the Federal Judicial Conference espousing opinions on prior iterations of this bill—prior iterations, not the same language of this bill.

On two prior occasions, the Judicial Conference expressed opposition to earlier bills, as offered in the 106th and 107th Congresses that would have expanded Federal diversity jurisdictions over purported class actions. But in March of last year, a substantial shift in position occurred. In a March 26, 2003, letter to the Judiciary Committee, the Judicial Conference expressed its position on the bill by stating:

That Congress may decide to base a statutory approach to remedy current problems with class action litigation by using minimal diversity litigation. The Conference position recognizes that the use of minimal diversity may be appropriate to the maintenance of significant multi-State class action litigation in the Federal courts.

The Judicial Conference also suggested employing provisions to raise the jurisdictional threshold and fashioning exceptions that would preserve a role for the State courts in the handling of in-State class actions.

Senator FEINSTEIN offered an amendment during the ensuing markup that was directly responsive to these suggestions. Those changes were reflected in the version of the bill reported favorably by the Judiciary Committee in early April 2003.

Perhaps more important than what was said is what was not said. Nowhere in the letter does the Judicial Conference express opposition to the bill now in consideration. I think this silence is deafening and speaks for itself on where the Judicial Conference stands.

I ask unanimous consent that the March 26 Judicial Conference letter be printed in the RECORD.

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

JUDICIAL CONFERENCE
OF THE UNITED STATES,
Washington, DC, March 26, 2003.

HON. ORRIN G. HATCH,
Chair, Committee on the Judiciary, U.S. Senate,
Dirksen Senate Office Building, Washington, DC.

DEAR CHAIRMAN HATCH: I write to provide you with the recently adopted views of the Judicial Conference of the United States, the policy-making body for the federal judiciary, on class action legislation, including S. 274, the "Class Action Fairness Act of 2003," introduced by you and other co-sponsors.

On March 18, 2003, the Judicial Conference unanimously adopted the following recommendation:

That the Judicial Conference recognize that the use of minimal diversity of citizenship may be appropriate to the maintenance of significant multi-state class action litigation in the federal courts, while continuing

to oppose class action legislation that contains jurisdictional provisions that are similar to those in the bills introduced in the 106th and 107th Congresses. If Congress determines that certain class actions should be brought within the original and removal jurisdiction of the federal courts on the basis of minimal diversity of citizenship and an aggregation of claims, Congress should be encouraged to include sufficient limitations and threshold requirements so that federal courts are not unduly burdened and states' jurisdiction over in-state class actions is left undisturbed, such as by employing provisions to raise the jurisdictional threshold and to fashion exceptions to such jurisdiction that would preserve a role for the state courts in the handling of in-state class actions. Such exceptions for in-state class actions may appropriately include such factors as whether substantially all members of the class are citizens of a single state, the relationship of the defendants to the forum state, or whether the claims arise from death, personal injury, or physical property damage within the state. Further, the Conference should continue to explore additional approaches to the consolidation and coordination of overlapping or duplicative class actions that do not unduly intrude on state courts or burden federal courts.

The Conference in 1999 opposed the class action provisions in legislation then pending (S. 353; H.R. 1875, 106th Cong.). That opposition was based on concerns that the provisions would add substantially to the workload of the federal courts and are inconsistent with principles of federalism. The March 2003 position makes clear that such opposition continues to apply to similar jurisdictional provisions.

The Conference recognizes, however, that Congress may decide to base a statutory approach to remedy current problems with class action litigation by using minimal diversity jurisdiction. The Conference position recognizes that the use of minimal diversity may be appropriate to the maintenance of significant multi-state class action litigation in the federal courts. The use of the term "significant multi-state class action litigation" focuses on the possibility of multi-state membership within the plaintiff class. The actions to which this term applies are nationwide class actions, as well as class actions whose members include claimants from states within a smaller region or section of the country. Minimal diversity in these cases would facilitate the disposition of litigation that affects the interests of citizens of many states and, through their citizens, affects the many states themselves.

Parallel in-state class actions in which the plaintiff class is defined as limited to the citizens of the forum state are not included within the term "significant multi-state class action litigation." Parallel in-state class actions might share common questions of law and fact with similar in-state actions in other states, but would not, as suggested herein, typically seek relief in one state on behalf of citizens living in another state. Accordingly, parallel in-state class actions would not present, on a broad or national scale, the problems of state projection of law beyond its borders and would present few of the choice of law problems associated with nationwide class action litigation. In addition, to the extent problems arise as a result of overlapping and duplicative in-state class actions within a particular state, the state legislative and judicial branches could address the problem if they were to create or utilize an entity similar to the Judicial Panel on Multidistrict Litigation, as some states have done.

Further, the position seeks to encourage Congress to include sufficient limitations

and threshold requirements so as not to unduly burden the federal courts and to fashion exceptions to the minimal diversity regime that would preserve a role for the state courts in the handling of in-state class actions. The position identifies three such factors that may be appropriately considered in crafting exceptions to minimal diversity jurisdiction for class actions. These factors are intended to identify those class actions in which the forum state has a considerable interest, and would not likely threaten the coordination of significant multi-state class action litigation through minimal diversity. (The factors do recognize certain situations where plaintiffs from another state may be included in an otherwise in-state action.)

The first factor would apply to class actions in which citizens of the forum state make up substantially all of the members of the plaintiff class. Such an in-state class action exception could include consumer class action claims, such as fraud and breach of warranty claims. The second factor would apply to a class action in which plaintiff class members suffered personal injury or physical property damage within the state, as in the case of a serious environmental disaster. It would apply to all individuals who suffered personal injuries or losses to physical property, whether or not they were citizens of the state in question. The third factor recognizes that it may be appropriate to consider the relationship of the defendants to the forum state. Such consideration is not intended to embrace the term "primary defendants" (or a similar term), which language has been used in past and present class action bills as part of an exception to minimal diversity. Such a reading could extend minimal diversity jurisdiction to cases in which a single important defendant lacked in-state citizenship. While the relationship of the defendant to the forum may have some bearing on state adjudicatory power, an insistence that all primary defendants maintain formal in-state citizenship is too limiting and may preclude in-state class actions where a defendant has sufficient contacts with the forum state, regardless of citizenship.

We would appreciate your consideration of these comments and the position of the Judicial Conference. Should you or your staff have any questions, please contact Michael W. Blommer, Assistant Director, Office of Legislative Affairs, Administrative Office of the U.S. Courts, at (202) 502-1700.

Sincerely,

LEONIDAS RALPH MECHAM,
Secretary.

Mr. HATCH. To be sure, on the very day the bill was reported from committee, the ranking member sent letters to the Judicial Conference requesting comments on the revised version of S. 274 as reported out of committee and further urging that the Judicial Conference propose alternative legislative language reflecting its views on how the jurisdictional provisions should be structured.

I ask unanimous consent that the letter of April 11, 2003, from Senator LEAHY be printed in the RECORD.

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

U.S. SENATE,
COMMITTEE ON THE JUDICIARY,
Washington, DC, April 11, 2003.

LEONIDAS RALPH MECHAM,
Secretary, Judicial Conference of the United States, Washington, DC.

DEAR MR. MECHAM: Today, the Senate Judiciary Committee approved S. 274; the

"Class Action Fairness Act of 2003," with several amendments. The bill, as amended, would determine whether a federal court has jurisdiction over a class action based on the fraction of the plaintiff class members that are citizens of the same state as the primary defendant.

I value the unique perspective of the Judicial Conference regarding class action litigation. Therefore, I request that the Judicial Conference provide Members of the Senate Judiciary Committee with its views on S. 274, the "Class Action Fairness Act," as reported out of the Committee today, by April 25, 2003.

If you have any questions about this request, please do not hesitate to contact Ed Pagano or Susan Davies of my staff. They can both be reached at 202-224-7703. Thank you for your assistance and continued insight on class action litigation.

Sincerely,

PATRICK LEAHY,
United States Senator.

Mr. HATCH. In its April 25 response, the Judicial Conference noted that the markup changes to S. 274 were responsive to its previous comments about changing the jurisdictional threshold and preserving the role of the State courts in handling State class actions. Indeed, the Judicial Conference expressed no opposition to the revised version of S. 274 reported favorably by the Judiciary Committee.

The Judicial Conference explicitly declined Senator LEAHY's invitation to propose alternative language. The Judicial Conference's resolution deliberately avoided specific legislative language out of deference to Congress' judgment and the political process. The letter further noted that:

[T]hese issues implicate fundamental interests and relationships that are political in nature and are peculiarly within Congress' province.

I ask unanimous consent that the letter of April 25, the Judicial Conference response, be printed in the RECORD.

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

JUDICIAL CONFERENCE
OF THE UNITED STATES,
Washington, DC, April 25, 2003.

Hon. PATRICK J. LEAHY,
*Ranking Member, Committee on the Judiciary,
U.S. Senate, Dirksen Senate Office Building,
Washington, DC.*

DEAR SENATOR LEAHY: Thank you for your letters of April 9, 2003, and April 11, 2003. In those letters, you requested that the Judicial Conference provide the Senate Judiciary Committee with legislative language implementing the Judicial Conference's March 2003 recommendations on class-action litigation and the views of the Conference on S. 274, the "Class Action Fairness Act of 2003," as reported by the Senate Judiciary Committee on April 11, 2003.

As you know, at its March 18, 2003, session, the Judicial Conference adopted the following resolution:

That the Judicial Conference recognize that the use of minimal diversity of citizenship may be appropriate to the maintenance of significant multi-state class action litigation in the federal courts, while continuing to oppose class action legislation that contains jurisdictional provisions that are similar to those in the bills introduced in the

106th and 107th Congresses. If Congress determines that certain class actions should be brought within the original and removal jurisdiction of the federal courts on the basis of minimal diversity of citizenship and an aggregation of claims, Congress should be encouraged to include sufficient limitations and threshold requirements so that the federal courts are not unduly burdened and states' jurisdiction over in-state class actions is left undisturbed, such as by employing provisions to raise the jurisdictional threshold and to fashion exceptions to such jurisdiction that would preserve a role for the state courts in the handling of in-state class actions. Such exceptions for in-state class actions may appropriately include such factors as whether substantially all members of the class are citizens of a single state, the relationship of the defendants to the forum state, or whether the claims arise from death, personal injury, or physical property damage within the state. Further, the Conference should continue to explore additional approaches to the consolidation and coordination of overlapping or duplicative class actions that do not unduly intrude on state courts or burden federal courts.

S. 274, as reported by the Senate Judiciary Committee, generally provides for federal jurisdiction of a class action based on minimal diversity of citizenship if the matter in controversy exceeds the sum of \$5 million, exclusive of interest and costs. (S. 274 as introduced established a \$2 million minimum amount in controversy.) The bill also now permits a federal district court, in the interests of justice, to decline to exercise jurisdiction over a class action in which greater than one-third but less than two-thirds of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the state in which the action was originally filed. The court would be required to consider five specified factors when exercising this discretion. (This discretionary provision was not included in the bill as introduced.)

In addition, S. 274 as reported provides that the federal district courts shall not have original jurisdiction over any class action in which: (A) two-thirds or more of the members of all proposed plaintiff classes in the aggregate and the primary defendants are citizens of the state in which the action was originally filed; (B) the primary defendants are states, state officials, or other governmental entities against whom the district court may be foreclosed from ordering relief; or (C) the number of members of all proposed plaintiff classes in the aggregate is less than one hundred. As introduced, the second and third exceptions were the same, but the first one originally precluded federal jurisdiction where "the substantial majority of the members of the proposed plaintiff class and the primary defendants are citizens of the State in which the action was originally filed" and "the claims asserted therein will be governed primarily by the laws of" that state. The replacement language in essence substitutes a numerical ratio for "substantial majority" and eliminates the choice-of-law requirement.

We are grateful that Congress is working to resolve the serious problems generated by overlapping and competing class actions. The Judicial Conference "recognizes that the use of minimal diversity of citizenship may be appropriate to the maintenance of significant multi-state class action litigation in the federal courts." At the same time, the Judicial Conference does not support the removal of all state law class actions into federal court. Appropriate legislation should "include sufficient limitations and threshold requirements so that federal courts are not unduly burdened and states' jurisdiction

over in-state class actions is left undisturbed." Finding the right balance between these objectives and articulating that balance in legislative language implicate important policy choices.

Any minimal-diversity bill will result in certain cases being litigated in federal court that would not previously have been subject to federal jurisdiction. The effects of this transfer should be assessed in determining the appropriateness of various limitations on the availability of minimal diversity jurisdiction.

Mr. HATCH. The Judicial Conference concluded its letter by stating:

We are grateful that Congress is working to resolve the serious problems generated by overlapping and competing class actions.

Finally, another piece of evidence that counters the Judicial Conference's purported opposition to the class action bill is Chief Justice Rehnquist's 2003 year-end report on the Federal judiciary. While this report criticizes various legislative measures considered by the Congress, absolutely no mention is made of class action reform efforts.

I suppose this begs the question then, if the Judicial Conference and Chief Justice Rehnquist stand opposed to this bill, why is there no reference to such a measure in their year-end report?

Again, I think the silence speaks for itself. I ask my colleagues to refer to the 2003 Year-End Report on the Federal Judiciary which can be found easily enough on the Supreme Court's website.

Mr. HATCH. With all of this said, is it credible to suggest that the Judicial Conference, much less the Chief Justice of the United States, stands somehow opposed to the class action bill? I think not.

I will refer to this "myth" chart. The myth is that the Federal Judicial Conference opposes the Class Action Fairness Act.

These are the facts: The Conference's opposition was directed at class action bills in previous Congresses. In March 2003, the Conference strongly criticized the current class action system and suggested several areas to modify the Class Action Fairness Act.

After the Class Action Fairness Act was modified during markup, the Conference declined an invitation to criticize or revise the version favorably reported by the Judiciary Committee and thanked the Senate for its efforts to clean up the State court class action mess.

That certainly rebuts everything that was said on the floor yesterday and today by those who are looking for any excuse they can to scuttle this bill. Unfortunately, some of them are people who have agreed to support the bill. That seems apparent to me. I hope it is apparent to all of those in the various States who have relied on these agreements, and at least this agreement made last November, that we would at least vote for cloture. That was the whole issue. Then, of course, they could still have any amendment they wanted to bring up that would be ger-

mane, and they might even be able to bring up nongermane amendments if they could get a supermajority vote on them. So nothing would stop them from at least an attempt to bring up nongermane amendments.

I would like to also reply to comments made yesterday in defense—can anyone believe it?—of Madison County, IL. I heard suggestions that the Madison County court is not as renegade as we have portrayed it. After all, the number of certifications has not escalated at the same rate as the number of cases brought.

Now, this fact may have some appeal on its surface but when one looks at why the certifications are so low, I think they will find themselves right back to the inescapable conclusion that this court is a downright embarrassment to our civil justice system. Any attempt to defend Madison County's record on class certification must account for the number of class actions that were not certified because the defendants, knowing that the judicial deck was stacked against them, simply conceded defeat and settled rather than go through the motion of defending their lawsuit in this court.

As I said yesterday, the plaintiffs' lawyers who descend on this small rural courthouse in southwestern Illinois know class certification is a sure thing and that all they need to do is come up with a complaint in order to extort a settlement from the unfortunate defendants. These settlements come well before the class certification phase of the lawsuit and is exactly why this court is so attractive to greedy, dishonest lawyers—greedy, flagrantly dishonest lawyers—looking to make a quick buck, money hungry lawyers looking to buy their next Gulfstream at the expense of everyday Americans such as Hilda Bankston, dishonorable lawyers looking to pay off their next multimillion-dollar mansion in Palm Beach, FL, at the expense of shattering public confidence in our civil justice system, and unscrupulous lawyers seeking to fund the next campaign of a State court judge who can tilt the playing field for them in yet another magnet jurisdiction.

There is something clearly rotten in middle America, and when it comes to Madison County, there is only one way to describe it: If you go there, they will pay. If someone is brought in as a defendant there, even though they do minimal business in that State, they are going to pay.

Finally, I would like to respond to the wild accusations from the other side of the aisle that the Republicans are trying to kill this bill because the measure does not go far enough to achieve class action reform. Give me a break. I do not think this accusation merits a real response, other than to observe that my colleagues on the other side of the aisle will resort to just about anything in order to justify their vote against this bill, in order to justify this filibuster against this bill.

Despite all the rhetoric we have heard from the other side about how they support class action reform, about how terrible this system has become and about how we have a modest bill that fixes the problem, we will know their true colors when we vote on cloture either tonight or tomorrow.

It makes absolutely no difference whether Senators vote no because they oppose the bill or because they want to preserve the sanctity of the Senate process. A vote against cloture is a vote against class action reform. It does not get any simpler than that.

By the way, how can they make that argument when they have a right to bring up any amendment they want to after cloture is invoked? True, nongermane amendments will have to have a supermajority vote to pass, but all germane amendments only have to have a majority vote to pass. How can they make these types of clownish arguments?

To make a long story short, it is apparent that sometimes money does count around here, and the only reason this thing is fought so hard is because the major funding institution in this country happens to be the trial lawyers for those on the other side of the aisle.

Now, what galls me is that last November, when we had 59 votes for cloture, 1 less than was necessary to end the debate, we then made all kinds of concessions to three more Democrats—and I think the business community knows who they are—that are now in this bill to get their agreement that they would vote for cloture when the time came. There was no misunderstanding. Everybody knew there would be an attempt to load this bill up with poison pill amendments or killer amendments, if one wants to call them that. It meant that we at least go to cloture and get 62 votes for cloture, and I believe it meant more than that.

I think when we make a deal, those who enter into that deal agree to support the bill, against all amendments, unless we can agree otherwise. Unfortunately, that is not the interpretation of some who agreed to the deal last November. But there could be no misunderstanding. Their agreement last November was to vote for cloture. The whole issue was we lacked one vote in putting this bill before the Senate as a whole and letting it have its day in court, so to speak, in a court that is much more fair, much more balanced, and much more considerate than the courts in Madison County, IL.

There is no excuse for the arguments that have been made by the other side. If this bill goes down because we cannot get 60 votes for cloture, then shame on those who entered into the agreement with us. It was not an easy agreement for some of us because we had to make changes that literally some of us would not have made otherwise. So anybody who says this side does not want this bill to go forward is being less than candid, and I will put it in those terms, although I think probably more stark terms would be acceptable.

This is an important bill. This bill will correct some of the major wrongs in our society from a litigation standpoint. This bill is fair. It is not going to stop truly in-State lawsuits from being tried, even in Madison County, but this bill does correct some tremendously rotten situations in our country. It also would be supported by decent, honest lawyers throughout the country, at least lawyers who do not always think of the almighty dollar as the only reason they are practicing law.

This is a very important bill. There are a lot of great trial lawyers out there who I believe are embarrassed by some of the arguments that have been made by my Democratic colleagues. There are a lot of great trial lawyers who do not need phony courts, or dishonest courts, or courts that go way beyond reasonability, or courts that favor them, or magnet courts to win their cases. Great lawyers are going to be able to win their cases whether they are in State court or Federal court. In fact, I suggest they probably have an easier chance in Federal court because people automatically think those courts are more august and the cases more serious.

But here we have a case where true advantage is being taken of the class action system by a limited number of lawyers in our society who are getting fabulously wealthy and rich because of forum shopping to courts like the Madison County court that are going to find for the plaintiffs no matter what the law or the facts say. That is wrong. When plaintiffs are right, they ought to recover, but when they are not right, they should not recover. The courts ought to be the bulwark of standing for what is right and not what is wrong. In the political system that exists in Madison County, IL, it is a system that, if it is not corrupt, it is the closest thing to it.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. TALENT. Mr. President, I thank my friend from Utah for being willing to assume the chair for a few minutes so I could make a brief statement about the bill pending before us. I want to say, as I listened when I was in the chair, I appreciated his eloquence on behalf of the bill.

The Senate will realize pretty soon that I have a bit of a cold. If I pause to take a sip of water now and then, it is not for the dramatic effect but so I can finish the statement.

I had originally not intended to say anything about the legislation, although I support it. Anybody who has

gotten around their States and heard about the destructive impact of abusive lawsuits on jobs and economic growth has to support doing something. I was not planning to speak on it, but the other night I was presiding when this debate began, and I was fortunate to hear Senator CARPER from Delaware give one of his initial remarks. I don't think he realized I was listening as I was presiding because I was doing a little paperwork, but I did listen.

I heard him give examples of abuses of class actions that have occurred around the country, items such as a class action lawsuit in Illinois against a bottled water giant named Poland Spring which claimed that the company's water wasn't pure and wasn't from a spring. Under the settlement the consumers received coupons for discounts on the water. The company didn't agree they had done anything wrong, didn't agree to change the water, and all the plaintiffs got were coupons to buy more of the water they were complaining about. But their attorneys got \$1.35 million.

In a Texas class action settlement with Blockbuster over late fees on movie rentals, class members received coupons for more movie rentals. The attorneys received \$9.25 million. I don't know how my family missed out on those coupons—I guess because we didn't live in Texas.

I could go on, but Senator CARPER made the point that there was obviously a need to remedy these abuses and a need to do that without undermining the efficacy of the class action lawsuit in principle. In other words, we need to be able to have class action lawsuits because sometimes a whole lot of people will be done a small wrong. Each of them will experience some wrong that is so small it is not worthwhile for any one individual to sue, so if they can get together in a class we can remedy that wrong and the attorneys can get reasonable attorney's fees.

But when there is, in fact, no remedy for the plaintiffs, when there may have been no wrong, and when there are these outside attorneys' fees, it is obviously something unjust because it is unjust to make people pay when they have not done anything wrong and it is not very good for the rest of us.

We all know how it works. Those awards are paid and then it is passed along in the form of higher prices or fewer jobs. Senator CARPER's point was it should not be all or nothing at all. We should not have to have a system where either we have no class action remedies or we allow these abuses to continue year after year. There is no reason in principle why we should not be able to fix the abuses while keeping the remedy.

He is right. There is no reason in principle we should not be able to do that. There are people of good will on both sides of the aisle who want to do that. There is obviously a solid major-

ity of the Senate who wants to do that. Yet year after year, we do not do that. Why?

It was his speech and my thinking about it that led me to decide to come down here and make a statement because I think I know the reason why. It is because of the filibuster, or more precisely it is because of the way the Senate allows the filibuster to be conducted.

This principle of filibusters is actually a pretty good thing. I think if a determined minority in any legislative body believes something is really bad, it makes sense to give them some remedy to stop that legislation from passing. In fact, I submit to you that the filibuster has been consistently abused in the Senate. Why has that happened? Because the discipline on the filibuster is public accountability. The public doesn't like obstructionism for its own sake. If they see that happening, they will not like it; and if the American people do not like something happening here and focus on it, it tends to stop. I have been around here long enough to see that.

But because of the way the filibuster is conducted in this body, it is almost invisible. Therefore, the people do not know it is happening, and therefore there is no accountability. That is why we have the abuses of it. Why is it invisible? In the Senate, in the first place, as you know, the passage of a bill requires many different steps: the introduction of the bill, assignment to a committee, first and second readings, and all of that.

In most legislative bodies, those steps are pro forma. In the Senate, many of those steps are debatable. And anything that can be debated can be filibustered.

The classic idea of a filibuster, as in "Mr. Smith Goes to Washington," with final passage of some bill, people speaking all night to prevent it from being voted on doesn't have to happen in the Senate. You can filibuster a bill on any number of points. You can filibuster it after it has passed to keep it from going to conference. The public doesn't know what is happening.

The second and bigger reason is that in the Senate, as all of us here know—and I think the public may be beginning to realize—you don't have to talk to filibuster.

I have served now in my third legislative body. It is a tremendous honor to serve here. The pinnacle of the legislative career is to serve in the Senate. In most legislative bodies, when people are finished talking about the proposition that is pending, you vote on the proposition.

Many times I have sat in the Chair where the distinguished Senator from Utah is now sitting. When the last speaker has finished some eloquent set of remarks, I have asked, Who seeks recognition? And nobody seeks recognition. It doesn't mean we vote. It means we go to a quorum call, as we did a little while ago. You don't have to speak

to filibuster. You don't have to debate. You just have to decline to agree that debate will end. Unless everybody here either agrees to a unanimous consent agreement, or vote by a 60-vote majority to end debate on a cloture motion, which itself is a rather clumsy way to end debate, the debate goes on and on.

To allow a filibuster in that way, and make it so invisible, tends to empower the extremes in a legislative body in any given proposition.

In most legislative bodies the power in any given proposition, once it reaches the floor of that body, belongs in the middle. It makes sense, doesn't it? Because to pass it you have to have the middle with you, typically. But here the filibuster empowers those folks who like confrontation most. I am not running them down. Every legislative body has to have people whose instinct is to say: I am not going to give in. I am going to stand up for this. I believe in this, or I think it is wrong, or I think it is right, and I am not going to give in much. It is important to have those folks in a legislative body. But you can't have them running the whole show all the time. It empowers those people. It tends to educate people to the temper of partisanship.

It is so tempting when you are in the minority to stop everything through the invisible filibuster and then blame the majority for not being able to pass something. That happens in this whole Congress. I don't blame my friends on the other side of the aisle.

It is so tempting it would require almost a heroic effort, particularly given how divided the country is on a partisan and philosophical standpoint, for them not to have done that.

The way the Senate does it makes interest groups more militant. This bill is a classic example of that. Everybody who looks at this issue knows that we have problems with litigation, at least in certain areas. We have problems in State class action abuses. We have problems with the whole asbestosis system which is driving dozens of big companies into bankruptcy and reducing the number of deep pockets that are available to pay for people who really are sick and have asbestosis. We clearly need reform in these areas.

What would happen if the process was healthier is that our friends in the personal injury bar would know that something was going to happen and would sit down and negotiate, and we would come up with a moderate bill, I think, probably pretty similar to what we have before us today. We would pass it more or less by consensus. But what do you do when you have this filibuster? You can just say no. You can say it doesn't matter how bad it gets, we are going to pressure and lean on those in the Senate who are generally with us philosophically, and we will stop everything from happening. We are empowering the tactically more extreme in this body. We are educating people to the temper of partisanship. We are driving interest groups, which

are pretty militant anyway, to be even more extreme. Then we are gumming up the few bills that do pass because now, if you are sitting here and you have some constructive measure you are trying to pass, and you know the only legislation that is going to get through this body this year is the defense authorization, let us say, or the tax relief bill for manufacturers that we have to pass—because if we don't pass it we are going to get increasing trade sanctions all over the world—if these are the two or three bills you know you are going to pass, what do you do? You take your constructive measure which you have wanted to pass for months but can't because nothing else is going through the Senate, and you say: Well, that train is leaving the station and maybe none of the others are, so I am going to put my bill on that.

You use the opportunity to offer non-germane amendments, which personally I like and support. So you offer all kinds of amendments that are completely unrelated to the bill before you just because you know it is the only opportunity you are going to have to pass anything.

Then the public wonders how we get immigration bills on class action reform bills, or how I did this: I put a bill that I believe in very strongly to help fight sickle cell disease on a tax relief bill for manufacturing, and I would do it again. But that is because of the way we are running this place.

What is the effect? It affects everything that gets filibustered. We have seen filibusters so far in this Senate and in this Congress on the Energy bill, medical malpractice reform, the welfare bill, a number of judges, the asbestosis bill, the class action bill, and a number of other bills which are slow-walked through—the highway bill, the JOBS bill, the faith-based bill. And that doesn't even count all the bills that aren't even brought up because the leadership knows they are going to be filibustered.

Nobody is ever held accountable. The public wonders why the Senate doesn't work.

I am going to say something. I get around this town and I get around Missouri. I am afraid that we are being held in increasingly low regard. I am afraid the Senate is being reduced to its constitutional minimum of authority and effectiveness in this town. We are like a big roadblock. Ideas don't come out of here and go places. It is like the commercial about the roach motel. They check in but they don't check out. That is what happens here. The legislative ideas check in and they never check out.

I know some people say that is a good thing. We don't want anything to pass.

I just sat down this morning preparing these remarks and I made a list of the things which I think we are going to have to address. This is a top 10 list: Keep America strong; a long-

term solvency issue involving Social Security and Medicare—I am on the Aging Committee. I will go into that more in a moment. The Senator from Idaho, Mr. CRAIG, has spoken eloquently on those issues.

The rising cost of health care is a problem, shortage of oil and natural gas, need for alternative energy sources to protect our energy independence and security, the failing electricity transmission grid in all parts of the country, the need to renew the distressed and urban neighborhoods, a burgeoning immigration system, a crumbling transportation infrastructure system, shortages of water in parts of the country, contamination of water resources, management of federally owned natural resources, and a policy we are going to take regarding defense both in the war on terror and also the potential rising power of competitors, such as England and China.

This is the top 10 list. I am not even counting the more divisive issues or the cultural issues on which it would be nice if we could work them out and be able to act. Some of these problems may go away on their own. I am a believer in that.

America is a great country. Maybe if we do not do anything, some of them are going to go away. But they are not all going to go away. Some of them are going to get worse. We cannot solve any of them without some element of participation by the Federal Government. Maybe it is just reform of regulations to allow people in the country to solve the problem.

We are going to have to have Federal participation. That will require, at some point, a Senate that works better than the Senate is working now. We have reached the point where the paralysis in this body is threatening the welfare of the people. Some may say—and I heard it said with response to the motion for cloture—respect for the traditions of the Senate means we cannot do anything about this. Everyone who has been here a while, and I have not been here a while, tells me that never before has the filibuster been taken to this degree.

If we were to apply a corrective, we would be restoring rather than overturning the traditions of this great body. And it is a great body. It is a privilege to be here. I don't know that I have ever worked with as motivated and passionate and intelligent a group of people. I call on Members on both sides of the aisle to consider carefully whether it is not time to change our practices in a way that permits us to work together, that encourages those who seek compromise solutions to the problems facing the country. Not to do so would be a historic abdication of the responsibilities of this Senate.

I yield the floor.

The PRESIDING OFFICER (Mr. TALENT). The Senator from Utah.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

Mr. FEINGOLD. 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. FEINGOLD. Mr. President, I will speak in a moment about this class action bill and why I oppose it. I want to start by noting my strong disagreement with the procedural tactics used by the majority to block amendments to the bill. I have some familiarity with the strategy of filling the amendment tree. This was done time after time, year after year, when campaign finance reform legislation was brought to the Senate floor. This is the procedure that is used to block the Senate from working its will on a bill.

The Senate has a long tradition of an open process for amendments. Any Senator has the right under our rules to offer any amendment to any bill. That is how the Senate works. It is amazing to me that the majority leader would engage in this tactic when he has not only majority support for the bill, but a supermajority in support.

Democratic supporters of the bill thankfully are not prepared to block their colleagues from offering amendments. So I guess it appears that this bill is going to be sacrificed in order to prevent amendments from being offered. I commend my Democratic colleagues who support this bill for not being intimidated by the arguments made on the Senate floor that they somehow are breaking their agreement by standing up for the rights of their colleagues to offer amendments. From the very start, it was clear that these Senators had agreed to support the motion to proceed in order to get the bill to the floor of the Senate and to vote for cloture, if that motion was again filibustered. They never agreed to vote against all amendments or to block all amendments.

Turning to the bill itself, I oppose the Class Action Fairness Act, S. 2062, and I will vote against the bill.

The main reason for my opposition is that notwithstanding its title, I do not think this bill is fair. I do not think it is fair to citizens who are injured by corporate wrongdoers and are entitled to prompt and fair resolution of their claims in a court of law. I do not think it is fair to our State courts, which are treated by this bill as if they cannot be trusted to issue fair judgments in cases brought before them. I do not think it is fair to State legislatures, which are entitled to have the laws that they pass to protect their citizens interpreted and applied by their own courts. This bill is not only misnamed, it is bad policy. It should be defeated.

Make no mistake, by loosening the requirements for Federal diversity jurisdiction over class actions, S. 2062 will result in nearly all class actions being removed to Federal court. This is a radical change in our Federal system of justice. We have 50 States in this

country with their own laws and courts. State courts are an integral part of our system of justice. They have worked well for our entire history. It is hard to imagine why this Senate, which includes many professed defenders of federalism and the prerogatives of State courts and State lawmakers, would support such a wholesale stripping of jurisdiction from the States over class actions. By removing these actions to State court, Congress would shift adjudication away from State lawmakers and State judges towards Federal judges, who are often unfamiliar with the nuances of State law. In my opinion, the need for such a radical step has not been demonstrated.

Class actions are an extremely important tool in our justice system. They allow plaintiffs with very small claims to band together to seek redress. Lawsuits are expensive. Without the opportunity to pursue a class action, an individual plaintiff often simply cannot afford his or her day in court. But through a class action, justice can be done and compensation for real injuries can be obtained.

Yes, there are abuses in some class actions suits. Some of the most disturbing have to do with class action settlements that offer only discount coupons to the members of the class and a big payoff to the plaintiffs' lawyers. I am pleased that the issue of discount coupons is addressed in the bill, because the bill we considered in October 2003 did nothing about that problem. The bill now requires that contingency fees in coupon settlements will be based on coupons redeemed, not coupons issued. Attorney's fees will also be determined by reasonable time spent on a case and will be subject to court approval. The bill also allows a court to require that a portion of unclaimed coupons be given to one or more charitable organization agreed to by the parties. These are all good changes, but they do not change my view that the bill, as a whole, unfairly interferes with the States' administration of justice.

There are three possible outcomes of this bill being enacted. Either the State courts will be deluged with individual claims, since class actions can no longer be maintained there, or there will be a huge increase in the workload of the Federal courts, resulting in delays and lengthy litigation over procedural issues rather than the substance of the claims, or many injured people will never get redress for their injuries.

I don't believe any of these three choices is acceptable.

I appreciate that the supporters of S. 2062 modified the new diversity jurisdiction rules for class actions in an effort to allow plaintiffs in class actions more opportunities to remain in State court. Under the new bill, a district court must decline jurisdiction if two-thirds of the plaintiffs and the primary defendants are from the state where

the action was filed, there is at least one defendant who is a citizen of that State from whom significant relief is sought and whose alleged conduct forms a significant basis for the claims asserted by the proposed class. In addition, the principal injuries resulting from the alleged conduct of each defendant must have occurred in the State in which the action was originally filed. Finally, the new bill provides that district court can only decline jurisdiction if during the 3-year period preceding the filing of the action, no other similar class action has been filed against any of the defendants even if the case is filed on behalf of other plaintiffs.

These criteria are an improvement on the underlying bill. But the jurisdictional requirements for class actions to remain in State courts are still too burdensome. Under the new language, for example, a class action brought by Wisconsin citizens against a Delaware-based company for selling a bad insurance policy would probably be removed to Federal court even if Wisconsin-based agents were involved in selling the policies. And the filing of a class action in one State court may lead to the successful removal of a similar case filed in another State on behalf of plaintiffs in that State. The bottom line is that this bill will continue to send the majority of class actions to Federal court. The proponents of this bill have chosen a remedy that goes far beyond the alleged problem.

Furthermore, under S. 2062, many cases that are not class actions at all are included in the definition of "mass action," a new term coined by this bill. S. 2062 simply requires that the plaintiff must be seeking damages of more than \$75,000 for the case to be considered a mass action and removable to Federal court. This provision unfairly limits State court authority to manage its docket and to consolidate claims in order to more efficiently dispense justice.

A particularly troubling result of this bill will be an increase in the workload of the Federal courts. These courts are already overloaded. The Congress has led the way in bringing more and more litigation to the Federal courts, particularly criminal cases. Criminal cases, of course, take precedence in the Federal courts because of the Speedy Trial Act. So the net result of removing virtually all class actions to Federal court will be to delay those cases.

There is an old saying with which I'm sure we are all familiar: "justice delayed is justice denied." I hope my colleagues will think about that aphorism before voting for this bill. Think about the real world of Federal court litigation and the very real possibilities that long procedural delays in overloaded Federal courts will mean that legitimate claims may never be heard.

One little-noticed aspect of this bill illustrates the possibilities for delay that this bill provides, even to defendants who are not entitled to have a

case removed to Federal court under the bill's relaxed diversity jurisdiction standards. Under current law, if a Federal court decides that a removed case should be remanded to State court, that decision is not appealable. The only exception is for civil rights cases removed under the special authority of 28 U.S.C. § 1443. The original version of this bill allowed defendants to immediately appeal a decision by a Federal district court that a case does not qualify for removal.

Fortunately, the revised bill now requires such appeals to be decided promptly. It does not, however, do anything about the fact that the lower court may take months or even years to make a decision on the motion to remand. That means that a plaintiff class that is entitled, even under this bill, to have a case heard by a State court may still have to endure years of delay while its remand motion is pending in the Federal district court. Where is the "fairness" in that? I plan to offer an amendment, if I even get the chance to address that problem and I hope the bill's sponsors and supporters will give it serious consideration.

It is important to remember that this debate is not about resolving questions of Federal law in the Federal courts. Federal question jurisdiction already exists for that. Any case involving a Federal statute can be removed to Federal court under current law. This bill takes cases that are brought in State court solely under State laws passed by State legislatures and throws them into Federal court. This bill is about making it more time-consuming and more costly for citizens of a State to get the redress that their elected representatives have decided they are entitled to if the laws of their state are violated.

Diversity jurisdiction in cases between citizens of different States has been with us for our entire history as a Nation. Article III, section 2 of the Constitution provides: "The judicial Power shall extend . . . to Controversies between Citizens of different States." This is the constitutional basis for giving the Federal courts diversity jurisdiction over cases that involved only questions of State law.

The very first Judiciary Act, passed in 1789, gave the Federal courts jurisdiction over civil suits between citizens of different States where over \$500 was at issue. In 1806, in the case of *Strawbridge v. Curtiss*, the Supreme Court held that this act required complete diversity between the parties—in all other instances, the Court said, a case based on State law should be heard by the State courts. So this bill changes a nearly 200-year-old practice in this country of preserving the Federal courts for cases involving Federal law or where no defendant is from the State of any plaintiff in a case involving only State law.

Why is such a drastic step necessary? Why do we need to prevent State courts from interpreting and applying

their own State laws in cases of any size or significance? One argument we hear is that the trial lawyers are extracting huge and unjustified settlements in State courts, which has become a drag on the economy. We also hear that plaintiffs' lawyers are taking the lion's share of judgments or settlements to the detriment of consumers. But a recent empirical study contradicts these arguments. Theodore Eisenberg of Cornell Law School and Geoffrey Miller of NYU Law School recently published the first empirical study of class action settlements. Their conclusions, which are based on data from 1993–2002, may surprise some of the supporters of this bill.

First, the study found that attorneys' fees in class action settlements are significantly below the standard 33 percent contingency fee charged in personal injury cases. The average class action attorney's fee is actually 21.9 percent. In addition, the attorneys' fees awarded in class action settlements in Federal court are actually higher than in State court settlements. Attorney fees as a percent of class recovery were found to be between 1 and 6 percentage points higher in Federal court class actions than in State court class actions.

A final finding of the study is that there has been no appreciable increase in either the amount of settlements or the amount of attorneys' fees awarded in class actions over the past ten years. The study indicates that there is no crisis here. No explosion of huge judgments. No huge fleecing of consumers by their lawyers. This bill is a solution in search of a problem. It is a great piece of legislation for wrongdoers who would like to put off their day of reckoning by moving cases to courts that are less convenient, slower, and more expensive for those who have been wronged. It is a bad bill for consumers, for State legislatures, and for State courts.

This bill seems not to be about class action abuses, but about getting cases into Federal court where it takes longer and is more expensive for plaintiffs to get a judgment. The cumulative effect of this bill is to severely limit State court authority and ultimately limit victims' access to prompt justice. Despite improvements made since the last time the Senate considered this bill, the bill will still place significant barriers for consumers who want to have their cases heard in State court. Remand orders are still appealable, and the mass tort definition does not protect State courts' authority to consolidate cases and manage their dockets more efficiently. All the elements outlined in the bill before us will result in the erosion of State court authority and the delay of justice for our citizens. Therefore, I cannot support this unfair "Class Action Fairness Act" bill, and I will vote no.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

THREATS TO OUR NATION

Mrs. CLINTON. Madam President, this is a very difficult time for our Nation. A few hours ago, the Secretary of the Department of Homeland Security appeared at a press conference to discuss in some detail what he could say publicly about the continuing threats our Nation confronts because of the diabolical plots of the terrorists to undermine our way of life, to destroy American life, to disrupt American life. Earlier today there was a closed door hearing for the Senate that went into even greater detail.

A few weeks ago I personally was briefed by representatives of the Department of Homeland Security, the FBI, the CIA, others within our Government who follow the terrorist threats on a daily, even hourly basis. I believe it is fair to say there has been, ever since September 11 and I think one can argue even before, a concerted effort by those who subscribe to the nihilistic philosophy or theology that underlies the fundamentalist Islamic terrorists that whatever they could do to strike against our country or American interests or American allies anywhere in the world somehow furthered their perverted cause, their sense of purpose to try to strike against freedom and democracy, against women's rights and roles, against what the United States represents as a beacon of opportunity for so many around the world.

Representing the State of New York, I saw firsthand the horrific damage the terrorists caused because of their attacks on the World Trade Center and of course at the Pentagon, and then the crash in Pennsylvania of a plane thought to be headed toward either this building or the White House.

I have met recently, about 2 hours ago, with a group of interns who came to my office. I love meeting with the young people who work here in Washington during the summer. They come with such energy and enthusiasm. They were asking me a variety of questions. One of them said: Senator, what do you spend most of your time doing?

I told them that certainly, because of September 11, I have spent the bulk of my time worrying about and working on behalf of New York to help us recover from the attacks, to help us rebuild, to help us try to repair, so far as possible, the shattered lives and lost dreams of so many thousands of people. Then, once having become a member of the Armed Services Committee in January, a year and a half ago, I have been immersed in the details and challenges of how we defend our country, how we best protect our interests, how we take care of the young men and women in uniform.

Running through all of that work has been a commitment to do everything I could do as a U.S. Senator to ensure that we were vigilant, we took every step necessary and possible to protect our fellow men, women, and children.

I have taken that responsibility very seriously. I have introduced legislation to try to put both more resources into homeland security and to allocate those more effectively to ensure that our first responders, our police and our firefighters and our emergency workers, had the resources necessary to do the job we expected them to do because, in effect, they are our frontline homeland soldiers.

I have worked to protect our rail lines and our courts, to ensure that our critical infrastructure has been given whatever help can be offered so we are prepared, so we are vigilant, because none of us can predict whether there will be an attack or where one might occur. I am well aware of that. That is not something that we can stand here today and say we know is going to happen, but we can say with confidence there are people right now, meeting throughout the world in cafes in Europe, in tents in North Africa, in caves in Afghanistan, who wish us ill and who will do everything they possibly can to kill as many Americans, to injure as many Americans, and to destroy as much of America as possible.

I don't think we have a higher priority in the Senate than to work together in a bipartisan—frankly, a non-partisan—way to provide the resources and to do what is necessary to protect the people we represent.

That is why it grieves me to come to the floor of this Senate having watched now for several weeks as we have done nearly everything but focus on the real business of America. We have an appropriations bill standing in line for homeland security that we cannot get to the floor. Instead, we are engaged in these nonsensical, futile, parliamentary, politically partisan games. It is a shame, and it reflects on all of us, but it reflects most on the majority leadership of this body.

It is one thing not to know exactly all we should be doing to protect our homeland. It is something altogether different not to be doing the business we are expected to do to provide as many resources effectively deployed as possible to try to ensure that so far as humanly possible we have done our job.

Look at what we are doing today.

One can argue about whether dealing with class action is a priority given everything else going on in our world, but we can't even deal with that.

The majority leader comes to the floor, and in a parliamentary move makes it impossible to present any other issue, whether that issue is to try to raise the minimum wage for people who haven't had a raise in years or whether it is to try to bring about the reimportation of drugs from Canada so that people can pay an affordable price for the drugs they should be able to use for their prescriptions.

Some issues we hear about all the time. It is indeed frustrating that we are not even dealing with what is allegedly on the Senate floor.

But what really frustrates and disappoints me is that this impasse, this games playing, this pure, unadulterated partisan politics, is preventing us from dealing with the urgent business, the threats, and the dangers that confront our country. The Homeland Security appropriations bill just sits there. We can't get it to the floor. We have passed out of our requisite committees not once but several times steps to make our ports safer, to make our rail lines safer. For heaven's sake, we saw what happened in Madrid. How can we in good conscience act as though we don't have an obligation and a responsibility to protect our rail lines and our ports, our critical infrastructure?

We have just appropriated some additional funds to make sure we have more security in Boston and New York which will be the home of the Democratic and Republican Conventions, part of our great political democratic tradition in our country.

What about the people who do their job every day? What about the police officers in New York who walk the streets every day picking up information and conveying it to the intelligence-gathering operations of our New York Police Department and detectives coordinating with the FBI? What are we doing for them? We are cutting the COPS Program. That is what we are doing. We are not even adding additional money to homeland security. We are cutting the very lifeblood of what keeps the police on the streets in a city such as New York and so many other great cities around our country.

What about our firefighters? With budget cuts and cutbacks, we are not fulfilling the needs they confront for interoperable communications for hazardous materials, both training and equipment for the personnel that are needed with the highly developed skills to deal with chemical, biological, and radiological attacks.

I feel as if I am living in some kind of fantasy world, some parallel area.

We have the Department of Homeland Security Secretary standing before our Nation talking about the danger and threats we face. We have closed-door briefings for Members of the Senate and the House. Yet we don't get about the business of doing all we can to make sure we are prepared. It is bewildering.

When Secretary Ridge announced this morning that we have credible reporting that al-Qaida is moving forward with its plan to carry out a large-scale attack on the United States, then I think we act as though we have nothing better to do, at our peril. Shame on us. Yet here we are. We have a person in our Government responsible for giving us this information based on credible reports, and we are ground to a halt in the Senate.

This is one of those times when I think history is watching and will judge us harshly.

We are 4 days after our Independence Day, 4 months before the November elections, nearly 5 months after the President submitted his budget request to Congress, and the U.S. Congress has yet to send a single appropriations bill to fund the U.S. Government to the President for his signature.

The Department of Defense, Homeland Security, Department of Justice, Federal Bureau of Investigation, Secret Service, responsible for coordinating security at both conventions, Federal Emergency Management Agency, and a host of others charged with the solemn responsibility of protecting our country have not yet been funded. As is so painfully clear, we haven't even taken up the Homeland Security appropriations yet.

We could be right now debating on the floor of the Senate how much money our first responders need and whether we are going to take seriously the obvious threat to rail lines. And what about those ports with those thousands of containers that come in?

Last week, I was privileged to be in Seattle, WA, with my good friend and colleague, Senator MURRAY, who is the No. 1 champion of port security in this body. In fact, she was named Port Person of the Year because of her advocacy for our ports.

We went out across the water from downtown Seattle with the skyline spread before us to an island that processes a lot of the container traffic. We talked to the Coast Guard, Immigration, and other personnel who run that operation. It is an overwhelming task. You think about this, one of our ports—we have so many of them. The biggest are Los Angeles and Long Beach, Seattle-Takoma, and of course, New York-New Jersey. We have made some progress. I am proud of that progress. But we haven't done what we know needs to be done.

We have had report after report after report by distinguished Americans, by experts in security and intelligence, by people who understand the perverse mentality of our enemies, and they have said over and over again that we are not ready, we are not prepared, we have not done our part.

Let us get back to business. Let us get serious around here. Elections take care of themselves. That comes and goes. Our job is to do the people's work right now, today, in July, to deal with important pressing matters, and there isn't any that is more critical than homeland security.

We still have time, although it is a little hard to believe, but we only have about 2 more weeks, which usually translates around here into 6 days of work, and a day like today when nothing happens. It is discouraging.

There are 100 very smart, energetic, able people in this body who know how to work and how to get things done. They might as well be on a beach somewhere for all their efforts amount to

with respect to the important issues facing us and the one I am most concerned about; namely, the security in our country.

Every intelligence report, every briefing, always mentions New York. It mentions other places, too, but it always mentions New York. The people I represent, who have already gone through so much—the firefighters and police officers I represent, who have already set the world class standard for courage and class—I don't want to have to look them in the face and say, We could not get around to giving you the funds you needed to be sure you got those additional pieces of equipment that were required. We could not figure out how we were going to have the Senate deal with the business as to whether you live or die.

I am proud and honored to serve in the Senate. I am especially proud and honored to represent New York. But it is hard to understand how we could be turning our collective backs on the most pressing need confronting our country.

In 2 weeks we are going to be recessing—Democrats will go to Boston; the Republicans, later in August, will go to New York—and I guess everyone hopes and crosses their fingers and prays to God Almighty that nothing bad happens.

I was raised in a faith tradition that believed God helps those who help themselves; that we were given a soul, a heart, and head, and we were expected to use all three. I can only hope we will get a signal from our majority leader that we are going to go back to business, we are going to get this process moving again, we are going to bring the appropriations for the Department of Homeland Security to this Senate and we are going to act—not that we can prevent every bad thing from happening but that we will have done our duty. There is still time. I hope, for all our sakes, we act.

Mr. REID. Will the Senator yield?

Mrs. CLINTON. Certainly.

Mr. REID. I say through the Chair to the distinguished Senator from New York, there is no question the citizens from your State, more than any State in the Union, are troubled every day because every day there is a story that something bad is going to happen, and New York, as the Senator indicated, is always mentioned.

I heard the Senator from New York state today that we, the Senate, are wasting our time. Class action is important, but is it as important to my family as having better security for my family? I have family members in the Washington, DC area, in Nevada, and one of my sons moved to Utah. I would rather we were working on this bill, Homeland Security, to make my family members more secure.

To top this off, when we leave class action—and the majority has decided they simply cannot allow a vote on immigration, or certainly they cannot allow a vote on drug reimportation—we

are going to move off this legislation and are going to the gay marriage amendment. I know people have strong emotions about that one way or the other. However, I am willing to say the people for New York and the people of Nevada, if we weigh on one side the gay marriage amendment and on the other side the Homeland Security appropriations bill, this scale would tip 95 to 5. Does the Senator agree we have our priorities mixed?

And let me ask one other question. I went to my luncheon today and one of my friends in the press said, do you realize what the Republicans are doing? They are going to say you are obstructing everything.

Does the Senator from New York understand that is their game? They will say we are the ones obstructing these bills, when, in fact, they do not want to address these issues because they do not want to take a vote on overtime, they do not want to vote on extending unemployment benefits, they do not want to have a debate on immigration and drug reimportation.

Would the Senator agree when a government is controlled by one party—President, the House, the Senate and, I am sad to say, the Supreme Court—it is a little hard to blame the other party for obstructing? Does the Senator agree?

Mrs. CLINTON. Certainly, I agree with my good friend and my distinguished leader who makes some excellent points.

Even more than that, as the Senator from Nevada knows so well, in the face of a disaster or another attack, all of this becomes unimportant, trivial, even frivolous.

I have enough respect for all of my colleagues that I hope we are not putting ourselves in a position where in the event what has been predicted, and given voice to today by Secretary Ridge, comes to pass, and people rightly can turn and ask, Where were our elected representatives?

This goes way beyond politics. This is not about Democrats and Republicans. This is about us as Americans. What are our priorities? What do we think is important? What are we willing to fight for, stand up for?

As my good friend points out, the majority has made a different set of choices. They have decided they want to create an atmosphere of gridlock and obstructionism which means we go so far as not even to take up the Homeland Security appropriations.

It is profoundly sad. It would be sad any time, but it is extraordinarily disheartening that on a day when the Senate was briefed behind closed doors about the threats, when the Secretary of the Department of Homeland Security went before the world to talk about the threats, that we cannot get a debate on the appropriations for the Department of Homeland Security.

I have no doubt my good friend is right, there must be some political machinations going on in some back

room, there must be some pollster whispering in someone's ear and saying, If you do this, that, and the other, you can come. Maybe people will be fooled into believing—even though you are in charge, and as my friend points out, you are in charge of the White House, the House, and the Senate—that somehow the fact that nothing has happened has to be the other side's fault.

I am sure people are saying that, but how pathetic is that. What does that say about our values and priorities as a nation? If that is what they care about, trying to score cheap political, partisan points at the expense of bringing up the Department of Homeland Security appropriations in the face of the warnings we received today, then it is going to be clear for all to see the responsibility rests on their shoulders.

It is not too late. There are a lot of Members who have worked day and night to deal with the real business of America. I am sure my good friend, our deputy leader on this side of the aisle who is literally here every waking hour, would be here even more in order to deal with the people's business. And what is the people's business? No. 1, keeping the people safe.

Again, I hope we get about what is important, that our majority leadership decide they want to put aside these petty, partisan, political games dealing with scoring cheap points at somebody's advantage, and work for the good of all of our people.

Mr. DURBIN. If the Senator from New York would yield for a question.

Mrs. CLINTON. Certainly.

UNANIMOUS CONSENT REQUEST—S. 2537 AND H.R. 4567

Mr. DURBIN. Madam President, I would like to ask the Senator from New York if she would allow me to make a unanimous consent request at this time that the appropriations bills for homeland security be brought for immediate consideration on the floor of the Senate.

These bills—S. 2537 and H.R. 4567—are currently on the Senate calendar. After the warnings we received today from Secretary Ridge, could there be anything more important for us to do at this moment in time but to move to these bills so that units of government in New York, in Illinois, in Alaska, in Nevada are provided with the funds they need immediately, so we can move this process beyond all the political rhetoric and debate on so many issues that take a distant second place to the security of this Nation.

I wonder if it would be appropriate for the Senator to yield to me to make that request, and then I would return the floor to her.

Mrs. CLINTON. I so yield.

Mr. DURBIN. Madam President, I ask unanimous consent that the Senate take up for immediate consideration S. 2537, the Homeland Security Act of 2005.

The PRESIDING OFFICER. In my capacity as a Senator from the State of

Alaska and on behalf of Senate Leadership, I object.

Mr. DURBIN. Madam President, I ask unanimous consent that the Senate take up for immediate consideration H.R. 4567, the Homeland Security Act of 2005.

The PRESIDING OFFICER. In my capacity as a Senator from the State of Alaska, I object.

Mr. DURBIN. Madam President, I am disappointed with that decision based on what we have seen today and heard. I hope and I pray nothing happens in this country between now and the time we take these bills up. It reflects so badly on the U.S. Senate that we have been given fair warning by this administration that we face one of the most serious security threats since 9/11 and the Senate is unwilling—there has been an objection to even considering the Homeland Security bills at this moment when, in fact, we have nothing else to do here. I hope that history proves that this was not a wrong decision, but it is a decision which, sadly, we will have to live with until the leadership of this Senate decides to return.

At this point, I yield the floor.

Mrs. CLINTON. I thank my good friend from Illinois and I yield the floor.

The PRESIDING OFFICER (Mr. ALEXANDER). The Senator from Illinois.

Mr. DURBIN. Mr. President, what those who are following the Senate debate just witnessed is, sadly, a commentary on what has happened to the Senate. We are embroiled in debate on a class action bill relative to reforming the laws of America about how lawsuits can be filed. Many Members, in frustration, have wanted to consider many other issues: Should America now, after almost 6 years-plus of not increasing the minimum wage, finally increase the minimum wage for American workers? The Senator from Idaho has joined the Senator from Massachusetts in addressing a very important issue about agricultural workers and immigration. They would like to offer an amendment for that purpose, and it has broken down. There can be no agreement reached—at least there has not appeared to be an agreement reached.

Now we are just at rest, at ease, standing and doing nothing. It is hard to imagine that any of us were elected to the Senate for that purpose and particularly as many Members of the Senate, myself included, were called to a secret meeting, classified meeting this morning, with the Secretary of the Department of Homeland Security, Tom Ridge, as well as the Director of the Federal Bureau of Investigation, Robert Mueller, and were told at that briefing that we face an extraordinary threat to America's security. I am not saying anything out of school because I can tell you that Secretary Ridge had a press conference immediately after that private meeting and said as much to the American people.

It strikes me that under those circumstances we should be moving to

consider issues relative to homeland security, not just the appropriations bills but issues relative to port security and railroad security. There are bills on this calendar which have just been languishing. At this moment in time, when we have nothing else going on on the floor of the Senate, why are we not moving as quickly as possible to consider those important appropriations bills?

Mr. STEVENS. Will the Senator yield for a question, Mr. President?

Mr. DURBIN. I will yield in just a minute. I will be happy to yield after I make my statement.

I just pray that we can reach a point where we can get to these bills before anything serious happens in America. But I know in my State of Illinois and in every other State there are units of local government as well as law enforcement units and those who are looking for the resources to be able to respond to a national emergency.

If something serious should occur, God forbid, it is not likely that people will be calling the Senate switchboard. They are going to be dialing 911. They are going to be hoping that on the other end of the line there will be a police department, a fire department, an ambulance, or a hospital that can respond extremely quickly. And the question is, obviously: Are we doing all we should do on a timely basis to provide the resources to these units of local government?

Secretary Ridge said today—and I have the highest respect for him; he is an old friend. I came to Congress with him over 20 years ago. He was an excellent appointment by the President. But he said how much we rely on State and local first responders. If that is the case, wouldn't we want to move as quickly as possible to make resources available for them so they can be prepared to defend America? That is why we should consider this legislation.

The Senator from California, Mrs. BOXER, came to the Senate floor today and made the same unanimous consent request to go to these issues. Again, the majority said no, we are not going to consider these issues. There is nothing more important. I would hope we would move to them quickly.

I yield to the Senator from Alaska for a question.

Mr. STEVENS. Well, I will seek the floor when the Senator is through.

Mr. DURBIN. All right. I would just say, in conclusion, then, at a time and place, I hope we can find this bipartisan agreement to move to these issues. The sooner the better. Once having moved to these issues, I think the Senate can dispatch them quickly, on a bipartisan basis, as it should.

I yield the floor.

The PRESIDING OFFICER. The Senator from Alaska.

UNANIMOUS CONSENT REQUEST—H.R. 4567 AND S. 2537

Mr. STEVENS. Mr. President, I am sort of surprised with the Senator from Illinois. I attended the same briefing.

The Homeland Security bill has been reported by the committee to the Senate floor. We have been trying to get it to the Senate floor. I am prepared to present a motion to take up the bill right now, and I do.

I ask unanimous consent that at a time to be determined by the majority leader today, the Senate proceed to consideration of Calendar No. 588, H.R. 4567, an act making appropriations for the Department of Homeland Security for the fiscal year ending September 30, 2005, and for other purposes. Further, I ask unanimous consent that all after the enacting clause be stricken, that the text of Calendar No. 583, S. 2537, the Senate-reported bill, be inserted and agreed to in lieu thereof, without waiving any points of order by virtue of this agreement, and that the bill, as amended, be considered as original text for the purpose of further amendment; provided that no amendments shall be in order which will increase total discretionary spending provided by the bill in excess of the Senate-reported bill totals of \$32 billion in budget authority and \$29.729 billion in outlays; provided that no other points of order shall be waived thereon by virtue of this agreement; provided further that 2 hours be equally divided on the bill, that up to an extra hour be equally divided on each amendment, that all amendments be relevant and germane, that all votes occur before 5 p.m. on Monday, and that final passage occur by the same time, 5 p.m. Monday.

Now, I have an urgency to get this bill before the Senate, too. I am delighted the Senator has come to floor. I think it is the first time I have ever seen a member of the committee come to the floor of the Senate and ask to take up a bill without consulting the chairman. But I am prepared to take it up. We were prepared to offer this motion today. I ask for the unanimous consent agreement to start today—to start today—and we will finish it by 5 o'clock Monday.

Just as Governor Ridge indicated, there is a real urgency behind this bill. I would like to take it up. What this time agreement means is the bill will be subject to amendment, but anyone who wants to add money has to find some source to take it out. This bill is consistent with the budget resolution we are operating under, which is the budget resolution of 2004. We do not have a new budget resolution, but we do have the budget resolution for 2004, which put caps on 2005.

So I am ready to take up this bill. The chairman of the committee is ready to take it up. If the minority wants to come and ask that it come up, I am ready. We are ready right now. We will finish it by 5 o'clock Monday. We will have it to the President by 5 o'clock a week from tomorrow, I guarantee you that.

So I present the unanimous consent request, Mr. President.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, I would object, but I would ask the distinguished chair of the Appropriations Committee, who has worked harder than anyone I know in this Chamber to try to move the appropriations process forward, if we could not simply do what he is suggesting; that is, bring up the Homeland Security bill this afternoon. We can get agreement to go to the bill. No one has seen this bill. To be limited to a time limit without having had the opportunity to see it—we could even work out an agreement on relevant amendments. We could certainly work out a time agreement on amendments themselves. But there is no question that we could resolve these procedural issues immediately.

I ask unanimous consent that we set aside the pending business and take up the Homeland Security bill at 3 o'clock this afternoon.

Mr. STEVENS. My motion is before the Senate, Mr. President.

The PRESIDING OFFICER. The Senator is correct.

Mr. DASCHLE. Actually, I objected to that, and I have offered a counter-proposal.

The PRESIDING OFFICER. Objection is heard.

Mr. STEVENS. The bill I have referred to was reported to the Senate. It was reported to the Senate on June 21. It has been before the Senate for quite some time. All I have asked is we have the amendments—it is open to amendment—and that there be an hour on each amendment. All I have asked is the amendments be germane and relevant and that there be an hour on each amendment. The only difference between what the distinguished minority leader and I have requested is I asked that no amendment would be in order which will increase total discretionary spending provided by the bill in excess of the Senate-reported bill totals which, again, is the amount that is consistent with the existing budget resolution.

I resubmit that unanimous consent request.

The PRESIDING OFFICER. Is there objection?

Mr. DASCHLE. Mr. President, again, I think we are very close to reaching an agreement here. That is probably the good news that comes in this colloquy. I would object only because I am not sure I understand the implications of the final provision within his unanimous consent request having to do with the budget. There is no budget. We don't have a budget resolution. So I don't know how we can be guided by a budget resolution that doesn't exist. If anybody offers an amendment, my guess is it would be declared out of order, as the distinguished chairman is currently proposing. I don't think that is his intent, but I think that would be the interpretation. And that would, therefore, nullify any opportunity to make any alteration to the bill itself. If a 60-vote point of order is required on any amendment, it negates whatever opportunity there is to amend the bill.

I would hope perhaps within the hour we could work through that concern and come back and take up the bill this afternoon and, as the distinguished chairman suggests, finish the bill by early next week.

I will talk, of course, with our distinguished ranking member who would certainly need to be consulted before we agreed to do anything on the Senate floor. The distinguished ranking member has also expressed concern about our inability to move forward on this legislation, as well as the ranking member of the subcommittee. But I am pleased that the chairman has responded to our desire to move this legislation. Let's hope before the end of the afternoon we can have an agreement in place and take up the Homeland Security bill. No one could have been upstairs and heard what we heard and not want as much as possible to deal with all of the issues that are confronting us right now. The very least we need to do is to provide the funding necessary for the infrastructure that is already in place, and we have not even done that. So it is time we do it. It is time we recognize the concerns that are out there and deal with the responsibilities we have to fund the Homeland Security Department and all the related departments and not let this legislation languish as we tie ourselves up in procedural knots on legislation that has no place, at least right now, given our circumstances.

I will work with the chairman, work with the ranking member. Hopefully, we can come back to the floor sometime this afternoon and reach agreement.

The PRESIDING OFFICER. Objection is heard.

Mr. STEVENS. Mr. President, the distinguished leader has missed part of my unanimous consent request; that is, that the final vote take place at 5 o'clock on Monday. So we could go to conference with the House and expect to bring this bill back before we leave for the convention recess. Again, I state, I have a few years around here. I don't remember any Appropriations Committee member raising an issue to bring up a bill without consulting the chairman. I remember the days when had a Member done that, the Appropriations Committee chairman would not have forgotten it. So again, I say to the Senate, we are prepared to take up this bill under this time agreement and only under this time agreement today.

I yield the floor.

The PRESIDING OFFICER. The Democratic leader.

Mr. DASCHLE. Let me again respond to the distinguished Senator from Alaska, chairman of the committee. I don't know why we have to have all these conditions for taking up an important bill like this. What is wrong with coming to the floor, working through the bill, dealing with amendments. I am frustrated, I suppose, by the extraordinary demands put before

the Senate. Here it is Thursday afternoon. One of the most important appropriations bills we will confront and we must deal with, the Senator from Alaska, as well intended as I know he is, is asking the Senate to take it up on a Friday, when he knows most people travel, and then resolve it before the end of Monday which is also a travel day. We can argue how productive Fridays and Mondays are. And yes, we ought to be able to work here 5 days a week.

That has not been the practice. And certainly if we gave Senators warning, those who have already made travel arrangements could probably cancel those travel arrangements. But here we are. He can't really mean what he has suggested, that he is going to finish an important bill like this over 2 travel days and a weekend. That doesn't work. That certainly wouldn't be recognized by any standard as a good-faith offer.

Let's work this bill. Let's get it done. Let's have a debate. Let's have amendments. But let's recognize if we are going to do this, showcasing and posturing for purposes of trying to make it appear as if we are getting the work done is not going to satisfy the Senate. We need to lay this bill down. We need to work through it. We need to get it done. We ought to be doing it rather than playing all these political games with class action and all the other things that are contemplated now by the majority.

Mr. REID. Will the Senator yield for a question?

Mr. DASCHLE. Yes.

Mr. REID. Mr. President, the Senator from Alaska—and we all care deeply about him; he is our President pro tempore—said he wanted to bring up the bill—that was objected to—the Homeland Security bill, but under specific conditions, limiting debate and amendments. Does the Senator from South Dakota believe every bill that comes up we want to create a new Senate? We never want to do things the way the Senate has acted for 200-plus years. We want to do things the way the House does it. We want to have a rule on every piece of legislation.

This is my second question. Doesn't the Senator believe we could take this bill up and do it in the ordinary course of business, as we used to do things? We could finish this bill in a couple of days?

Mr. DASCHLE. The Senator from Nevada is absolutely right. There are too many on the other side who want the House rules but the 6-year term. If they want the House rules, I would advise them to run for the House. We have rules in the Senate that allow for debate. One of the advantages of being a Senator is, you have an opportunity to offer amendments and have a good debate about issues. That doesn't mean they have to be extended indefinitely. These issues can be resolved and have been. But issues as important as homeland defense and appropriations ought

to have an opportunity to be debated, to be vetted, to be discussed, and considered in a thoughtful way.

What the Senator has suggested, that somehow we take up the bill this afternoon and, with 2 travel days and a weekend, resolve all of these questions is not reasonable and certainly not realistic.

Mr. REID. Mr. President, will the Senator yield for one more question?

Mr. DASCHLE. I am happy to.

Mr. REID. We have completed on this floor—and we did it in expedited fashion—the Defense Appropriations bill. The Senator from South Dakota consented to going to conference. We agreed to do it the day after the bill passed. The conferees were appointed. I have here the Senate calendar. The conferees were appointed June 24.

Is the Senator from South Dakota, our minority leader, aware of the fact that since this important bill passed the Senate, the House of Representatives—and now it is July 8—has simply never even appointed conferees? So all this about having to do it by 5 o'clock so we can go to conference is yelling out words that mean nothing. The House hasn't appointed conferees on the Defense Appropriations bill since June 24.

Mr. DASCHLE. Mr. President, I acknowledge the Senator from Nevada is absolutely correct. It is mystifying that they would allow a bill as important as this to languish and not appoint the conferees we had every expectation would have been appointed the same day we did it in the Senate. Again, it is another illustration of the hyperbolic rhetoric we get about concern for conference and process, but when given the opportunity, no action is taken. That has been true on Defense, as well as many other bills. It is regrettable.

Clearly, this is another illustration of how unfortunate this whole schedule has been. We have wasted another week. We wasted a week with the Defense Appropriations conference report. We could have completed our work on the Homeland Security bill this week. Instead, I don't think we have had a vote. If we have had a vote, except for the nomination, I don't recall it. We had one vote on a nominee and no votes on any legislative substance. We have wasted this week.

We will waste next week, and as we continue to languish with all of this legislative work before us, we inexplicably have no opportunity to offer amendments and consider the legislative agenda that would make this a secure country. That is very unfortunate.

Mr. DURBIN. Will the Senator yield for a question?

Mr. DASCHLE. Yes.

Mr. DURBIN. Does the Senator from South Dakota, our minority leader, see any objection to our considering this appropriation bill first thing Tuesday, taking this up on the same type of expedited schedule by which we took up

the Defense Appropriations bill, subject to the same basic rules and completing it next week? This could be done quickly, could it not, if we follow the precedence and rules of the Senate, and there would not be a necessity for some of the conditions the Senator from Alaska has asked for?

Mr. DASCHLE. The Senator from Illinois is exactly correct. We would be prepared to accept virtually the same conditions we have agreed to in the past on Defense Appropriations and other legislation. If that is what it takes to expedite consideration of Homeland Security, I think it is critical that we attempt to accommodate the Senate and try to work through this very important legislative priority in an expeditious way. So the Senator from Illinois makes a very good suggestion. This is yet another approach. Let's decide to pick it up on Tuesday and move through the legislation. We can probably finish by the middle or certainly the end of the next week, and get to conference, even though they have not appointed conferees in the House.

My hope is when it comes to Homeland Security, given what we have heard today at the briefing, it would be imperative for us to deal with both of these bills in the most expeditious manner.

Mr. DURBIN. Mr. President, I am not going to make a unanimous consent request. The Senator from Alaska doesn't care for that from a member of the committee. I would like to suggest to the Senator from South Dakota that I hope there could be a conversation involving our leader on the Appropriations Committee, Senator BYRD, and Senator STEVENS, as well as Senator FRIST. I hope we can propose specifically to begin consideration of the Department of Homeland Security Appropriations bill on Tuesday morning and bring it to a conclusion and completion as quickly as possible.

I ask the Senator from South Dakota if he would consider trying to convene such a conversation with his fellow Senators.

Mr. DASCHLE. Mr. President, that will be, once again, the topic of discussion as I discuss the schedule with the majority leader. There cannot be a higher priority for our country and the Senate than dealing with homeland security issues.

Why we have not taken up the railroad security issue is another matter that is troubling to many of us. There are a number of bills related to our security that ought to be addressed, ought to have the highest priority. Certainly, Homeland Security Appropriations, railroad security, a number of other issues continue to sit without consideration. I cannot think of a better time to take it up than this afternoon and tomorrow, but no later than Tuesday; and I think the suggestion made by the Senator from Illinois is a good one. I will make it to the majority leader.

Mr. REID. Will the Senator yield for a question?

Mr. DASCHLE. Yes, I will.

Mr. REID. Mr. President, I think we also have to project ourselves into next week. I have read in the press that the majority, when we get off of the bill we have been dealing with all week, class action, is going to go to a constitutional amendment dealing with gay marriage. Now is there anybody who believes that amendment, which is doomed to failure no matter how you feel about it—how do the people in South Dakota feel about going to an amendment dealing with gay marriage instead of doing an appropriations bill dealing with homeland security?

Mr. DASCHLE. I am sure the people of South Dakota share the same feeling as the people in Nevada, Illinois and across the country. They want us to do our work and they want us to recognize there are very serious obligations we have that ought to be met. I cannot think of a more serious obligation than to provide for the security of this country. The longer we ignore it, the more we put our country at peril. I think it is critical we address these issues in a bipartisan way, a nonpoliticized way, an expeditious way; and certainly by taking this legislation up next week, we would be doing that.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. BYRD. Mr. President, what is the current business before the Senate?

The PRESIDING OFFICER. The Senate is considering S. 2062, the class action bill.

Mr. BYRD. I thank the Chair.

The Chair has indicated that the Senate is presently considering the class action bill; therefore, I would think it appropriate for me to add a title to the remarks I am about to make, a title which would be as follows: "Protecting the People's Interests Instead of the Campaign Interests."

This morning, Homeland Security Secretary Tom Ridge and FBI Director Mueller briefed Senators, and I am told that he indicated that al-Qaida cells are operating in the United States and that multiple and simultaneous attacks are possible before the November elections.

Now, I have been listening, as I sat home with my sick wife, to talk about an amendment to the Constitution. I have been married now more than 67 years to a coal miner's daughter, and I have been listening to all of the wrangling that has been going on on this floor. I therefore felt it appropriate to make these few remarks, especially in the light of what I am told Secretary

Ridge said; namely, credible reporting now indicates that al-Qaida is moving forward with its plans to carry out a large-scale attack in the United States in an effort to disrupt our Democratic process.

Just a month ago, the Attorney General announced that he had credible intelligence from multiple sources that al-Qaida plans to hit the United States hard in the next few months.

In the weeks following the Madrid railway bombing, the Washington Post reported that the President informed the Republican congressional leadership that he was all but certain that terrorists would attempt a major attack on the United States before the November elections.

Why are we wrangling over this political bill? Why not be talking about protecting the people of the United States and their properties against such an al-Qaida attack? It would seem to me that should have priority over politics.

Your lives, the people out there who are watching this Senate floor through those electronic lenses, your lives, we are told, are at stake. Then why do we have before this Senate this class action bill? Why not talk about the people's lives that are at stake? The administration says the people's lives are at stake and that we may expect multiple attacks. What a sinister threat we are obviously facing in this country. What are we doing on this floor? Wrangling, wrangling, wrangling over a class action bill. That is not going to sit very well with the American people, I don't believe, once they stop and think about it.

It would also be appropriate at this point, although it isn't very common that it is done on this floor—the Holy Bible is probably not something that one should carry onto the floor of the Senate, but I am going to read just two verses of Scripture from the book of St. Luke, chapter 13. These two verses are the sixth and seventh verses:

He [meaning Jesus] spake also this parable: A certain man had a fig tree planted in his vineyard; and he came and sought fruit thereon, and found none.

Then said he unto the dresser of his vineyard, Behold, these three years I come seeking fruit on this fig tree, and find none: cut it down;—

Cut it down—
why cumbereth it the ground?

I believe there is a day of reckoning coming and it isn't afar off, when the American people are going to look at this fig tree and say: These 3 years I come looking for fruit on this fig tree and I found none, cut it down. They are going to say that to this administration, to this White House. These 3 years—these 3 years—behold, these 3 years I come seeking fruit on this fig tree and find none.

Where are all the wranglers? The people of this country are going to render a reckoning to those who are in the leadership in this country and they are going to say: Behold, these 3 years I came here seeking fruit on this tree

and found none: cut it down; why cumbereth it the ground?

Just a few weeks ago, the 9/11 Commission released interim reports concluding that the terrorists who are intent on doing us harm are cunning and agile. These reports also indicate that our Government agencies were not prepared to deter or respond to such attacks. I fear that we are still not prepared to deter or respond to such attacks. Despite the threats, despite the dangers, despite even today's warnings from Secretary Ridge, the Senate this afternoon continues to debate legislation to reform the class action lawsuit process.

The Senate has spent 3 days on the bill without a single rollcall vote. Next week it is expected that the Senate will debate a proposed constitutional amendment on marriage.

Now, hear me, listen to that, a proposed constitutional amendment on marriage. There are few people in this Chamber who know as much about that subject as I do. My wife and I having been married now 67 years, going on toward 70, if it is the Lord's will.

It is expected that the Senate will debate a proposed constitutional amendment on marriage. Well, these are important matters. Nobody would say otherwise. But, frankly, they are not that urgent. They are not life or death issues, but they are the priority for the Senate majority leadership.

I believe there are other, more urgent matters that we should be considering. The Senate Appropriations Committee unanimously reported the Homeland Security appropriations bill 3 weeks ago, on June 17. Since June 17, the bill has sat collecting dust. Why are we not debating that bill? I say to the leadership: Why are we not debating that bill?

In response to the Madrid train bombings, both the Senate Banking Committee and the Senate Commerce Committee reported bills authorizing new Federal programs to secure our mass transit systems and our rail systems. The Governmental Affairs Committee has reported a bill authorizing first responders grants. The Senate has passed an authorization bill to increase resources for the Coast Guard. But where is the bill? The bill is mired in conference.

Why are we not moving forward on these bills? Why are we piddling around here, talking about a political bill, class action suits—class action suits? In the face of all the dire warnings that this administration, this White House, this Secretary of the Department of Homeland Security, this President—all of the dire warnings that we have heard, in the face of that yet we are here piddling around, dawdling, arguing, wrangling over a class action bill. How about that, those of you people out there in the prairies, out there on the rivers and the river valleys, out there in the Rocky Mountains, those of you in Appalachia? How about that? Your life, the lives of your children are at stake.

They say these terrorists are prepared to strike in multiple places and yet the Senate is dawdling, talking about a class action bill.

We only have 2 weeks left after this one. We need to act. Are we going to wait until we go home? Are we going to wait until after the conventions meet? Are we going to wait another 6 weeks and then come back and bring up the appropriations bill making appropriations for the Department of Homeland Security? Is that what we propose to do, dawdle? Fiddle-faddle? What is wrong with the Senate?

The Senate is a do-nothing place these days, a far cry from what the Senate has been in the years I have seen go by.

While the Bush administration has consistently promised the American people that they are making this country safe, the facts show the administration has consistently put homeland security on the back burner. Time after time after time, the distinguished Democratic whip who sits on the Appropriations Committee of the Senate, not only a highly respected member of that committee but a very able member of that committee, knows that we have tried time and time and time again to add moneys for homeland security in that committee and here on the Senate floor. And time and time and time again, we have been turned down by a Republican administration and by the Republican leadership of this body. Deny that, if you may. I can furnish chapter and verse regarding the amendments that we have called up trying to bring greater safety to the American people against a terrorist attack, and time and time again those amendments have been defeated on the floor of the Senate.

For this administration, homeland security can wait and wait and wait and then wait. What do they want to do, wait another 6 weeks now until we come back after the August recess and then take up the Homeland Security appropriations bill? Is that the game? What might happen in the meantime?

This administration created a new Department of Homeland Security that rearranges the deck chairs, but it cannot energize that Department with the financial resources that it needs to make America and the American people safer, and many of the resources that are provided to the Department have yet to be spent. Get that. Many of the moneys are still in the pipeline. They have been in the pipeline. They have yet to be spent.

What a dawdling White House.

In response to the terrorist threat, one might have anticipated that the President would have requested the supplemental appropriations for securing our mass transit systems, for inspecting more containers coming into our ports, for increasing inspections of air cargo, or for increasing the number of Federal air marshals. One might have expected that the President would have amended his 2005 budget request

to increase his anemic, 3-percent proposed increase for the Department of Homeland Security. What a shame. What a sad commentary on a White House that plays Russian roulette with the lives of the American people.

Instead, the White House did nothing. Instead, the Department seems satisfied with a go-slow, business-as-usual approach to homeland security.

The Department issued advice to mass transit systems for improving security but provided no funding to increase law enforcement presence or to deploy K-9 teams.

Despite the approach of a busy summer season for airline passengers, the Department of Homeland Security has allowed the number of Federal air marshals to shrink precipitously, and the President's budget would result in even deeper reductions next year.

I have worked with the distinguished chairman of the Appropriations Committee, Senator STEVENS of Alaska, year after year, month after month, time after time to increase appropriations for the Department of Homeland Security. Senator STEVENS and his committee have brought out bill after bill, and we brought bill after bill to the Senate floor over these years. We have joined together hand in hand on many occasions to seek the administration's help and have asked the administration to send up Tom Ridge before the Senate Appropriations Committee to testify back before he became a Secretary and subject to the confirmation of the Senate. Our requests fell upon deaf ears.

Despite concerns about the safety of our borders, the Department, in March, imposed a hiring freeze on Customs officers and Immigration inspectors. Millions of dollars that Congress approved for port security, for bus security, for hazardous materials grants 9 months ago have not been awarded. Millions of dollars that Congress approved in February of 2003, 17 months ago, for the purchase of additional emergency equipment for the 28 urban search and rescue teams have not been spent. Millions of dollars have not been spent.

Having this money sit in Washington, DC, does not make any American citizen any safer.

As a result of the President's decision not to seek supplemental appropriations, the Transportation Security Administration was forced to cut funding for training passenger and baggage screeners and for purchasing equipment for airport checkpoints.

You who listen today, it is your life and the lives of your family members and your neighbors and your friends that are at stake.

As the lines at our airports get longer and longer this summer, our citizens will wonder who is responsible. Who is responsible for this lackadaisical, careless attitude on the part of our government? Where are our government leaders? Where is the Senate? Why is the Senate so mute? That great deliberative body, where is it? Why is

it so mute? Why are we today debating a class action bill when our lives are at stake?

It has been 2½ years since Richard Reid, the so-called shoe bomber, tried to blow up an aircraft in flight over the ocean with explosives that he carried onto the aircraft. Are we any closer to deploying systems that could check passengers for explosives? Sadly, sadly, the answer is no, no, no.

It has been over 2½ years since the Congress passed the USA Patriot Act and set a goal of tripling the Border Patrol and Customs officers on the northern border. Have we met the goal? Sadly, we are 1,428 officers short of the goal.

It has been nearly 3 years since 9/11 when police and firemen in the World Trade Center could not talk to one another on their radios and tragically hundreds of them perished never to rise in this world again.

Are we any closer to providing police and firemen across the Nation with interoperable communications equipment? Sadly, the answer is no.

The EPA has estimated that there are 100 chemical plants in this country—several of them down in southern West Virginia, where one of the greatest chemical complexes in the Western Hemisphere exists. The EPA has estimated that there are 100 chemical plants in this country, each of which if attacked could harm over 1 million people. In February of 2003, the National Infrastructure Protection Center, which is now part of the Department of Homeland Security, issued a threat warning that al-Qaida may attempt to launch conventional attacks on nuclear or chemical plants. A year and a half later, has the Department actually hardened the security of the chemical plants? Sadly, that same old refrain: No.

More than 95 percent of the Nation's overseas cargo moves through our ports. The U.S. Coast Guard estimates that a 1-month closure of a major U.S. port would cost our national economy \$60 billion. We inspect only 9 percent of the cargo containers that come into our ports. There are 361 ports.

In order to help secure the ports, the Coast Guard estimates \$1.1 billion is required to implement the Maritime Transportation Security Act in the first year and \$5.4 billion over 10 years. How much did the President request? The President requested only \$46 million for port security grants, a cut of 62 percent.

We need to do more than that. The American people expect more than that. The American people have a right to expect more than that. The American people have a right to expect from this administration, this White House, better consideration, better safety, greater concern.

There is a day of reckoning coming, and it is not far off.

Let me turn to this old book our fathers and mothers read.

A certain man had a fig tree planted in his vineyard; and he came and sought fruit thereon, and found none.

He found none.

Then, said he unto the dresser of his vineyard, Behold, these three years I come seeking fruit on this fig tree and find none; cut it down. Why cumbereth it the ground?

The owner of that vineyard is coming soon, just a few more months. The American people are coming to that vineyard seeking fruit thereon and they are going to say these 3 years we have come seeking fruit on this fig tree and found none. Cut it down.

Listen to that, White House. Cut it down.

On March 11 of this year, terrorists attacked commuter trains in Madrid, Spain, killing nearly 200 innocent passengers. The President of the United States has not requested a dime for mass transit security. No one is suggesting we set up a passenger screening system at our train stations like we have at airports, but we should be investing in additional guards, better training, additional K-9 teams, better surveillance. Americans use public transportation over 32 million times per workday. The Senate Banking Committee has reported a bill authorizing over \$3.5 billion for fiscal year 2005 for mass transit security and the Senate Commerce Committee has reported a bill authorizing \$1 billion for rail and Amtrak security. Our citizens deserve to be secure as they travel to work and back home again.

Time and time again over the last 3 years I have offered amendments to provide funding for securing our mass transit systems and the White House consistently called the amendments wasteful or unnecessary spending. We need to do more.

The Hart-Rudman report on the terrorist threat in this country recommended a \$98 billion investment in equipping and training for our first responders over the next 5 years, yet the President did not request an increase in first responder funding. Instead, the President has proposed to cut first responder funding in the Department by over \$700 million, including a \$246 million cut in fire grants, and governmentwide the President is proposing cuts of \$1.5 billion. We need to do more, not less. We are living in perilous times. Perilous times. We are a country that faces increasing threats from terrorists right here at home.

As Secretary Ridge was said to have explained to the country this morning, there is a growing concern about a potential terrorist attack before the November election. We are vulnerable, and the continual warnings and calls for vigilance only magnify that vulnerability.

What is our response to the Secretary's warnings in this Senate, in this dear old body which has been my home for almost 46 years? We give whistles to staff in the Capitol and we hope for the best. We sit back and wait and wait on an appropriations bill that is right here that could have been called up days ago. We sit back

and wait and wait on this appropriations bill that would improve Homeland Security. Instead of action, we delay. Instead of action, we call up a class action bill. Instead of action, we get wrangled in political arguing. We delay Homeland Security funds for police officers and firefighters. We delay immediate investments in border security and port security. We say loudly for all the country to hear, Homeland Security can wait.

No, it cannot wait. Homeland Security cannot wait. And remember, there will be a day of reckoning. It will come as surely as I stand here in this place, as sure as the sparks fly upward. That day of reckoning is coming ever near around the corner.

Indeed, the majority leader could have scheduled the Homeland Security appropriations bill this week, but rather than bring up that critical legislation this week the majority chose to go to the class action bill. And once the Senate began consideration of the class action bill, then it was decided that Senators could only offer those amendments the leadership deemed appropriate. Now, how is that? How is that for filling the tree?

Here we are in the middle of July, with 11 more legislative days left before the Senate recesses for the respective party conventions; and that is going to be for 45 days we will recess, take or give a little. So the Senate has acted on exactly one appropriations bill, the Defense Appropriations bill.

Now that is not the fault of the Senate Appropriations Committee. No, you can bet on that. That is not the fault of the Senate Appropriations Committee.

It is said that actions speak louder than words, and I believe that to be true in this case. Given all of the priorities facing this country, the majority leader has said, I am told, the most urgent need the Senate should consider is the class action bill and has further indicated that next week the Senate will consider a constitutional amendment that no one believes has the number of votes needed for adoption. Amend the Constitution of the United States—here it is, folks. I hold it in my hand. Let's just amend it one more time.

Homeland security funding will sit on the sidelines. Is that what the Senate should be about, I ask you, the people out there? This Senate should step back from this folly and put the people's interests first—the people's business, the people's lives.

I simply do not understand why the Senate is twiddling its thumbs on legislation that could be considered at some other time rather than addressing homeland security issues when it matters most.

I watched them tear the building down,
A gang of men in a busy town;
With a ho-heave-ho, and a lusty yell,
They swung a beam and a sidewall fell.
I asked the foreman, "Are these men skilled,
And the men you would hire if you had to build?"

He gave a laugh and said, "No, indeed;
Just common labor is all you need.

I could easily wreck in a day or two
What builders have taken years to do."
I thought to myself as I went away,
Which of these roles have I tried to play:
Am I a builder who works with care,
Measuring life by the rule and square,
Am I shaping my deeds to a well-made plan,
Patiently doing the best I can?
Or am I a wrecker who walks the town,
Content with the labor of tearing down?

Think about it.

Now, I had not been told about my dear friend's, the chairman's, proposal about taking this up, even though I am the ranking member, actually the senior member of the committee, the only person on that committee who has been on it for 46 years, the senior Democrat in this whole creation here. I was not told about any proposal that my chairman was about to make.

I would be happy to consider any proposal. I want to work with the chairman. I say, why not take up this bill on Monday of next week? Why not? Why not bring this bill up on Monday, and let's have at it? I will leave that question for the leadership. I hope it will receive some consideration.

A certain man had a fig tree planted in his vineyard; and he came and sought fruit thereon, and found none.

Then said he unto the dresser of his vineyard, Behold, these three years I come seeking fruit on this fig tree, and find none: cut it down; why cumbereth it the ground?

Mr. President, I yield the floor.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

GARRETT LEE SMITH MEMORIAL ACT

Mr. SMITH. Mr. President, there are many arguments hot and heavy being made today about the important issues that confront our country, issues about our security, about our troops, about the hot summer that is threatened by terrorists, about our economy and its recovery, and I know there are strong feelings on both sides of the aisle. But I hope today to show the American people that we are bigger than just partisans, that there are times when our Nation's elected officials can come together, put aside political and party differences, and actually debate and pass legislation.

My bill that I am talking about now in the company of MIKE DEWINE, the Senator from Ohio—and I believe Senator DODD of Connecticut will soon join us—is a bill, I suppose, on a smaller subject than war and peace and economic recovery, but it is nevertheless a bill about life and death, so it is important. It is not a far-reaching bill. It is not even all that expensive, certainly not in relationship to all that our Congress will consider, but it represents an important milestone in our country's battle against mental illness and specifically youth suicide.

Later tonight, this bill will be introduced by the majority leader. I thank him for his sensitivity and willingness to proceed on this bill. He has been of enormous help to my wife and me in this struggle. I thank also Senator DASCHLE for truly making this a bipartisan issue. See, what Senator FRIST and Senator DASCHLE understand is that mental illnesses do not register by party; they afflict Republican and Democratic families alike.

I would like to thank Senator GREGG, the chairman of the committee, and his staff for their willingness to proceed with this legislation. It would not have happened without him.

I would like to thank Senator DEWINE. He and his wife Fran know something about family suffering, having lost a child of their own, so he has been unusually sensitive to Sharon and me on this issue. He has championed one of the bills, the major part of this bill we will take up today.

I thank you, Senator DEWINE.

I want to show further how we as partisans, as Republicans and Democrats, are first Americans. During the hearing we had on this bill, it was Senator DODD, who is the ranking member of the committee, who suggested that if we accomplish little else in this Congress, we at least ought to do this much. Senator DODD is one of the nicest and most decent Members of this Chamber.

There are other Senators of whom I want to take note.

Senator JACK REED has been especially sensitive and has helped to write a big portion of this bill as it relates to campus suicide.

Senator HARRY REID, the Democratic whip—his family also having suffered with a suicide—has been a champion of mental health issues and specifically on the issue of how to intervene, interdict, and to stop suicide when it is at all possible.

Finally, I would like to speak of Senator KENNEDY. I have looked at him often in this Chamber. I have thought of him as a lion in winter. He certainly has a lion's roar in this Chamber. Yet underlying the lion's roar, Senator KENNEDY has a heart that is filled with compassion for people. No one on either side of the aisle should ever question his motive, and his motive is as good as gold even though you can reasonably disagree with his method. He has been of unusual help to me and to Sharon as we suffer the loss of our son. He has known much suffering in his days, and I thank Senator KENNEDY.

Finally, I must mention ARLEN SPECTER, the subcommittee chairman of the Appropriations Committee that helps fund the mental health issues. For a long time, he has found ways to fund programs to help with mental illnesses. And he has been helpful in a tight year with a tight budget trying to find the resources that can be utilized for the authorization of funds this bill will provide.

Enough of those things, and now to the substantial.

Most of you can probably discern by now that my emotions are still somewhat tender. I didn't volunteer to be a champion of this issue. But it arose out of the personal experience of being a parent who lost a child to mental illness through suicide.

Last September, Sharon and I lost our son Garrett Lee Smith to a long battle that he suffered from mental illness. He suffered emotional pain that I cannot begin to comprehend, and he ultimately sought relief by taking his life. While Sharon and I think about Garrett every day and mourn his loss, we take solace in the time we had with Garrett and say to all those who suffer the loss of loved ones that the very best antedote for grief is the gratitude you had for your loved one for a time on Earth. Sharon and I have committed ourselves each in our own way to preserving Garrett's memory by trying to help others so that other families and children do not suffer a similar fate.

Sharon and I adopted Garrett a few days after his birth. He was a beautiful child, a handsome baby boy.

Forgive me.

He was thoughtful of everyone around him as he grew older. His life, however, began to dim in his elementary years. He struggled to spell. His reading and writing were stuck in the rudiments. We had him tested and were surprised to learn that he had an unusually high IQ, but he struggled with a severe overlay of learning disabilities, including dyslexia.

However, it would be many years later until we learned how extensive his true illness was because of his diagnosis, which was a bipolar condition. Bipolar disorder, also known as manic-depressive illness, is a brain disorder that causes unusual shifts in a person's mood, energy, and ability to function. Different from normal ups and downs that we all experience, the symptoms of bipolar disorder are severe. People who suffer from bipolar experience swings from manic highs where sleep and eating are not desired, to deep catastrophic depressions where simply getting out of bed can be too much of a challenge.

In the United States, more than 2 million American adults suffer from bipolar disorder. This illness typically develops in late adolescence or early childhood. However, some people have their first symptoms during childhood, while others develop them late in life. It can be a debilitating illness. And, as in Garrett's case, it can lead to worse tragedies.

As his parents, we knew how long and how desperately Garrett had suffered from his condition and his very dark depression. While we knew intuitively that suicide was possible in his case, there are simply no parental preparations adequate for this crisis in one's own child, no owner's manual to help one in burying a child, especially when the cause is suicide.

So I have committed myself to trying to find meaning in Garrett's life by

helping to pass, with the help of my colleagues, an important first step to ending the epidemic of youth suicide. It is no small task, but one that I believe should be a top priority of this Congress because every year approximately 30,000 Americans commit suicide in the United States—a number that is almost twice as high as the number of homicides in our country. Almost 700,000 Americans are treated in hospitals every year for self-inflicted wounds and attempted suicides. But keep in mind these figures don't tell the whole story. They do not account for the families, the friends, the coworkers who are affected by each suicide. Suicide and attempts do not simply leave an impression on the individual's life, it leaves a deep impact on everyone who knows the person or a family member of that person.

America's youth are committing suicide at staggering rates. Suicide is the third leading cause of death for people age 10 to 24 years—the third leading cause. That is why this bill, at MIKE DEWINE's suggestion, named the Garrett Lee Smith Memorial Act, is so vitally important. It takes the first significant step toward creating and funding an organized effort at the Federal and State levels to prevent and intervene when youth are at risk for mental and behavioral conditions that can lead to suicide.

The loss of life to suicide at any age is tragic and traumatic. But when it happens to someone who has just begun life, has just begun to fulfill their potential, the impact somehow seems harsher, sadder, more out of season, more tragic.

Garrett had just begun to reach his potential. His big smile and generous spirit allowed him to befriend everyone, popular or not. Wisely or not, his mother and I showered him with creature comforts as yet another way to show him that we loved him and that we valued him. But as a testament to his character, we later found out that much of what we gave him in a material way he readily gave to others less fortunate.

He also wanted to accomplish three things in life. He wanted to be an Eagle Scout, he wanted to graduate from high school, and he wanted to serve his church on a mission. He accomplished those three things, largely because of the efforts of his angel mother. He loved his mission companions, he loved his church, he deeply loved his Savior, and a chance of serving others in his name. Unfortunately, his struggle against his periods of deep depression became too much. We sought out help from school and church counselors, psychologists, and ultimately a psychiatrist. But words of encouragement, prayers earnestly offered, and the latest medical prescriptions could not repair our son's hard-wiring defects.

Garrett's bipolar condition was a cancer to him, as lethal as leukemia to anyone else. It filled his spirit with hopelessness and clouded his future in

darkness. He saw only despair ahead and felt only pain in the present, pain and despair so potent that he sought suicide as a refuge, a release. The bill I offer today with these great colleagues, Republican and Democrat alike, is intended to help other people who suffer from mental illnesses that are so devastating it places them at risk for taking their own lives. No family should experience the pain we have suffered and no child should face the challenges of mental illness alone.

When signed into law, this bill will authorize \$60 million over 3 years to create a system focused on establishing in each State a statewide early intervention and prevention strategy. It ensures that 85 percent of the funding will be provided to the entities focused on identifying and preventing suicide at the State and community levels. Entities apply to the State for funding and can utilize a variety of options to implement the tenets of statewide strategy.

One option that Sharon and I have recently championed in our own hometown is the Columbia University Teen Screen Program. We have chosen to endow this program in our community in our son's memory, in the town of Pendleton, OR, from which I hail.

All sixth graders who have their parents' consent will be screened each year for mental illnesses that can lead to suicide and they will receive referrals for treatment. Our hope in sponsoring this program is to help as many children as possible at as early an age, as young as possible, because if we identify mental illness early, we may be able to prevent thousands upon thousands of youth suicides.

The bill also authorizes the Suicide Prevention Resource Centers that will provide technical assistance to States and local grantees to ensure they are able to implement their statewide early intervention and prevention strategies. It also will collect the data related to the programs, evaluate the effectiveness of the program, and identify and distribute best practices to other States around the country. Sharing technical data and program best practices is necessary to ensure that Federal funding is being utilized in the best manner possible. That information is being circulated among participants.

Finally, the bill will provide funding to help colleges and universities establish mental health programs or enhance existing mental health programs focused on increasing access to and enhancing the range of mental and behavioral health services for students.

Entering college can be one of the most disruptive and demanding times of a young person's life, but for persons with mental illnesses the challenges can be overwhelming. Loss of their parental support system, familiar and easily accessible health care providers can often become too much of a burden to bear. That is why we have, for the first time, focused Federal funding on improving the support structures available at our colleges and universities.

I simply say with emphasis to my colleagues, we have a suicide epidemic on American university campuses because kids leave their homes and need support structures. As in the case of our son, when you are not there and they do not have someone to fall back on, sometimes the most innocent kinds of disappointments for you and me can be life ending to them. These are the kinds of situations which we hope to better predict.

I say in conclusion, the components of this bill will ensure that we begin to address the staggering problem of youth suicide. I am pleased to be a champion of this cause, not because I volunteered for it but because I have suffered over it. This bill, with the support of my colleagues, will be a marvelous beginning to say to the American mothers and fathers, we care about you, we know your struggles, we know your suffering, and we are trying to help.

Where you cannot be there, we are going to do our level best to make sure there are professionals, there are people to help, so we can put an end to this epidemic and let our youth know that mental illness is not something from which they should shrink but something about which they should seek help.

If we do this, my colleagues, I assure you, whatever else we may or may not accomplish in this Congress, we can leave here with pride that we did a very good thing for the young men and women of the United States of America. I urge the passage of this bill.

I yield the floor.

The PRESIDING OFFICER. The assistant Democratic leader.

Mr. REID. As my friend from Oregon knows, my father committed suicide. My situation was totally different than that experienced by my friend from Oregon. With my dad there was nothing that had happened that suggested a problem.

I went to watch Muhammad Ali work out, spent the morning with Muhammad Ali. I had a wonderful time. I took somebody who was working with me. Two of us were alone with Muhammad Ali for a long time. I returned to my office and walked in the door. Joan was the receptionist. I can still see her. This was many years ago. She said: Your mother is on the phone. I picked up the phone and she said: Your pop shot himself.

My dad had killed himself at home in Searchlight. For a long time, I was embarrassed; I did not know how to handle that. I, of course, acknowledged my dad was dead but like most people who deal with suicide, it takes a while to accept that.

My acceptance came many years later when I was part of the Aging Committee in the Senate. Bill Cohen was the chairman. We had a hearing on senior depression. Mike Wallace, a reporter on "60 Minutes," testified before the committee. He said: A lot of times I wanted to die. I did the most dan-

gerous things I could do, hoping that maybe something would happen that I would not return. He said: But you know, I now take a little bit of medication; I had the opportunity to talk to someone and I no longer feel that way.

So I shared, for the first time ever publicly, what happened to my dad. My dad was 56 or 57 years old, much younger than most members in the Senate. I said at that time to Chairman Cohen that I thought we should have a hearing on senior suicide. I shared, for the first time, the story of my dad's death.

I didn't know Garrett. Gordon didn't know my dad. My dad was a person who, as we look back, had been depressed his whole life. I cannot give a long dialog about my dear dad other than to say he was a very strong, physical person, bigger than I am, bigger than his four sons. He never lifted a weight, but with his shirt off at the age he was, people would think he had lifted weights. He had big arms, a big chest. He was very strong.

He didn't like to be around people, only his family. About a week before he killed himself, we came out to visit him in Searchlight. My dad did not have much in the way of material possessions, but he had one thing for which he was very proud. It was a specimen.

My dad worked hard all of his life, never made any money doing anything, but he worked like a dog. One time he had a lease on a mine and he found some very rich ore at the Blossom. The vein was very small. It was in a talc-like formation, and it assayed at \$18,000 a ton. He got a few sacks of this. It was in such small quantities you could not even fill up a truck with it.

He saved a specimen. All he had left was a specimen; that was valuable to him, at least. Approximately a week before he died, he gave it to me. It was unlike my dad. But, of course, as I look back, he had been planning what he was going to do for some time. His health was not good and he had miner's consumption, and I am sure other problems. He smoked like a chimney all of his life. He coughed every night when I was a little boy. I thought all kids' dads coughed like my dad.

But had this legislation, introduced by my friend, been in effect, my dad may not have had all the problems he had as he proceeded through life. Suicide is an American tragedy. We know that at least 31,000 Americans every year kill themselves. We know that because those are the deaths that we can say: This was a suicide. But there are, I believe, thousands of others—automobile accidents, hiking accidents—that are really suicides.

So we have done a few things since my work with Senator Cohen. We are now studying, for the first time—it is hard to comprehend this—but for first time in the history of this country, we are trying to figure out why people kill themselves. We do not know for sure. One of the phenomenons is that most of the suicides are in the western part

of the United States. We do not know why. You would think just the opposite, with the Sun shining and the wide open spaces. But we are studying that. The Surgeon General of the United States has stated it is a national problem.

I want my friend from Oregon to understand how important it is that he is stepping forward on this issue. Landra and I attended Garrett's funeral. We were so impressed because no one—no one—tried to mask what happened to Garrett Smith. Every speaker talked about this fine young man. Some of the speakers had known him his whole life. But there was not a single speaker who tried to make an excuse or cover up the fact that this young man had taken his own life.

You see, we have come a long way. After my dad died, killed himself, I bought a book on suicide. It was not long ago that you could not bury someone who committed suicide in a cemetery. Most religions would not accept and allow the normal religious ceremonies to take place if somebody had killed themselves. We have gone beyond that in most every instance, and that is good.

I want the Senator from Oregon to know how I appreciate his moving forward on this national problem. Nevada leads the Nation in suicide. I believe that anything we can do to focus attention on this problem is going to be of benefit to so many people.

Since this situation with my dad in the committee, we now have a national organization. They have a full-time lobbyist now. SCAN is the name of the organization. Their whole existence is based on dealing with the suicide problem that faces this country.

I appreciate very much the Senator from Oregon, I say for the third time, moving forward on this issue. It is a happy day and a sad day because, as life is, I do not focus on that day when my dad—I went out and saw my dad on the bed where he had killed himself. I do not focus on that, but I did today, and it is good for me that I did focus on it.

It is good for us that we focus on this. I used to think suicides happened to other people, but they happen to us. There are so many people who I come in contact with who have had a father, a mother—I had a wonderful TV reporter in Las Vegas—and you know it is all business with these journalists—who said to me once: Could I talk to you sometime alone? I said: Sure. She told me about the fact that her brother committed suicide, her father committed suicide. This story did not end there. She called me later, after we had our private conversation; her own sister then killed herself.

Suicide is an illness of which we have to get ahold. It is something that does not happen to others; it happens to us.

I am so glad I was able to hear the heartfelt remarks of the Senator from Oregon today.

The PRESIDING OFFICER. The Senator from Oklahoma.

Mr. NICKLES. Mr. President, I compliment my colleague from Oregon, Senator SMITH, for his statement and also for the work he has done in putting together this legislation. I ask unanimous consent to be added as a cosponsor.

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

Mr. NICKLES. Mr. President, I also compliment my colleague and friend, Senator REID, for his statement. I have a similar experience. My father also committed suicide. I am not going to go into the details, but it is a lot of pain. It is very evidenced by the pain in the expression by Senator SMITH and Senator REID that this is a very serious problem throughout our country. It is a serious problem, as Senator SMITH has experienced, unfortunately, particularly with teenagers.

For teenagers, this is a problem that most people cannot comprehend. I did know Garrett. Garrett was a troubled young man with mental illness. He was also a very fortunate young man because he had outstanding and loving parents. He had an angel for a father and a mother, and he received more love than most children would ever dream of receiving. Now maybe he is in some ways giving a gift to the country because Senator SMITH, in trying to rationalize maybe, combat this very serious problem, is trying to tackle it nationally. I have no doubt as a result of us passing this legislation we will end up saving a lot of lives, maybe thousands of lives. So I just want to associate myself with my very good friend Gordon Smith but thank and compliment him because we will never know—we will never know—did this save someone's life somewhere in Oregon or Oklahoma or Nevada or New York because there are a lot of troubled kids out there, frankly, who have not received the attention they need. Maybe it will also lead to greater research in combating suicide as a whole because it is a big problem throughout this country for many ages, particularly for teenagers.

I compliment Senator SMITH for the love and attention and focus both he and Sharon focused on Garrett. Garrett was a very fortunate young man to have such loving parents. The Senate is very fortunate, our country is very fortunate, to have his leadership on this very difficult, sensitive issue for them and, frankly, for our country. I compliment him for his work and yield the floor.

The PRESIDING OFFICER (Mr. COLEMAN). The Senator from Connecticut.

Mr. DODD. Mr. President, first of all, let me thank both of my colleagues from Nevada and Oklahoma as well. Their remarks were very moving today. In the midst of all these other matters we debate and discuss—matters we think are of such great and global and national importance—I don't think anything we have listened to has been as important as the com-

ments that have been made by our good friend and colleague from Oregon, GORDON SMITH, and my good friends and colleagues, HARRY REID and DON NICKLES. I was aware of the circumstance of my friend from Nevada. I was not aware of the circumstance of my friend from Oklahoma. I appreciate both of them adding their voices today to this discussion. Particularly, though, I think we all feel a special bond with Senator SMITH and what he and his lovely wife Sharon have gone through. I commend him for his courage and determination to share his story with us and the country today.

Time does heal wounds. I suspect my friend from Nevada and friend from Oklahoma still feel tremendous pain, and I suppose that time does remove some of the bitterness. But we know that our friend from Oregon lost his son only a matter of months ago, and we know the fact that he came to me, to MIKE DEWINE and Senator REED, to others, asking with great determination if there was a way to clear the legislation before us this year. I am so glad that he came to us. I will forever remember the hour or so we spent—not many weeks ago—talking about this legislation in my office and trying to find a way to clear it. Gordon, it is because of you that we are here today.

I commend the majority leader and the Democratic leader and others for insisting that we find some time here to allow this legislation to be considered and, I believe, adopted unanimously by our colleagues. I know the other body is considering legislation as well.

If I could, I would like to spend a couple of minutes speaking about this important issue, and I hope this time maybe there are people listening. I know occasionally people follow C-SPAN. There are probably times when they wonder why they are watching us at all, but maybe today, as a result of our conversation and the tremendous remarks by our colleagues who have talked about this issue in very personal terms, in addition to the underlying legislation, there will be people listening whose lives might be transformed. My admiration for the three of our colleagues who have spoken today, particularly our colleague from Oregon, is unlimited. He has done a great service, if nothing else, by sharing his story with America. That has great value.

There are people listening to this who I know full well are going through similar circumstances and wondering how to cope, or a child out there who may be wondering whether anyone can pay any attention to his or her needs, or trying to find a place he or she can go to try and resolve these conflicts. I think this discussion is a worthy one for this historic Chamber to be engaged in.

Adolescent years are the most difficult in many ways. We spend a lot of time talking about early childhood development, and rightfully so. Those are formative years in a child's life. There

is much more we could do to try and assist parents and young children beginning the journey of life to get it right from the beginning. And we spend a great deal of time talking about higher education, talking about the cost and getting jobs and the like. Certainly that has great value as well. However, we don't spend enough time talking about those adolescent years, those middle years from age six to 24. I can think of only a few instances where we have actually had hearings and talked about the problems of adolescents, those tremendously changing years that can be so terribly complex for an individual of that age.

I hope that as a result this discussion, the legislation we are introducing will have some ability, some impact, maybe, in focusing our attention on those questions. Let me go back and, first of all, again thank my colleague Senator MIKE DEWINE, with whom I have worked on this issue, JACK REED of Rhode Island, who has done a tremendous job as well on this legislation, and my colleague RICHARD DURBIN of Illinois, who wants to be added as a cosponsor. I ask unanimous consent that he be added as a cosponsor to this legislation.

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

Mr. DODD. As has been pointed out by our friend from Oregon, suicide among our Nation's young people is an acute crisis that knows no socioeconomic boundaries. My State of Connecticut, as well as all other states in the nation, suffer from this tragedy. In fact, my hometown of East Haddam, Connecticut—a small rural community of 8,000 people—has not been immune.

In 2001, I chaired the first Congressional hearing on youth suicide, and I was alarmed at the disturbing statistics that were read at that hearing. Well, those statistics have not changed and they are worth repeating again today. According to the most recent data from the Centers for Disease Control and Prevention, almost 3,000 young people—10 percent of all suicides—take their lives in the United States every year. It is the third overall cause of death between the ages of 10 and 24. Young people under the age of 25 account for 15 percent of all suicides completed. In fact, more children and young adults die from their own hand than from cancer, heart disease, AIDS, birth defects, stroke, and chronic lung disease combined.

Equally alarming are the numbers of young people who consider taking or attempt to take their own lives. Again, recent CDC figures estimate almost 3 million high school students or 20 percent of young adults between the ages of 15 to 19 consider suicide each year, and over 2 million children and young adults actually attempt suicide. Simply put, these figures are totally unacceptable and of a crisis proportion.

Sadly, we rarely find these facts disseminated widely among public audiences. We rarely read them in newspapers or hear them on television. Individual cases, yes, but not the national numbers.

We know youth suicide is integrally linked to mental health issues such as depression and substance abuse. Yet we also know all too well that both youth suicide and children's mental health continue to carry an unfortunate stigma, a stigma that all too often keeps these crucial issues unspoken and discourages children and young adults from seeking the help they so desperately need.

We have a societal obligation to break through this stigma attached to youth suicide and children's mental health. Again, the comments of our colleagues this afternoon have taken a major step in that direction. When people in public life can address these issues in public forums and talk about them in personal terms, then they help us break down the barriers and stigmas that exist. That is why I feel so strongly about the willingness of our colleagues today, particularly Senator SMITH, to share their personal thoughts with us.

We also have a societal obligation to instill in our young people a sense of value, of self-worth and resilience. All too often children and young adults considering suicide lose sight of themselves, their talents, their potential in life, and all too often they lose sight of the love their families, friends, and communities have for them, as our friend from Oregon so eloquently described.

I am pleased our Nation has already taken positive steps toward better understanding the tragedy of youth suicide and its emotional and behavioral risk factors. Several recent reports like the President's New Freedom Commission on Mental Health, the National Strategy for Suicide Prevention, and the Surgeon General's Call to Action to Prevent Suicide have made youth suicide a top national public and mental health priority.

Today hundreds of community-based programs across the country offer a variety of early intervention and prevention services to thousands of children and young adults—services that include comprehensive screening, assessment, and individualized counseling. Every State and many tribal nations have begun developing or already have implemented a youth suicide early intervention and prevention strategy that coordinates appropriate services in schools, juvenile justice systems, foster care systems, mental health programs, substance abuse programs, and other youth-oriented settings.

Furthermore, the Federal Government has stepped up in its role in both supporting these community-based activities and conducting relevant research and data collection. Several mental health and public health agencies have shown a great interest in

youth suicide, including the Substance Abuse and Mental Health Services Administration, the Health Resources and Services Administration, the Centers for Disease Control and Prevention, and the National Institutes of Health. However, despite these important gains, we still face significant challenges.

Today a large number of States, localities, tribes, and service providers are finding themselves with unprecedented budget deficits, making the establishment of new services and the retention of existing services increasingly more difficult.

Furthermore, youth suicide early intervention and prevention strategies are often underfunded or understaffed to be properly effective. And while a number of Federal agencies have supported youth suicide activities, there have been no comprehensive inter-agency strategies implemented to share data, disseminate research, or evaluate the efficacy of youth suicide early intervention and prevention programs.

Today I am introducing bipartisan legislation with my colleagues Senators MIKE DEWINE, JACK REED, GORDON SMITH, HARRY REID, and DICK DURBIN, named in memory of Garrett Lee Smith. This legislation further supports the good work being done at the community level, the State level, and the Federal level with regard to youth suicide, early intervention and prevention in four principal ways.

First, it establishes new grant initiatives for the further development and expansion of youth suicide early intervention and prevention strategies and the community-based services they seek to coordinate.

Second, it authorizes a dedicated technical assistance center to assist States, localities, tribes, and community service providers with planning, implementation, and evaluation of these strategies and services.

Third, it establishes a new grant initiative to enhance and improve early intervention and prevention services specifically designed for college-age students.

And last, it creates a new inter-agency collaboration to focus on policy development and the dissemination of data specifically pertaining to youth suicide. I continue to believe that funding for concrete, comprehensive, and effective remedies for the epidemic of youth suicide cannot be done by lawmakers on Capitol Hill alone. They must also come from individuals, such as doctors, psychiatrists, psychologists, counselors, nurses, teachers, advocates, clergymen, survivors, and affected families who are dedicated to this issue or spend each day with children and young adults who suffer from illnesses related to youth suicide.

I believe we have made an important first step with this legislation today. That step has been implemented by the comments of my colleagues on the floor of the Senate. However, I also

know that our work is not done. I sincerely hope that as a society we can continue to work collectively both to understand better the tragedy of this incredible problem of youth suicide and to develop innovative and effective and public mental health initiatives that reach every child and young adult in this great Nation of ours, compassionate initiatives to give them encouragement, hope, and love, and most important, life.

I yield the floor.

The PRESIDING OFFICER. The Senator from Ohio is recognized.

Mr. DEWINE. Mr. President, let me first congratulate my colleagues from Nevada and Oklahoma for their very moving statements in regard to their dads. Let me also say to my colleague from Oregon that his statement was certainly one of the most moving statements I think any of us have ever heard in this Senate Chamber. Our hearts, collectively as Senators, continue to go out to our colleague and Sharon for the loss of Garrett.

Senator SMITH and Sharon have taken their tragedy, the pain of this tragedy, the loss of Garrett and there is nothing in the world worse than the loss of a child—and focused it on trying to do good. We see it today with this legislation for which Senator SMITH has been such a strong advocate. We are on the Senate floor, frankly, because of him. We would not have been to this point without him, without his advocacy. We saw it in the testimony when Senator SMITH and Sharon came to our committee hearing that Senator DODD and I held several months ago. They publicly talked about Garrett's death; they talked about him and talked about the issue. Senator SMITH described earlier the community teen screening with sixth graders in Pendleton that they have established. So they are courageous. They have taken this immense pain and, in spite of that, in the face of that, they are doing something very positive.

Those of us in the Senate are blessed and we are burdened with the opportunity to use the bully pulpit of the Senate to focus public attention on issues. I say to my colleague that there are many parents, tragically, as he knows, who have suffered as he and Sharon have this year. He has the unique opportunity—and has taken that, as he is in a public spotlight; it is a burden he has, but he has taken that burden and done something with it. What he has done with it is he has taken that spotlight and used the bully pulpit of the Senate to talk to the American people about this issue. Many people today will watch this and many more will read about it tomorrow. There are many people who read about the committee hearing we held, and they heard when Senator SMITH and his wife talked about this issue. Many people they will never know have been impacted, or maybe they were alerted to a problem they might have with their child, and maybe parents

were given inspiration and encouragement to seek help. These are things that individuals don't ever know about. But I know, and we all know, that what they have done has truly made a difference. This bill will truly make a difference.

I thank Senator DODD and Senator JACK REED for their work. This bill we are introducing today is a combination of two bills. One was introduced by Senator REED as the lead sponsor. It was his idea; he took the lead. I was the Republican cosponsor. We introduced a bill. The other bill was Senator DODD's bill. He was the lead on that, and I was the cosponsor. We worked on that bill together. This is a combination of those two bills that we bring to the floor today.

I also thank Senator HARRY REID for his great support and his work. I thank the majority leader. I thank Senator DASCHLE and I thank Senator GREGG. They all have been very supportive. We thank them for allowing us to bring this bill to the floor today.

We have held hearings on the mental health concerns of youth and children. As chairman of the Subcommittee on Substance Abuse and Mental Health Services, I have been able to do this. The one hearing we talked about, Senator DODD cochaired with me. At the hearing on youth suicide, it became clear that thorough and actionable plans are needed to deal with this issue affecting our children and young adults.

At that hearing, as I indicated, Senator SMITH, supported by his wife Sharon, courageously shared the story of their son Garrett. They told of his struggle, their family's brave struggle with his depression, and Garrett's struggle with that depression, a battle that he tragically lost this past September. In honor of their son, GORDON and Sharon are dedicated to helping other youth and their families who are struggling with mental illness.

At that same hearing in March, the Reverend Dr. Paul Tunkle courageously spoke of the loss of his daughter. Reverend Tunkle is an Episcopal priest now serving in Baltimore. His wife Judy is a psychotherapist. Their daughter Althea, or Lea to those close to her, began to exhibit symptoms of psychological problems when she was in grade school. She began to experience additional problems as she began her university studies. Her grades began to suffer. Exacerbating her mental health problems, Lea was raped while away at school. After attempting suicide twice, Lea killed herself on her third attempt at the age of 22.

Tragically, these stories that we have heard are not uncommon. Statistics tell us that approximately every 2 hours a person under the age of 25 commits suicide. We also know that from 1952 to 1995 the rate of suicide in children and young adults in this country tripled, and that between 1980 and 1997 the rate of suicide in 15- to 19-year-olds increased by 11 percent.

According to the National Institute of Mental Health, suicide was the 11th leading overall cause of death in the United States in the year 2001; however, it was the third leading cause of death for youths aged 15 to 24. Shockingly, we also know that suicides outnumber homicides 3 to 2 for the overall population. These alarming numbers emphasize the need for early intervention or prevention efforts. Too often, the signs may be subtle or hidden until it is too late. While research has created improved medications and methods for helping those with mental health problems to recover, there is still much work to be done in identifying those who need help.

Study has been done in identifying and categorizing the risk factors related to suicide. In children and youth, these are known to include depression, alcohol or drug use, physical or sexual abuse, and disruptive behavior. Of people who die from and who attempt suicide, many suffer from co-occurring mental health and substance abuse disorders. Children with these risk factors, as well as children who are known to be in situations at risk for acquiring them, should be included in comprehensive State plans.

Children and youth specifically addressed in State plans should include those who attend school, including colleges and universities, those already receiving substance abuse and mental health services, and those involved in the juvenile justice system, as well as those in foster care.

We also learned at our hearing that our colleges and universities are suffering under an ever-growing caseload and they need additional resources to help students in these critical years. We know that suicide is the second leading cause of death in college students today, and reports indicate there has been a dramatic increase in college students seeking care at campus counseling centers.

From 1992 to the year 2002, Big Ten Schools, for example, noticed a 42-percent increase in the number of students seen at these counseling centers. Surveys conducted over the past decade suggest the prevalence of depression among college students is growing and eclipses the rate of the general public. Many public and private schools have been dealing with budget crises recently which do not allow them to respond adequately for this growth in need. In fact, last year 27 percent of counseling centers reported cuts to their budgets.

The accreditation standards for university and college counseling centers recommend that the counselor-to-student ratio be 1 counselor per 1,000 to 1,500 students; however, alarmingly, the 2003 ratio in schools with over 15,000 students is instead 1 counselor per 2,500 students, and that is a problem. Due to these numbers, schools are reporting that students are forced to wait, sometimes days, to see a counselor. In the year 2002, 116 college stu-

dents committed suicide; however, only 20 of these students had been seen by a college counselor before the suicide.

As a result of the need for increased attention to the problem of suicide and the need for increased access to help, Senators DODD, SMITH, JACK REED, HARRY REID, and I are introducing the Garrett Lee Smith Memorial Act. This bill will provide grants to States, tribes, and State-designated nonprofit organizations to create statewide plans for early intervention and prevention efforts in schools, juvenile justice systems, substance abuse programs, mental health programs, foster care systems, and other child and youth support organizations. These plans will seek to serve the children where the children are. This bill will help ensure that States with youth suicide rates that are higher than the national average are given preference so they are better equipped to combat this tragic problem.

This act also will authorize a suicide prevention resource center. This center will provide information, training, and technical assistance to States, tribes, and nonprofit organizations involved in suicide prevention and intervention for a number of purposes, including the development of suicide prevention strategies, studying the costs, effectiveness of statewide strategies, analyzing how well new and existing suicide intervention techniques and technologies work, and promoting the sharing of data.

Further, the Garrett Lee Smith Memorial Act would provide competitive grants to institutions of higher education to create or expand mental and behavioral health services to students. These grants will help financially strapped college and university mental health centers obtain the necessary resources to serve the mental and behavioral health needs of the students.

Let me again thank my colleagues for their support of this very important legislation. Our children are simply too important to not properly address their mental health needs. This is a good bill, and it is the right thing to do.

I add one final comment. I think this bill will be signed into law. This bill will save lives. This bill will make a difference. I thank everyone who has worked so hard on it. I thank my colleague again for being the spark behind this. He has been the person who has been talking to Members, getting their support, making the plea. I thank him so very much for doing it.

We are going to pass this bill and it is going to make a difference, but there is something else we should be doing, and that is the Mental Health Parity Act. This Senate, this Congress, must get around to this bill. That bill also will save lives. It will make a difference. It will make mental health services available to people.

I see my colleague from New Mexico, who just walked into the Chamber. He has been an advocate for this bill. The time is ripe for the Mental Health Parity Act to come to the Senate floor, to

be voted on, and to be passed. I thank my colleagues. I thank the Chair.

I yield the floor.

The PRESIDING OFFICER. The Senator from Rhode Island.

Mr. REED. Mr. President, I join my colleagues, Senators SMITH, DODD, DEWINE, and REID, to discuss the Garrett Lee Smith Memorial Act which will be introduced today. I thank and commend them.

I particularly commend Senator GORDON SMITH. We are here today literally because he has worked tirelessly to bring this legislation to the Senate floor, to work with us and to advocate strenuously that this legislation come to the floor of the Senate today. It is rightfully designated the Garrett Lee Smith Memorial Act.

Garrett, unfortunately, struggled for years and sadly took his own life last September. We heard this afternoon the heartfelt words of his father talking about this wonderful young man. We all sense that as Garrett struggled, he did it with loving and caring parents.

As my colleague Senator DEWINE pointed out, the Smiths have taken their pain and transformed it into purposeful action to ensure that other families and other young people do not have to suffer and endure even today the pain that lingers at the loss of this fine young man, and I thank the Senator for his leadership and for his decent and gallant heart.

We are here today because we are responding to an extraordinary problem, a problem that seems to many of us to be difficult to comprehend: why a young person, in the prime of life, with so much ahead, would take their own life.

Sadly, suicide takes the lives of over 4,000 children and young adults each year. It is now the third leading cause of death among 10 to 24 year olds in America. The rate of suicide has tripled from 1952 to 1995. Yet despite the astounding statistics, we still do not fully understand what is driving so many young people to the extreme of taking their own life.

What we hope to achieve with this legislation is to show them that there is an answer, that suicide is not the way out, that there is help for whatever is troubling them, and that they can live lives that are full, happy, and complete.

A Chronicle of Higher Education survey found that rates for depression in college freshmen are on the rise. Without treatment, the Chronicle points out, depressed adolescents are at risk for social failure, social isolation, promiscuity, self-medication with drugs and alcohol, and suicide. That is a description of failure, not a description of successful living.

A 2003 Gallagher's Survey of Counseling Center Directors found that 85 percent of counseling centers on college campuses are reporting an increase in the number of students in need of services.

Mr. President, 81 percent were concerned that increasing numbers of students are there with severe psychological problems; 67 percent reported a need for more psychiatric services, and 63 percent reported problems with growing demand for services without an appropriate increase in resources. That is why, working with Senator DEWINE, working with my colleagues Senator DODD and Senator SMITH, we have incorporated in this act support for college counseling centers. It is not coincidental that Garrett was beginning his first year at the University of Utah, had left home, was in a new environment, was struggling with all of the powerful forces of independence and of change young people experience when they go off to school. That is a particularly vulnerable time.

We understand college is a time of great intellectual development, but it is also a time of extraordinary personal and interpersonal growth and change. When children go off to college, we need to make sure they have the support they need during this critical transitional period.

Additionally, there are many adults going to college and they have a particular dilemma of balancing their studies with their family responsibilities. Yet campus after campus lacks the resources to support their counseling staffs to deal with these real issues, these real psychological issues.

Part of what we seek to do through the Garrett Lee Smith Memorial Act is ensure colleges and universities around the country have the resources to reach out to students, to provide essential mental and behavioral health services, and to educate families about potential signs of trouble.

Part of this process is not only treating the youngster, it is making parents aware of these signs so they can intervene successfully and in a timely fashion. Our colleges and universities are struggling to address the wide range of problems experienced by students—drug and alcohol problems, eating disorders, depression, schizophrenia, suicide attempts. With insufficient resources, many schools offer limited or very cursory services to students. We hope to begin to change that with this legislation.

We hope through this legislation to begin to shine a light on the growing problem of youth suicide. This legislation provides resources and technical assistance to States to develop and implement robust early intervention and suicide prevention strategies across the Nation. It also seeks to address the overwhelming need for mental and behavioral health services on college campuses, as I have discussed. This is an important bipartisan measure and a tribute, a fitting tribute to Garrett and to the faith and dedication and decency of the Smith family, GORDON and Sharon.

I again express my thanks to Senator DODD and Senator DEWINE. When you look at legislation in this body that at-

tempts to provide practical support and help to young people, you usually find two names on the legislation—DODD and DEWINE. It is always a privilege to join these gentlemen.

I also want to thank Senator HARRY REID, who spoke movingly of his own experience, the death of his father through suicide. Senator DON NICKLES similarly gave a moving tribute to Sharon and GORDON. Let me also thank Dr. Harsh Trivedi, a fellow in my office, a psychiatrist who is now on a fellowship up in Boston. He did most of the work on the Campus Care and Counseling Act, which is the legislation incorporated in this act. I also thank Lisa German of my staff, who does so much to help us on these issues, and also Catherine Finley on Senator SMITH's staff, who has been of remarkable help and assistance.

Let me thank the leadership, Senator DASCHLE, Senator FRIST, Senator REID, Senator NICKLES, because they let us bring this bill to the floor today to move forward to pass it.

This is an example of the kind of work we can do when we work together, the kind of work the American people demand of us. It is, as I said, a fitting tribute to Garrett and I hope an enduring tribute to his father who worked so hard to get it to the floor today and to pass it.

I yield the floor.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, the leadership on the majority side asked if we could move the vote to an earlier time tonight, rather than have the cloture vote in the morning. I am sorry to report that the Senator from Delaware, Senator CARPER, has indicated he will not agree with that. All other Members on our side have agreed to the vote tonight. It is now set for the morning.

I apologize to all my colleagues that we cannot do this tonight. There are a lot of things Members have to do tonight, and especially tomorrow. It would save everyone a lot of time.

I want the record to reflect that I think it is unwise that that is the case. I told my friend from Delaware I would indicate he is the problem with our having the vote earlier.

I apologize, because I have had a number of calls from Senators on this side of the aisle. We thought we were going to be able to work that out, but we have been unable to do that.

The PRESIDING OFFICER. The Senator from New Mexico.

CAMPUS CARE AND COUNSELING ACT

Mr. DOMENICI. Mr. President, I first want to say to Senator SMITH, I want you to know that since we weren't going to do anything today, I had gone home. I don't live very far, so it is not a terrible sacrifice. But I was in less than good clothes, starting a restful evening a little early when I heard what was going on and I decided to quickly—maybe I look that way—dress up and come over here, after I heard you speak.

Let me say to you, I am very proud of you. I am not totally familiar with the bill, but I hope you will make me a cosponsor. I ask consent that Senator HUTCHISON be made a cosponsor.

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

Mr. DOMENICI. I want to talk to the Senate today about a very sad situation. I want to address these remarks at a couple of Republicans, whose names I don't know, but I will soon, who have holds on the most important bill that has to do with mental illness in America. I am very hopeful we can carve out a niche as you desire, to try to give some help to those who are suffering so much that they commit suicide, and all of the various participants in that activity from mothers and fathers to doctors to counselors—everyone. I am hopeful we will get that done.

Second, I didn't hear anyone mention, but I will mention to you, Senator, the doctors, the general practitioners who see thousands and thousands of our young teenage men and women who are most vulnerable. Maybe we need an annual crash course for them because they are not seeing the basic signals of mental illness in their patients. I tell you, I am not a doctor and I am not a genius, but I can tell you, because I have already learned, what I would look for in a patient who came to me for anything so I could rule out whether they had depression; so I could rule out whether they were manic depressive, or one of the other serious mental illnesses. But I am afraid we are going to have to start with some system of insisting that our doctors find out about it as the first and biggest clearance mechanism in the United States.

Having said that, I want to discuss a little bit about the worst thing happening in the United States about mental illness. First, Senator SMITH, you are speaking of the effect of mental illness. Because someone is a depressive, they have an illness, and the illness may or may not lead to suicide. But there are five major illnesses that are mental, and any of them might cause suicide. But the most important thing is all of them cause tremendous sorrow and tremendous grief and tremendous misunderstanding on the part of parents and friends of those who have the disease.

I might say, Senators, we have at least moved away from the stigma and everybody is at least willing to talk about these as illnesses. Everyone is talking about how do we help rather than how do we hide.

Everyone is talking about getting these people who have symptoms to a good doctor so they can get both discussions going and medicines that are so helpful. Everybody is talking about that. But, my friends, the real problem is all children with these diseases are not the fortunate children of that Senator. They are the unfortunate children of poor people, of people who make a little bit of money, with a lov-

ing mother and father and a schizophrenic child who perhaps are living on \$25,000 a year. The problem is they don't have enough money to have caregivers help them. Guess what. The insurance companies don't help them either because we have a definition of sick and illness in the insurance policies that is 50 years old. They did not know anything about mental illness. So they ruled it out.

I don't know if you know this, but almost every group insurance policy in America writes coverage for cancer, coverage for tuberculosis, and coverage for every major disease. But when it comes to mental illness, it is either stricken or it has an asterisk down at the bottom. It gets significantly less coverage, or none.

There are parents who have given up on their children because they cannot pay the bills anymore. They go look for their children in the slums; they go look for their children in jails, because there are more children with mental illness in the jails of America than in the hospitals to take care of the mentally ill people. Why are they there? Because nobody takes care of them. Why doesn't anybody take care of them? Because most people went broke trying to take care of them.

Sitting up there at that desk is a bill called parity—equal—parity of insurance coverage for the mentally ill. It has been cleared on that side. It came out of committee. And somehow or other a couple of Republican Senators have a hold on it. I will try to find out who they are and I will go beg them to let us pass the parity bill. But I tell you: If it doesn't work, we are going to take it up. I know the leader wants to get bills through expeditiously. But I am going to tell him tonight, patience has run thin and we have to get it done. It has been worked through the committee chaired by JUDD GREGG. He has one amendment. That is great. He has at least told us he wants one hour. But others are not even letting us know who they are, and they are holding up this bill.

Let me tell you what happened to America. America has the greatest medicine, the greatest services, and the greatest caretaking machine for the hearts of our people. If you have something wrong with your heart, they know how to take care of it. They will put you in a hospital. There is coverage by insurance if you have group insurance.

In the meantime, the tests, the knowledge, the information about heart conditions gets a lot of resources. Clinics are built and hospitals are built because there are resources because heart is covered by insurance.

We take care of our hearts and we fail to take care of our heads, our brains. We take care of our heart and spend money on it, and we will not spend anything on mental illnesses. It is no longer a joke. It is no longer a stigma. Everybody around knows. Our President, as recently as 6 months ago,

said, Don't bother me. I already know it is a disease. Let us find some way to help. That is what I say. If your bill does it, let's pass it. I am on it. I would like to pass it.

But we are ready to pass the most significant bill to help anyone who has any of the major illnesses and be sure that the group insurance policy covers them. Thus, their parents can take them to doctors, parents can see to it their children get medical care rather than the asterisk on the policy that says you get less or nothing if the disease or illness is mental illness.

I came down here not because I wanted to set aside or argue or contend that I have the most important bill. There were 80 Senators on this bill at one time—79, bipartisan, the bill for parity.

I submit to my friend GORDON SMITH, who came to the floor and told us from his heart what this is all about, that you would agree and probably would agree wholeheartedly that all of the medicines and doctors you called upon to help your son did something good. You probably are not bashful or regretful of what you paid. But how much worse would you be in your heart if you couldn't afford it and you had an insurance policy from your business group and you took them to a doctor and they said schizophrenia isn't covered because it wasn't covered when we knew nothing about it, so we are going to leave it uncovered, even when we know something about it. It is still exempt.

This bill at the desk for parity is not a big cost. People say it is going to break business, and insurance companies are going to have to raise rates. We think we know what that is going to be. We are prepared to answer it.

But let me tell you, I am as capitalist as anyone here. I am as concerned about business and business men and women as anyone here. But this society has a real problem when it exempts insurance companies from having to pay the cost of mental illness while they pay the cost of all other illnesses. That isn't right.

I saw my friend Senator REID on the floor speaking about his family and his father. I saw the great Senator, Senator SMITH. I saw Senator NICKLES also. I don't have to tell you about my daughter. You all know about my daughter. I have eight children and I have one who has been sick since she was 13. So I know all about this. I am glad we can afford to pay for what she needs. But I would feel bad if I had an insurance policy and it covered everybody else in my family for diabetes and a heart condition and didn't cover her.

I think we have to pass the bill. I am really tired. When it comes to pushing, I am probably as easy a pushover as anyone around, so I just let it go by. It will come up someday. But I am saying it is going to get passed in this Senate before we get out of here.

I am going to tell our leader he has been patient with me. We weren't going to do anything until it got out of committee. We told you that. We worked

hard and long to get it out of committee. It took a long time.

Now it is sitting at that desk. We are taking up all kinds of things while we are not able to send a signal to the 7½ million or 8 million parents who need this bill, who need some indication that we care, that we are not going to have an insurance policy that covers our heart and not an insurance policy that covers our brain.

That is what the issue is about. Can you imagine a country as great as ours saying, Well, when we first started writing health insurance policies we didn't know that schizophrenia was a disease. We did not know manic depression was a disease. We did not know severe depression was a disease.

We go through the years and we find out these illnesses are diseases, but since they weren't originally known to be a disease, we are going to let group insurance policies continue to exempt them.

Now we know. There is no one, I say to my friend Senator DODD, who has been a greater help on discussing the issue of whether these dread mental illnesses I have just enumerated are illnesses or diseases. Yet we let insurance companies continue to write policies as if we did not know it was a disease.

From my standpoint, I will do anything in any area that will help us help those with mental illness. If you have a bill that will help prevent suicide, I am for it. But I can state that if we do not have a bill that forces group insurance policies to cover mental illness as other illnesses, the effect of the suicide bill is going to be minimized to the extent that parents cannot afford what they need.

Mr. REID. Will the Senator yield?

Mr. DOMENICI. I would be pleased to yield.

Mr. REID. On our side, as the Senator knows, we have pushed very hard for this bill authored by you and the late Senator Paul Wellstone. It was an odd couple, Wellstone-Domenici, but it was one bound with friendship. The two Senators found a place where they agreed and they went to all ends to make sure that legislation passed.

As the Senator told me when I was talking a few minutes ago, we need to do this for a lot of reasons, but one is to respect the memory of Paul Wellstone.

On our side, we would be willing to take up that bill and spend 1 hour. We will do it at midnight, 6 o'clock in the morning. One hour is all we want. We will only take 30 minutes of that hour. I want everyone to understand, on our side, we want 30 minutes. If that is too much time, we will cut it down.

Does the Senator understand we will do everything? Everyone knows we have worked closely together for so many years on appropriations. What the Senator has done on this mental health parity will go down in the history books. We need to make sure it passes, and the history books have something definitive, not a matter only initiated.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. DOMENICI. I yield to the Senator from Oregon.

Mr. SMITH. Mr. President, I ask unanimous consent that Senator DOMENICI be added as an original cosponsor of the Garrett Lee Smith Memorial Act, along with Senator CORZINE and my colleague Senator WYDEN, from Oregon, and Senator HATCH, who have also requested they be added as original cosponsors.

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

Mr. SMITH. Mr. President, I say to my friend, the Senator from New Mexico, in the darkest of hours after my son's death, his call was one of the most important that I received because he has struggled with his daughter. He has now spoken here with a passion on mental health issues so that I think all America better understands, if they listened to him.

PETE DOMENICI of New Mexico was the first person who said to me that my son had an illness that I could not fix. My son had an illness not unlike leukemia or cancer or congestive heart failure; that it was, in fact, a lethal illness and not to beat myself up about it. I beat myself up, anyway—I still do—wondering, would have, could have, should have, but PETE DOMENICI helped this Senator to go back to work, to find joy again in living, and to share with him the passion that comes from suffering and the understanding that comes from a loved one who is beyond rational reach.

I have come to believe that it is true, what PETE DOMENICI taught me in my darkest hour; that is, that mental health is just as real a problem as physical health and that we need to learn more about it. We need more professionals trained about it; we need more focus on it. It has ramifications for business that result in lost worktime, no-shows, layoffs, family tragedies.

With a little bit of intervention, a little more compassion, we can get ahead of this and begin to treat it as we might other diseases.

I admit, we have a lot more to learn. My bill, our bill, does not include parity. My bill is a start. My bill is a slice of the problem. The Senator from New Mexico is right. His bill takes on the whole problem in a way that ultimately we need to resolve as a Congress and as a country.

I thank Senator DOMENICI for listening to me, for putting his clothes back on, for coming back on down here, sharing with me, with all of America who care about this issue, that this problem is bigger than my bill addresses, our bill addresses, but it is legislating within the realm of the possible.

It is a good beginning, an important beginning. Perhaps it is aimed at just the most vulnerable among us, and that is our youth who need a little more help than we have been giving as a country.

I thank the Senator. I turn back his time to him.

Mr. DODD. Will the Senator yield?

Mr. DOMENICI. Let me make an observation and I will yield.

When one is involved in an issue such as this for 15 years, as I have, you go to a lot of meetings. You go to a lot of meetings with mothers and fathers, with groups of those who are mentally ill. We hear the saddest stories one could ever imagine.

I remember a gentleman and his wife came up to me and said: We have two children.

I asked: Where are they?

She looked up at him as if, Should we tell him? He was a CPA, very proud. She said: Tell him. He said: Senator, we don't know where our two children are. Well, we think they are in the slums of some city or in the jails of some city.

I said: What are you talking about?

He said: Well, they are both sick with schizophrenia and we don't have any more money to pay for them. We are broke.

I said: Do you have insurance?

He said: Oh, we have a lot of insurance, but the insurance doesn't cover our kids' illnesses. So we spent everything we had and then they got arrested because they did not act right. They don't act right. They do everything strange. They steal; if they see these little carts, they steal hotdogs. Maybe somebody arrested them for that and put them in jail.

When people start telling these stories, it is not an accident, they did not tell of a one-time event. You know there has to be a lot more, right? You run into one in your own constituency—if you start running into one, two, or three problems that had to do with your mail, you would come home and ask: What is wrong with the mail? You don't say: What is wrong with the letter that came from HARRY REID that you didn't answer, but you know something is wrong when you have two or three people telling you, for a couple of days, about this thing that I just described.

It is a big problem. I can tell you there is no reason it has to be.

Last, there are no shelters. There is nobody in the business of providing facilities because there is no money to pay for anything, right? If money flows from the back of a mentally ill person—there is a little knapsack on him that says "insurance"—if it flows from him, it will flow to businessmen who might build these kinds of facilities. But nobody is going to do that because there are no resources.

So with that, instead of yielding to my wonderful friend, Senator DODD, I am just going to yield the floor.

I yield the floor.

The PRESIDING OFFICER (Mr. CORNYN). The Senator from Connecticut.

Mr. DODD. Mr. President, I was going to ask my colleague to yield, but he has spoken eloquently enough. I was

just going to once again thank him and Nancy, his lovely spouse, as well, who have been real champions on this issue for as long as I have been here, almost a quarter of a century.

I was thinking of the number of times, in my own public service of now almost 30 years, that I have been with audiences—50 people, 100 people, 200 people—talking about this subject matter. I oftentimes will turn to the audience and say to the audience: I want any of you here who have not been affected by this issue to raise your hand. If there is someone in the audience out here who has not had a father or a mother or a sister or a best friend or a cousin who has been affected by one form of mental illness or another, just raise your hand. I am curious to know if there is anybody here who has not been touched by this issue. I have never, in my 30 years of public service, in my home State of Connecticut, when I have ever raised this issue, ever had anybody raise their hand—in 30 years. Everyone—every single American—has been touched by this issue.

You would think, in this kind of environment, when we all understand this issue—and we have gone through one of the most moving moments of my 24 years in the Senate today, listening to the eloquent comments of my colleagues from Oregon and Nevada and Oklahoma speaking about their own personal experiences—you might think at a moment like this we would be able to come together to not only deal with the legislation that we have authored together to deal specifically with teenage suicide and related issues, but we might also find some time, right now, in the midst of this, to bring up and vote on a bill that enjoys overwhelming support in this body.

It would be one thing if the Senator from New Mexico and others who have joined him in this matter were in a minority, but there is a majority of us who believe exactly as does the Senator from New Mexico, that it is the 21st century—we are not in the 17th, 18th, 19th, or even 20th century—and we are still treating this issue as if somehow it belongs in the recesses and shadows and darkness of some corner, despite the fact that almost every single one of our fellow citizens understands this issue because they have confronted it very directly in their own homes and in their own neighborhoods. Yet we can't seem to find, as the Senator from Nevada has suggested, the 15, 20, 30 minutes or an hour to give us a chance to vote. Maybe people will want to vote against it. If they do, that is their business. But I believe there is a majority of us who would like to see this get done.

So I want to say to my friend from New Mexico, who I have worked with on this issue—and I appreciate our colleague from Nevada raising the name of Paul Wellstone, who was a great champion of this issue as well during his service in the Senate—that I don't know when this is going to happen—I

hope sooner rather than later—but I want my friend from New Mexico to know: Don't you ever doubt for a single second this is not going to get done. It may not be today and it may not be tomorrow or next week, but I promise you that before long—hopefully before this session ends, if not sooner—we are going to get this legislation passed, and we are going to give the President an opportunity to sign it into law to begin to make a difference for the people in this country. So then I can not only ask the question to those audiences in my own State, “Is there anyone who has not been affected by this?” but I can ask, “Is there anybody who cannot get help?” because we have insisted the insurance companies and others start treating this condition as if it were any other ailment people can get coverage for and their families get protection.

Once again, I thank my friend from Oregon, and I thank his lovely wife Sharon and their family for their courage and their willingness to share with the country their feelings.

There have been many moments of pride when you watch a piece of legislation become law. There are very few that will equal the moment we are going to have this evening. My hope is that we will adopt this legislation named after Garrett.

The PRESIDING OFFICER. The Senator from Nevada.

Mr. REID. Mr. President, one of our very able Senate staff brought to me something I need to share with everyone here today. This is a report from the New York Times, dated today. Among other things, it says:

Congressional investigators—

This was a House committee, which I am sure does competent work—

said Wednesday that 15,000 children with psychiatric disorders were improperly incarcerated last year because no mental health services were available.

This was a report. This came out yesterday. The study:

... found that children as young as 7 were incarcerated because of a lack of access to mental health care. More than 340 detention centers, two-thirds of those that responded to the survey, said youths with mental disorders were being locked up because there was no place else for them to go while awaiting treatment. Seventy-one centers in 33 states said they were holding mentally ill youngsters with no charges.

The 15,000 youths awaiting mental health services accounted for 8 percent of all youngsters in the responding detention centers.

Dr. Ken Martinez of the New Mexico Department of Children, Youth and Families said the data showed “the criminalization of mental illness” as “juvenile detention centers have become de facto psychiatric hospitals for mentally ill youth.”

Mental health advocates, prison officials, and juvenile court judges all testified and recommended three types of solutions. . . .

The main one is “more extensive insurance coverage.”

Just a couple more things from this same report.

In Tennessee, a juvenile detention center administrator said:

Those with depression are locked up alone to contemplate suicide. I guess you get the picture.

That is a direct quote.

Carol Carothers, who directs the Maine chapter of the National Alliance for the Mentally Ill, says:

Surely we would not dream of placing a child with another serious illness, like cancer for example, in a juvenile detention center to await a hospital bed or community based treatment. It is outrageous that we do this to children with mental illness.

So I say to my distinguished friend from New Mexico, thank you for coming down today and enlarging this debate. It needs to be enlarged. We so believe that we need to pass Senator SMITH's legislation that I proudly cosponsor. But we also have to move to the next step because the next step is just as important, if not more so, because it includes so many more people.

The Senator from New Mexico is known for a lot of things, but his resume will never have anything on it more important. I repeat, we need to get it passed.

The PRESIDING OFFICER. The Senator from Oregon.

Mr. SMITH. Mr. President, I received a note from Senator HILLARY CLINTON asking that she be added as an original cosponsor to the Garrett Lee Smith Memorial Act. So on her behalf, I ask unanimous consent that she be added as a cosponsor.

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

The Senator from Utah.

Mr. HATCH. Mr. President, this afternoon, I have listened to my colleagues speak courageously about their family members they have lost to suicide. My heart goes out to all of them, especially, my colleague and dear friend, Senator GORDON SMITH. By speaking openly about the circumstances of his son, Garrett's death, he has raised awareness to the serious matter of youth suicide. I am proud to be an original cosponsor of the Garrett Lee Smith Memorial Act. I believe the Senate will approve this legislation today due primarily to Senator SMITH's courage to speak openly about his own family's experience.

This legislation is necessary because it raises awareness of the alarmingly high rate of youth suicide—it is much higher than most would believe. Suicide is the third leading cause of death for young people aged 15 to 24, and the fourth leading cause of death for children between 10 and 14. My own State of Utah is ranked among the top 10 states in the nation for suicide.

I cosponsored this bill because it provides grant funding to states so each may develop a youth suicide and intervention strategy through the administrator of the Substance Abuse and Mental Health Services Administration in order to prevent teen suicide. This money may be used to develop statewide early prevention and suicide intervention strategies in schools, educational institutions, juvenile justice

systems, substance abuse programs, mental health programs, foster care programs and other child and youth support organizations.

The bill also creates a federal Suicide Technical Assistance Center to provide guidance to state and local grantees on establishing standards for data collection and the evaluation of this data. Finally, this legislation provides grant funding to colleges and universities to establish or enhance their mental health outreach and treatment centers and improve their youth suicide prevention and intervention programs.

I became deeply interested in this issue when I found out that my home State of Utah suicide rates for those ages 15 to 19 have increased almost 150 percent in the last 20 years. According to the CDC, in the mid-1990s, Utah had the tenth highest suicide rate in the country and was 30 percent above the U.S. rate. This is one statistical measure on which I want to see my state at the bottom.

Teen suicide is an issue that is rapidly becoming a crisis not only in my State of Utah but throughout the entire country. Young people in the United States are taking their own lives at alarming rates. The trend of teen suicide is seeing suicide at younger ages, with the United States suicide rate for individuals under 15 years of age increasing 121 percent from 1980 to 1992.

Suicide is the second leading cause of death among college students. In a 1997 study, 21 percent of the nation's high school students reported serious thoughts about attempting suicide, with 15.7 percent making a specific plan. Although numerous symptoms, diagnoses, traits, and characteristics have been investigated, no single fact or set of factors has ever come close to predicting suicide with any accuracy.

We need to understand what the barriers are that prevent youth from receiving treatment so that we can facilitate the development of model treatment programs and public education and awareness efforts. This bill provides the funding to get these types of initiatives started.

Again, I am proud to be an original cosponsor of this legislation and I commend my colleague, Senator GORDON SMITH for his commitment and dedication on this matter. I know it is such a difficult subject for him but his openness today will make a difference tomorrow.

In fact, I believe our floor discussion today on the Garrett Lee Smith Memorial Act has already made a difference because families who have lost someone to suicide now know that they are not alone. And, if one life is saved because of our consideration of this bill today, we have done our job.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. DODD. Mr. President, I might add, I think Senator KENNEDY as well wants to be added as a cosponsor. I ask unanimous consent that Senator KENNEDY be added as a cosponsor.

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

Mr. DODD. Mr. President, I do not know if there is any further discussion on this subject matter. If not, I want to move back to the subject matter of the bill.

I see my colleague from New Mexico. Mr. DOMENICI. Mr. President, I ask if I might speak for a minute.

Mr. DODD. Mr. President, I am glad to yield to my colleague.

The PRESIDING OFFICER. The Senator from New Mexico.

Mr. DOMENICI. Mr. President, I want to say that the parity bill, which is now at the desk, had to go through a standing committee. Senator KENNEDY is the ranking member of that committee, I say to Senator DODD. I thank him because he was pushing very hard for a long time that we get that bill taken care of. It took a long time, but it is out now, and it is in a form that very few can object to.

So I say thank you to Senator DODD and Senator REID for giving me the reassurance that we are going to get it done. I cannot believe we are so inept that we cannot. I will, because of tonight, restate my dedication, and we will get it done before the session is over for sure.

The PRESIDING OFFICER. The Senator from Connecticut.

Mr. LEVIN. Will the Senator from Connecticut yield?

Mr. DODD. I am happy to yield.

Mr. LEVIN. Mr. President, I ask unanimous consent that I be added as an original cosponsor of the Garrett Lee Smith Memorial Act.

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

Mr. DODD. Mr. President, I want to let my colleagues know what I am going to do at the end of these remarks. So that there will be no surprises, I am going to ask unanimous consent that the anticipated vote on cloture that is going to occur later today or tomorrow morning be vitiated indefinitely. I am not making that motion yet, but I am going to make the motion. I want to give them notice so they can find someone here who may want to object. I am going to make the motion because my view is that we have worked long and hard on getting this class action reform bill done. This bill is not perfect, but it is a reasonable bipartisan compromise that will reform the nation's class action system.

Having worked on this legislation last fall with a number of my colleagues, we now find ourselves in the middle of July dealing with this issue. I still have never received an adequate explanation of why this matter was not brought to the floor in January, February, March, April, or any point earlier. Why we waited until as late as we have to bring up an issue that has been as important as this makes little sense.

But my plea to the leadership, particularly the majority leader, is to not insist upon this cloture vote right now. Instead, I would like to give the leader-

ship some ample time over the week-end to see if they can't fashion a compromise which would allow for the consideration of a number of amendments, both relevant and nonrelevant, as is the normal course of Senate business. Then we would come to a final vote and go to conference on the class action reform act.

I thought the decision to invoke cloture was one that was made last evening out of frustration because we were not getting very far with the class action reform bill. We began Tuesday night, but there were no votes that evening. On Wednesday morning, before any amendments were offered at all, the majority leader filled the amendment tree, precluding any amendments from being offered without getting his approval. Then Wednesday night, the decision was made to file cloture.

I am looking at a piece of correspondence dated July 6, the day before the decision to invoke cloture, from the National Association of Manufacturers. In his letter to all 100 Senators—dated July 6, not July 7—he notes a cloture vote will occur and that it is going to be considered a vote that will be scored on their annual legislative report card.

I ask unanimous consent to print the letter in the RECORD.

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

JULY 6, 2004.

DEAR SENATOR: On behalf of the 14,000 member companies of the National Association of Manufacturers (NAM), including more than 10,000 small and medium-sized manufacturers, I urge you to vote for S. 2062, the Class Action Fairness Act; vote in favor of cloture; and vote against all amendments except managers' amendments.

Created for the purpose of efficiently addressing large numbers of similar claims, far too many class action lawsuits are brought solely for settlement value and fees as opposed to helping aggrieved consumers. The Class Action Fairness Act would help mitigate the current situation by giving federal courts original jurisdiction over class action lawsuits where diversity of citizenship occurs and by creating a "Bill of Rights" for class members to stem the most flagrant abuses of the current system. Federal courts more consistently decide when class actions should be allowed, and these courts are better equipped to deal with complex cases involving interstate commerce fairly and efficiently. The current system allows plaintiff-friendly jurisdictions to unduly influence national policy through litigation.

S. 2062 does not make any changes to substantive law. Rather, it is a reasonable response to an unanticipated problem with the federal rules of judicial procedure and simply reinforces the intent of the Founders that lawsuits involving litigants from different states should be heard in federal court. The NAM believes that this bipartisan legislation will increase judicial efficiency and provide a forum better suited to adjudicating complex class action litigation.

Votes for cloture and in favor of S. 2062, the Class Action Fairness Act, and against any weakening amendments (including those

that would endanger final passage), substitutions or motions to recommit will be considered for designation as Key Manufacturing Votes in the NAM voting record for the 108th Congress.

Sincerely,

JERRY JASINOWSKI,
President.

Mr. DODD. My point is, I would have thought this letter might have been dated on July 7, not the day before the decision to invoke cloture. It raises some suspicion that maybe the intention was all along to file cloture and not to give us a chance to go through the normal processes of debate and amendments.

Apparently the fix was in even before we started, which indicates to this Senator that the intention was never to get to this bill. There were numerous meetings over the last several. One of the things we talked about was the importance of setting aside an adequate amount of time for the full consideration of this bill.

The Democratic leader offered a proposal of limiting several nongermane amendments and a limited number of relevant amendments. The majority leader countered and offered to have even fewer nongermane amendments and an unlimited amount of germane or relevant amendments. I was mystified by that offer because had it been accepted, we could have spent weeks on this bill without ever invoking cloture if we had had hundreds of amendments filed that were germane to the underlying bill.

I am convinced there is still a formulation of germane/nongermane amendments that would allow us to consider those in a relatively expedited fashion and then get to final passage of the class action reform bill. My plea will be at the appropriate time that we vitiate the cloture vote, let the leaders over the weekend see if they can't come up with some formulation on amendments, and then next week or so to return to the legislation.

It is a great travesty that we are going to abandon this bill many of us have worked long and hard on because a small minority are unhappy over the possibility that we might consider as amendments several proposals that enjoy broad support in this institution. I realize that can be difficult. But nonetheless, it seems to me you don't shut down the underlying bill entirely because there are some proposals that may be offered that are unappealing to only a handful. Yet that is the situation in which we find ourselves.

For those who have worked on this, we are about to miss this opportunity, maybe not only for this Congress but for many years to come. That can happen. I have been around here long enough to know if you don't strike when the iron is hot, you may lose the opportunity for a long time down the road.

I appeal to the majority leader, who filed the cloture petition last evening, to vitiate that cloture motion. Give himself, the Democratic leader, and

others who are interested a chance over the next several days to see if they can't come up with a formulation that will allow for the consideration of several amendments under time agreements. That ought to be the way we proceed, rather than abandoning this effort.

I am told the next two issues to be brought up—and the minority whip can correct me if I am wrong—are a constitutional amendment on gay marriage and a flag-burning constitutional amendment, neither of which have any chance of passage in this body. I don't believe anyone agrees there is any chance of them becoming the law of the land. Yet we are going to shove class action reform, based on the decision of the majority leader, off the table, maybe permanently, in order to consider two matters that have no chance of being adopted whatsoever.

If that is in fact the situation, then those who have been such strong supporters of this proposal outside of this Chamber ought to understand what the game is. As I have often said, I was born at night, but not last night. I think I understand what is going on here. Maybe all this time was only a game to bring the issue up with the full knowledge that once you close the opportunity for further amendments, you are then guaranteeing the outcome we are about to have.

I am terribly disappointed, after a lot of time being spent on this effort, that we have come to this particular moment. We just listened to the eloquent comments of our colleague from Oregon on legislation that will be adopted later this evening or next week dealing with teenage suicide. We have listened to the Senator from New Mexico, Mr. DOMENICI, who has worked for 15 years on trying to achieve parity in the provisions providing coverage for people with mental illnesses. There is a significant majority of us in this body who believe that legislation ought to be adopted and then sent to the House for their consideration. They may reject it. It may not be adopted in conference, but we owe those who have fought long and hard a chance to vote on these measures. Certainly the American public might be more impressed with the Senate if we were to deal with the issue of mental health rather than with the issue of gay marriage or flag burning.

Literally thousands of cases, I am told, by people out there are being filed in State courts when they belong in Federal courts. I am a strong supporter of that effort. Are people here to tell me the flag-burning amendment and a gay marriage constitutional amendment are more important than dealing with reforming the class action system or the issue of mental health parity? I hate to see what the outcome would be if I polled the American public what they felt about the priorities of the Senate so close to the election.

What issues would America like to see us address? We have the issue of the

minimum wage. Senator CRAIG of Idaho has an issue dealing with immigration and joblessness which enjoys the cosponsorship of three-quarters of the Members of this body and the support of the White House. We can't get it to the floor of the Senate. We have the provisions offered by our colleagues from Hawaii who are seeking some support for legislation that is critically important to their State. I mentioned the minimum wage. I mentioned mental health parity. These are only some of the issues.

On the question of importation of drugs, we are constantly being told that matter is going to come to the Senate floor for debate. Yet we are finding all of these issues being scuttled, including class action reform, to the sidelines so we can deal with a couple of issues that have limited support in this Chamber and I think marginal support if people thought about them out across the country.

So I am disappointed by the priorities here. I realize the majority has the right to set the agenda; it is their business to set the agenda. The majority party controls this Chamber, they control the other body, and they control the White House. They set the agenda. They have decided that the agenda—America's agenda—ought not to be class action reform, ought not to be mental health parity, ought not to be the minimum wage, ought not to be immigration reforms, which the Latino and Hispanic community and agribusinesses care about so much, and ought not to be the legislation offered by my colleague from Hawaii. Instead, it ought to be gay marriage and flag burning, neither of which have any chance of being adopted by this body.

My colleagues know full well constitutional amendments require supermajorities in order to leave here for consideration by the various States.

I see the presence of a colleague on the other side. I wanted to make sure someone was here before I make a unanimous consent request.

I ask unanimous consent that the motion to invoke cloture, scheduled for tomorrow morning, be vitiated indefinitely, and that the reason for doing it is to give the leadership an opportunity to try to formulate a structure that will allow for the consideration of the class action reform bill in some manner that we can all endorse, support, and allow us to get to that issue. I make that request.

THE PRESIDING OFFICER. Is there objection?

Mr. CHAMBLISS. Mr. President, I respectfully object.

THE PRESIDING OFFICER. Objection is heard.

The Senator from Michigan is recognized.

SENATE INTELLIGENCE COMMITTEE REPORT

Mr. LEVIN. Mr. President, tomorrow's report of the Senate Intelligence Committee will be intensely and extensively critical of the CIA for its intelligence failures and mischaracteri-

zations regarding Iraq's possession of weapons of mass destruction. That report is an accurate and a hard-hitting and well-deserved critique of the CIA.

It is, of course, but half of the picture. Earlier today I released an example of the other half.

A few days ago the CIA finally answered, in an unclassified form, the question I have been asking them about whether the Intelligence Community believes that a meeting between an Iraqi intelligence official and Mohamed Atta, one of the 9/11 hijackers, occurred in Prague in the months before al-Qaida's attack in America on 9/11. The answer of the CIA illustrates the point that tomorrow's Intelligence Committee report is extremely useful regarding the CIA's failure, but it does not address another central issue—the administration's exaggerations of the intelligence that the CIA provided to them. That is left for the second phase of the Intelligence Committee's investigation.

This newly released, unclassified statement by the CIA demonstrates that it was the administration, not the CIA, that exaggerated the connections between Saddam Hussein and al-Qaida. The new CIA answer states that the CIA finds no credible information that the April 2001 meeting occurred and, in fact, that it is unlikely that it did occur.

A bit of history. On December 9, 2001, Tim Russert asked the Vice President whether Iraq was involved in the September 11 attack. The Vice President replied:

It's been pretty well confirmed that he [Mohamed Atta] did go to Prague and he did meet with a senior official of the Iraqi intelligence service in Czechoslovakia last April, several months before the attack.

Vice President CHENEY also said in his interview with CNBC on June 17 of this year that the report from the Czechs was evidence that Iraq was involved in the 9/11 attacks. In his interview with the Rocky Mountain News on January 9 of this year, the Vice President also said that the alleged meeting between the hijacker, Atta, and an Iraqi intelligence official in Prague a few months before 9/11 "possibly tied the two together to 9/11."

President Bush frequently exaggerated the overall relationship between al-Qaida and Saddam Hussein. For instance, on the deck of the aircraft carrier, President Bush stated:

The liberation of Iraq is a crucial advance in the campaign against terror. We have removed an ally of al-Qaida.

Now, relative to the alleged Prague meeting itself, Vice President CHENEY continues the misleading rhetoric by stating that we cannot prove one way or another that the so-called Prague meeting occurred. Vice President CHENEY said on June 17 on CNBC:

We have never been able to prove that there was a connection there on 9/11. The one thing we had is the Iraq—the Czech intelligence service report saying that Mohamed Atta had met with a senior Iraqi intelligence

official at the embassy on April 9, 2001. That's never been proven; it's never been refuted.

But what the Vice President continues to leave out is the critical second half of the CIA's now unclassified assessment that "although we cannot rule it out, we are increasingly skeptical that such a meeting occurred."

The Vice President also omits the key CIA statement:

In the absence of any credible information that the April 2001 meeting occurred, we assess that Atta would have been unlikely to undertake the substantial risk of contacting any Iraqi official as late April 2001, with the plot already well along toward execution.

In summary, the CIA says there is no credible evidence that the meeting occurred, and it is unlikely that it did occur. The American public was led to believe before the Iraq war that Iraq had a role in the 9/11 attack on America, and that the actions of al-Qaida and Iraq were "part of the same threat," as Deputy Secretary of Defense Paul Wolfowitz has put it.

Well, it was not the CIA that led the public to believe that; it was the leadership of this administration.

Mr. President, I ask unanimous consent that four documents, which I referred to in the body of my remarks, be printed in the RECORD at this point.

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

RESPONSE OF DIRECTOR OF CENTRAL INTELLIGENCE GEORGE TENET TO SENATOR LEVIN QUESTION FOR THE RECORD, MARCH 9, 2004, ARMED SERVICES COMMITTEE HEARING

Question 8. Director Tenet, do you believe it is likely that September 11 hijacker Muhammad Atta and Iraqi Intelligence Service officer Ahmed al-Ani met in Prague in April 2001, or do you believe it unlikely that the meeting took place?

Answer. Although we cannot rule it out, we are increasingly skeptical that such a meeting occurred. The veracity of the single-threaded reporting on which the original account of the meeting was based has been questioned, and the Iraqi official with whom Atta was alleged to have met has denied ever having met Atta.

We have been able to corroborate only two visits by Atta to the Czech Republic: one in late 1994, when he passed through enroute to Syria; the other in June 2000, when, according to detainee reporting, he departed for the United States from Prague because he thought a non-EU member country would be less likely to keep meticulous travel data.

In the absence of any credible information that the April 2001 meeting occurred, we assess that Atta would have been unlikely to undertake the substantial risk of contacting any Iraqi official as late as April 2001, with the plot already well along toward execution.

It is likewise hard to conceive of any single ingredient crucial to the plot's success that could only be obtained from Iraq.

In our judgment, the 11 September plot was complex in its orchestration but simple in its basic conception. We believe that the factors vital to success of the plot were all easily within al-Qa'ida's means without resort to Iraqi expertise: shrewd selection of operatives, training in hijacking aircraft, a mastermind and pilots well-versed in the procedures and behavior needed to blend in with US society, long experience in moving

money to support operations, and the openness and tolerance of US society as well as the ready availability of important information about targets, flight schools, and airport and airline security practices.

NEW CIA RESPONSE RAISES QUESTION AGAIN: WHERE DOES VICE PRESIDENT CHENEY GET HIS INFORMATION?

On July 7th, I finally received an unclassified answer to a Question for the Record that I had posed to Director of Central Intelligence George Tenet after he appeared before the Armed Services Committee on March 9, 2004. I am releasing this response today, because it is further evidence that Vice President Cheney has and continues to misstate and exaggerate intelligence information to the American public. This pattern, the record of which has continued to grow over time suggests that Vice President Cheney is getting his intelligence from outside of the U.S. Intelligence Community. In February I asked him to clarify the basis for some of his statements, but he has not yet responded to my request (letter attached). I am therefore left to continue wondering what his sources are.

ALLEGED ATTA MEETING IN PRAGUE

Vice President Cheney persists in his representation that a leader of the 9/11 hijackers, Mohammed Atta, may have met with an Iraqi intelligence official in Prague in April, 2001. When asked on Meet the Press on December 9, 2001 about possible links between Iraq and the 9/11 attacks, he claimed that the April Atta meeting was "pretty well confirmed." His subsequent statements on the Prague meeting have been more qualified, but he continues to present the alleged meeting as if it were something about which there wasn't enough information to make an informed judgment, i.e., it may have happened, or we don't know that it didn't happen. Most recently, on June 17, he wrapped the suggestion in the following verbal package: "We have never been able to confirm that, nor have we been able to knock it down, we just don't know . . . I can't refute the Czech claim, I can't prove the Czech claim, I just don't know. . . . That's never been proven; it's never been refuted."

This characterization does not fairly represent the views of the Intelligence Community. I have long been aware of this difference, and have pressed the Central Intelligence Agency (CIA) to declassify their views on whether they believe this meeting took place. Finally, a few days ago, they provided a public, unclassified response to that question.

The CIA states publicly, for the first time, that they lack "any credible information" that the alleged meeting took place. They note that the report was based on a single source whose "veracity . . . has been questioned," and that the Iraqi intelligence official who was purportedly involved and who is now in our custody denies the meeting took place. Further, they assess that Atta is "unlikely" to have ever sought such a meeting because of the substantial risk that it would have involved. The full CIA response is attached.

As we learned Tuesday, the 9/11 Commission reviewed all of the intelligence, including investigations by both U.S. and Czech officials, and indeed all of the intelligence that the Vice President received, and stands by its conclusion that the meeting did not occur.

The CIA and 9/11 Commission staff statements are not equivocal; while it is impossible to disprove a negative, after a systematic and thorough review of the evidence it is their judgment that the meeting was unlikely or did not take place. However, the

Vice President continues to simply claim that the evidence is some how ambiguous or unclear, and leaves out the conclusion of the CIA. On June 17, Vice President Cheney said that "we just don't know" whether the meeting took place. He went further to suggest that the report has "never been refuted," but acknowledged that the only piece of evidence he'd ever seen to support an Iraq connection to September 11 was "this one report from the Czechs." This is the one report from the single source that the CIA now publicly acknowledges has been called into question.

Earlier this year in a January 9, 2004 interview with the Rocky Mountain News, Vice President Cheney said that, after the initial Czech report of a meeting, "we've never been able to collect any more information on that." But again, this is simply not true: the 9/11 Commission lays out information that was gathered by the FBI that places Atta in the United States during the week of the alleged meeting in Prague, and the CIA clearly had information about the unreliability of the source as well as the refutation by the other purported party in the meeting.

In his numerous public statements Vice President Cheney has not been reflecting the view of the Intelligence Community on the issue of the Atta meeting. On what information has the Vice President been relying?

Outside of the Intelligence Community, the only other U.S. government source of information I know on the Iraq-al Qaeda connection, including the alleged Atta meeting in Prague, is the Office of Under Secretary of Defense for Policy Douglas Feith. Under Secretary Feith has acknowledged that his office provided information to Vice President Cheney's office on these matters.

In the summer of 2002, Under Secretary Feith prepared several versions of a classified briefing on the Iraq-al Qaeda relationship. The briefing was given first to Secretary of Defense Rumsfeld, then to Director Tenet and the CIA in August, and finally to the staffs of the Office of the Vice President (OVP) and the National Security Council (NSC) in September. The version of the briefing given to Vice President Cheney's staff included three slides that were not included in the version given to the CIA.

One of those slides, which has since been declassified at my request and is attached, was critical of the way the Intelligence Community was assessing the Iraq-al Qaeda relationship. Under Secretary Feith has acknowledged to Armed Services Committee staff that he added two other slides which concerned the Atta meeting issue, and which were not part of the briefing given to the CIA.

The two slides remain classified despite my request for declassification.

The Atta meeting is, unfortunately, not the only instance in which the Vice President appears to have relied on analysis other than that of the Intelligence Community. As the Intelligence Committee report to be released tomorrow will indicate, the CIA intelligence was way off, full of exaggerations and errors, mainly on weapons of mass destruction. But it was Vice President Cheney, along with other policymakers, who exaggerated the Iraq-al Qaeda relationship.

WEEKLY STANDARD ARTICLE ON IRAQ-AL QAEDA COOPERATION

On January 9, 2004, Vice President Cheney told the Rocky Mountain News that, on the question of the relationship between Iraq and al Qaeda, "one place you ought to go look is an article that Stephen Hayes did in the Weekly Standard here a few weeks ago, that goes through and lays out in some detail, based on an assessment that was done by the Department of Defense and forwarded to the Senate Intelligence Committee some

weeks ago. That's your best source of information."

The article to which Vice President Cheney astonishingly enough referred as the "best source of information" says it was based on a leaked Defense Department Top Secret/Codeword document. Aside from the sense of wonder that is engendered when the Vice President seems to confirm highly classified leaked information by calling it the "best source" of information, the Intelligence Community did not even agree with the Defense Department document on which the Weekly Standard article was purportedly based. On March 9th, when I asked Director Tenet, the Director of Central Intelligence, about Vice President Cheney's comments, allegedly based on the classified Defense Department document, he said that the CIA "did not agree with the way the data was characterized in that document." He also said that he would speak to Vice President Cheney, to tell him that the Intelligence Community had disagreements with the Defense Department document.

The document in question was prepared by Under Secretary Feith. It was very similar to the series of briefings that Under Secretary Feith had provided to Secretary of Defense Rumsfeld, then to Director Tenet and the CIA, and finally to the staffs of the Office of the Vice President and the National Security Council in the summer of 2002.

OTHER EXAMPLES OF EXAGGERATION BY VICE PRESIDENT CHENEY

Unfortunately, these are not the only cases where the Vice President, as just one key Administration spokesman, has exaggerated or misstated the intelligence on issues related to Iraq. In fact, they are just two examples of a consistent pattern of such exaggeration where the policymakers—not the CIA—were the exaggerators, before and after the start of the war, and continuing up to the present. There are others.

IRAQ'S MOBILE BIOLOGICAL WEAPONS VANS

As late as January 22, 2004, Vice President Cheney said to National Public Radio that "we know for example that prior to our going in that he had spent time and effort acquiring mobile biological weapons labs, and we're quite confident he did, in fact, have such a program. We've found a couple of semi trailers at this point which we believe were, in fact, part of that program." He concluded by saying "I would deem that conclusive evidence, if you will, that he did in fact have programs for weapons of mass destruction."

That is not what the Intelligence Community believed at the time. David Kay, the CIA's chief inspector in Iraq said the previous October that the Iraq Survey Group had "not yet been able to corroborate the existence of a mobile BW [biological warfare] production effort," and that it was still trying to determine "whether there was a mobile program and whether the trailers that have been discovered so far were part of such a program."

When I asked Director Tenet about Vice President Cheney's comments, he said he had spoken to him about it, to tell him that was not the view of the Intelligence Community.

ALUMINUM TUBES FOR NUCLEAR WEAPONS

On September 8, 2002, Vice President Cheney made an unqualified statement about the aluminum tubes on Meet the Press:

"[He [Saddam]] is trying, through his illicit procurement network, to acquire the equipment he needs to be able to enrich uranium to make the bombs."

Tim Russert: "Aluminum tubes."

VP Cheney: "Specifically aluminum tubes. . . . it is now public that, in fact, he has been seeking to acquire, and we have been able to

intercept and prevent him from acquiring through this particular channel, the kinds of tubes that are necessary to build a centrifuge. . . . But we do know, with absolute certainty, that he is using his procurement system to acquire the equipment he needs in order to enrich uranium to build a nuclear weapon."

There was a fundamental debate within the Intelligence Community before the war as to the intended purpose of the aluminum tubes that Iraq was trying to import. The Department of Energy, the Nation's foremost nuclear weapons experts, and the State Department's Bureau of Intelligence and Research, did not believe the aluminum tubes were for centrifuges to make nuclear weapons. Instead, they believed they were for conventional artillery rockets. But Vice President Cheney did not acknowledge any division within the Intelligence Community. He stated that the U.S. knew "with absolute certainty" that Iraq was trying to obtain the tubes for nuclear weapons purposes.

Tomorrow the CIA will be properly called to account for their failures expressed in Phase I of the Intelligence Committee report. Phase II will follow, regarding the policymakers' use of intelligence.

The CIA's belated public acknowledgment to my earlier question that the Intelligence Community has no credible evidence of an Iraqi-al Qaeda meeting in April 2001 dramatizes the need for that Phase II review.

FUNDAMENTAL PROBLEMS WITH HOW INTELLIGENCE COMMUNITY IS ASSESSING INFORMATION

Application of a standard that it would not normally obtain: IC does not normally require juridical evidence to support a finding.

Consistent underestimation of importance that would be attached by Iraq and al Qaeda to hiding a relationship: Especially when operational security is very good, "absence of evidence is not evidence of absence".

Assumption that secularists and Islamists will not cooperate, even when they have common interests.

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, February 12, 2004.

The VICE PRESIDENT,
The White House,
Washington, DC

DEAR MR. VICE PRESIDENT: I am writing about two intelligence matters related to Iraq: the first concerning weapons of mass destruction, and the second concerning alleged cooperation between Iraq and al Qaeda.

On January 22, 2004, you made the following comment during an interview with National Public Radio concerning two trailers in Iraq: "we know for example that prior to our going in that he had spent time and effort acquiring mobile biological weapons labs, and we're quite confident he did, in fact, have such a program. We've found a couple of semi trailers at this point which we believe were, in fact, part of that program. . . . I would deem that conclusive evidence, if you will, that he did in fact have programs for weapons of mass destruction."

In his speech on February 5, 2004, Director of Central intelligence George Tenet said that "there is no consensus within our community over whether the trailers were for that use [biological weapons] or if they were used for the production of hydrogen."

David Kay, former leader of the Iraq Survey Group, testified to Congress on October 2, 2003 that "we have not yet been able to corroborate the existence of a mobile BW [biological warfare] production effort." He indicated that the ISG was still trying to determine "whether there was a mobile program

and whether the trailers that have been discovered so far were part of such a program."

In July, David Kay was interviewed by BBC television for a program that aired in England in late November, and here in the United States on January 22, 2004. In response to a question as to whether he thought it had been premature for the Administration to assert in May that the two trailers were intended to produce biological weapons agents, Kay said "I think it was premature and embarrassing." He said "I wish that news hadn't come out," and concluded "I don't want the mobile biological production facilities fiasco of May to be the model of the future."

On January 28, 2004, Dr. Kay stated in testimony before the Senate Armed Services Committee that "I think the consensus opinion is that when you look at those two trailers . . . their actual intended use was not for the production of biological weapons."

Given those assessments, I would appreciate knowing what is the intelligence basis for your statements that "we're quite confident [Saddam] did, in fact, have such a [mobile biological weapons labs] program," that the trailers "we believe were, in fact, part of that program," and that those trailers are "conclusive evidence" that Iraq "did, in fact, have programs for weapons of mass destruction?"

I would be pleased to receive that information on an unclassified or classified basis.

With respect to the second intelligence issue, during your interview with the Rocky Mountain News on January 9, 2004, you recommended a source of information relative to the issue of whether there was a relationship between al Qaeda and Iraq: "One place you ought to look is an article that Stephen Hayes did in the Weekly Standard here a few weeks ago, that goes through and lays out in some detail, based on an assessment that was done by the Department of Defense and was forwarded to the Senate Intelligence Committee some weeks ago. That's your best source of information"

That article states that it is based on "a top secret U.S. government memorandum" prepared by the Defense Department, which was purportedly leaked to the Weekly Standard. The article then goes on to describe in detail and quote extensively from the document it says was leaked.

On October 15, 2003, the Defense Department had issued a News Release about the article that seems to disagree with what you said. According to the Defense Department, "News reports that the Defense Department recently confirmed new information with respect to contacts between al Qaeda and Iraq in a letter to the Senate Intelligence Committee are inaccurate."

Furthermore, the DOD news release noted that the "classified annex" sent by the Defense Department to the Senate Intelligence Committee "was not an analysis of the substantive issue of the relationship between Iraq and al Qaeda, and it drew no conclusions."

I would appreciate if you would advise whether you were quoted accurately.

I look forward to your reply.

Sincerely,

CARL LEVIN,
Ranking Member.

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

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

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

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

Mr. CHAMBLISS. Mr. President, I rise today in support of S. 2062. I am sorry the Senator from Connecticut is not in the Chamber.

Mr. REID. Will the Senator yield?

Mr. CHAMBLISS. Certainly.

Mr. REID. We have had a signoff—people heard me a little earlier today say we had an objection to having a vote on the cloture motion that the majority leader has filed. We can now do that. I understand the majority wants that to take place. I ask unanimous consent that the cloture vote on the matter now scheduled for tomorrow occur tonight at 6:30.

The PRESIDING OFFICER. Is there objection?

Without objection, it is so ordered.

The Senator from Georgia.

Mr. CHAMBLISS. Mr. President, as I was saying, I am sorry the Senator from Connecticut is not in the Chamber because I have such great respect for his opinion, particularly his opinion regarding this bill. I know what a keen interest he has in this bill, and when he talks about the fact that we ought to delay this for 1 more week because the majority has set the agenda and the agenda next week calls for matters that might not be relevant to this particular issue, I simply remind the Senator from Connecticut, who is my dear friend, that this bill has not just come to the floor.

As a member of the Judiciary Committee, I was there in April of 2003 when this particular bill was voted out of the Judiciary Committee. We were all here in November of 2003 when we had a cloture vote on this bill. So this is not something new that has just come about. This bill has been under negotiation actually since the 105th Congress.

In 1996, the negotiations began on a class action bill. I think to now ask for another delay for another week on the cloture vote is just simply not called for, and that is the reason we need to go ahead with the vote tonight. My colleagues are either for class action reform, they are either for a bill that is a bipartisan bill, or they are against it. It is that simple at this point in the negotiations.

There was a proposal made by this side of the aisle to the other side of the aisle that when this bill came to the floor that we allow only germane amendments, amendments that are relevant to the issue of class action, to be brought to the floor as legitimate amendments that would be debated and voted on. The other side of the aisle would not agree to that. So therefore we have evolved into a different format on the floor today.

I do rise in strong support of S. 2062, the Class Action Fairness Act of 2004. It is a product of negotiations between Senators on both sides of the aisle in an effort to gain the 60 votes needed to invoke cloture and proceed to an up-or-

down vote on the merits of the bill. To a great extent, the bulk of the tort reform needed in this country will be handled on the State court level, where most civil complaints are filed.

That is a very significant point. As a trial lawyer, I remember that I usually wanted to file my cases in State court, and they ought to still have that right to do so. But there are times when it was dictated to you as a lawyer that you had to go to Federal court. It is because we have had a handful of State court jurisdictions in the United States where a grossly disproportionate number of class action suits are filed, and that is just not right. That is why these negotiations were instituted in 1996. That is why over the last 8 years we have been going back and forth with Members on both sides of the aisle being involved and have come up with a fair bill that does allow for certain exceptions that I am going to talk about in just a minute.

People have referred to these jurisdictions where a majority of the class actions have been filed as magnet courts because they draw in class action suits with their soft juries and their pro-plaintiff judges. That is just a matter of fact. Under the Class Action Fairness Act, businesses can break loose from these magnet State courts and get a fair trial in a Federal jurisdiction.

S. 2062 differs from the previous versions of the class action bill in several ways, and those changes have been negotiated on both sides of the aisle over the period not from just last April or November, but from 1996, over the last 8 years. I am going to focus my remarks on one change I think makes a lot of sense, and that is the addition of a local class action exception.

Under the provisions of S. 2062, class action cases will remain in State court if the following conditions are met: First, more than two-thirds of class members have to be citizens of the forum State. Second, there has to be at least one in-State defendant from whom significant relief is sought by members of the class and whose conduct forms a significant basis of the plaintiffs' claims. Third, the principal injuries resulting from the alleged conduct or related conduct of each defendant have to have been incurred in the State where the action was originally filed. Finally, there cannot be any other class action cases asserting the same or similar factual allegations against any of the defendants on behalf of the same or other persons filed in the preceding 3 years.

Those are pretty fair and reasonable exceptions. You are still going to have probably most of the class action suits filed in State court with this exception being in place.

Under the local class action exception, a limited group of local class action cases would be allowed to stay in State court where the facts of the case warrant this treatment. Some examples would be a plant explosion or an

oil spill, where one or more of the defendants are in the same State as the catastrophe and a supermajority of the plaintiffs are there as well. These are truly local actions and ought to be treated as such because they do not lend themselves to the egregious forum shopping that lands cases which should be filed in Federal court in one of these so-called magnet courts around the country.

Despite all of the progress we have made in our negotiations on S. 2062, it seems we have some Senators who plan to offer amendments that would weaken this bipartisan legislation or weight it down with nongermane issues that will lead to the bill's defeat. The passage of nongermane amendments to this class action reform bill will probably doom its passage. For this reason, I will vote against all nongermane amendments, and I plan to vote against any germane amendments that would weaken S. 2062 in its present form.

In summary, we now have a class action bill which is supported by both sides of the aisle. Despite the misinformation that has been spread around, this bill will actually promote the proper assignment of class action cases between State court and Federal court dockets. I urge my colleagues to vote against any amendments that would weaken or kill S. 2062 and then to vote in favor of this bill as a first step in restoring fairness and balance to our Nation's tort system.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. GRAHAM of South Carolina. Mr. President, I, like others of my colleagues, would like to see closure on this issue. Before I got into politics, I was a lawyer. I admire our legal system. In many ways, people have their chance to be judged by their neighbors. I am very respectful of the jury trial. However, in the class action arena of the law, I find more abuses than solutions. I don't believe the Constitution ever envisioned the class action litigation model that we have come up with where you can create your own false diversity and you can run everybody to Illinois or Mississippi because business is involved.

I believe the removal process in this bill where the judge has discretion to remove cases from State court to Federal court will correct some abuses. I believe the coupon cases were never what the law was meant to be about.

The legal reforms in this bill I support. I have an amendment. I hope we can get to it. It would allow a procedure to be had in terms of pursuing settlement. Consumers need to be told

about the Pinto case and need to be informed when products are dangerous, but companies need not be required to give proprietary information without having their say.

I have an amendment that would allow the judge in a particular case to rule on whether documents would be subject to seal. I think the South Carolina rule is a very reasonable rule. But whether we get to this, I believe this bill's time has come, and it is now time for the Senate to act. The abuses that are going on in class action are not about treating people fairly, they are about simple greed. These abuses need to be stopped for the betterment of us all. Claimants and businesses find themselves subject to this.

I urge my colleagues to vote in favor of cloture on S. 2062, the Class Action Fairness Act of 2004. As a member of the Judiciary Committee, I supported the bill during committee consideration and I will be voting in favor of cloture and final passage as well.

The need for this bill is pointed out daily by stories of abuse. We hear of attempts to sue McDonald's because people who eat there are getting fat. We hear of lawyers negotiating coupon settlements for their clients, while they receive millions of dollars in fees. We hear of class members actually losing money on settlements.

I am a lawyer and I am not happy with that state of affairs. I don't think anyone is more in favor of a strong legal system than I am. And I define a strong legal system as one where all parties are treated fairly, wrongs are redressed, and justice is afforded equally and without bias.

The Class Action Fairness Bill of 2004 does not weaken our legal system. It rectifies the current imbalance in some areas where some parties are not treated fairly; new wrongs are committed, not redressed; and justice is overlooked, if not outright disregarded.

I say to my friends who oppose this bill that, just as it is important to make sure that victims have an opportunity to be heard in our courts, it is just as important to insure that the defendant is treated fairly. And I don't believe anyone can credibly claim that that is the case today in many areas of our country. Justice requires that we act to remedy that.

Although I may not believe this bill is perfect, and actually have an amendment or two of my own, I do not believe we should delay this bill one moment longer. My amendment is slightly technical, but very simple.

It would merely provide for uniform judicial scrutiny of sealed documents. I have based my amendment on the South Carolina district rule for how to obtain a protective order for trade secrets or other proprietary information. I haven't heard from one person in South Carolina who doesn't like the way it works.

It puts all parties on equal footing and preserves judicial discretion. However, though I firmly believe my

amendment would improve the bill, I will be voting for cloture because this bill is more important.

I firmly believe that the Class Action Fairness Act of 2004 is exactly that, fair to all parties.

It is narrowly aimed at some of the most egregious abuses of the class action system. In fact, I have heard from some folds that the bill does not go far enough. However, in my opinion, it is a reasonable first step in the effort to control what are clearly abuses of the system.

It is reasonable because I don't think anyone in the chamber can complain about judges taking a look at settlements to make sure the class members are not being victimized further. I don't think anyone can complain about giving federal judges the power to block worthless settlements based on coupons or other gimmicks.

We have even had some firms sanctioned for filing cases just to settle with no damages for the class, but significant attorneys' fees for them. We have had other lawsuits end with the lead plaintiffs and their lawyers receiving large sums and other class members receiving nothing, but losing their right to legal action in the future.

When the very people class actions are supposed to help are being hurt, it is time to do something different.

This bill is a reasonable step in the right direction. While some of my friends on the other side of the aisle may not like some provisions, they have to admit that there is a problem that needs to be addressed.

In closing, I would just like to urge my colleagues to help us move this bill to conclusion. File your amendments, I have one myself, but don't let your personal desire to offer your amendment get in the way of this much needed legislation.

Mr. McCONNELL. Mr. President, I rise to speak about a case that I think perfectly illustrates some of the problems produced by our current class action system. This case is, unfortunately, not unique. These outrageous decisions happen all too frequently. The bill currently under consideration will help fix some of these problems.

Reproduced on this poster beside me is an actual settlement check from a recently settled class action lawsuit. This check is made payable to a member of my staff who received it in the mail earlier this year. You will notice that on the check's "pay to the order of" line, I have covered the name of my staffer so that she may remain anonymous.

I have also obscured the name of the defendant in this case. Plaintiff's lawyers have soaked them once already. I would hate to see others sue this company just because they heard the company settled one class action suit.

Along with this settlement check, my staffer received a letter, which says in part:

You have been identified as a member of the class of . . . customers who are eligible

for a refund under the terms of a settlement agreement reached in a class action lawsuit . . . The enclosed check includes any refunds for which you were eligible.

Now as you know, Senate staffers are certainly not the highest paid people in this town. So this woman on my staff reports she was excited about receiving some unexpected money.

And then she looked at the enclosed check to see just how big her windfall was. It was a whopping 32 cents. That is right, she received a check made out to her in the amount of 32 cents.

I guess it goes without saying that she was a bit disappointed in her new-found riches.

Now, don't misunderstand me. I am not suggesting my staffer deserved a bigger settlement check. In fact, she tells me she had no complaint whatsoever against the defendant. And she never even asked to be part of this lawsuit.

Apparently, she just happened to be a customer of a defendant who was sued, and it was determined that she theoretically could bring a claim against the defendant, and so she became a member of "a class" that was due a settlement.

If this doesn't precisely illustrate the absurdity of the current class action epidemic in this country, I don't know what does.

To demonstrate just how far out of whack the system is, let's start with the letter notifying my staffer that she was a member of a class action lawsuit, and had been awarded a settlement. This letter and check arrived via the U.S. mail. The last I knew, it cost 37 cents to mail an envelope. The settlement check is for 32 cents.

You can probably see where I'm going with this.

It cost the defendant in this class action suit, 37 cents to send a settlement check worth 32 cents. That sure makes you pause and think about the absurdity of our class action system.

Now, I don't claim to have the economic expertise of some—like my good friend, the distinguished former Senator Gramm of Texas—but I can tell you that forcing a defendant to spend 37 cents to send someone a 32-cent check doesn't make much economic sense. And it certainly defies common sense.

But let me point out the most disturbing element about this lawsuit. My staff researched this case and it may interest my colleagues to know that while the unwitting plaintiff received just 32 cents in compensation from this class action lawsuit, her attorneys pocketed in excess of \$7 million.

All in all, not a bad settlement—if you happen to be a plaintiff's lawyer rather than a plaintiff.

And in case you think this plaintiff received an unusually low settlement in this litigation, let me quote from the letter accompanying the settlement check:

At the time of the settlement, we estimated that the average [refund] would be

less than \$1 for each eligible [plaintiff]. That estimate proved correct.

So, you see, even before the settlement, it was clear that each plaintiff would on average receive less than \$1. Yet the attorneys still got more than \$7 million.

My colleagues may also be interested to know how much the defendant was forced to spend defending this lawsuit.

Knowing the extent of the defendant's defense costs is instructive in demonstrating how unjust these abusive suits can be. So we asked the defendant how much it spent defending this suit that provided a plaintiff with pennies and her lawyers with millions. But perhaps not surprisingly, the defendant was not willing to discuss that matter.

You see, the defendant told us that if it were readily known just how much they spent defending these types of suits, then that information would almost certainly be used against them in the future.

This defendant feared that if their defense costs were known, then another opportunistic plaintiff's lawyer would file another one of these suits. And then that lawyer would offer to settle for just slightly less than the millions he knew it would cost the defendant to defend the action.

That perfectly illustrates how plaintiff's lawyers exploit and abuse defendants under the current system.

Can there be any doubt that the current class action system is in need of repair? When the lawyers get more than \$7 million and a plaintiff gets a check for 32 cents, something is terribly wrong. When defendants fear disclosing how much they spend fighting these ridiculous suits because to do so would invite more litigation, something is terribly wrong.

Justice is supposed to be distributed fairly. This is clearly not a fair way to distribute justice.

Let's try to correct some of the abuses in class action litigation by passing this legislation.

We are not going to end every 32-cent award to plaintiffs and multimillion dollar award to attorneys, but surely we can curb some of this nonsense.

Mr. LEAHY. Mr. President, I rise to express my continued disappointment in the Republican leadership's ability to manage the Senate floor effectively. As my colleagues are aware, we have only a few weeks left in this legislative session. Instead of negotiating short-time agreements on a finite number of important amendments, the Republican leader has decided that he would rather slam the door shut for all non-germane amendments.

The Republican leader's actions have frustrated Members on both sides of the aisle who sincerely want to have a productive legislative session. The citizens of this country did not elect us to engage in a staring contest. We should be using our remaining floor time to accomplish consensus legislation.

I note that yesterday the Senior Senator from Idaho observed the following:

We have watched an unusual process this morning. There are a good many of us in a bipartisan spirit who are reacting to and I am one of those who does not appreciate what the majority leader has now just done.

Senator DASCHLE, who has frequently called for civility and bipartisan action on the floor, similarly expressed frustration. I could not agree with them more.

Senators have a right to have their legislation be considered by their colleagues. And despite the majority leader's actions, even Senators in the minority should be allowed to offer amendments to the class action legislation before us.

Senate CRAIG acknowledged as much when he "recognized that Senators, unless effectively blocked by [the] procedural action that has just occurred, do have the right to offer amendments. Germane or relevant and non-relevant."

Yesterday, the senior Senator from Idaho hoped to offer an amendment with wide bipartisan support that would help protect the security of our country. He should be allowed to offer this legislation. Similarly, other Members of this body should be allowed time for the normal amendment process.

Time and again, the Republican leadership has accused my colleagues of obstructing and refusing to give certain measures an up-or-down vote. Well, this most recent procedural tactic is the majority leader's latest attempt at looking busy with full knowledge that nothing will be accomplished.

Senator FRIST's drastic action yesterday has stymied the legislative process and threatened the underlying class actions bill that many of my colleagues have worked so hard on over the past few years.

I am disappointed that the Republican leadership has decided that we can afford to waste another week of floor time when bipartisan measures could have been considered and enacted.

Mr. President, yesterday I received a letter on behalf of 16 environmental protection organizations—American Rivers, Clean Water Action, Defenders of Wildlife, Earthjustice, Earthworks, Environmental Working Group, Friends of the Earth, Greenpeace, League of Conservation Voters, National Environmental Trust, Natural Resources Defense Council, Sierra Club, The Ocean Conservancy, The Wilderness Society, 20/20 Vision, and the U.S. Public Interest Research Group—in opposition to this class action bill.

These environmental protection advocates declare that this bill "is patently unfair to citizens harmed by toxic spills, contaminated drinking water, polluted air and other environmental hazards involved in class action cases based on state environmental or public health laws."

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

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

JULY 7, 2004.

ENVIRONMENTAL HARM CASES DO NOT BELONG
IN CLASS ACTION BILL

DEAR SENATOR: Our organizations are opposed to the sweepingly drawn and misleadingly named "Class Action Fairness Act of 2004." This bill is patently unfair to citizens harmed by toxic spills, contaminated drinking water, polluted air and other environmental hazards involved in class action cases based on state environmental or public health laws. S. 2062 would allow corporate defendants in many pollution class actions and "mass tort" environmental cases to remove these kinds of state environmental matters from state court to federal court, placing the cases in a forum that could be more costly, less timely, and disadvantageous to your constituents harmed by toxic pollution. State law environmental harm cases do not belong in this legislation and we urge you to exclude such pollution cases from the class action bill.

Class actions protect the public's health and the environment by allowing people with similar injuries to join together for more efficient and cost-effective adjudication of their cases. All too often, hazardous spills, water pollution, or other toxic contamination from one source affects large numbers of people, not all of whom may be citizens of the same state or may be from the same state as the defendants who caused the harm. In such cases, a class action lawsuit in state court based on state common law doctrines of negligence or nuisance, or upon rights and duties created by state statutes in the state where the injuries occur, is often the best way of fairly resolving these claims.

For example, thousands of families around the country are now suffering because of widespread groundwater contamination caused by the gasoline additive MTBE, which the U.S. Government considers a potential human carcinogen. According to a May, 2002 GAO report, 35 states reported that they find MTBE in groundwater at least 20 percent of the time they sample for it, and 24 states said that they find it at least 60 percent of the time. Some communities and individuals have brought or soon will bring suits to recover damages from MTBE contamination and hold the polluters accountable, but under this bill, MTBE class actions or "mass actions" based on state law could be removed by the oil and gas companies to federal court in many of these cases.

This could not only make these cases more expensive, more time-consuming and more difficult for injured parties, but could also result in legitimate cases getting dismissed by federal judges who are unfamiliar with or less respectful of state law claims. For example, in at least one federal court MTBE class action, a federal court dismissed the case based on oil companies' claim that the action was barred by the federal Clean Air Act (even though that law contains no tort liability waiver for MTBE). Yet a California state court rejected a similar federal preemption argument and let the case go to a jury, which found oil refineries, fuel distributors, and others liable for damages. These cases highlight how a state court may be more willing to uphold legitimate state law claims. Other examples of state law cases that would be weakened by this bill include lead contamination cases, mercury contamination, perchlorate pollution and other "toxic torts" cases.

In a letter to the Senate last year, the U.S. Judicial Conference expressed their continued opposition to such broadly written class action removal legislation. Notably, their letter states that, even if Congress determines that some "significant multi-state class actions" should be brought within the

removal jurisdiction of the federal courts, Congress should include certain limitations and exceptions, including for class actions "in which plaintiff class members suffered personal injury or personal property damage within the state, as in the case of a serious environmental disaster." The Judicial Conference's letter explains that this "environmental harm" exception should apply "to all individuals who suffered personal injuries or losses to physical property, whether or not they were citizens of the state in question."

We agree with the Judicial Conference—cases involving environmental harm are not even close to the type of cases that proponents of S. 2062 cite when they call for reforms to the class action system. Including such cases in the bill does no more than benefit polluters in state environmental class actions at the expense of injured parties in those cases for no reason other than to benefit the polluters. No rationale has been offered by the bill's supporters for including environmental cases in S. 2062's provisions. We are unaware of any examples offered by bill supporters of environmental harm cases that represent alleged abuses of the state class actions.

More proof of the overreaching of this bill is that the so-called "Class Action Fairness Act" is not even limited to class action cases. The bill contains a provision that would allow defendants to remove to federal court all environmental "mass action" cases involving more than 100 people—even though these cases are not even filed as class actions. The S. 2062 contains a narrow exception to the "mass action" removal rule if the injury to the plaintiffs is caused by a "sudden, single accident," but has no exception for injuries caused by toxic exposure that occurs over days, months, or years, as frequently happens in environmental harm cases.

For example, the bill would apply to cases similar to the recently concluded state court trial in Anniston, Alabama, where a jury awarded damages to be paid by Monsanto and Solutia for injuring more than 3,500 people the jury found were exposed—with the companies' knowledge—to cancer-causing PCBs over many years. Documents uncovered in the case showed that Monsanto kept the public in the dark for decades regarding what the company knew about PCBs, so the "sudden, single incident" exception would not apply in large measure because of the companies' own bad behavior. There is little doubt in the Anniston case that, had S. 2062 been law, the defendants would have tried to remove the case from the state court serving the community that suffered this devastating harm. It is, at best, unjustified to reward this kind of reckless corporate misbehavior by giving defendants in such cases the right to remove state law cases to federal court over the objections of those they have injured.

The so-called "Class Action Fairness Act" would allow corporate polluters who harm the public's health and welfare to exploit the forum of federal court whenever they perceive an advantage to doing so. It is nothing more than an attempt to take legitimate state court claims by injured parties out of state court at the whim of those who have committed the injury.

Cases involving environmental harm and injury to the public from toxic exposure should not be subject to the bill's provisions; if these environmental harm cases are not excluded, we strongly urge you to vote against S. 2062.

Sincerely,

Ken Cook, Executive Director, Environmental Working Group.

Ed Hopkins, Director, Environmental Quality Programs, Sierra Club.

Betsy Loyless, Vice President for Policy and Lobbying, League of Conservation Voters.

William J. Snape III, Vice President for Law and Litigation, Defenders Of Wildlife.

Sara Zdeb, Legislative Director, Friends of the Earth.

Karen Wayland, Legislative Director, Natural Resources Defense Council.

Anna Aurilio, Legislative Director, U.S. Public Interest Research Group.

Tom Z. Collina, Executive Director, 20/20 Vision.

S. Elizabeth Birnbaum, Director of Government Affairs, American Rivers.

Kert Davies, Research Director, Greenpeace US.

Kevin S. Curtis, Vice President, National Environmental Trust.

Stephen D'Esposito, President, Earthworks.

Linda Lance, Vice President for Public Policy, The Wilderness Society.

Joan Mulhern, Senior Legislative Counsel, Earthjustice.

Julia Hathaway, Legislative Director, The Ocean Conservancy.

Paul Schwartz, National Campaigns Director, Clean Water Action.

Mr. JEFFORDS. Mr. President, I rise today to express my extreme disappointment over the procedural bind the Senate is in on the class action reform bill.

Last October I was one of the 59 Senators who voted to allow the Senate to proceed to the Class Action Fairness Act because I believed that it was an issue that should be considered and debated in the Senate. I still believe that this is an appropriate matter to be considered in the Senate, and was looking forward to a constructive debate on the legislation this week.

In meetings with both supporters and opponents of the legislation I have continually stressed that there needs to be a fair and open debate on the matter. To me, this means that Senators must be allowed to offer amendments to the bill. Unfortunately, even before the debate had even really begun, the majority leader came to the floor and created a procedural situation where no Senator would be allowed to offer an amendment, on class action reform or any other issue.

It is regrettable that this path was chosen for consideration of this legislation. I find this to be especially true when the minority leader has offered to limit the number of amendments to the legislation, even though he opposes the bill. If the Republican leadership had accepted this offer we could have been working on substance rather than discussing procedure for the last few days.

As this debate has not been free or fair, in fact no amendments have been considered, debated and voted upon, I cannot at this time support limiting debate on the Class Action Fairness Act. I am hopeful that the majority will reconsider its rejection of the minority leader's offer to proceed on this legislation with limited amendments and that we can then begin to actually debate the legislation.

I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

Mr. HATCH. Mr. President, I would like to be standing here today to debate the merits of why we should be voting for cloture on this bill. But since we all know how this vote will turn out, I just want to congratulate in advance some of my colleagues on the other side of the aisle for killing yet another civil justice reform measure this Congress.

The constituents that they serve—the powerful and well financed plaintiffs bar—owe them a deep debt of gratitude for not only killing class action reform but also derailing the asbestos trust fund bill, the medical malpractice reform bill, and gun liability reform bill, to name a few. Their truly special interest constituent has survived yet another year devoid of tort reform, and as a result, will continue raking in millions of dollars in cash to help finance the Democratic party in the coming months.

I am hoping the 62 people who committed to vote for cloture last November will vote for it. We can even lose two of them as long as we have 60 to vote for cloture. If we have 60, then I will feel a lot better than I do in giving these remarks.

But unlike the caution chorus that they rolled out to kill the asbestos bill, the tactics used by my Democratic colleagues to defeat class action reform have been disappointing at best, and downright disingenuous, at worst. We tried to proceed on this bill last year and were led to believe that we would command enough votes to overcome a Democratic filibuster. Indeed, before the cloture vote, we had certain members declare their support publicly for the bill. But when the moment of truth came, there was at least one member from the other side who voted against proceeding on the bill despite statements to the contrary. And what happened? We fell one vote shy of invoking cloture.

After the vote, we had three additional Democratic members come to us just days before our Thanksgiving recess eager to strike a deal on class action reform. So we listened, and we negotiated, and then we compromised. And at the end of the day, we reached an agreement on a more modest version of the class action bill. But the honeymoon certainly did not last long as the supporters of the measure started demanding extraneous labor-oriented amendments that included a measure to raise the minimum wage; a measure to extend unemployment insurance; and a measure to overturn the administration's overtime regulations.

We gave them votes on two of the three and then offered yesterday to give them a vote on the third. But of course, we all know that three was not enough.

We heard the stories of how the Senate must work its will, and how the hallmark of this institution's procedures cannot be compromised; that we must take on more extraneous amendments that have absolutely nothing to do with the business at hand. But what these colleagues know very well is that the more amendments this bill takes on, the less likely it will become law.

We have a bipartisan deal on class action reform that now stands on the verge of collapse—a broken deal that will forever stain the honor of this hallowed institution the minute the supporters of this bill cast a no vote on cloture. In a court of law, we would call it a breach of contract, but in the Senate we are not governed by common law principles when we legislate. Rather, we are governed by honor and credibility—attributes that will lose stock the minute this bill fails.

Let me just finish by saying that a vote against cloture means that you are not committed to class action reform. Let us not dance around the issue any further, and just call a spade a spade.

A vote against cloture means that you care more about helping certain unscrupulous plaintiffs' lawyers rather than every day consumers like Martha Preston, Irene Taylor and Hilda Bankston. These are the real victims whose horror stories will fall on deaf ears.

And a vote against cloture means that a deal will never be a deal unless strings are attached. That true bipartisanship will always come at a price to be disclosed later.

I have been here 28 years. I have never seen, when we finally put a deal together, people who have not been willing to live up to their commitment.

Everybody knew back in November of last year that we needed one more vote to get cloture. We compromised. We accepted amendments which we probably wouldn't have accepted because we had—we had 59 who would have voted for the bill as it was—to get those extra votes. Now there is some indication that those three votes will not be there, and we will probably lose on cloture again. I am hoping that is not true. I am hoping all three votes will be there, or at least one that will be there so that we can invoke cloture and proceed on this bill. If we can't, then I have to say this is one of the few times that I have seen where commitments are made that have not been honored that should have been honored, and it is a disgrace to this institution, in my humble opinion.

Keep in mind that if we invoke cloture, that doesn't mean those who want to bring up extraneous, non-germane amendments or nonrelevant amendments can't do it. They can bring them up after cloture, but they are going to have to get a supermajority vote to win. That doesn't foreclose them.

Anybody who argues that they ought to be able to bring up any amendments

they want when it is hurting the Senate, is not shooting straight. The fact is, they can bring up any amendments they want. They just have to get the votes to win. Maybe they will postcloture. I don't know.

But in all honesty, we all know the game. It is either we are going to get cloture and people are going to live up to their commitment or not, and bipartisanship is even hurt more than it has been up until now. It has been in shambles as far as I can see almost all year long. This has been one of the worst years in my Senate career because of the lack of partisanship, the lack of comity that normally exists in this body in the desire to make everything political and the effectiveness of making everything political as well.

This is one bill that does not deserve that kind of unfair treatment, especially since we compromised last year and took amendments we would not have taken and changed the bill we would not have changed, all for the purpose of getting enough votes to vote for cloture. And now we are here again this year—another year, 6 years in a row—whereby the same people who said they were for this bill and talked us into all these amendments on the basis that they would vote for cloture may not. I personally hope they will. If they will, it will do more for comity in this body, more for bipartisanship than we have seen all year. It would be a ray of hope to everybody in this body that maybe there is a chance of us getting together on things that are important, the things that are right, things that we promised, things that will benefit the business community, things that will correct the ills which literally have been wrecking this institution and hurting our country immeasurably and will put the screws to these jurisdictions, these magnet jurisdictions, that do not seem to care about the law or anything else.

CLOTURE MOTION

The PRESIDING OFFICER. The clerk will report the cloture motion.

The legislative clerk read as follows:

CLOTURE MOTION

We the undersigned Senators, in accordance with the provisions of Rule XXII of the Standing Rules of the Senate, do hereby move to bring to a close debate on Calendar No. 430, S. 2062, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes:

Bill Frist, Orrin Hatch, Charles Grassley, Peter Fitzgerald, Craig Thomas, Mitch McConnell, Ted Stevens, Robert F. Bennett, Jim Talent, George Allen, Jon Kyl, Rick Santorum, Jeff Sessions, Pete Domenici, Susan Collins, Lamar Alexander, John Cornyn.

The PRESIDING OFFICER. By unanimous consent, the quorum call has been waived.

The question is, Is it the sense of the Senate that debate on S. 2062, a bill to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for

class members and defendants, and for other purposes, shall be brought to a close?

The yeas and nays are required under the rule.

The clerk will call the roll.

The assistant legislative clerk called the roll.

Mr. MCCONNELL. I announce that the Senator from Colorado (Mr. CAMPBELL), the Senator from Nevada (Mr. ENSIGN), the Senator from Wyoming (Mr. ENZI), the Senator from Illinois (Mr. FITZGERALD), the Senator from Nebraska (Mr. HAGEL), and the Senator from Pennsylvania (Mr. SANTORUM) are necessarily absent.

Mr. REID. I announce that the Senator from Delaware (Mr. BIDEN), the Senator from California (Mrs. BOXER), the Senator from West Virginia (Mr. BYRD), the Senator from New York (Mrs. CLINTON), the Senator from North Carolina (Mr. EDWARDS), the Senator from Massachusetts (Mr. KERRY), and the Senator from Maryland (Ms. MIKULSKI) are necessarily absent.

The yeas and nays resulted—yeas 44, nays 43, as follows:

[Rollcall Vote No. 154 Leg.]

YEAS—44

Alexander	DeWine	Murkowski
Allard	Dole	Nelson (NE)
Allen	Domenici	Nickles
Bennett	Frist	Roberts
Bond	Graham (SC)	Sessions
Brownback	Grassley	Smith
Bunning	Gregg	Snowe
Burns	Hatch	Specter
Chafee	Hutchison	Stevens
Chambliss	Inhofe	Sununu
Cochran	Kyl	Talent
Coleman	Lott	Thomas
Collins	Lugar	Voinovich
Cornyn	McConnell	Warner
Crapo	Miller	

NAYS—43

Akaka	Feingold	Lincoln
Baucus	Feinstein	McCain
Bayh	Graham (FL)	Murray
Bingaman	Harkin	Nelson (FL)
Breaux	Hollings	Pryor
Cantwell	Inouye	Reed
Carper	Jeffords	Reid
Conrad	Johnson	Rockefeller
Corzine	Kennedy	Sarbanes
Craig	Kohl	Schumer
Daschle	Landrieu	Shelby
Dayton	Lautenberg	Stabenow
Dodd	Leahy	Wyden
Dorgan	Levin	
Durbin	Lieberman	

NOT VOTING—13

Biden	Edwards	Kerry
Boxer	Ensign	Mikulski
Byrd	Enzi	Santorum
Campbell	Fitzgerald	
Clinton	Hagel	

The PRESIDING OFFICER. On this vote, the yeas are 44, the nays are 43. Three-fifths of the Senators duly chosen and sworn not having voted in the affirmative, the motion is rejected.

MORNING BUSINESS

Mr. MCCONNELL. Mr. President, I ask unanimous consent that there be a period of morning business with Senators permitted to speak for up to 10 minutes each.

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

TRIBUTE TO HENRY COUZENS

Mr. MCCONNELL. Mr. President, I wish today to pay tribute to Henry Couzens, a genuine World War II hero and survivor. Mr. Couzens performed extraordinary acts of courage during some of world history's most difficult and tumultuous times.

The day after his 18th birthday in 1942, Mr. Couzens applied for the Aviation Cadets, and after passing all requirements was accepted into the Air Corp Training School. A year later, Mr. Couzens graduated as a pilot and was commissioned as a second lieutenant to fly P-47 fighter planes. In early 1944, Mr. Couzens arrived in England to fight on the front lines in the European Theatre alongside the 8th Infantry and 356th Fighter Group. His unit's assignment was to control an area along the English Channel. Their purpose was to escort and protect B-17s and B-24s on bombing missions to Germany and other occupied countries.

On April 23, 1944, Mr. Couzens was assigned to destroy German airplanes on the ground. His target that day was the airfield at Haguenau, France. On his third pass over the airfield, he was hit by German anti-aircraft fire. The hit was so substantial it stopped the engine of his plane, forcing him to "Belly in." While he was fortunate enough to land alive, the group commander and another pilot were shot down. For a little over a year, Mr. Couzens was a prisoner of the Germans at the famous Stalag Luft III Camp. He endured one of the coldest winters in decades and finally saw freedom when they were liberated on April 29, 1945, and became part of General Patton's Third Army.

Thank you, Mr. Couzens for defending freedom and democracy. The heroics you and your comrades displayed will forever be remembered; you truly are the Greatest Generation.

TRADE AGREEMENTS

Mr. BAUCUS. Mr. President, I rise to address the value of free trade, and of the process by which we get it.

From ancient times, people have learned that trade among nations means more economic growth and higher incomes. People have better standards of living, thanks to trade.

Free trade allows each nation to devote more resources and energy to those things for which it has a comparative advantage. Partners to free trade thereby get goods and services at lower cost than they would in isolation.

Conversely, protectionism stunts growth and reduces income. Tariffs are taxes. And like other taxes, they can impede the efficient allocation of resources. Where nations impose quotas and tariffs, goods and services cost more. People live less well than they would with free trade.

But you don't have to take my word for it. Look at the record. Take America's two biggest recent trade agreements.

America entered into the North American Free Trade Agreement, NAFTA, in 1993, and the Uruguay Round Agreements, the WTO, in 1994. In the years following those major trade agreements, America experienced one of its strongest economic expansions.

Yes, balancing the budget and funding education also had something to do with it. But trade helped.

America experienced 8 years of economic growth. The American economy created more than 20 million new jobs. The average household's real income rose 15 percent. Americans' standard of living improved.

Put the other way around: The opponents of free trade have a difficult job to explain how those major trade agreements hurt the American economy in the 1990s.

I am a proud advocate of trade. I am an advocate of stronger economic growth and higher incomes. I want a better standard of living for Americans.

So how can we achieve freer trade? How do we lower barriers to trade? That brings us to a discussion of trade procedures.

The Senate considers trade agreements under somewhat unique procedures. These special procedures go by several names: fast-track, trade negotiating authority, or trade promotion authority.

Under these procedures, legislation to implement a trade agreement gets an up-or-down vote within a limited time. Debate is limited to 20 hours. No amendments. No filibusters.

The Senate is about to consider legislation under these procedures to implement the United States-Australia Free Trade Agreement. We may also soon consider legislation under these procedures to implement the United States-Morocco Free Trade Agreement.

Two other agreements with six Central American countries and Bahrain are signed and ready for us to consider whenever the administration chooses to move them.

With so much trade activity, it is a good time to review the applicable procedures.

It all begins with the Constitution. Article I, section 8, clause 3 says that: "The Congress shall have the power . . . to regulate Commerce with foreign Nations." Since the founding of our Country, it is, and has always been, Congress that holds primary responsibility for trade.

Now, 535 Members of Congress cannot negotiate trade agreements. The logistics are unimaginable. So our predecessors figured out fairly early that the actual negotiating would have to be delegated to the executive branch.

But that does not mean that Congress has delegated its Constitutional responsibilities. To the contrary, under United States law no trade agreement is self-executing. It has no effect on domestic law until Congress passes implementing legislation.

A system where one branch of government negotiates trade agreements and another must accept them and turn them into domestic law presents challenges.

The system worked well enough in the early days of the General Agreement on Tariffs and Trade. Back then, the executive branch was negotiating agreements to reduce tariffs. Congress would delegate authority to the President to agree to cuts within a specific range. All the President had to do was proclaim those changes once agreed to.

In the 1960s, however, the United States and its trading partners in the GATT began to expand the scope of trade negotiations to non-tariff measures. Without any advance authorization from Congress, the administration negotiated several deals on non-tariff measures in the GATT's Kennedy Round.

It brought those agreements back to Congress. Congress rejected the agreements, refusing to implement them into domestic law. This embarrassed the administration. And it frustrated our trading partners. They learned that negotiating with the executive branch is not enough. The final word lies with Congress.

Our trading partners became wary. They didn't want to devote years of effort to another round of trade negotiations in the GATT if American negotiators could not keep the promises they made. The executive branch wanted advance authorization from Congress to negotiate non-tariff trade agreements.

The administration proposed treating tariff and non-tariff agreements the same. The executive branch said: Congress should simply authorize the President in advance to negotiate and implement the deals that the President makes.

The Finance Committee resisted. Yes, tariff deals are easy to approve in advance. All Congress has to do for a tariff deal is to tell the Executive how low the negotiators can go.

But non-tariff deals are more complicated. They can cover things like Customs rules, trade remedies, food safety rules, and intellectual property rights. It would be too difficult for Congress to approve parameters for these kinds of agreements in advance. Congress would want to see the details before deciding to approve and implement these deals.

Congress and the President reached a compromise and enacted it in the Trade Act of 1974. That Act created the so-called "fast-track" process.

Fast-track has something for everyone. It gives the Executive express authority to negotiate tariff and non-tariff agreements, so long as our trade representatives meet general negotiating objectives set out by Congress. And it guarantees our trade partners that any agreement will receive an up-or-down vote by a date certain. That way, when they negotiate with the United States, they know that Con-

gress cannot later amend the agreement or kill it with a filibuster.

But, most importantly, fast-track preserves Congress's Constitutional primacy on trade. No agreement gets implemented unless a majority of Congress approves.

Fast-track procedures require close collaboration between the Executive and Congress at every stage. The President must notify committees of jurisdiction and consult with them before a negotiation begins and regularly throughout the negotiations. Once talks are complete, the President must notify Congress 90 days before signing the agreement, to permit Congress time to review the terms of the deal.

Once the agreement is signed, the President must submit it to Congress, along with a draft implementing bill, for approval. Congress has no more than 90 days in which the Congress is in session to act. And amendments are not in order.

But the time when close coordination between the Executive and Congress is most critical is the period between when the agreement is signed and when the President submits the agreement to Congress.

This is the time when the administration and the trade committees sit down together to craft an implementing bill. The law requires the Executive to consult with the committees of jurisdiction. But because the details of this consultative process are not spelled out by law, some call this stage the "informal process" or the "mock process."

No one should be fooled by these titles. This cooperative drafting venture—while not spelled out in the law—is the centerpiece of the fast-track process.

It is at this stage—before the implementing bill becomes unamendable—that the trade committees can weigh in and bring their own ideas to the table.

Congress and the President first used the procedures adopted in the Trade Act of 1974 to implement the GATT Tokyo Round agreements in 1979. The Government has since used these procedures to implement the WTO Uruguay Round Agreements, as well as free trade agreements with Israel, Canada, Mexico, Singapore, and Chile.

From the beginning, the Finance Committee has strived to make the informal process operate as much as possible like the normal legislative process.

For that reason, the Finance Committee always holds a mock markup of the draft implementing bill. Like any markup, this event is open to the public. And Members are free to offer amendments to the draft bill that has been developed by the administration and committee staff.

The committee holds a recorded vote on each amendment offered. It then votes on whether to approve the draft bill, as amended, in a recorded vote.

Amendments are common events at mock markups. When the Committee

considered the United States-Israel Free Trade Agreement in 1984, committee members offered 13 amendments, and the Committee adopted 3. In 1988, when the committee considered the Canada-United States Free Trade Agreement, members offered 9 amendments, all of which were adopted. When the Finance Committee considered draft implementing legislation for the North American Free Trade Agreement in 1993, members offered at least 15 amendments, of which 14 were adopted. There were more than 30 differences between the Senate and House versions of the bill at the end of the mock markups.

By contrast, no amendments were offered last year when the committee considered the Singapore and Chile implementing bills. That was unusual.

In each of these cases, consideration of amendments was followed by a committee vote to approve the draft bill, as amended.

In every case except Singapore and Chile, amendments added in the mock markup led to differences between the versions of the draft bill approved by the Finance Committee and the bill approved by the Ways and Means Committee.

Consistent with normal legislative practice, the two committees resolved these differences in an informal or "mock" conference. Each House appointed conferees to participate.

To begin the conference process, staff from both parties and both Houses jointly prepared a document identifying all the differences between the two versions of the draft bill. Where agreement was possible, staff recommended a resolution.

Typically, the House and Senate exchanged offers on more difficult issues, which were then resolved at the Member level. In each case, Members and staff were able to resolve all or virtually all conflicts. Both committees could then recommend identical draft bills to the administration for formal submission.

This time-tested process really works. It allows Congress to exercise its Constitutional prerogatives in full, while still guaranteeing the President and our trading partners a timely vote on trade agreements.

Although these informal procedures are not statutory, they were certainly on my mind when I worked to secure a renewal of the President's trade negotiating authority in the Trade Act of 2002. I firmly believe that Congress should continue to insist on a meaningful and robust informal process.

One of the keys to a meaningful informal process is time. In the case of the U.S.-Canada Free Trade Agreement, the informal process took 7 months. That is how much time elapsed between when the U.S. signed the agreement and when the President formally submitted the implementing bill to Congress. During that time, the

Finance Committee held hearings, conducted several weeks of informal drafting, and held four mock markup sessions. The informal conference alone included 3 days of Member-level meetings and took close to 2 months to complete.

The informal process for NAFTA lasted a full year. It included five hearings in the Finance Committee as well as hearings in five other committees. The Finance Committee staff worked with the administration for months on legislative drafting. The Finance Committee's markup involved 3 sessions over 2 weeks, followed by a conference.

The informal process for the Uruguay Round Agreements Act took about 9 months.

The Singapore and Chile FTAs took less time. That makes sense. The agreements required many fewer changes to U.S. law than those that came before.

After walking through the draft bills in detail with the administration, with Committee staff, and with legislative counsel, Members were satisfied. They chose not to offer any amendments at the mock markups. No conference was necessary.

Affording sufficient time to the process pays off. After the President formally submits an implementing bill, the fast-track procedures allow Congress up to 90 days to complete action. That is 90 days on which Congress is in session not calendar days.

But nowhere near that much time has ever been used. The formal process took 56 calendar days for the U.S.-Canada Agreement—including the August recess. NAFTA, Singapore, and Chile took a mere 16 days each.

What lesson can we learn from all this experience? Process matters.

Congress needs to be engaged throughout the negotiations. The trade committees need to play an active role in drafting implementing legislation. Committee members need to have enough time to give meaningful consideration to amendments and to resolve any differences between the Houses before the Government completes an implementing bill. When that happens, the formal fast-track process goes quite smoothly.

What does this mean for the future? First, we should not get overconfident. Just because the process works smoothly and quickly for some agreements, like Singapore and Chile, doesn't mean we can start skipping steps. In fact, with a vote on whether to extend the President's trade promotion authority for an additional 2 years possible next summer, now is no time to get sloppy.

More complex agreements may be ahead. CAFTA involves six countries and could raise controversial new issues. Any agreements that come out of the WTO Doha Round or the FTAA talks could require extensive new implementing legislation. In sum, we would be foolish to assume the process of developing implementing bills will

always be as easy in future as our recent experience with Singapore and Chile.

Second, timing should always be Member-driven. Members should have the time that they need to review the relevant materials and participate in the informal process. We should never cut that time short just to meet artificial deadlines.

When we shortchange the process, we shortchange the Constitution. When we start cutting corners on process, we begin to abdicate Congress's constitutional role in making trade law.

A good agreement is no excuse for bad process. A good agreement is no excuse for Congress to surrender its Constitutional role. The ends do not justify the means.

Let us work together to advance the process of free trade. Let us ensure a fair process for reaching our trade agreements, and thereby make future trade agreements easier to achieve. And by advancing those agreements, let us work together to earn those benefits of free trade of greater economic growth and higher standards of living for generations of Americans yet to come.

LOCAL LAW ENFORCEMENT ACT OF 2003

Mr. SMITH. Mr. President, I rise today to speak about the need for hate crimes legislation. On May 1, 2003, Senator KENNEDY and I introduced the Local Law Enforcement Enhancement Act, a bill that would add new categories to current hate crimes law, sending a signal that violence of any kind is unacceptable in our society.

On November 20, 1995, a young transsexual woman named Chanelle Pickett was beaten severely and then strangled to death after leaving a gay bar in downtown Boston.

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

Mrs. FEINSTEIN. Mr. President, I offer into the RECORD my statement of support of S. 2548, private relief legislation to provide lawful permanent residence status to Shigeru Yamada, a 22-year-old Japanese national who lives in Chula Vista, CA.

I have decided to offer private relief legislation on his behalf because I believe that Shigeru Yamada represents a model American citizen for whom removal from this country would represent an unfair hardship. Without this legislation, Mr. Yamada will be forced to return to a country in which he lacks any linguistic, cultural or family ties.

Mr. Yamada legally entered the United States with his mother and two sisters in 1992 at the young age of 10.

The family was fleeing from Mr. Yamada's alcoholic father, who had been physically abusive to his mother, the children and even his own parents. Since then, he has had no contact with his father and is unsure if he is even alive. Tragically, Mr. Yamada experienced further hardship when his mother was killed in a car crash in 1995. Orphaned at the age of 13, Mr. Yamada spent time living with his aunt before moving to Chula Vista to live with a close friend of his late mother.

The death of his mother marked more than a personal tragedy for Shigeru Yamada; it also served to impede the process for him to legalize his status here. At the time of her death, Mr. Yamada's family was living legally in the United States. His mother had acquired a student visa for herself and her children qualified as her dependents. Her death revoked his legal status in the United States. Tragically, Mr. Yamada's mother was engaged to an American citizen at the time of her death. Had she survived, her son would likely have become an American citizen through this marriage.

Mr. Yamada has exhausted his options under our current immigration system of the United States. Throughout high school, he contacted attorneys in the hopes of becoming a citizen. Unfortunately, time has run out and, for Mr. Yamada, the only option available to him today is private relief legislation.

For several reasons, it would be tragic for Mr. Yamada to be removed from the United States and sent to Japan.

First, since arriving in the United States, Mr. Yamada has lived as a model American. He graduated with honors from Eastlake High School in 2000, where he excelled in both academics and athletics. Academically, Mr. Yamada earned a number of awards including being named an "Outstanding English Student" his freshman year, an All-American Scholar, and earning the United States National Minority Leadership Award. His teacher and coach, Mr. John Innumerable, describes him as being "responsible, hard working, organized, honest, caring and very dependable." His role as the vice president of the Associated Student Body his senior year is an indication of Mr. Yamada's high level of leadership, as well as, his popularity and trustworthiness among his peers. As an athlete, Mr. Yamada was named the "Most Inspirational Player of the Year" in junior varsity baseball and football, as well as, varsity football. His football coach, Mr. Jose Mendoza, expressed his admiration by saying that he has "seen in Shigeru Yamada the responsibility, dedication and loyalty that the average American holds to be virtuous."

Second, Mr. Yamada has distinguished himself as a local volunteer. As a member of the Eastlake High School Link Crew, Mr. Yamada helped freshmen find their way around campus, offered tutoring and mentoring services, and set an example of how to be a successful member of the student body.

Since graduating from high school, he has volunteered his time as the coach of the Eastlake High School girl's softball team. The head coach, Mr. Charles Sorge, describes him as an individual full of "integrity" who understands that as a coach it is important to work as a "team player." His level of commitment to the team was further illustrated to Mr. Sorge when he discovered, halfway through the season, that Mr. Yamada's commute to and from practice was 2 hours long each way. It takes an individual with character to volunteer his time to coach and never bring up the issue of how long his commute takes him each day. Mr. Sorge hopes that, once Mr. Yamada legalizes his status, he can be formally hired to continue coaching the team.

Third, sending Mr. Yamada back to Japan would be an immense hardship for him and his family. Mr. Yamada does not speak Japanese. He is unaware of the nation's current cultural trends. And, he has no immediate family members that he knows of in Japan. Currently, both of his sisters are in the process of gaining American citizenship. His older sister has married a United States citizen and his younger sister is being adopted by a maternal aunt. Since all of his family lives in California, sending Mr. Yamada back to Japan would serve to split his family apart and separate him from everyone and everything that he knows. His sister contends that her younger brother would be "lost" if he had to return to live in Japan on his own. It is unlikely that he would be able to find any gainful employment in Japan due to his inability to speak or read Japanese.

As a member of the Chula Vista community, Mr. Yamada has distinguished himself as an honorable individual. His teacher, Mr. Robert Hughes, describes him as being an "upstanding 'All-American' young man". Until being picked up during a routine check of his immigration status on a city bus, he had never been arrested or convicted of any crime. Mr. Yamada is not, and has never been, a burden on the State. He has never received any Federal or State assistance.

Currently, Mr. Yamada is a sophomore at Southwestern Community College, where he is working on finishing his general education so that he can go on to earn his BA in criminal justice from San Diego State University. Mr. Yamada's commitment to his education is admirable. He could have easily taken a different path but, through his own individual fortitude, he has dedicated himself to his studies so that he can live a better life. In the future, Mr. Yamada is interested in pursuing a career in criminal law enforcement by serving as a police officer or an FBI agent.

With his hard work and giving attitude, Shigeru Yamada represents the ideal American citizen. Although born in Japan, he is truly American in every other sense. I ask you to help right a wrong and grant Mr. Yamada perma-

nent status so that he can continue towards his bright future.

I ask unanimous consent three letters of recommendation be printed in the RECORD.

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

EASTLAKE HIGH SCHOOL,
Chula Vista, CA, May 21, 2004.

Hon. DIANNE FEINSTEIN,
U.S. Senator.

I am writing to bring to your attention the need to support a fine young man, Shigeru Yamada. I am a teacher and coach at Eastlake High School; I have known Shigeru for 8 years, both as a student and as a volunteer coach during the last 5 years. What has singularly impressed me about this young man is that he has created himself and never complained about his life's struggles. His mother died when he was young. He got little support from his aunt—materially, emotionally, spiritually. Yet all the while you would not have known that. He set goals for himself academically and athletically; modeled himself on good ideals of community service and service to his school. He was vice-president of the Associated Student Body at Eastlake High and would have pursued an academic future at UCLA were it not for his citizenship status. Instead, he did what he could do and has gone to community college in an effort to pursue his college degree.

All the while, he volunteered his time during these past 5 years to help coach our school's softball team (as well as other sports on campus). It was only recently that I had discovered that it would take him 2 hours with bus transfers just to get to softball practice.

I provide this information to you as a testimonial to the character of this young man. Exceptional in attitude and determination. We need this kind of spirit and resolve in America. We do not want to export it somewhere else. Please help.

Respectfully,

CHARLES R. SORGE, EdD,
English Teacher and Head Softball Coach.

EDMINSTER LEARNING CENTER,
EASTLAKE HIGH SCHOOL,
Chula Vista, CA, April 23, 2001.

To Mr. BOB FILNER:

I'm honored to write this letter for Shigeru Yamada. I have known Shigeru since 1997. A very energetic, bright young man whose personal charge and get after it attitude toward accomplishing his goals, have no equal. A person who personifies the notion of a "hard charger."

As an Instructional aide and Varsity Football coach I have earned great admiration toward Shigeru's work ethic. While in high school, Shigeru received academic honors as an All-American Scholar ('99), United States National Minority Leadership Award ('99 & '00), the National Honor Roll ('00), Golden State Awards, and Who's Who Among High School Students ('98-'00). His commitment toward his duties goes with out question. He managed to be a member of the Associative Student Body. Here he received a Presidential Award ('00), ASB Leadership Award ('00), and Eastlake High School ASB Life Membership Award ('00).

Through his many academic accomplishments Shigeru managed to dedicate himself to many extra curricular activities, such as Football, Baseball, and Wrestling. Other activities included, the Boys Choir (The "E" Males), AVID (Advancement via Individual Determination), and Link Crew (assisting incoming freshmen).

Through my personal experiences as a squad leader in the United States Army (Infantry) and Department Head at Home Depot. I have seen in Shigeru Yamada the responsibility, dedication and loyalty that the average American holds to be virtuous.

So with great appreciation please endorse a Bill, so that Shigeru Yamada can stay in the United States and become a patriotic citizen.

Sincerely,

JOSE MENDOZA,
Instructional Aide.

EASTLAKE HIGH SCHOOL,
Chula Vista, CA.

To Whom It May Concern:

I would like to write this letter of recommendation on behalf of Shigeru Yamada for his outstanding contributions to Eastlake High School and the Eastlake Community. I have been closely tied to Shigeru for approximately 2 years as teacher, coach, and as a friend. Throughout his years at Eastlake High School, Shigeru has participated successfully in many extra-curricular activities and has earned the respect and admiration from staff members, fellow students and the surrounding community. Shigeru has developed into an outstanding performer in Eastlake's football, wrestling and baseball programs. He is strongly admired for his sportsmanship, work ethic and most of all his natural ability as a team leader. For his efforts, Shigeru was recognized for athletic and academic achievements by being selected to the 1998-99 San Diego Union Tribune All-Academic Wrestling Team. Although Shigeru spends much of his time with competitive sports, he always finds time to help other students in need. Shigeru is an active participant with the Eastlake Link Crew. This organization was established to assist our ninth graders with finding their way around campus, learning school traditions, tutoring, mentoring, monitoring academic progress and setting examples of how to be a successful member of our campus environment. Academically, Shigeru excels in the mathematics and is presently taking Honors Pre-Calculus while carrying a 3.8 overall Grade Point Average. In addition, Shigeru is an active member in the AVID (Advancement Via Individual Achievement) program. This program helps our students develop academic skills that are beneficial for them when they attend college. Shigeru is also a member of the Associated Student Body. The ASB is the backbone of our campus. This outstanding group of students work endless hours organizing pep assemblies and lunchtime activities, sells concessions at all extra-curricular events and assist in all campus elections and dances as well as providing support services for faculty and staff members. In several conversations, I have discovered that Shigeru has a strong interest in the field of Physical Therapy with an emphasis in Sports Medicine. I strongly believe that Shigeru is capable of reaching his goals because he is highly motivated, conscientious and extremely competent.

It is very easy to praise Shigeru for his personal achievements, but I think his personality is what makes him a great human being. Shigeru is responsible, hard working, organized, honest, caring and very dependable. On a daily basis, Shigeru volunteers his time selling concessions during nutrition break and lunch hour for the ASB food services. This job holds Shigeru accountable for large sums of money, an accurate account of inventories and timely service. Very few students have been trusted with this major responsibility. Another word that describes Shigeru is resiliency. Within the past couple of years Shigeru lost both of his parents in a tragic automobile accident. Consequently,

this sad episode has left a permanent impression on Shigeru. Fortunately, Shigeru has overcome this tragedy and has maintained a standard for other young people to follow. Shigeru has proven to me that life is too important to waste and to enjoy every moment by being an active member of society, not just a spectator.

Sincerely,

JOHN INUMERABLE.

TRIBUTE TO PHISH

Mr. LEAHY. Mr. President, on August 15 in Coventry, VT, a beloved chapter in American music history will come to a close as the jam band Phish holds its final concert for legions of devoted "phans" and "Phish-heads." We in Vermont are well known for our superb maple syrup, our wonderful ice cream, our award-winning cheese and our beautiful scenery, but after 21 remarkable years, the jam band Phish has certainly become one of our most famous exports.

The four musicians of Phish—Trey Anastasio, Mike Gordon, Page O'Connell, and Jon Fishman—met and started playing together as undergraduates at the University of Vermont in the early 1980s. The band quickly moved beyond its humble beginnings in a dormitory basement to playing a small nightclub in Burlington called Nectar's. While they toured for 5 years before releasing any commercial albums, the buzz around the band spread as their striking melodies and lively jam sessions endeared them to a growing legion of fans.

Phish released its first commercial album, *Junta*, in 1989. Since then, the band has put out more than 35 studio and live albums that have sold millions of copies. They have more than 200 original songs, and many of the songs die-hards love most were never recorded in the studio.

But the magic of Phish is not as much in its studio recordings as it is in its live performances. In an era when slick marketing techniques often overshadow the musical accomplishments of the artists themselves, this talented band from Vermont has provided a refreshing contrast by promoting free spiritedness and individuality in their music.

The band has always been unconcerned about releasing catchy singles and making millions of dollars from record sales. Instead they play long jams—oftentimes with songs lasting 30 minutes or longer—and tour year-round. Bucking a trend in the industry, they even encouraged people to tape their shows for free and trade them on the Internet. For the members of Phish, it really is all about their music and their fans.

Every night on stage is a new and different showcase for the talents of the versatile and endlessly creative band members. Whether they are playing electric guitars, keyboards, drums, or vacuum cleaners, Phish's improvisational talent has never disappointed. Many fans—often referred

to as "Phish-heads"—follow the band from concert to concert living off veggie burritos, grilled cheese sandwiches and the charity of others.

Through it all, Phish has always considered Vermont home. In a tribute to their Burlington roots, the band's first album produced with a major record company was titled *A Picture of Nectar*. And the band's share of proceeds from sales of the popular "Phish Food" Ben and Jerry's ice cream flavor goes directly toward environmental projects in Vermont's Lake Champlain Watershed. Now, as they prepare for their final show in Vermont, it is appropriate that they finish where they started.

Though Phish has sold millions of albums and become a huge success, in spirit they remain a group that is unpretentious and unfailingly loyal to their fans. Their admirable generosity has fostered a sense of community among those who follow the group. The band's break-up is a source of sadness to all of us who know and love them.

I congratulate Trey Anastasio, Mike Gordon, Jon Fishman and Page O'Connell on their remarkable success. I am grateful for all they have done for Vermont, for American music, and for their fans. Most importantly, we sincerely appreciate their authenticity, their enthusiasm and their generosity.

While no one wants to see Phish stop playing after this summer, we can all take some solace that their music will live on, in these words from their song, "Down With Disease."

Waiting for the time when I can finally say
That this has all been wonderful, but now
I'm on my way.

But when I think it's time to leave it all behind,

I try to find a way, but there's nothing I can
say to make it stop.

ADDITIONAL STATEMENTS

LAUREN AMBER COOK

Mr. BUNNING. Mr. President, I pay tribute and congratulate Lauren Amber Cook of Princeton, KY on being awarded the William R. Sprague Scholarship from the Kentucky Farm Bureau Education Foundation. This academic scholarship will provide Lauren with \$4,000 toward her education.

Lauren has proven to be a very able and competent student by winning this prestigious award. She will represent the graduates of Caldwell County High School very well when she enrolls at Vanderbilt University in the autumn. There she plans to study chemical engineering with a focus on agriculture.

The citizens of Caldwell County should be proud to have a young woman like Lauren Amber Cook in their community. Her example of dedication and hard work should be an inspiration to the entire Commonwealth.

She has my most sincere appreciation for this work, and I look forward to her continued service to Kentucky.

COMMUNITY DEVELOPMENT HOMEOWNERSHIP TAX CREDIT ACT

• Mr. SANTORUM. Mr. President, President Bush officially declared the month of June as "National Homeownership Month," and with this annual tradition, America's attention was again drawn to the importance of homeownership and the stability it can bring to families and neighborhoods. It is often homeownership that financially anchors American families and civically anchors our communities. But I believe our focus on homeownership also returns our attention to the basic ideals of the American Dream. Ensuring access to homeownership, and through it access to the American Dream, is among the most significant ways we can empower our citizens to achieve the happy, productive and stable lifestyle everyone desires.

Having a house of one's own that provides security and comfort to one's family and that gives families an active, vested interest in the quality of life their community provides is central to our collective ideas about freedom and self-determination. As a nation, we know that homeownership helps the emotional and intellectual growth and development of children. We know that homeowners show greater interest and more frequent participation in civic organizations and neighborhood issues. We know that when people own homes, they are more likely to accumulate wealth and assets and to prepare themselves financially for such things as their children's education and retirement.

In America today, homeownership is at a record high. Unfortunately, however, there remains a significant gap between minority and non-minority populations, leaving homeownership an elusive financial prospect for many. The homeownership rate for the nation's African American and Hispanic households lags more than 25 percentage points below White households.

In Congress, we have the responsibility of ensuring that the dream of homeownership is possible for more of our citizens. Last year, Senator JOHN KERRY and I drafted and sponsored S. 875, the "Community Development Homeownership Tax Credit Act," a bill that enjoys strong bipartisan support in the Senate. This legislation would give developers and investors an incentive to participate in the rehabilitation and construction of homes for low- and moderate-income buyers. This measure is aimed at reaching President Bush's goal of increasing American minority homeownership by 5.5 million families, thus making 5.5 million new dreams come true.

Owning a home is an integral part of attaining the security, continuity, and comfort of living the American Dream. I will continue to advocate policies that help make this dream become a reality for our Nation's families. I ask my colleagues to join me in supporting homeownership by cosponsoring S. 875. •

TRIBUTE TO LIEUTENANT GENERAL ROBERT B. FLOWERS

• Mr. CONRAD. Mr. President, I want to take a few moments today to publicly thank Lieutenant General Robert Flowers, who left his post as commander and chief of engineers of the U.S. Army Corps of Engineers on July 1. General Flowers is one of the finest individuals I have worked with as a U.S. Senator representing North Dakota. He is not only a fine, trusted public servant, he is also a good friend.

North Dakota and the Nation owe General Flowers a deep debt of gratitude. He served as chief of engineers for 4 years, and he served admirably. During that period, he helped advance the construction of the Grand Forks flood control project and other important flood control projects in the Red River Valley. He also fought hand in hand with the North Dakota congressional delegation as we have worked to implement solutions to the chronic flood at Devils Lake. Throughout it all, he has always gone above and beyond the call of duty.

General Flowers is one of the most capable leaders of the Corps of Engineers I have ever had the pleasure of working with. He is a true professional, and has a unique ability to walk into a difficult condition, assess the situation, and calmly, but decisively, take action. He listens carefully to people and has a leadership style that invites creative solutions to complex problems.

General Flowers is also a man of tremendous integrity. He cares deeply about the people of this Nation, and his commitment to doing the right thing was unmatched. He was willing to fight for the needs of common citizens, even if it meant leading an uphill fight and challenging others within the Corps. To General Flowers, "no" was simply unacceptable. He worked diligently to turn over every stone and formulate solutions that are workable and responsive to the water challenges faced by communities across the country.

I know that the General Flowers leaves the Corps a much better organization due to his leadership. The General set high standards for his team, and they delivered time and time again. I will not forget the contributions General Flowers has made to the people of my State and the country.

I want to again express my deep appreciation and respect for General Flowers for his service to my state and to our Nation. We in North Dakota will miss you, General, but wish you all the best.●

RETIREMENT OF ADMIRAL JAMES O. ELLIS, JR. FROM U.S. STRATEGIC COMMAND

• Mr. NELSON of Florida. Mr. President, today, it is my honor and my privilege to recognize one of the finest officers in the U.S. Navy, and a good friend of mine, ADM James O. Ellis, Jr.

For the past 3 years, ADM Jim Ellis has demonstrated his leadership as commander of United States Strategic Command. During his time at Offutt AFB, in Nebraska, Jim Ellis personified the Navy's core values of integrity, selfless service, and excellence in all things. I join the many Members and staff who enjoyed the opportunity to meet with him on a variety of strategic issues and came to appreciate his ability to integrate his many talents at Offutt.

Admiral Ellis is retiring from his post tomorrow. There will be a ceremony in Omaha to honor him that I will attend.

Today, it is my privilege to recognize with admiration and thanks some of Admiral Ellis' many accomplishments since he entered the military 35 years ago, and to commend the superb service he provided the Navy, the Congress and the Nation. Admiral Ellis is a 1969 graduate of the U.S. Naval Academy. He was designated a Naval aviator in 1971 and has held a variety of sea and shore assignments since 1972.

His sea duty billets as a Navy fighter pilot included tours with Fighter Squadron 92 aboard USS *Constellation*, CV 64, and Fighter Squadron 1 aboard USS *Ranger*, CV 61.

From early in his career, Jim Ellis' exceptional leadership skills were evident as he repeatedly proved himself in select command positions. Admiral Ellis was the first Commanding Officer of Strike/Fighter Squadron 131, deploying in 1985 with new F/A-18 Hornets aboard USS *Coral Sea*, CV 43. He served as executive officer of the nuclear-powered aircraft carrier USS *Karl Vinson*, CVN 70, and as commanding officer of USS *LaSalle*, AGF 3, the Arabian Gulf flagship of the Commander, Joint Task Force, Middle East.

In 1991, Admiral Ellis assumed command of the USS *Abraham Lincoln*, CVN 72, and participated in Operation Desert Storm while deployed during her maiden voyage in the western Pacific and Arabian Gulf. In June 1995, Admiral Ellis assumed command of Carrier Group FIVE/Battle Force SEVENTH Fleet, breaking his flag aboard USS *Independence*, CV 62, forward deployed to the Western Pacific and homeported in Yokosuka, Japan. As carrier battle group commander he led contingency response operations to both the Arabian Gulf and Taiwan Straits.

Admiral Ellis also excelled in a variety of key shore and staff assignments that included tours as an experimental/operational test pilot, service in the Navy Office of Legislative Affairs, and duty as F/A-18 program coordinator, deputy chief of Naval Operations, Air Warfare. He also served as deputy commander and chief of Staff, Joint Task Force FIVE, the counternarcotics force for U.S. Commander in Chief Pacific. In November 1993 he reported as inspector general, U.S. Atlantic Fleet, and subsequently served as director for Operations, Plans and Policy, N3/N5, on

the staff of the commander in chief, U.S. Atlantic Fleet. He assumed duties as deputy chief of Naval Operations—Plans, Policy and Operations—in November 1996.

Admiral Ellis became commander in chief, U.S. Naval Forces, Europe headquartered in London, England, and commander in chief, Allied Forces, Southern Europe headquartered in Naples, Italy, in October 1998. During his time serving in Europe, Admiral Ellis provided support to NATO forces as they waged war over Kosovo.

I was especially pleased when he was nominated to continue service to the Nation as commander, U.S. Strategic Command in 2001. As such, Admiral Ellis is responsible for the global command and control of U.S. strategic forces and provides a sweeping range of strategic capabilities and options for the President and Secretary of Defense. While combatant commander in 2002, Admiral Ellis oversaw the merger of U.S. Space Command with U.S. Strategic Command, demonstrating exemplary leadership during a critical period of transition.

Over the years, Admiral Ellis' leadership, professionalism and expertise enabled him to foster exceptional rapport with many Members of both the Senate and the House. I am personally grateful for his friendship. I offer congratulations to him and his wife, Polly, on his exceptionally well-deserved retirement. The Congress and country applaud the selfless commitment his entire family has made to the Nation in supporting his military career. I know I speak for all my colleagues in expressing my heartfelt appreciation to Admiral Ellis. We wish our friend the best of luck. He is truly a credit to both the Navy and the Nation.●

MESSAGES FROM THE PRESIDENT

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

EXECUTIVE MESSAGES REFERRED

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

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

MESSAGE FROM THE HOUSE

At 12:26 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. 1856. An act to reauthorize the Harmful Algal Bloom and Hypoxia Research and Control Act of 1998, and for other purposes.

H.R. 3890. An act to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1998.

H.R. 4218. An act to amend the High-Performance Computing Act of 1991.

H.R. 4516. An act to require the Secretary of Energy to carry out a program of research and development to advance high-end computing.

The message also announced that the House has agreed to the following concurrent resolution, in which it requests the concurrence of the Senate:

H. Con. Res. 301. Concurrent resolution supporting the goals and ideals of the World Year of Physics.

MEASURES REFERRED

The following bills were read the first time and the second times by unanimous consent, and referred as indicated:

H.R. 1856. An act to reauthorize the harmful Algal Bloom and Hypoxia Research and Control Act of 1998, and for other purposes; to the Committee on Commerce, Science, and Transportation.

H.R. 3890. An act to reauthorize the Steel and Aluminum Energy Conservation and Technology Competitiveness Act of 1998; to the Committee on Energy and Natural Resources.

H.R. 4218. An act to amend the High-Performance Computing Act of 1991; to the Committee on Commerce, Science, and Transportation.

H.R. 4516. An act to require the Secretary of Energy to carry out a program of research and development to advance high-end computing; to the Committee on Energy and Natural Resources.

MEASURES PLACED ON THE CALENDAR

The following joint resolution was read the second time, and placed on the calendar:

S. Res. 40. Joint resolution proposing an amendment to the Constitution of the United States relating to marriage.

MEASURES READ THE FIRST TIME

The following bills were read the first time:

S. 2629. A bill to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate the coverage gap, to eliminate HMO subsidies, to repeal health savings accounts, and for other purposes.

S. 2630. A bill to amend title 5, United States Code to establish a national health program administered by the Office of Personnel Management to offer Federal employee benefits plans to individuals who are not Federal employees, and for other purposes.

S. 2631. A bill to require the Federal Trade Commission to monitor and investigate gasoline prices under certain circumstances.

S. 2632. A bill to establish a first responder and terrorism preparedness grant information hotline, and for other purposes.

S. 2633. A bill to amend the Federal Power Act to provide refunds for unjust and unreasonable charges on electric energy in the State of California.

EXECUTIVE AND OTHER COMMUNICATIONS

The following communications were laid before the Senate, together with

accompanying papers, reports, and documents, and were referred as indicated:

EC-8307. A communication from the Acting Assistant Secretary for Management, Department of the Treasury, transmitting, pursuant to law, a report relative to the Department's competitive sourcing efforts; to the Committee on Banking, Housing, and Urban Affairs.

EC-8308. A communication from the Deputy Chief Financial Officer, Department of Housing and Urban Development, transmitting, pursuant to law, a report relative to the Department's competitive sourcing efforts; to the Committee on Banking, Housing, and Urban Affairs.

EC-8309. A communication from the Chairman and President, Export-Import Bank of the United States, transmitting, pursuant to law, the report of a transaction involving U.S. exports to Australia; to the Committee on Banking, Housing, and Urban Affairs.

EC-8310. A communication from the Assistant to the Board of Governors of the Federal Reserve System, transmitting, pursuant to law, the report of a rule entitled "Fair Credit Reporting Act" received on June 24, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8311. A communication from the Assistant General Counsel for Banking and Finance, Departmental Offices, Department of the Treasury transmitting, pursuant to law, the report of a rule entitled "Terrorism Risk Insurance Program—Claims Procedures" (RIN1505-AB07) received on June 24, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8312. A communication from the Deputy Secretary, Division of Investment Management, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Disclosure Regarding Approval of Investment Advisory Contracts By Directors of Investment Companies" (RIN3235-AJ10) received on June 25, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8313. A communication from the Senior Paralegal for Regulations, Office of Thrift Supervision, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "Assessments and Fees" (RIN1550-AB89) received on July 6, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8314. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Suretyship and Guaranty; Maximum Borrowing Authority" received on July 4, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8315. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "12 C.F.R. Part 745 Share Insurance and Appendix" received on July 4, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8316. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "Organization and Operations of Federal Credit Unions; Loan Participation" received on July 4, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8317. A communication from the General Counsel, National Credit Union Administration, transmitting, pursuant to law, the report of a rule entitled "12 C.F.R. Part 708a; Conversion of Insured Credit Unions to Mutual Savings Banks" received on July 4, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8318. A communication from the Deputy Secretary, Division of Market Regula-

tion, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Rule 31—Section 31 Transaction Fees; Rule 31T—Temporary Rule Regarding Fiscal Year 2004; Form R31—Form for Reporting Covered Sales and Covered Round Turn Transactions Under Section 31 of the Securities and Exchange Act of 1934" (RIN3235-AJ02) received on July 6, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8319. A communication from the Chairman, Board of Governors of the Federal Reserve System, transmitting, pursuant to law, a report relative to the profitability of the credit card operations of depository institutions; to the Committee on Banking, Housing, and Urban Affairs.

EC-8320. A communication from the Deputy Secretary, Division of Investment Management, Securities and Exchange Commission, transmitting, pursuant to law, the report of a rule entitled "Investment Adviser Codes of Ethics" (RIN3235-AJ08) received on July 6, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8321. A communication from the Chief Counsel, Bureau of the Public Debt, Department of the Treasury, transmitting, pursuant to law, the report of a rule entitled "31 CFR Part 344, U.S. Treasury Securities—State and Local Government Series" received on July 6, 2004; to the Committee on Banking, Housing, and Urban Affairs.

EC-8322. A communication from the Administrator, Small Business Administration, transmitting, pursuant to law, a report relative to the Administration's competitive sourcing efforts; to the Committee on Small Business and Entrepreneurship.

EC-8323. A communication from the Co-Chairs, Abraham Lincoln Bicentennial Commission, transmitting, pursuant to law, the Commission's Interim Report; to the Committee on the Judiciary.

EC-8324. A communication from the Assistant Attorney General for Administration, Department of Justice, transmitting, pursuant to law, a report relative to the Department's competitive sourcing efforts; to the Committee on the Judiciary.

EC-8325. A communication from the Attorney General of the United States, transmitting, pursuant to law, the Department of Justice's Strategic Plan for Fiscal Years 2003-2008; to the Committee on the Judiciary.

EC-8326. A communication from the Assistant Attorney General, Office of Legislative Affairs, Department of Justice, transmitting, pursuant to law, a report relative to the Victims Compensation Fund; to the Committee on the Judiciary.

EC-8327. A communication from the Deputy General Counsel and Designated Reporting Official, Office of National Drug Control Policy, transmitting, pursuant to law, the report of a vacancy in the position of Deputy Director for Supply Reduction, Office of National Drug Control Policy, received on July 1, 2004; to the Committee on the Judiciary.

EC-8328. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Under Secretary, Department of Education, received on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8329. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of a nomination for the position of Under Secretary, Department of Education, received on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8330. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of a nomination for the position of Deputy Secretary, Department of Education, received

on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8331. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of the discontinuation of service in acting role for the position of Deputy Secretary, Department of Education, received on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8332. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of a nomination confirmed for the position of Deputy Secretary, Department of Education, received on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8333. A communication from the White House Liaison, Department of Education, transmitting, pursuant to law, the report of a nomination for the position of Assistant Secretary, Office of Special Education and Rehabilitative Services, Department of Education, received on June 25, 2004; to the Committee on Health, Education, Labor, and Pensions.

EC-8334. A communication from the Acting Director, National Science Foundation, transmitting, pursuant to law, the Foundation's report on its competitive sourcing efforts for FY 2003; to the Committee on Health, Education, Labor, and Pensions.

EC-8335. A communication from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Revision of NARA Research Room Procedures" (RIN3095-AB10) received on July 6, 2004; to the Committee on Governmental Affairs.

EC-8336. A communication from the Deputy Archivist of the United States, National Archives and Records Administration, transmitting, pursuant to law, the report of a rule entitled "Restrictions on the Use of Records" (RIN3095-AB11) received on July 6, 2004; to the Committee on Governmental Affairs.

EC-8337. A communication from the Secretary, Smithsonian Institution, transmitting, pursuant to law, the Institution's report relative to its competitive sourcing efforts; to the Committee on Governmental Affairs.

EC-8338. A communication from the Director, Woodrow Wilson International Center for Scholars, transmitting, pursuant to law, a report relative to the Center's competitive sourcing efforts; to the Committee on Governmental Affairs.

EC-8339. A communication from the Attorney General of the United States, transmitting, pursuant to law, the Department of Justice's Fiscal Year 2003 Performance and Accountability Report; to the Committee on Governmental Affairs.

EC-8340. A communication from the Director, Office of Personnel Management, transmitting, pursuant to law, the Office's report on Federal agencies' use of the physicians comparability allowance (PCA) program; to the Committee on Governmental Affairs.

EC-8341. A communication from the Chairman, Postal Rate Commission, transmitting, pursuant to law, a report relative to International Mail Costs, Revenues, and Volumes; to the Committee on Governmental Affairs.

EC-8342. A communication from the Secretary of the Treasury, transmitting, pursuant to law, the report of the Office of Inspector General for the period ended March 31, 2004; to the Committee on Governmental Affairs.

EC-8343. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-460, "National Capital Revitalization Corporation Eminent Domain

Clarification and Skyland Eminent Domain Approval Temporary Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8344. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-463, "Omnibus Public Safety Agency Reform Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8345. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-442, "Omnibus Alcoholic Beverage Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8346. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-456, "Office of Employee Appeals Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8347. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-455, "Youth Pollworker Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8348. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-457, "Advisory Commission on Sentencing Structured Sentencing System Pilot Program Act of 2004"; to the Committee on Governmental Affairs.

EC-8349. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-458, "Closing of a Portion of a Public Alley in Square 235, S.O. 03-2526, Act of 2004"; to the Committee on Governmental Affairs.

EC-8350. A communication from the Chairman of the Council of the District of Columbia, transmitting, pursuant to law, the report of D.C. Act 15-459, "Removal from the Permanent System of Highways, a Portion of 22nd Street, S.E., and the Dedication of Land for Street Purposes (S.O. 00-89) Technical Amendment Act of 2004"; to the Committee on Governmental Affairs.

EC-8351. A communication from the Deputy Secretary of Defense, Department of Defense, transmitting, pursuant to law, the report of the Office of Inspector General for the period from October 1, 2003 through March 31, 2004; to the Committee on Governmental Affairs.

EC-8352. A communication from the Assistant Secretary for Legislative Affairs, Department of State, transmitting, pursuant to law, a report relative to the incidental capture of sea turtles in commercial shrimping operations; to the Committee on Finance.

EC-8353. A communication from the Assistant Secretary for Legislative Affairs, transmitting, pursuant to law, a report relative to the compliance of Armenia, Azerbaijan, Kazakhstan, Moldova, the Russian Federation, Tajikistan, Ukraine, and Uzbekistan with the 1974 Trade Act's freedom of emigration provisions; to the Committee on Finance.

EC-8354. A communication from the President of the United States, transmitting, pursuant to law, a report relative to the United States-Australia Free Trade Agreement; to the Committee on Finance.

EC-8355. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Qualified Residential Rental Projects" (Rev. Proc. 2004-39) received on July 6, 2004; to the Committee on Finance.

EC-8356. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of

a rule entitled "Charitable Contributions and Conservation Easements" (Notice 2004-41) received on July 6, 2004; to the Committee on Finance.

EC-8357. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Effective Date of Relative Value Regulations" (Ann. 2004-58) received on July 6, 2004; to the Committee on Finance.

EC-8358. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Internal Revenue Code Sec. 482: Allocation of Income and Deductions Among Taxpayers" (Rev. Proc. 2004-40) received on July 6, 2004; to the Committee on Finance.

EC-8359. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Information Reporting for Advance Payments of Health Coverage Tax Credit" (Notice 2004-47) received on July 6, 2004; to the Committee on Finance.

EC-8360. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Meritless Filing Position Based on Sections 932(c) and 934(b)" (Notice 2004-45) received on July 6, 2004; to the Committee on Finance.

EC-8361. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Health Savings Accounts—Transition Relief for State Mandates" (2004-43) received on July 6, 2004; to the Committee on Finance.

EC-8362. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Depreciation of Vans and Light Trucks" (RIN1545-BB06) received on July 6, 2004; to the Committee on Finance.

EC-8363. A communication from the Chief, Regulations Unit, Internal Revenue Service, transmitting, pursuant to law, the report of a rule entitled "Tax Analysts v. Internal Revenue Service F. Supp.2d 192 (D.D.C. 2002), Reversed, 350 F.3d 100 (D.C. Cir 2003) Action on Decision" (AOD2004-29) received on July 6, 2004; to the Committee on Finance.

EC-8364. A communication from the Regulations Coordinator, Department of Health and Human Services, transmitting, pursuant to law, the report of a rule entitled "Medicare Program; Medicare Ambulance MMA Temporary Rate Increases Beginning July 1, 2004" (RIN0938-AN24) received on July 6, 2004; to the Committee on Finance.

EC-8365. A communication from the Chief, Regulations Branch, Customs and Border Protection, Department of Homeland Security, transmitting, pursuant to law, the report of a rule entitled "Import Restrictions Imposed on Archaeological Material Originating in Honduras" (RIN1505-AB50) received on July 6, 2004; to the Committee on Finance.

EC-8366. A communication from the Chairman, International Trade Commission, transmitting, pursuant to law, a report relative to the U.S.-Morocco Free Trade Agreement; to the Committee on Finance.

EC-8367. A communication from the Director, Regulations and Forms Services, Bureau of Immigration and Customs Enforcement, transmitting, pursuant to law, the report of a rule entitled "Authorizing Collection of the Fee Levied on F, J, and M Nonimmigrant Classifications Under Public Law 104-208; SEVIS" (RIN1653-AA23) received on July 6, 2004; to the Committee on Finance.

EC-8368. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant

to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Alaska; Anchorage Carbon Monoxide Nonattainment Area; Designation of Areas for Air Quality Planning Purposes" (FRL#7777-1) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8369. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Commonwealth of Virginia; Emission Standards for Mobile Equipment Repair and Refinishing Operations in the Northern Virginia Volatile Organic Compound Emission Control Area" (FRL#777-7) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8370. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Illinois; Definition of Volatile Organic Material or Volatile Organic Compound" (FRL#7661-8) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8371. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Maryland; Control of Volatile Organic Compound Emissions from Portable Fuel Containers" (FRL#7671-4) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8372. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "National Primary Drinking Water Regulations: Minor Corrections and Clarification to Drinking Water Regulations; National Primary Drinking Water Regulations for Lead and Copper" (FRL#7779-4) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8373. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Revision to the Preamble of the Final Rule to Implement the 8-Hour Ozone National Ambient Air Quality Standard—Phase 1; Correction" (FRL#7779-2) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8374. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Redesignation of the Warren County SO₂ Nonattainment Areas and the Mead and Clarendon Unclassifiable Areas to Attainment and Approval of the Maintenance Plan" (FRL#7777-5) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8375. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Air Quality Implementation Plans; Pennsylvania; Revision to the 1-Hour Ozone Maintenance Plan for the Pittsburgh-Beaver Valley Area to Reflect the Use of MOBILE6" (FRL#7777-9) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8376. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Ap-

proval and Promulgation of Implementation Plans; New Jersey 1-Hour Ozone Control Programs" (FRL#7776-2) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8377. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Approval and Promulgation of Implementation Plans; State of Missouri; Designation of Areas for Air Quality Planning Purposes, Iron County; Arcadia and Liberty Townships" (FRL#7779-9) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8378. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Prevention of Significant Deterioration (PSD) and Non-attainment New Source Review (NSR): Equipment Replacement Provision of the Routine Maintenance, Repair, and Replacement Exclusion; Reconsideration" (FRL#7781-4) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8379. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Prevention of Significant Deterioration (PSD) and Non-attainment New Source Review (NSR): Equipment Replacement Provisions of the Routine Maintenance, Repair, and Replacement Exclusion: Stay of Effective Date" (FRL#7780-1) received on June 24, 2004; to the Committee on Environment and Public Works.

EC-8380. A communication from the Deputy Associate Administrator, Environmental Protection Agency, transmitting, pursuant to law, the report of a rule entitled "Standards of Performance for Stationary Gas Turbines" (FRL#7780-6) received on June 24, 2004; to the Committee on Environment and Public Works.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WARNER, from the Committee on Armed Services, with amendments:

S. 2386. An original bill to authorize appropriations for fiscal year 2005 for intelligence and intelligence-related activities of the United States Government, the Intelligence Community Management Account, and the Central Intelligence Agency Retirement and Disability System, and for other purposes (Rept. No. 108-300).

EXECUTIVE REPORTS OF COMMITTEES

The following executive reports of committees were submitted:

By Mr. WARNER for the Committee on Armed Services.

Marine Corps nomination of Lt. Gen. James E. Cartwright.

Navy nomination of Adm. Vernon E. Clark.

By Mr. HATCH for the Committee on the Judiciary.

Michael H. Watson, of Ohio, to be United States District Judge for the Southern District of Ohio.

Isaac Fulwood, Jr., of the District of Columbia, to be a Commissioner of the United States Parole Commission for a term of six years.

(Nominations without an asterisk were reported with the recommendation that they be confirmed.)

INTRODUCTION OF BILLS AND JOINT RESOLUTIONS

The following bills and joint resolutions were introduced, read the first and second times by unanimous consent, and referred as indicated:

By Mr. LEAHY:

S. 2619. A bill to designate the annex to the E. Barrett Prettyman Federal Building and United States Courthouse located at 333 Constitution Ave. Northwest in Washington, District of Columbia, as the "Judge William B. Bryant Annex to the E. Barrett Prettyman Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

By Mr. JEFFORDS (for himself, Mr. LAUTENBERG, Mr. REID, Mr. WYDEN, Mr. CARPER, Mr. HARKIN, Mr. LEAHY, and Mrs. CLINTON):

S. 2620. A bill to provide for the establishment of an Office of High-Performance Green Buildings, and for other purposes; to the Committee on Environment and Public Works.

By Mr. GRAHAM of Florida:

S. 2621. A bill to amend the Federal Water Pollution Control Act to extend the pilot program for alternative water source projects; to the Committee on Environment and Public Works.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2622. A bill to provide for the exchange of certain Federal land in the Santa Fe National Forest and certain non-Federal land in the Pecos National Historical Park in the State of New Mexico; to the Committee on Energy and Natural Resources.

By Mr. SMITH (for himself, Mr. KOHL, and Mr. LUGAR):

S. 2623. A bill to amend section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide a 2-year extension of supplemental security income in fiscal years 2005 through 2007 for refugees, asylees, and certain other humanitarian immigrants; to the Committee on Finance.

By Mr. LAUTENBERG (for himself, Mr. DURBIN, Mr. LEVIN, and Mr. REID):

S. 2624. A bill to require the United States Trade Representative to pursue a complaint of anti-competitive practices against certain oil exporting countries; to the Committee on Finance.

By Mr. SMITH (for himself and Mr. WYDEN):

S. 2625. A bill to establish a national demonstration project to improve intervention programs for the most disadvantaged children and youth, and for other purposes; to the Committee on the Judiciary.

By Mr. NELSON of Florida:

S. 2626. A bill to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

By Mrs. FEINSTEIN (for herself, Mr. AKAKA, and Mr. LEAHY):

S. 2627. A bill to express the policy of the United States with respect to the adherence by the United States to global standards in the transfer of small arms and light weapons, and for other purposes; to the Committee on Foreign Relations.

By Mr. AKAKA (for himself, Ms. COLLINS, Mr. GRASSLEY, Mr. LEVIN, Mr. LEAHY, Mr. DURBIN, Mr. FITZGERALD, Mr. PRYOR, Mr. VOINOVICH, Mr. JOHNSON, Mr. DAYTON, Mr. LIEBERMAN, and Mr. LAUTENBERG):

S. 2628. A bill to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, and for other purposes; to the Committee on Governmental Affairs.

By Mrs. BOXER (for herself and Ms. MIKULSKI):

S. 2629. A bill to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate the coverage gap, to eliminate HMO subsidies, to repeal health savings accounts, and for other purposes; read the first time.

By Mrs. BOXER:

S. 2630. A bill to amend title 5, United States Code to establish a national health program administered by the Office of Personnel Management to offer Federal employee health benefits plans to individuals who are not Federal employees, and for other purposes; read the first time.

By Mrs. BOXER:

S. 2631. A bill to require the Federal Trade Commission to monitor and investigate gasoline prices under certain circumstances; read the first time.

By Mrs. BOXER:

S. 2632. A bill to establish a first responder and terrorism preparedness grant information hotline, and for other purposes; read the first time.

By Mrs. BOXER:

S. 2633. A bill to amend the Federal Power Act to provide refunds for unjust and unreasonable charges on electric energy in the State of California; read the first time.

By Mr. DODD (for himself, Mr. DEWINE, Mr. REED, Mr. SMITH, Mr. REID, Mr. DASCHLE, Mr. FRIST, Mr. KENNEDY, Mrs. CLINTON, Mr. LAUTENBERG, Mr. LEVIN, Mr. KOHL, Ms. STABENOW, Mr. PRYOR, Mrs. HUTCHISON, Mr. DOMENICI, Mr. WARNER, Mr. MCCONNELL, Mr. GRAHAM of South Carolina, Mr. AKAKA, Mr. ROBERTS, Mr. LEAHY, Ms. MURKOWSKI, Mr. HARKIN, Mr. JOHNSON, Mr. BINGAMAN, Mr. JEFFORDS, Mr. LIEBERMAN, Mrs. MURRAY, Mr. DORGAN, Ms. SNOWE, Mr. NICKLES, Mr. CORZINE, Mr. HATCH, Mr. WYDEN, and Mr. DURBIN):

S. 2634. An act to amend the Public Health Service Act to support the planning, implementation, and evaluation of organized activities involving statewide youth suicide early intervention and prevention strategies, to provide funds for campus mental and behavioral health service centers, and for other purposes; considered and passed.

By Ms. COLLINS (for herself and Mr. LIEBERMAN):

S. 2635. A bill to establish an intergovernmental grant program to identify and develop homeland security information, equipment, capabilities, technologies, and services to further the homeland security needs of Federal, State, and local governments; 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. BIDEN (for himself, Mr. ALLEN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BUNNING, Mr. CAMPBELL, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mr. CHAMBLISS, Mrs. CLINTON, Mr. COCHRAN, Mr. COLEMAN, Ms. COLLINS, Mr. CONRAD, Mr. CORNYN, Mr. CORZINE, Mr. DAYTON, Mrs. DOLE, Mr. DORGAN, Mr. DURBIN, Mr. FEINGOLD,

Mrs. FEINSTEIN, Mr. GRAHAM of Florida, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HOLLINGS, Mr. INOUE, Mr. JOHNSON, Mr. KENNEDY, Ms. LANDRIEU, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LUGAR, Mr. MILLER, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SESSIONS, Ms. SNOWE, Mr. SPECTER, Mr. SUNUNU, Mr. TALENT, Mr. THOMAS, Mr. VOINOVICH, Mr. WARNER, Mr. WYDEN, and Mr. SMITH):

S. Res. 401. A resolution designating the week of November 7 through November 13, 2004, as "National Veterans Awareness Week" to emphasize the need to develop educational programs regarding the contributions of veterans to the country; to the Committee on the Judiciary.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. Con. Res. 121. A concurrent resolution supporting the goals and ideals of the World Year of Physics; to the Committee on Energy and Natural Resources.

ADDITIONAL COSPONSORS

S. 68

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 68, a bill to amend title 38, United States Code, to improve benefits for Filipino veterans of World War II, and for other purposes.

S. 307

At the request of Mr. DEWINE, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. 307, a bill to designate the Federal building and United States courthouse located at 200 West 2nd Street in Dayton, Ohio, as the "Tony Hall Federal Building and United States Court-house".

S. 700

At the request of Mr. CAMPBELL, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 700, a bill to provide for the promotion of democracy, human rights, and rule of law in the Republic of Belarus and for the consolidation and strengthening of Belarus sovereignty and independence.

S. 720

At the request of Mr. JEFFORDS, the name of the Senator from Alabama (Mr. SESSIONS) was added as a cosponsor of S. 720, a bill to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely effect patient safety.

S. 1068

At the request of Mr. DODD, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 1068, a bill to amend the Public Health Service Act to establish grant programs to provide for education and outreach on newborn screening and coordinated followup care once newborn screening has been conducted, and for other purposes.

S. 1142

At the request of Mr. BINGAMAN, the name of the Senator from New Jersey (Mr. LAUTENBERG) was added as a cosponsor of S. 1142, a bill to provide dis-

advantaged children with access to dental services.

S. 1428

At the request of Mr. MCCONNELL, the names of the Senator from Oklahoma (Mr. INHOFE), the Senator from Idaho (Mr. CRAPO) and the Senator from Minnesota (Mr. COLEMAN) were added as cosponsors of S. 1428, a bill to prohibit civil liability actions from being brought or continued against food manufacturers, marketers, distributors, advertisers, sellers, and trade associations for damages or injunctive relief for claims of injury resulting from a person's weight gain, obesity, or any health condition related to weight gain or obesity.

S. 1704

At the request of Ms. COLLINS, the name of the Senator from Illinois (Mr. DURBIN) was added as a cosponsor of S. 1704, a bill to amend the Public Health Service Act to establish a State family support grant program to end the practice of parents giving legal custody of their seriously emotionally disturbed children to State agencies for the purpose of obtaining mental health services for those children.

S. 1988

At the request of Mr. EDWARDS, the name of the Senator from New York (Mrs. CLINTON) was added as a cosponsor of S. 1988, a bill to amend titles XVIII and XIX of the Social Security Act to establish minimum requirements for nurse staffing in nursing facilities receiving payments under the Medicare or Medicaid Program.

S. 2175

At the request of Mr. DODD, the names of the Senator from Vermont (Mr. JEFFORDS), the Senator from Alaska (Ms. MURKOWSKI) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2175, a bill to amend the Public Health Service Act to support the planning, implementation, and evaluation of organized activities involving statewide youth suicide early intervention and prevention strategies, and for other purposes.

S. 2305

At the request of Mr. HAGEL, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 2305, a bill to authorize programs that support economic and political development in the Greater Middle East and Central Asia and support for three new multilateral institutions, and for other purposes.

S. 2367

At the request of Mr. REID, the name of the Senator from Hawaii (Mr. INOUE) was added as a cosponsor of S. 2367, a bill to amend chapters 83 and 84 of title 5, United States Code, to provide Federal retirement benefits for United States citizen employees of Air America, Inc., its subsidiary Air Asia Company Limited, or the Pacific Division of Southern Air Transport, Inc.

S. 2416

At the request of Mr. NELSON of Florida, the name of the Senator from West Virginia (Mr. ROCKEFELLER) was added as a cosponsor of S. 2416, a bill to ensure that advertising campaigns paid for by the Federal Government are unbiased, and for other purposes.

S. 2436

At the request of Mr. INOUE, the name of the Senator from Colorado (Mr. CAMPBELL) was added as a cosponsor of S. 2436, a bill to reauthorize the Native American Programs Act of 1974.

S. 2503

At the request of Mr. KYL, the name of the Senator from Kentucky (Mr. BUNNING) was added as a cosponsor of S. 2503, a bill to make permanent the reduction in taxes on dividends and capital gains.

S. 2526

At the request of Mr. BOND, the name of the Senator from Massachusetts (Mr. KERRY) was added as a cosponsor of S. 2526, a bill to reauthorize the Children's Hospitals Graduate Medical Education Program.

S. 2533

At the request of Ms. MIKULSKI, the names of the Senator from Mississippi (Mr. COCHRAN), the Senator from Texas (Mr. CORNYN) and the Senator from Vermont (Mr. LEAHY) were added as cosponsors of S. 2533, a bill to amend the Public Health Service Act to fund breakthroughs in Alzheimer's disease research while providing more help to caregivers and increasing public education about prevention.

S. 2534

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of S. 2534, a bill to amend title 38, United States Code, to extend and enhance benefits under the Montgomery GI Bill, to improve housing benefits for veterans, and for other purposes.

S. 2545

At the request of Mr. NELSON of Florida, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 2545, a bill to amend titles XVIII and XIX of the Social Security Act and title III of the Public Health Service Act to improve access to information about individuals' health care options and legal rights for care near the end of life, to promote advance care planning and decisionmaking so that individuals' wishes are known should they become unable to speak for themselves, to engage health care providers in disseminating information about and assisting in the preparation of advance directives, which include living wills and durable powers of attorney for health care, and for other purposes.

S. 2551

At the request of Mr. FRIST, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S. 2551, a bill to reduce and prevent childhood obesity by encouraging schools and school districts to develop

and implement local, school-based programs designed to reduce and prevent childhood obesity, promote increased physical activity, and improve nutritional choices.

S. 2566

At the request of Mr. BINGAMAN, the names of the Senator from Maryland (Mr. SARBANES), the Senator from New York (Mr. SCHUMER) and the Senator from Massachusetts (Mr. KENNEDY) were added as cosponsors of S. 2566, a bill to amend title II of the Social Security Act to phase out the 24-month waiting period for disabled individuals to become eligible for medicare benefits, to eliminate the waiting period for individuals with life-threatening conditions, and for other purposes.

S.J. RES. 40

At the request of Mr. ALLARD, the names of the Senator from Idaho (Mr. CRAPO) and the Senator from Idaho (Mr. CRAIG) were added as cosponsors of S.J. Res. 40, a joint resolution proposing an amendment to the Constitution of the United States relating to marriage.

S. CON. RES. 110

At the request of Mr. CAMPBELL, the names of the Senator from Massachusetts (Mr. KERRY) and the Senator from Virginia (Mr. ALLEN) were added as cosponsors of S. Con. Res. 110, a concurrent resolution expressing the sense of Congress in support of the ongoing work of the Organization for Security and Cooperation in Europe (OSCE) in combating anti-Semitism, racism, xenophobia, discrimination, intolerance, and related violence.

S. CON. RES. 119

At the request of Mr. CAMPBELL, the names of the Senator from Louisiana (Mr. BREAU), the Senator from Utah (Mr. HATCH) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. Con. Res. 119, a concurrent resolution recognizing that prevention of suicide is a compelling national priority.

S. RES. 389

At the request of Mr. CAMPBELL, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. Res. 389, a resolution expressing the sense of the Senate with respect to prostate cancer information.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. LEAHY:

S. 2619. A bill to designate the annex to the E. Barrett Prettyman Federal Building and United States Courthouse located at 333 Constitution Ave. Northwest in Washington, District of Columbia, as the "Judge William B. Bryant Annex to the E. Barrett Prettyman Federal Building and United States Courthouse"; to the Committee on Environment and Public Works.

Mr. LEAHY. Mr. President, I am pleased to introduce a bill to designate the recently-constructed annex to the E. Barrett Prettyman United States

Courthouse in Washington, DC as the "William B. Bryant Annex."

Thomas F. Hogan, this Court's current Chief Judge, has expressed his support and the unanimous support of the other judges on the District Court for the District of Columbia. I am proud to join with Congresswoman ELEANOR HOLMES NORTON in moving ahead with the Chief Judge's request.

Judge Bryant served with distinction of the U.S. District Court for the District of Columbia since 1965. He was the Chief Judge on that court from March 1977 to September 1981.

Judge Bryant graduated from Howard University in 1932, and from Howard University Law School, receiving an LL.B. in 1936.

Judge Bryant's lengthy public service career is one of great distinction. In addition to the time he spent on the Federal bench, Judge Bryant served in the United States Army during World War II and as an Assistant U.S. Attorney for the District of Columbia. After serving four and one half years as Chief Judge, Judge Bryant took senior status in January of 1982.

Naming the new annex to the E. Barrett Prettyman courthouse after Judge Bryant would be a fitting tribute to this distinguished jurist. Much like Judge Prettyman, Judge Bryant had an illustrious career in public service and on the bench. I am honored to offer this legislation, and I urge my colleagues to join Congresswoman NORTON and me in support of this well-deserved commendation.

By Mr. JEFFORDS (for himself, Mr. LAUTENBERG, Mr. REID, Mr. WYDEN, Mr. CARPER, Mr. HARKIN, Mr. LEAHY, and Mrs. CLINTON):

S. 2620. A bill to provide for the establishment of an Office of High-Performance Green Buildings, and for other purposes; to the Committee on Environment and Public Works.

Mr. JEFFORDS. Mr. President, I rise today to introduce the "High Performance Green Buildings Act of 2004."

I would like to thank Senator LAUTENBERG and the other cosponsors for working with me to introduce this important legislation.

Preliminary studies are showing that high-performance green buildings generate huge savings in operations and maintenance costs due to their efficient operating systems. These studies have also demonstrated that high-performance green buildings provide a healthier work environment for the occupants, resulting in fewer absences due to illness. The outcome is huge savings in health related costs. All of these savings are generated, while sustaining very little impact on their surrounding environment.

In the United States, buildings account for: 36 percent of total energy use; 65 percent of electricity consumption; 30 percent of greenhouse gas emissions; 30 percent of raw materials use; 30 percent of waste output and 12 percent of potable water consumption.

Why not build buildings that strive to conserve our precious resources and reduce the harmful pollutants that are damaging to the environment?

In an era of great security concern, green buildings have reduced energy requirements and may use renewable sources of energy that are off the electricity grid. Green buildings also use less water and some even collect rainwater to use throughout the building. Should there be a terrorist act that damages or destroys our Nation's resources, these buildings could assist in keeping our government up and running.

There is no downside to utilizing high-performance buildings. This initiative is taking off in the private sector. According to the US Green Building Council, there are 118 certified green buildings across the United States with 1,395 in the pipeline. This legislation would ensure that the Federal Government is keeping pace with the real world and doing its part to protect the environment and provide a safe work place for its employees.

The General Services Administration, GSA, is the largest landlord in the United States, with over 8,700 buildings in their current inventory. This legislation creates an office within GSA to oversee the green building efforts of agencies within the government. GSA is a natural leader to focus on our federal buildings and ensure that they are safe, healthy, and efficient.

This legislation will coordinate the efforts within the Federal Government to promote high-performance green buildings, provide public outreach, and expand existing research.

The bill creates an Interagency Steering Committee to advise the Office within GSA. The Committee will be comprised of key representatives of each relevant agency, state and local governments, nongovernment organizations, and experts within the building community. This Committee will ensure that the Federal Government stays up to date with technology and the latest advancements to ensure that high-performance buildings operate efficiently while continuing to provide a healthier environment for the occupants.

In addition, research efforts will be expanded to focus on buildings and the impacts that their systems have on human health and worker productivity. We just don't know enough. Are we making our employees sick by providing poor workspace?

The High-Performance Green Buildings Act also requires that a good hard look be taken at the budget process we have used for years and explore ways to improve the approval process for government projects. We need to grow with the times and ensure that our budget process allows us to take into account life-cycle costing. This means that we allow our financial experts to factor in savings that green buildings generate over time, and don't just look

at the upfront cost of a building. It has been documented that high-performance green buildings recover any initial upfront costs from incorporating efficient systems within the first few years of operation. The average life of a federal building is 50 years. In the times of soaring budget deficits, it is imperative that the Federal Government pursue all cost-saving options.

High-performance green buildings are not just for federal buildings, but involve any type of building, including schools. This legislation also focuses on providing healthier, more efficient school facilities for our children. The bill provides \$10 million in grants to state and local education agencies for technical assistance and the implementation of the Environmental Protection Agency's, EPA, Tools for Schools Program. The bill will help schools develop plans to focus on the design, construction, and renovation of school facilities, and look at systematic improvements for school siting, indoor air quality, reducing contaminants, and other health issues. This legislation also encourages research to study the effects that these systems are having on student health and productivity. Our children deserve to learn in an environment that is safe and conducive to learning.

Lastly, this bill will promote leadership within the Federal Government and provide incentives for government agencies to build high-performance green buildings. It also creates a clearinghouse to keep individuals and entities, including Congress and the government, informed on the information and services that the Office will provide.

I strongly encourage your support of the "High-Performance Green Buildings Act of 2004." This has been a long time coming and will benefit all of us.

I ask unanimous consent that the "High-Performance Green Buildings Act of 2004" be printed in the RECORD.

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

S. 2620

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 "High-Performance Green Buildings Act".

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

Sec. 1. Short title; table of contents

Sec. 2. Findings

Sec. 3. Definitions

TITLE I—OFFICE OF HIGH-PERFORMANCE GREEN BUILDINGS.

Sec. 101. Oversight.

Sec. 102. Office of High-Performance Green Buildings.

Sec. 103. Interagency Steering Committee.

Sec. 104. Public outreach.

Sec. 105. Research and development.

Sec. 106. Budget and life-cycle costing.

Sec. 107. Authorization of appropriations.

TITLE II—HEALTHY HIGH-PERFORMANCE SCHOOLS.

Sec. 201. Grants for schools.

Sec. 202. Federal guidelines for siting of school facilities.

Sec. 203. Education research program.

Sec. 204. Authorization of appropriations.

TITLE III—STRENGTHENING FEDERAL LEADERSHIP.

Sec. 301. General Accounting Office.

TITLE IV—DEMONSTRATION PROJECT.

Sec. 401. Coordination of goals.

Sec. 402. Authorization of appropriations.

SEC. 2. FINDINGS.

Congress finds that—

(1) buildings have profound impacts on the environment, energy use, and health of individuals, and numerous studies suggest that building environments affect worker productivity;

(2) buildings in the United States consume 37 percent of the energy, 68 percent of the electricity, and 12 percent of the potable water used in the United States, and overall construction of buildings (including construction of related infrastructure) consumes 60 percent of all raw materials used in the economy of the United States (excluding materials used for food or fuel);

(3) in the United States, buildings generate—

(A) 40 percent of the nonindustrial waste stream;

(B) 31 percent of the mercury in municipal solid waste; and

(C) 35 percent of the carbon dioxide (the primary greenhouse gas associated with climate change), 49 percent of the sulfur dioxide, and 25 percent of the nitrogen oxides found in the air;

(4) buildings contribute to the "heat island effect" by eliminating vegetative cover and using paving and roofing materials that absorb heat and raise ambient temperatures, accelerating the reaction that forms ground-level ozone;

(5) according to the Environmental Protection Agency, on average, people in the United States spend approximately 90 percent of their time indoors, where the concentration of pollutants may be 2 to 5 times and, in some cases, 100 times, higher than pollution concentrations in outdoor air;

(6) the Centers for Disease Control and the Environmental Protection Agency have connected poor indoor air quality to significantly elevated rates of mortality;

(7) health impacts from building materials, such as adhesives, paints, carpeting, and pressed-wood products, which may emit pollutants such as formaldehyde or other volatile organic compounds, are still uncertain but are believed to be potentially significant;

(8) according to the Building Owners and Managers Association, because costs relating to employees, at \$130 per square foot annually (including health insurance costs), are by far the highest business costs of a building, as opposed to total energy costs at \$1.81 per square foot, measures to improve the indoor air quality of a building can be an important investment in reducing long-term employee costs;

(9) the use of energy efficient systems and alternative sources of energy—

(A) reduces building costs; and

(B) improves the security of the United States by ensuring continuing operations despite any potential interruptions in the primary energy supply of the United States as a result of terrorism or other disruptions of the electricity grid;

(10) by integrating issues relating to natural resource use, human health, materials use, transportation needs, and other concerns into planning the life cycle of a building, architects, designers, and developers can construct buildings that—

- (A) are healthier for occupants;
- (B) reduce environmental impacts; and
- (C) are less wasteful of resources;

(11) a well-designed high-performance green building can be less expensive to build and operate throughout the lifetime of the building than a building that is not a high-performance green building;

(12) in 2003, in the document entitled "The Federal Commitment to Green Building: Experiences and Expectations", the Office of the Federal Environmental Executive found that "[t]here is a mixture of diverse Federal green building mandates in law, regulation, and Executive Orders, but not one definitive, clear, and unified policy statement on environmental design. Many within the Federal government are working on green buildings, but additional coordination and integration are needed.";

(13) a central coordinating Federal authority for green buildings would increase efficiency of, improve communication between, and reduce duplication within green building programs; and

(14) the General Services Administration, as the largest civilian landlord in the United States, managing more than 8,300 buildings owned or leased by the United States, is the appropriate agency to provide Federal agency coordination of green building programs.

SEC. 3. DEFINITIONS.

In this Act:

(1) **ADMINISTRATOR.**—The term "Administrator" means the Administrator of General Services.

(2) **COMMITTEE.**—The term "Committee" means the steering committee established under section 103(a).

(3) **HIGH-PERFORMANCE GREEN BUILDING.**—The term "high-performance green building" means a building the life cycle of which—

(A) increases the efficiency with which the building—

(i) reduces energy, water, and material resource use;

(ii) improves indoor environmental quality, reduces indoor pollution, improves thermal comfort, and improves lighting and noise environments that affect occupant health and productivity;

(iii) reduces negative impacts on the environment throughout the life cycle of the building, including air and water pollution and waste generation;

(iv) increases the use of environmentally preferable products, including biobased, recycled content, and nontoxic products with lower life-cycle impacts;

(v) reduces the negative impacts of emissions under the Clean Air Act (42 U.S.C. 7401 et seq.);

(vi) integrates systems in the building; and

(vii) reduces the environmental impacts of transportation through building location and site design that support a full range of transportation choices for users of the building;

(B) considers indoor and outdoor impacts of the building on human health and the environment, including—

(i) improvements in worker productivity;

(ii) the life-cycle impacts of building materials and operations; and

(iii) other factors that the Office considers to be appropriate.

(4) **HIGH-PERFORMANCE SCHOOL.**—The term "high-performance school" has the meaning given the term "healthy, high-performance school building" in section 5586 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7277e).

(5) **LIFE CYCLE.**—The term "life cycle", with respect to a high-performance green building, means all stages of the useful life of the high-performance green building (including components, equipment, systems, and controls of the building) beginning at

conception of a green building project and continuing through siting, design, construction, landscaping, commissioning, operation, maintenance, renovation, deconstruction, and removal of the green building.

(6) **LIFE CYCLE ASSESSMENT.**—The term "life cycle assessment" means a comprehensive system approach for measuring the environmental performance of a product or service that includes an analysis of the environmental impacts of—

(A) each stage in the life of the product or service (including acquisition of raw materials, product manufacture, transportation, installation, operation and maintenance, and waste management); and

(B) each component of the product or service.

(7) **LIFE-CYCLE COSTING.**—The term "life-cycle costing", with respect to a high-performance green building, means an analysis of economic costs of impacts and choices made regarding materials used and activities carried out with respect to the life cycle of the high-performance green building.

(8) **LOCAL EDUCATIONAL AGENCY.**—The term "local educational agency" has the meaning given the term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

(9) **OFFICE.**—The term "Office" means the Office of High-Performance Green Buildings established under section 102(a).

TITLE I—OFFICE OF HIGH-PERFORMANCE GREEN BUILDINGS

SEC. 101. OVERSIGHT.

(a) **IN GENERAL.**—The Administrator shall establish within the General Services Administration, and appoint an appropriate individual to, a position in the career-reserved Senior Executive service to—

(1) establish and oversee the Office of High-Performance Green Buildings in accordance with section 102; and

(2) carry out other duties as required under this Act.

(b) **COMPENSATION.**—The compensation of the individual appointed under subsection (a) shall not exceed the maximum rate of basic pay for the Senior Executive Service under section 5382 of title 5, United States Code, including any applicable locality-based comparability payment that may be authorized under section 5304(h)(2)(C) of that title.

SEC. 102. OFFICE OF HIGH-PERFORMANCE GREEN BUILDINGS.

(a) **ESTABLISHMENT.**—The individual appointed under section 101(a), in partnership with the Administrator of the Environmental Protection Agency, the Office of the Federal Environmental Executive, the Secretary of Energy, the Secretary of Commerce, the Secretary of Defense, the Secretary of Homeland Security, the Secretary of Health and Human Services, the Director of the Office of Management and Budget, and heads of other relevant Federal agencies, shall establish within the General Services Administration an Office of High-Performance Green Buildings.

(b) **DUTIES.**—The Office shall—

(1) ensure full coordination and collaboration with all relevant agencies;

(2) establish a senior-level Federal inter-agency steering committee in accordance with section 103;

(3) provide information through—

(A) outreach;

(B) education;

(C) the provision of technical assistance; and

(D) the development of a national high-performance green building clearinghouse in accordance with section 104;

(4) provide for research and development relating to high-performance green building initiatives under section 105(a);

(5) in partnership with the Comptroller General, review and analyze budget and life-cycle costing issues in accordance with section 106;

(6) complete and submit a report in accordance with subsection (c); and

(7) carry out implementation plans described in subsection (d).

(c) **REPORT.**—Not later than 2 years after the date of enactment of this Act, and biennially thereafter, the Office shall submit to Congress and the Comptroller General a report that—

(1) describes the status of the implementation of programs under this Act and other Federal programs in effect as of the date of the report, including—

(A) the extent to which the programs are being carried out in accordance with this Act; and

(B) the status of funding requests and appropriations for those programs;

(2) identifies steps within the planning, budgeting, and construction process of Federal facilities that inhibit new and existing Federal facilities from becoming high-performance green buildings, as measured by—

(A) a silver rating, as defined by the Leadership in Energy and Environmental Design Building Rating System standard established by the United States Green Building Council; or

(B) an improved or higher rating standard as identified, and reassessed biennially, by the Committee;

(3) identifies inconsistency of Federal agencies with Federal law in product acquisition guidelines and high-performance product guidelines;

(4) recommends language for uniform standards for use by Federal agencies in environmentally responsible acquisition; and

(5) includes, for the 2-year period covered by the report, recommendations to address each of the matters, and a plan and deadline for implementation of each of the recommendations, described in paragraphs (1) through (4).

(d) **IMPLEMENTATION PLAN.**—The Office, in consultation with the Comptroller General, shall carry out each plan for implementation of recommendations under subsection (c)(5).

SEC. 103. INTERAGENCY STEERING COMMITTEE.

(a) **ESTABLISHMENT.**—Not later than 180 days after the date of enactment of this Act, the Office shall establish within the Office a steering committee.

(b) **MEMBERSHIP.**—The Committee shall be composed of representatives of, at a minimum—

(1) each agency referred to in section 102(a);

(2) State and local governments;

(3) nongovernmental organizations, including the United States Green Building Council, the American Council for an Energy-Efficient Economy, and the Rocky Mountain Institute;

(4) building design, development, and finance sectors in the private sector; and

(5) building owners, developers, and equipment manufacturers, including renewable, control, combined heat and power, and other relevant technologies, as determined by the Office.

(c) **DUTIES.**—The Committee shall—

(1) assess Federal activities and compliance with Federal law applicable to high-performance green buildings;

(2) make recommendations for expansion of existing efforts and development of new efforts to support activities relating to the life cycles of high-performance green buildings by the Federal Government, including consideration of the benefits to national security and implementation of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 et seq.);

(3) evaluate current high-performance green building standards and recommend improved, higher, or supplemental rating standards, as necessary, that are consistent with the responsibilities of the Federal Government under this Act and other applicable law; and

(4) provide to the individual appointed under section 101(a) such recommendations relating to Federal activities carried out under sections 104 through 106 as are agreed to by a majority of the members of the Committee.

SEC. 104. PUBLIC OUTREACH.

(a) ESTABLISHMENT.—The Office, in close coordination with Federal agencies and departments that perform related functions, shall carry out public outreach—

(1) to inform individuals and entities in the public sector, including the Federal Government, of the information and services available through the Office; and

(2) to determine how to most effectively deliver that information to the individuals and entities.

(b) DUTIES.—In carrying out this section, the Office, in close cooperation with Federal agencies and departments that perform related functions, shall—

(1) establish and maintain a national high-performance green building clearinghouse on the Internet that—

(A) coordinates and enhances existing similar efforts; and

(B) provides information relating to high-performance green buildings, including—

(i) information on, and hyperlinks to Internet sites that describe, the activities of the Federal Government;

(ii) hyperlinks to Internet sites relating to—

(I) State and local governments;

(II) the private sector; and

(III) international activities; and

(iii) information on the exposure of children to environmental hazards in school facilities, as provided by the Administrator of the Environmental Protection Agency;

(2) develop clear guidance and educational materials for use by Federal agencies in implementing high-performance green building practices;

(3) develop and conduct training sessions with budget specialists and contracting personnel from Federal agencies and budget examiners to apply life-cycle cost criteria to actual projects;

(4) provide technical assistance on methods of using tools and resources to make more cost-effective, health protective, and environmentally beneficial decisions for constructing high-performance green buildings;

(5) assist all branches of government at the Federal, State, and local levels, and any other interested entity, by providing information on relevant application processes for certifying a high-performance green building, including certification and commissioning;

(6) assist interested persons, communities, businesses, and branches of government with technical information, technical assistance, market research, or other forms of assistance, information, or advice that would be useful in planning and constructing high-performance green buildings, particularly with respect to tools available to conduct life-cycle cost assessment;

(7) provide technical training and guidance on high-performance green buildings; and

(8) obtain such information from other Federal offices, agencies and departments as is necessary to carry out this Act.

SEC. 105. RESEARCH AND DEVELOPMENT.

(a) ESTABLISHMENT.—The Office shall carry out research and development—

(1) to survey and coordinate existing research and studies;

(2) to recommend new areas for research; and

(3) to promote the development and dissemination of high performance green building tools.

(b) DUTIES.—In carrying out this section, the Office shall—

(1) ensure interagency coordination of relevant research;

(2) develop and direct a Federal high-performance green building research plan that identifies information needs and research that should be addressed and provides measurement tools—

(A) to quantify the relationships between human health and occupant productivity and each of—

(i) pollutant emissions from materials and products in the building;

(ii) natural day lighting;

(iii) ventilation choices and technologies;

(iv) heating and cooling choices and technologies;

(v) moisture control and mold;

(vi) maintenance, cleaning, and pest control activities;

(vii) acoustics; and

(viii) other issues relating to the health, comfort, productivity, and performance of occupants of the building;

(B) to monitor and assess the life-cycle performance of public facilities (including demonstration projects) built as high-performance green buildings, including through consideration of the report required under section 401(b)(1)(D); and

(C) to quantify, review, and standardize techniques for use in performing life cycle assessments;

(3) assist the budget and life-cycle costing functions of the Office under section 106 in the development and implementation of performance-based standards and life-cycle cost measures, including the development of performance measure tools and software for use by Federal agencies and other interested entities; and

(4) support other research initiatives determined by the Office to contribute to mainstreaming of high-performance planning, design, construction, and operation and management of buildings.

SEC. 106. BUDGET AND LIFE-CYCLE COSTING.

(a) ESTABLISHMENT.—The Office, in coordination with the Office of Management and Budget and relevant agencies, shall carry out budget and life-cycle costing for green buildings.

(b) DUTIES.—In carrying out this section, the Office shall—

(1) consult, as necessary, the report of the Office of the Federal Environmental Executive entitled “The Federal Commitment to Buildings: Experiences and Expectations” and dated September 2003;

(2) be responsible for—

(A) examining policy of the Office of Management and Budget relating to life-cycle costing for Federal capital investments;

(B) assisting in the development of clear guidance and implementation of life-cycle cost policy with budget offices of other Federal agencies by establishing a consistent standard of life-cycle cost practices for Federal agencies;

(C) identifying tools that could support the use of life-cycle costing to assist sound Federal budget decisionmaking; and

(D) examining—

(i) the practicability of linking high performance green building life cycle stages with Federal budgets;

(ii) the effect that such a link would have in reducing barriers to the construction of high-performance green buildings and renovation of existing buildings; and

(iii) means by which to incorporate the short-term and long-term cost savings that

accrue from high-performance green buildings.

SEC. 107. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title \$2,000,000 for each of fiscal years 2005 through 2010.

TITLE II—HEALTHY HIGH-PERFORMANCE SCHOOLS

SEC. 201. GRANTS FOR SCHOOLS.

(a) IN GENERAL.—The Administrator of the Environmental Protection Agency may provide grants to State educational agencies and local educational agencies for use in—

(1) providing intensive technical assistance for and assisting the implementation of the Tools for Schools Program of the Environmental Protection Agency; and

(2) development of State-level school environmental quality plans, in partnership with the Environmental Protection Agency, that may include—

(A) standards for school building design, construction, and renovation;

(B) identification of ongoing school building environmental problems in the State;

(C) proposals for the systematic improvement (including benchmarks and timelines) of environmental conditions in schools throughout the State, including with respect to—

(i) school building siting, construction, and maintenance;

(ii) indoor air quality;

(iii) pest control;

(iv) radon contamination;

(v) lead contamination;

(vi) environmentally preferable purchasing of products for instruction and maintenance;

(vii) hazard identification and remediation; and

(viii) maximization of transportation choices for students, staff, and other members of the community; and

(D) recommendations for improvements in the capacity of the State to track child and adult health complaints relating to schools.

(b) COST SHARING.—

(1) FEDERAL SHARE.—The Federal share of the cost of a project or activity carried out using funds from a grant under subsection (a) shall not exceed 90 percent.

(2) NON-FEDERAL SHARE.—The non-Federal share of the cost of a project or activity carried out using funds from a grant under subsection (a) may be provided in the form of cash or in-kind goods and services, including goods and services used to create prototypical designs.

(c) GRANT PRIORITY.—

(1) IN GENERAL.—In providing grants under this section for use in carrying out the program referred to in subsection (a)(1), the Administrator of the Environmental Protection Agency shall give priority to school districts that have a demonstrated need for environmental improvement.

(2) RESPONSIBILITY OF SCHOOL DISTRICTS AND STATE EDUCATIONAL AGENCIES.—

(A) SCHOOL DISTRICTS.—Not later than 2 years after the date of enactment of this Act, and annually thereafter, each school district that receives funds from the Administrator of the Environmental Protection Agency to carry out a program described in subsection (a) shall submit to the State educational agency with jurisdiction over the school district a report that includes—

(i) a list of schools in the districts that, as of the date of the report, have accepted funds or other assistance from the Environmental Protection Agency for use in carrying out this section; and

(ii) an evaluation of the impact of the funds, including—

(I) general data regarding measures of student health and attendance rates before and after the intervention; and

(II) descriptions of toxic or hazardous cleaning, maintenance, or instructional products eliminated or reduced in use as part of the promotion or remediation of the indoor air quality of schools within the school district; and

(iii) basic information on the potential influence of other factors (such as the installation of carpet and HVAC systems and similar activities) on air quality.

(B) **STATE EDUCATIONAL AGENCY REPORTS.**—Not later than 180 days after the date on which each State educational agency has received the annual reports under subparagraph (A) from all participating school districts, the State educational agency shall submit to the Administrator of the Environmental Protection Agency and Congress a consolidated report of all information received from the school districts.

SEC. 202. FEDERAL GUIDELINES FOR SITING OF SCHOOL FACILITIES.

(a) **IN GENERAL.**—Using as a model guidelines such as those of the “Child Proofing Our Communities” School Siting Committee of the State of California, the Administrator of the Environmental Protection Agency shall develop school site acquisition guidelines.

(b) **VULNERABILITY.**—The guidelines should contain an analysis of means by which to account for the special vulnerability of children to chemical exposures in any case in which the potential for contamination at a potential school site is assessed.

(c) **ACCESSIBILITY.**—The guidelines shall include an analysis of means by which to maximize transportation choices for students, staff, and other members of the community.

SEC. 203. EDUCATION RESEARCH PROGRAM.

The Administrator of the Environmental Protection Agency, in partnership with the Secretary of Education, shall carry out an education research program that—

(1) describes the status and findings of Federal research initiatives established under this Act and other Federal law with respect to education, including relevant updates on trends in the field, such as the impact of school facility environments on—

(A) student and staff health, safety, and productivity;

(B) students with disabilities or special needs; and

(C) student learning capacity;

(2) provides technical assistance on siting, design, management, and operation of school facilities, including facilities used by students with disabilities or special needs;

(3) once the relevant metrics have been identified or developed in accordance with section 105, quantifies the relationships between—

(A) human health, occupant productivity, and student performance; and

(B) with respect to school facilities, each of—

(i) pollutant emissions from materials and products;

(ii) natural day lighting;

(iii) ventilation choices and technologies;

(iv) heating and cooling choices and technologies;

(v) moisture control and mold;

(vi) maintenance, cleaning, and pest control activities;

(vii) acoustics; and

(viii) other issues relating to the health, comfort, productivity, and performance of occupants of the school facilities;

(4) cooperates with federally funded pediatric environmental health research centers to assist in on-site school environmental investigations;

(5) assists States and State entities in better understanding and improving the environmental health of children; and

(6) provides to the Office a biennial report of all activities carried out under this section.

SEC. 204. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated to carry out this title \$10,000,000 for the period of fiscal years 2005 through 2010.

TITLE III—STRENGTHENING FEDERAL LEADERSHIP

SEC. 301. GENERAL ACCOUNTING OFFICE.

(a) **RESTRUCTURING OF CAPITAL BUDGETS.**—Not later than 180 days after the date of submission of the report under 102(c), the Comptroller General shall—

(1) review the current budget process; and

(2) develop and submit to Congress an implementation plan for life-cycle costing that—

(A) identifies and incorporates the short-term and long-term cost savings that accrue from high-performance green buildings; and

(B) includes recommendations for—

(i) restructuring of budgets to require the use of complete energy- and environmental-cost accounting;

(ii) the use of operations expenditures in budget-related decisions while simultaneously incorporating productivity and health measures (as those measures can be quantified by the Office, with the assistance of universities and national laboratories); and

(iii) means by which Federal agencies may be permitted to retain and reuse all identified savings accrued as a result of the use of high-performance life cycle costing for future high-performance green building initiatives.

(b) **AUDITS.**—The Comptroller General may conduct periodic audits of a Federal project over the life of the project to inspect whether—

(1) the design stage of high performance green building measures were achieved; and

(2) the high performance building data were collected and reported to the Office.

TITLE IV—DEMONSTRATION PROJECT

SEC. 401. COORDINATION OF GOALS.

(a) **IN GENERAL.**—The Office shall establish guidelines for a demonstration project conducted as a public-private partnership to contribute to the research goals of the Office.

(b) **PROJECTS.**—In accordance with guidelines established by the Office under subsection (a) and the duties of the Office described in section 101(b), the individual appointed under section 101(a) shall carry out—

(1) for each of fiscal years 2005 through 2008, a demonstration project, in a Federal building selected by the Office in accordance with the criteria described in subsection (c)(1), that—

(A) provides for the evaluation and, as practicable, use of the information obtained through the conduct of projects and activities under this Act;

(B) requires at least 1 project or activity referred to in subparagraph (A) to achieve a platinum rating, as defined by the Leadership in Energy and Environmental Design Building Rating System standard established by the United States Green Building Council (or equivalent rating), for each fiscal year; and

(C) requires the submission to the Office of an annual report describing recommendations for the use of information gathered as a result of programs carried out under this Act; and

(2) a demonstration project involving at least 4 universities, that, as determined by the Office in accordance with subsection (c)(2), have appropriate research capability and relevant projects to meet the goals of the demonstration project established by the Office.

(c) **CRITERIA.**—

(1) **FEDERAL BUILDINGS.**—With respect to the Federal building at which a demonstration project under this section is conducted, the Federal building shall—

(A) be an appropriate model for a project involving—

(i) location and design that promote access to the Federal building through walking, biking, and mass transit;

(ii) construction or renovation to meet high indoor environmental criteria;

(iii) deployment, and assessment of effectiveness, of high performance technologies;

(iv) analysis of life cycles of all materials, components, and systems in the building; and

(v) assessment of beneficial impacts on public health and the health of individuals that enter or work in the building; and

(B) possess sufficient technological and organizational adaptability.

(2) **UNIVERSITIES.**—With respect to the 4 universities at which a demonstration project under this section is conducted—

(A) the universities should be selected based on—

(i) successful and established public-private research and development partnerships;

(ii) demonstrated capabilities to construct or renovate buildings that meet high indoor environmental qualities;

(iii) organizational flexibility;

(iv) technological adaptability;

(v) energy and environmental effectiveness throughout the life cycles of all materials, components, and systems deployed within the building; and

(vi) the demonstrated capacity of at least 1 university to replicate lessons learned among nearby or sister universities, preferably by participation in groups or consortia that promote sustainability;

(B) each university shall be located in a different climatic region of the United States, each of which regions shall have, as determined by the Office—

(i) a hot, dry climate;

(ii) a hot, humid climate;

(iii) a cold climate; or

(iv) a mild climate;

(C) each university shall agree that the focuses of the project shall be—

(i) the effectiveness of various high performance technologies in each of the 4 climatic regions of the United States described in subparagraph (B);

(ii) the identification of the most effective ways to use high performance building and landscape technologies to engage and educate undergraduate and graduate students; and

(iii) quantifiable and nonquantifiable beneficial impacts on public health and worker and student performance.

SEC. 402. AUTHORIZATION OF APPROPRIATIONS.

(a) **FEDERAL DEMONSTRATION PROJECT.**—There is authorized to be appropriated to carry out the Federal demonstration project described in section 401(b)(1) \$5,000,000 for the period of fiscal years 2005 through 2010.

(b) **UNIVERSITY DEMONSTRATION PROJECTS.**—There is authorized to be appropriated to carry out the university demonstration projects described in section 401(b)(2) \$10,000,000 for the period of fiscal years 2005 through 2010.

Mr. LAUTENBERG. Mr. President, I am pleased to join Senator JEFFORDS today in introducing the High-Performance Green Buildings Act. This legislation will reenergize the Federal Government's commitment to building design and construction into the 21st Century.

Buildings have an enormous impact on environmental quality, on energy

use, and on natural resource consumption. The statistics are staggering. Buildings devour 37 percent of the energy used in this country, including 68 percent of electricity. They are responsible for 35 percent of carbon dioxide emissions, the primary greenhouse gas associated with climate change. And they account for 49 percent of sulfur dioxide and 25 percent of nitrogen oxide emissions and generate 40 percent of the Nation's non-industrial waste stream. Moreover, building construction and demolition produce 136 million tons of waste in this country, and use 12 percent of potable water in the U.S. Mr. President, for too long these prodigious effects have gone unrecognized.

The impacts are even more far reaching than that. Since Americans spend an average of 90 percent of their time indoors, buildings have a considerable influence on public health. According to the Environmental Protection Agency, EPA, indoor air pollution concentrations may be two to five times, and in some cases 100 times, higher than in outdoor air. EPA scientists estimates that about 20,000 deaths occur related to indoor levels of radon, and that 3000 lung cancer deaths occur among nonsmoking adults due to second-hand smoke each year.

Experts at the Centers for Disease Control and Prevention, CDC, estimate that an additional 35,000 coronary disease deaths occur each year in this country among nonsmoking adults due to second-hand smoke. These losses do not include exposure to toxic pollutants emitted from building materials, such as adhesives, paints, carpets, and pressed-wood products, which many researchers believe to be significant. We must confront these environmental and public health challenges and to do so we need a vision for the future. Our legislation offers that vision.

High-performance green buildings are designed and constructed in ways that significantly reduce or eliminate negative effects on the environment, on energy use, and on resource consumption. They are also designed to reduce or eliminate harmful pressures on the health and productivity of building occupants. According to the U.S. Green Building Council, a national nonprofit organization, green design and construction practices are directed at five broad areas: 1. Sustainable site planning; 2. Safeguarding water and water efficiency; 3. Energy efficiency and renewable energy; 4. Conservation of materials and resources; and 5. Indoor environmental quality.

Green buildings have many benefits, and while the initial investment may be higher (although not necessarily) than for a traditional buildings, they significantly lower long-term costs for things such as heating and cooling. Since new government buildings are intended to be used for a long period of time—at least 50 years—it is easier to justify any initial higher investment costs. By improving working condi-

tions and increasing daylighting, case studies have shown that green buildings improve occupant productivity and reduce employee absenteeism. This legislation would provide for research to capture and measure those impacts and incorporate the lessons learned into future construction.

The High-Performance Green Building Act focuses Federal Government efforts to promote the environmental, energy, health, and economic benefits that can be realized from green buildings. This legislation incorporates the findings of two reports that make recommendations for improving the Federal Government's role in relation to high-performance green buildings. The first report, "Building Momentum: National Trends and Prospects for High-Performance Green Buildings," was prepared by the U.S. Green Building Council and the second report, "The Federal Commitment to Green Building: Experiences and Expectations," was released by the President's Office of the Federal Environmental Executive.

Our legislation changes the way the Federal Government manages its thousands of buildings. The bill establishes an Office of High-Performance Green Buildings within the General Services Administration, GSA, which is the logical place for this office since this agency is the Federal Government's primary landlord. GSA manages over 8,700 buildings owned or leased by the United States. The new office will promote public outreach, coordinate and focus research and development, and improve life-cycle analysis and budgeting for building construction. This title also creates an Interagency Steering Committee to improve coordination across Federal agencies, and with state and local governments.

This bill would expand the role of EPA in supporting healthier buildings at the nation's schools. Schools can serve as the vanguard for the effort to protect our children's health and the environment, so this title authorizes the Agency to administer grants to state and local education agencies to support implementation of EPA's effective Tools for Schools Program. It also authorizes the Agency to develop Federal guidelines for school location siting that take into account the special vulnerabilities of children to the contamination of land and water.

This legislation would incorporate building life-cycle costing as a tool to achieve more efficient and economical long-term investments in government buildings, by requiring the Comptroller General to review the annual Federal budget process and submit a plan to reach these goals to Congress.

In closing, investing in green buildings is good public policy for a variety of reasons. Our bill will allow the Federal Government to take a leadership role in promoting green buildings. We have a commitment to our children and grandchildren to protect and conserve the planet's resources and to

safeguard public health. I urge my colleagues to support this important bill.

By Mr. GRAHAM of Florida:

S. 2621. A bill to amend the Federal Water Pollution Control Act to extend the pilot program for alternative water source projects; to the Committee on Environment and Public Works.

Mr. GRAHAM. Mr. President, the Authorization for the Alternative Water Sources Act of 2000, which I originally introduced, expires this year. I am introducing a bill to extend this law for five years through Fiscal Year 2009 at an average authorization level of \$25 million per year.

Our Nation's water supply needs are great and growing. For instance, each day the State of Florida adds 900 residents. To satisfy the water needs of this daily population increase, Florida must supply 200,000 more gallons of fresh water per day. Furthermore, the additional infrastructure needed to accommodate new residents blocks rainwater penetration into aquifers, lowering the water table. In fact, residents of Florida's west coast are increasingly resorting to drinking desalinated water as fresh water sources no longer suffice. Depletion of fresh water has resulted in saltwater intrusion into inland aquifers tainting water supplies and reducing the ability of soils to grow plants.

Other States are facing similar crises.

In southern New Jersey, water demands are so great that groundwater withdrawals from aquifers have lowered the water table by 200 feet, causing saltwater intrusion.

In Georgia and South Carolina, excessive water demand has significantly lowered water levels causing the upward migration of salt water in the Brunswick area and an encroachment of seawater into the aquifer at the northern end of Hilton Head Island.

On the East Coast, which gets on average 40 inches of rain per year, water resources have long been thought to be inexhaustible. However with changing population patterns and increasing personal and commercial water use, many water-rich areas are finding that the water will not always be there when they need it.

The extension of the Alternative Water Sources Act will provide States with the assistance they need to meet the needs of growing populations without harming the environment. It will also provide funds on a cost-shared basis to States for development of non-traditional water resources that will provide much needed water and prevent future environmental damages.

The bill I introduce today, authorizes the EPA to provide grants, at an average \$25 million a year for Fiscal Years 2005 through 2009, on a cost-shared basis for alternative water source projects. The EPA administrator is required to take into account the eligibility of a project for funding under the existing programs when selecting

projects for funding under this nationwide program.

This law is critical to the environmentally friendly development of water resources in the United States. It authorizes funds for innovative water reuse, reclamation and conservation projects—helping many States meet current and future water supply.

Populations in water-rich areas are drawing increasingly on limited groundwater supplies. In the past, groundwater users in the East might have been characterized as private wells and small public water systems. Today, as people move away from traditional population centers along major rivers, groundwater use is increasing. In Pennsylvania, about six million people rely on groundwater.

Yet, trillions of gallons of fresh water in the United States are wasted and flood into the sea annually. For instance, in Florida, every year approximately 970 billion gallons of fresh water are diverted into canals that flow into the Gulf of Mexico and the Atlantic. This precious fresh water would otherwise have replenished aquifers or nourished fragile aquatic ecosystems. If properly captured and stored, this water could be used for industrial or commercial activities, reducing pressure on precious drinking water sources.

Our increasing water needs require immediate attention.

We continue to make progress in conservation. In the South Florida Water Management District, nearly 200 million gallons of water are being reused per day. However, demands remain great. For instance, each resident in South Florida uses nearly 175 gallons of fresh water per day—almost twice the national average. Much of this potable water is used for watering landscaping. We must find ways to reserve potable water for drinking and make better use of other sources of water for agricultural, commercial and outdoor watering purposes.

With innovations in water quantity management, we can curtail such tremendous wastes of water and reuse the water that supply storage facilities now cannot absorb.

In 1999, I sponsored S. 968, the Alternative Water Sources Act, which authorized funding for alternative water projects in States that do not receive funds for water supply projects. In 2000, my bill was incorporated into S. 835, the Estuaries and Clean Waters Act of 2000, which became Public Law 106-457. Unfortunately, the authorization for the Alternative Water Sources Act is due to expire this year. With our Nation facing many water quantity management issues, we must act now to renew the authorization.

Congress can provide tools to ensure that Americans have the water they need for a healthy and productive future. The Alternative Water Sources Act is one such tool, and we must not let it expire. I hope that Congress will approve an extension of the Act before the end of the year.

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

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

S. 2621

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PILOT PROGRAM FOR ALTERNATIVE WATER SOURCE PROJECTS.

Section 220(j) of the Federal Water Pollution Control Act (33 U.S.C. 1300(j)) is amended in the first sentence—

(1) by striking “\$75,000,000” and inserting “\$125,000,000”; and

(2) by striking “2002 through 2004” and inserting “2005 through 2009”.

By Mr. BINGAMAN (for himself and Mr. DOMENICI):

S. 2622. A bill to provide for the exchange of certain Federal land in the Santa Fe National Forest and certain non-Federal land in the Pecos National Historical Park in the State of New Mexico; to the Committee on Energy and Natural Resources.

Mr. BINGAMAN. Mr. President, today, I am introducing along with Senator DOMENICI the “Pecos National Historical Park Land Exchange Act of 2004”. This bill will authorize a land exchange between the Federal Government and a private landowner that will benefit the Pecos National Historical Park in my State of New Mexico.

Specifically, the bill will enable the Park Service to acquire a private inholding within the Park’s boundaries in exchange for the transfer of a nearby tract of National Forest System land. The National Forest parcel has been identified as available for exchange in the Santa Fe National Forest Land and Resource Management Plan and is surrounded by private lands on three sides.

The Pecos National Historical Park possesses exceptional historic and archaeological resources. Its strategic location between the Great Plains and the Rio Grande Valley has made it the focus of the region’s 10,000 years of human history. The Park preserves the ruins of the great Pecos pueblo, which was a major trade center, and the ruins of two Spanish colonial missions dating from the 17th and 18th centuries.

The Glorieta Unit of the Park protects key sites associated with the 1862 Civil War Battle of Glorieta Pass, a significant event that ended the Confederate attempt to expand the war into the West. This Unit will directly benefit from the land exchange.

I ask unanimous consent that the full text of the bill I have introduced today be printed in the RECORD.

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

S. 2622

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 “Pecos National Historical Park Land Exchange Act of 2004.”

SEC. 2. DEFINITIONS.

In this Act:

(1) **FEDERAL LAND.**—The term “Federal land” means the approximately 160 acres of Federal land within the Santa Fe National Forest in the State, as depicted on the map.

(2) **LANDOWNER.**—The term “landowner” means the 1 or more owners of the non-Federal land.

(3) **MAP.**—The term “map” means the map entitled “Proposed Land Exchange for Pecos National Historical Park”, numbered 430/80,054, dated November 19, 1999, and revised September 18, 2000.

(4) **NON-FEDERAL LAND.**—The term “non-Federal land” means the approximately 154 acres of non-Federal land in the Park, as depicted on the map.

(5) **PARK.**—The term “Park” means the Pecos National Historical Park in the State.

(6) **SECRETARIES.**—The term “Secretaries” means the Secretary of the Interior and the Secretary of Agriculture, acting jointly.

(7) **STATE.**—The term “State” means the State of New Mexico.

SEC. 3. LAND EXCHANGE.

(a) **IN GENERAL.**—On conveyance by the landowner to the Secretary of the Interior of the non-Federal land, title to which is acceptable to the Secretary of the Interior.

(1) the Secretary of Agriculture shall, subject to the conditions of this Act, convey to the landowner the Federal land; and

(2) the Secretary of the Interior shall, subject to the conditions of this Act, grant to the landowner the easement described in subsection (b).

(b) **EASEMENT.**—

(1) **IN GENERAL.**—The easement referred to in subsection (a)(2) is an easement (including an easement for service access) for water pipelines to 2 well sites located in the Park, as generally depicted on the map.

(2) **ROUTE.**—The Secretary of the Interior, in consultation with the landowner, shall determine the appropriate route of the easement through the Park.

(3) **TERMS AND CONDITIONS.**—The easement shall include such terms and conditions relating to the use of, and access to, the well sites and pipeline, as the Secretary of the Interior, in consultation with the landowner, determines to be appropriate.

(4) **APPLICABLE LAW.**—The easement shall be established, operated, and maintained in compliance with applicable Federal law.

(c) **VALUATION, APPRAISALS, AND EQUALIZATION.**—

(1) **IN GENERAL.**—The value of the Federal land and non-Federal land—

(A) shall be equal, as determined by appraisals conducted in accordance with paragraph (2); or

(B) if the value is not equal, shall be equalized in accordance with paragraph (3).

(2) **APPRAISALS.**—

(A) **IN GENERAL.**—The Federal land and non-Federal land shall be appraised by an independent appraiser selected by the Secretaries.

(B) **REQUIREMENTS.**—An appraisal conducted under subparagraph (A) shall be conducted in accordance with—

(i) the Uniform Appraisal Standards for Federal Land Acquisition; and

(ii) the Uniform Standards of Professional Appraisal Practice.

(C) **APPROVAL.**—The appraisals conducted under this paragraph shall be submitted to the Secretary of the Interior for approval.

(3) **EQUALIZATION OF VALUES.**—

(A) **IN GENERAL.**—If the values of the non-Federal land and the Federal land are not equal, the values may be equalized by—

(i) the Secretary of the Interior making a cash equalization payment to the landowner; or

(ii) the landowner making a cash equalization payment to the Secretary of Agriculture; or

(iii) reducing the acreage of the non-Federal land or the Federal land, as appropriate.

(B) CASH EQUALIZATION PAYMENTS.—Any amounts received by the Secretary of Agriculture as a cash equalization payment under section 206(b) of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716(b)) shall—

(1) be deposited in the fund established by Public Law 90-171 (commonly known as the “Sisk Act”) (16 U.S.C. 484a); and

(ii) be available for expenditure, without further appropriation, for the acquisition of land and interests in land in the State.

(d) COSTS.—Before the completion of the exchange under this section, the Secretaries and the landowner shall enter into an agreement that allocates the costs of the exchange between the Secretaries and the landowner.

(e) APPLICABLE LAW.—Except as otherwise provided in this Act, the exchange of land and interests in land under this Act shall be in accordance with—

(1) section 206 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1716); and

(2) other applicable laws, including the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(f) ADDITIONAL TERMS AND CONDITIONS.—The Secretaries may require, in addition to any requirements under this Act, such terms and conditions relating to the exchange of Federal land and non-Federal land and the granting of easements under this Act as the Secretaries determine to be appropriate to protect the interests of the United States.

(g) COMPLETION OF THE EXCHANGE.—

(1) IN GENERAL.—The exchange of Federal land and non-Federal land shall be completed not later than 180 days after the later of—

(A) the date on which the requirements of the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.) have been met; or

(B) the date on which the Secretary of the Interior approves the appraisals under subsection (c)(2)(C).

(2) NOTICE.—The Secretaries shall submit to Committee on Energy and Natural Resources of Senate and the Committee on Resources of the House of Representatives notice of the completion of the exchange of Federal land and non-Federal land under this Act.

SEC. 4. ADMINISTRATION.

(a) IN GENERAL.—The Secretary of the Interior shall administer the non-Federal land acquired under this Act in accordance with the laws generally applicable to units of the National Park System, including the Act of August 25, 1916 (commonly known as the “National Park Service Organic Act”) (16 U.S.C. 1 et seq.).

(b) MAPS.—

(1) IN GENERAL.—The map shall be on file and available for public inspection in the appropriate offices of the Secretaries.

(2) TRANSMITTAL OF REVISED MAP TO CONGRESS.—Not later than 180 days after completion of the exchange, the Secretaries shall transmit to the Committee on Energy and Natural Resources of the United States and the Committee on Resources of the United States House of Representatives a revised map that depicts—

(A) the Federal land and non-Federal land exchanged under this Act; and

(B) the easement described in section 3(b).

Mr. DOMENICI. Mr. President, today, Senator BINGAMAN and I are introducing the “Pecos National Historical Park Land Exchange Act of 2004”. This bill will authorize a land exchange between the Federal Government and a

private landowner that will benefit the Pecos National Historical Park in my State of New Mexico.

I am pleased to be working on this legislation again with Senator BINGAMAN. This bill is nearly identical to a bill that we worked on and marked up in the Energy and Natural Resources Committee in the 106th Session of Congress.

The bill will enable the Park Service to acquire a private inholding within the Pecos National Historic Park’s boundaries in exchange for the transfer of a nearby tract of National Forest System land. The National Forest parcel has been identified as surplus and available for exchange in the Santa Fe National Forest Land and Resource Management Plan and is surrounded by private lands on three sides.

The Pecos National Historical Park is located between the Great Plains and the Rio Grande Valley and that has made it the focus of the region’s 10,000 years of human history. The park preserves the ruins of the great Pecos pueblo—a major trade center—and the ruins of two Spanish colonial missions dating from the 17th and 18th centuries.

The Glorieta Unit of the Park, where this exchange is located, protects key sites associated with the 1862 Civil War Battle of Glorieta Pass, a significant event that ended the Confederate attempt to expand the war into the west. This unit will directly benefit from the land exchange.

By Mr. SMITH (for himself, Mr. KOHL, and Mr. LUGAR):

S. 2623. A bill to amend section 402 of the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 to provide a 2-year extension of supplemental security income in fiscal years 2005 through 2007 for refugees, asylees, and certain other humanitarian immigrants; to the Committee on Finance.

Mr. SMITH. Mr. President, I am pleased to be joined today by my colleagues, Senators KOHL and LUGAR to introduce this important piece of legislation. Legislation that will ensure the United States government does not turn its back on political asylees or refugees who are the most vulnerable citizens seeking safety in this great country of ours.

As many of you may know, Congress as part of Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) modified the SSI program to include a seven-year time limit on the receipt of benefits for refugees and asylees. This policy was intended to balance the desire to have people who emigrate to the United States to become citizens, with an understanding that the naturalization process also takes time to complete. To allow adequate time for asylees and refugees to become naturalized citizens Congress provided the seven-year time limit before the expiration of SSI benefits.

Unfortunately, the naturalization process often takes longer than seven

years because applicants are required to live in the United States for a minimum of five years prior to applying for citizenship and the INS often takes three or more years to process the application. Because of this time delay, many individuals are trapped in the system faced with the loss of their SSI benefits.

If Congress does not act to change the law, reports show that over the next four years nearly 30,000 elderly and disabled refugees and asylees will lose their Supplemental Security Income (SSI) benefits because their seven-year time limit will expire before they become citizens. Many of these individuals are elderly who fled persecution or torture in their home countries. They include Jews fleeing religious persecution in the former Soviet Union, Iraqi Kurds fleeing the Saddam Hussein regime, Cubans and Hmong people from the highlands of Laos who served on the side of the United States military during the Vietnam War. They are elderly and unable to work, and have become reliant on their SSI benefits as their primary income. To penalize them because of delays encountered through the bureaucratic process seems unjust and inappropriate.

I would like to share the story of Yelena, a victim of religious persecution in the former Soviet Union who sought refuge in the United States seven years ago and is currently living in Portland, Oregon. At the age of 82, Yelena relies on SSI and other public benefits programs to buy food and pay her monthly bills. Yelena is now stuck in a multi-year backlog waiting for her green card, the first step toward citizenship. She was raised in a small village in the Soviet Union where she had little access to formal education and never learned English. She has struggled to grasp the language since arriving in the US and as a result, her seven-year anniversary arrived before she was able to naturalize. Yelena is now without her SSI benefits and still fighting to become a citizen. We must help Yelena and others like her.

The Administration in its fiscal year 2005 budget acknowledged the necessity to correct this problem by dedicating funding in its budget to extend refugee eligibility for SSI beyond the seven-year limit. While I am pleased that they have taken the first step in correcting this problem, I am concerned the policy does not go far enough. Data shows that most people will need at least an additional two years to navigate and complete the naturalization process. Therefore, my colleagues and I have introduced this bill, which will provide a two-year extension. We believe this will provide the time necessary to complete the process.

I hope my colleagues will join me in support of this bill, and I look forward to working with Chairman GRASSLEY and other members of the Finance Committee to secure these changes.

Mr. KOHL. Mr. President. In December, 2003, the U.S. government unexpectedly announced plans to resettle up to 15,000 Hmong refugees from Laos currently living in Thailand. These refugees will be reunited with some 200,000 Hmong family members who were resettled here in the years after the Vietnam War, some as recently as the 1990s. Many of these Hmong fought with the CIA in Laos during the Vietnam War, providing critical assistance to U.S. forces. After the fall of Saigon, thousands of Hmong fled Laos and its communist Pathet Lao government. The United States remains indebted to these courageous individuals and their families.

While we work with the Department of Health and Human Services to identify funds to help these new refugees resettle, it is extremely important that we act to help those refugees and asylees already living in the United States. In addition to the Hmong, America has served as a shelter for Jews and Baptists fleeing religious persecution in the former Soviet Union; and for Iraqis and Cubans escaping tyrannical dictatorships. Our policy toward refugees and asylees embodies the best of our country—compassion, opportunity, and freedom. I am proud of the example our policies set with respect to the treatment of those seeking refuge.

But I am disappointed in our decision to allow these people to enter the country and then deny them the means to live. Thousands of people who fled religious and political persecution to seek freedom in the U.S. will now be punished by a short-sighted policy. A provision in the 1996 welfare reform bill restricted the amount of time that elderly and disabled refugees and asylees could be eligible for Supplemental Security Income (SSI) benefits. These benefits serve as a basic monthly income for individuals who are 65 or older, disabled or blind. Over the next 4 years, it is estimated that 40,000 refugees and political asylees could lose these important benefits on which they often rely.

The 1996 welfare law included a 7-year time limit on SSI benefits for legal humanitarian immigrants. In order to avoid losing this important support, refugees and asylees must become citizens within the 7-year limit. Unfortunately, this has proved impossible for far too many. The process of becoming a citizen only truly begins after a refugee has resided in the U.S. for 5 years as a lawful permanent resident. And beyond that, there are many other barriers, such as language skills and processing and bureaucratic delays within the various agencies, which an immigrant must overcome before they become naturalized. Beginning in 2003, immigrants trapped in this process—too often the most vulnerable elderly and families—began to lose their SSI benefits with no hope of recourse.

This inherent flaw in the system has to be changed. That is why Senators

SMITH, LUGAR and I are introducing the SSI Extension for Disabled and Elderly Refugees Act. This legislation extends the amount of time that refugees and asylees have to become citizens to nine years. The legislation will retroactively restore benefits to many who have already lost them, and will protect those who are scheduled to lose benefits in the next two years.

I cannot stress how important this legislation is to many in the State of Wisconsin. Just last month, an article in the Green Bay Press-Gazette told of the difficulties facing 79-year-old Sia Xiong, a Hmong refugee who could lose benefits in the coming months. Like many elderly refugees, she doesn't know English, which poses a huge barrier in her application for citizenship. Despite the assistance that has been given to refugees like Xiong from agencies such as Lutheran Social Services or Kajsab House or the Neighborhood Law Project in Madison, the length of the naturalization process has proved overwhelming to too many refugees.

Congress must take action immediately to help people like Xiong, and her family. In addition to the Hmong population in Wisconsin, almost every State in the country is home to immigrants who will be affected by the limit. Our country has long been a symbol of freedom, equality and opportunity. Our laws should reflect that. Every day that goes by could result in the loss of a refugee's support system—I urge my colleagues to support this legislation and restore the principles we were put here to protect.

By Mr. LAUTENBERG (for himself, Mr. DURBIN, Mr. LEVIN, and Mr. REID):

S. 2624. A bill to require the United States Trade Representative to pursue a complaint of anti-competitive practices against certain oil exporting countries; to the Committee on Finance.

Mr. LAUTENBERG. Mr. President, today I am introducing legislation, with Senators DURBIN, LEVIN and REID, with Congressman DEFAZIO in the House, to bring fairness to the oil markets and do something to reverse the recent spikes in gas prices.

Our legislation will force the United States Trade Representative (USTR) to initiate World Trade Organization (WTO) proceedings against OPEC nations. Under WTO rules, countries are not permitted to maintain export quotas. But OPEC nations actually collude to set such quotas.

OPEC is an illegal cartel, plain and simple. We've allowed this cartel to operate for too long—it's time to put an end to it.

The American people are feeling the effects of the OPEC cartel every day at the gas pumps. Many families are already struggling with lost jobs, stagnant wages and the rising costs of health care. High gas prices have only made matters worse.

When President Bush took office, a gallon of gas cost \$1.47. Today, a gallon

of gas averages \$1.90. For someone who buys one tank of gas a week, that increase costs \$350 per year.

All this adds up. Oil imports now account for \$125 billion annually, or one-quarter of America's trade deficit. That money could be invested here at home to create American jobs, but instead we are being gouged by oil exporters.

While Americans suffer, President Bush has done nothing to bring down gas prices. He says he will talk to his Saudi friends in the oil business. But talk is cheap. The American people want action. This bill today is an opportunity for action.

I have also released a report today, explaining the basis for a WTO complaint against OPEC.

In some ways, the allegations are simple and straightforward: OPEC manipulates world oil markets by imposing export quotas on oil. These quotas keep the price of oil artificially high.

Without OPEC, market analysts have estimated that the free market price of a barrel of oil would be around 10 to 15 dollars lower than today's price. That would make a difference in gas prices of 20 to 45 cents per gallon, saving American families hundreds of dollars per year. There is no reason to continue to tolerate OPEC's anti-competitive behavior.

Collusion to put quotas on oil exports—or any exports—is illegal under WTO rules. For example, the WTO has found that a treaty between the United States and Japan limiting semiconductor exports violated WTO rules.

The Bush administration has been lax in dealing with OPEC. In my view, President Bush's ties to the Saudis and to big oil companies prevent him from sticking up for the American consumer.

Indeed, while the squeeze was being put on American consumers, oil companies and refineries reported record profits in the first quarter of this year for operations in the United States. Earnings for U.S. domestic refining and marketing operations increased by 294 percent for Chevron-Texaco, 165 percent for BP, 125 percent for ExxonMobil, and 44 percent for Conoco-Phillips over last year's levels.

So while OPEC and their oil company allies have seen a boom, American families have seen a bust. In fact, for those middle-income Americans who will see any benefit at all from the recent tax cuts, rising gas prices alone will eat up half of those cuts.

Since the Bush administration has failed to live up to its responsibilities, it's time for the Congress to stand up for the American people and force it to take action against OPEC.

I urge support of this common-sense legislation, and I ask unanimous consent that the text of the legislation be printed in the RECORD.

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

S. 2624

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. FINDINGS.

Congress makes the following findings:

(1) Gasoline prices have risen 80 percent since January, 2002, with oil recently trading at more than \$40 per barrel for the first time ever.

(2) Rising gasoline prices have placed an inordinate burden on American families.

(3) High gasoline prices have hindered and will continue to hinder economic recovery.

(4) The Organization of Petroleum Exporting Countries (OPEC) has formed a cartel and engaged in anti-competitive practices to manipulate the price of oil, keeping it artificially high.

(5) Six member nations of OPEC—Indonesia, Kuwait, Nigeria, Qatar, the United Arab Emirates and Venezuela—are also members of the World Trade Organization.

(6) The agreement among OPEC member nations to limit oil exports is an illegal prohibition or restriction on the exportation or sale for export of a product under Article XI of the GATT 1994.

(7) The export quotas and resulting high prices harm American families, undermine the American economy, impede American and foreign commerce, and are contrary to the national interests of the United States.

SEC. 2. ACTIONS TO CURB CERTAIN CARTEL ANTI-COMPETITIVE PRACTICES.**(a) DEFINITIONS.—**

(1) GATT 1994.—The term “GATT 1994” has the meaning given such term in section 2(1)(B) of the Uruguay Round Agreements Act (19 U.S.C. 3501(1)(B)).

(2) UNDERSTANDING ON RULES AND PROCEDURES GOVERNING THE SETTLEMENT OF DISPUTES.—The term “Understanding on Rules and Procedures Governing the Settlement of Disputes” means the agreement described in section 101(d)(16) of the Uruguay Round Agreements Act (19 U.S.C. 3511(d)(16)).

(3) WORLD TRADE ORGANIZATION.—

(A) IN GENERAL.—The term “World Trade Organization” means the organization established pursuant to the WTO Agreement.

(B) WTO AGREEMENT.—The term “WTO Agreement” means the Agreement Establishing The World Trade Organization entered into on April 15, 1994.

(b) ACTION BY PRESIDENT.—

(1) IN GENERAL.—Notwithstanding any other provision of law, the President shall, not later than 15 days after the date of enactment of this Act, initiate consultations with the countries described in paragraph (2) to seek the elimination by those countries of any action that—

(A) limits the production or distribution of oil, natural gas, or any other petroleum product,

(B) sets or maintains the price of oil, natural gas, or any petroleum product, or

(C) otherwise is an action in restraint of trade with respect to oil, natural gas, or any petroleum product, when such action constitutes an act, policy, or practice that is unjustifiable and burdens and restricts United States commerce.

(2) COUNTRIES DESCRIBED.—The countries described in this paragraph are the following:

(A) Indonesia.

(B) Kuwait.

(C) Nigeria.

(D) Qatar.

(E) The United Arab Emirates.

(F) Venezuela.

(c) INITIATION OF WTO DISPUTE PROCEEDINGS.—If the consultations described in subsection (b) are not successful with respect to any country described in subsection (b)(2),

the United States Trade Representative shall, not later than 60 days after the date of enactment of this Act, institute proceedings pursuant to the Understanding on Rules and Procedures Governing the Settlement of Disputes with respect to that country and shall take appropriate action with respect to that country under the trade remedy laws of the United States.

By Mr. SMITH (for himself and Mr. WYDEN):

S. 2625. A bill to establish a national demonstration project to improve intervention programs for the most disadvantaged children and youth, and for other purposes; to the Committee on the Judiciary.

Mr. SMITH. Mr. President, I rise today with my colleague, Mr. WYDEN, to introduce the “Friends of the Children National Demonstration Act” to authorize funding for Friends of the Children.

Friends of the Children is a promising early intervention program established in Portland, Oregon, in 1993. The program identifies the most disadvantaged children at the kindergarten or first grade level and matches those children with “professional mentors” (also known as “Friends”). Once matched, professional mentors work with children for a period of up to 12 years.

Started over a decade ago with just three Friends serving as mentors to 24 children, Friends of the Children has grown to serve over 600 children in 11 communities throughout the United States. The mission of Friends of the Children is to help our Nation’s most disadvantaged children to develop the relationships, goals, and skills necessary to break the cycles of poverty, abuse, and violence in order to become a contributing member of society.

Extensive research has shown that the single most important factor that fosters resiliency in children is having a long-term relationship with a caring, supportive adult. Friends of the Children is a unique program that provides just such a relationship for disadvantaged children.

In 1993, Friends of the Children welcomed T.R., a first grader, into the Portland program. At home, T.R. was routinely exposed to drug use, gang activity, and violence. Through the program, T.R. was matched with his mentor, Jerrell, to help maintain a support system in T.R.’s life. Jerrell tutors, counsels, advises and is a companion to T.R. whether it is discussing T.R.’s plans for the future or dealing with his family relationships. Without the help of someone like Jerrell, T.R. believes that he would probably have dropped out of school or joined a gang. Now, T.R. is giving back to his community by working for Self Enhancement, Inc., an organization that teaches leadership skills to middle school students. T.R. has overcome great adversity to mature into a responsible young adult. T.R. aspires to pursue a career in business and would like to run his own company one day.

Last week, T.R. became one of the first students to graduate from the Friends of the Children program. Along with his classmates, T.R. was identified by the program over a decade ago. He was part of a group of children identified as the most in danger of abuse, neglect, juvenile delinquency, gang and drug involvement, school failure, and teenage pregnancy. Today, these children have grown into young adults. They have positive values and show great potential to become healthy, productive members of their communities.

“The Friends of the Children National Demonstration Act” will establish a national demonstration project to promote learning about successful early and sustained childhood intervention programs. This bill would authorize funding for Friends of the Children activities and local program operations at existing sites including ongoing evaluation, and dissemination of findings for the benefit of policy makers and other youth programs.

I look forward to working with my colleagues to enact this bill and make a commitment to improving the lives of disadvantaged children and youth.

Mr. WYDEN. Mr. President, I am introducing today, along with my colleague, Senator SMITH, the “Friends of the Children National Demonstration Act” to authorize funding for Friends of the Children. The companion of this bill is being introduced in the House today by Congressman EARL BLUMENAUER.

This innovative program is truly a best practice in the field of youth development. Friends of the Children was started in Portland, OR, and was modeled on extensive research indicating that the strongest protective factor for highly disadvantaged children is an ongoing relationship with a supportive, caring adult. Today, Friends of the Children is the only program in the Nation that provides carefully screened full-time professional mentors to disadvantaged youth for 12 years starting in kindergarten or first grade. Friends of the Children’s first class of students is now graduating. These young people have outperformed their peer group of disadvantaged youth in every respect. They are in school, have passing grades, have not been incarcerated, do not abuse drugs or alcohol, and have not become involved in gang violence.

Let me share the story of one of these friends. In 1993, a first grader named Demarcus joined the Friends of the Children-Portland program in an attempt to overcome a family history of substance abuse and violence. His mother was raising three children as a single parent and she was overwhelmed. As a participant in the Friends of the Children program, Demarcus was matched with a “Friend,” Ruben, who has been his mentor for the past eight years. Ruben and Demarcus have developed a strong relationship through activities ranging from playing basketball to having serious conversations about life and preparing for the future. Ruben has helped

Demarcus develop anger management skills and maturity. While many of Demarcus's friends and family have been incarcerated or have been victims of gun violence, Demarcus is a success story. Now 17 years old, he is a responsible young man who makes good choices and knows that actions have consequences. When he graduates from high school, he hopes to work toward becoming a pilot, either by joining the military or attending college. Friends of the Children mentors have been major supporters of Demarcus and his goal to attain higher education. The mentors have helped him grow into the focused young adult he is today.

Last week in Portland, the first class of Friends of the Children, including Demarcus, graduated from the program. By all accounts these children have beaten the odds and are success stories. Twelve years ago these young people were identified by their elementary schools as most likely to fail. Today, they are soon-to-be high school graduates.

Currently, Friends of the Children serves over 600 children in 11 communities across the United States. "The Friends of the Children National Demonstration Act" will establish a national demonstration project to promote learning about successful early and sustained childhood interventions. This bill would authorize funding for Friends of the Children activities and local program operations at existing sites, ongoing evaluation, and dissemination of findings for the benefit of policy makers and other youth-serving programs.

I look forward to working with my colleagues to pass this bill and make a commitment to improving the lives of disadvantaged children and youth.

By Mr. AKAKA (for himself, Ms. COLLINS, Mr. GRASSLEY, Mr. LEVIN, Mr. LEAHY, Mr. DURBIN, Mr. FITZGERALD, Mr. PRYOR, Mr. VOINOVICH, Mr. JOHNSON, Mr. DAYTON, Mr. LIEBERMAN, and Mr. LAUTENBERG):

S. 2628. A bill to amend chapter 23 of title 5, United States Code, to clarify the disclosures of information protected from prohibited personnel practices, require a statement in nondisclosure policies, forms, and agreements that such policies, forms, and agreements conform with certain disclosure protections, provide certain authority for the Special Counsel, and for other purposes; to the Committee on Governmental Affairs.

Mr. AKAKA. Mr. President, today I rise to introduce the Federal Employee's Protection of Disclosures Act. Last year I introduced similar legislation, S. 1358, to amend employee safeguards for disclosing government waste, fraud, and abuse with the support of Senators GRASSLEY, LEVIN, LEAHY, DURBIN, DAYTON, PRYOR, JOHNSON, and LAUTENBERG.

Today, I am pleased that we can introduce a strong bipartisan version of this legislation with the additional

support of Senators COLLINS, LIEBERMAN, FITZGERALD, and VOINOVICH. Thanks to the work of the bill's cosponsors, we have developed legislation that strikes the right balance between the protection of Federal whistleblowers and our national security.

As my colleagues know, the events of September 11, 2001, have brought renewed attention to the security lapses at our Nation's airports, nuclear facilities, borders, and law enforcement agencies. However, in many cases, the current whistleblower system fails to protect those who would disclose information that could ensure the safety and welfare of the American people. As of May 2004, Federal whistleblowers have prevailed on the merits of their claims before the Federal Circuit Court of Appeals only once since 1994. This record sends the wrong message. How can we expect civil servants to protect and defend the United States when we permit agencies to retaliate against them for doing their job?

I know the Department of Justice (DOJ) has objected to previous legislation concerning this problem. This comes as no surprise as the Department has an institutional conflict of interest with restoring whistleblower rights as it is charged with defending agencies charged with retaliating against the whistleblower. Nonetheless, I have worked with my colleagues on the Governmental Affairs Committee to address some of the concerns raised by the Justice Department while still protecting federal employees.

One of the most significant changes in the bill relates to the protection of employees who find their security clearances stripped as a means of retaliation for blowing the whistle. Current law does not permit the whistleblower to have his or her case heard by an independent adjudicator when this type of retaliation occurs.

Under our bill, the whistleblower would be able to bring a case before the Merit Systems Protection Board (MSPB) on an expedited basis when the employing agency revokes, suspends, denies, or makes another determination in relation to an employee's security clearance or access to classified materials. However, the employing agency need only prove by a preponderance of the evidence that it would have taken the action against the employee irrespective of the whistleblower's disclosure. By lowering the burden of proof for the employing agency from clear and convincing, as is the standard with other whistleblower cases, to preponderance of the evidence, our legislation strikes a balance between having an open and transparent process for whistleblowers and the need to make security clearance or access determinations in the interests of national security.

The Department of Justice was also concerned with a provision in the prior bill, S. 1358, which granted independent litigating authority to the Special Counsel. In testimony before the Governmental Affairs Committee last No-

vember, the Department claimed that extending this authority to the Special Counsel would usurp DOJ's traditional unifying role as the Executive Branch's representative in court. The Department also claimed that the provision would undermine a number of important policy goals, including the presentation of uniform positions on significant legal issues and the objective litigation of cases by attorneys unaffected by concerns of a single agency that may be inimical to the interests of the Government as a whole.

However, many agencies have independent litigating authority, including the Equal Employment Opportunity Commission, the MSPB, the Environmental Protection Agency, and the Federal Labor Relations Authority. Moreover, interagency disputes are not unique. It is inappropriate for the Office of Special Counsel (OSC), the agency charged with protecting the Whistleblower Protection Act (WPA), to seek approval from DOJ, the agency charged with protecting agencies alleged to have retaliated against whistleblowers, in order to carry out its mission. Nonetheless, our bill would not provide the Special Counsel with independent litigating authority but rather provide it with independent authority to file amicus briefs with federal courts. This authority will allow the Special Counsel to protect the WPA while addressing concerns raised by the Justice Department.

In addition, our compromise measure would still provide protection to whistleblowers subject to retaliatory investigations, but not for routine or non-discretionary investigations of the employee and codify the definition of reasonable belief an employee must have in order to determine when an employee has made a protected disclosure. I am pleased that our new bill, among other things, retains language restoring congressional intent regarding the definition of a protected disclosure, codifying the anti-gag provision that has been in every appropriations law since 1988, and establishing a more reasonable test for determining government mismanagement instead of irreparable proof. According to the Federal Circuit, in order to determine that the federal government has engaged in gross mismanagement, the whistleblower must have irreparable proof, meaning proof impossible to refute.

The bill also retains language, subject to a five-year sunset, providing whistleblowers the opportunity to have their cases heard by federal courts other than the Federal Circuit Court of Appeals. These provisions are necessary to facilitate disclosures of government mismanagement in order for Congress to do its job and make informed decisions when carrying out its legislative, appropriation, and oversight functions for the protection the American people.

Our government is responsible for services and programs that touch all

Americans. The Federal employees who carry out these responsibilities on behalf of the American people must be able to communicate with Congress without fear of losing their jobs when reporting threats to public health and safety and government mismanagement. We must have a credible and functioning WPA. I urge my colleagues to support this bipartisan bill and ensure real protection for Federal whistleblowers.

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

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

S. 2628

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. PROTECTION OF CERTAIN DISCLOSURES OF INFORMATION BY FEDERAL EMPLOYEES.

(a) **SHORT TITLE.**—This Act may be cited as the “Federal Employee Protection of Disclosures Act”.

(b) **CLARIFICATION OF DISCLOSURES COVERED.**—Section 2302(b)(8) of title 5, United States Code, is amended—

(1) in subparagraph (A)—

(A) by striking “which the employee or applicant reasonably believes evidences” and inserting “, without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee’s duties, that the employee or applicant reasonably believes is evidence of”; and

(B) in clause (i), by striking “a violation” and inserting “any violation”;

(2) in subparagraph (B)—

(A) by striking “which the employee or applicant reasonably believes evidences” and inserting “, without restriction to time, place, form, motive, context, or prior disclosure made to any person by an employee or applicant, including a disclosure made in the ordinary course of an employee’s duties, of information that the employee or applicant reasonably believes is evidence of”; and

(B) in clause (i), by striking “a violation” and inserting “any violation (other than a violation of this section)”; and

(3) by adding at the end the following:

“(C) any disclosure that—

“(i) is made by an employee or applicant of information required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs that the employee or applicant reasonably believes is direct and specific evidence of—

“(I) any violation of any law, rule, or regulation;

“(II) gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety; or

“(III) a false statement to Congress on an issue of material fact; and

“(ii) is made to—

“(I) a member of a committee of Congress having a primary responsibility for oversight of a department, agency, or element of the Federal Government to which the disclosed information relates and who is authorized to receive information of the type disclosed;

“(II) any other Member of Congress who is authorized to receive information of the type disclosed; or

“(III) an employee of Congress who has the appropriate security clearance and is authorized to receive information of the type disclosed.”.

(c) **COVERED DISCLOSURES.**—Section 2302(a)(2) of title 5, United States Code, is amended—

(1) in subparagraph (B)(ii), by striking “and” at the end;

(2) in subparagraph (C)(iii), by striking the period at the end and inserting “; and”; and

(3) by adding at the end the following:

“(D) ‘disclosure’ means a formal or informal communication or transmission, but does not include a communication concerning policy decisions that lawfully exercise discretionary authority unless the employee providing the disclosure reasonably believes that the disclosure evidences—

“(i) any violation of any law, rule, or regulation; or

“(ii) gross management, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety.”.

(d) **REBUTTABLE PRESUMPTION.**—Section 2302(b) of title 5, United States Code, is amended by amending the matter following paragraph (12) to read as follows:

“This subsection shall not be construed to authorize the withholding of information from Congress or the taking of any personnel action against an employee who discloses information to Congress, except that an employee or applicant may be disciplined for the disclosure of information described in paragraph (8)(C)(i) to a Member or employee of Congress who is not authorized to receive such information. For purposes of paragraph (8), any presumption relating to the performance of a duty by an employee who has authority to take, direct others to take, recommend, or approve any personnel action may be rebutted by substantial evidence. For purposes of paragraph (8), a determination as to whether an employee or applicant reasonably believes that they have disclosed information that evidences any violation of law, rule, regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health or safety shall be made by determining whether a disinterested observer with knowledge of the essential facts known to and readily ascertainable by the employee would reasonably conclude that the actions of the Government evidence such violations, mismanagement, waste, abuse, or danger.”.

(e) **NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS; SECURITY CLEARANCES; AND RETALIATORY INVESTIGATIONS.**—

(1) **PERSONNEL ACTION.**—Section 2302(a)(2)(A) of title 5, United States Code, is amended—

(A) in clause (x), by striking “and” after the semicolon; and

(B) by redesignating clause (xi) as clause (xiv) and inserting after clause (x) the following:

“(xi) the implementation or enforcement of any nondisclosure policy, form, or agreement;

“(xii) a suspension, revocation, or other determination relating to a security clearance or any other access determination by a covered agency;

“(xiii) an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section; and”.

(2) **PROHIBITED PERSONNEL PRACTICE.**—Section 2302(b) of title 5, United States Code, is amended—

(A) in paragraph (11), by striking “or” at the end;

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

(C) by inserting after paragraph (12) the following:

“(13) implement or enforce any nondisclosure policy, form, or agreement, if such pol-

icy, form, or agreement does not contain the following statement:

“These provisions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse, or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosures that could compromise national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Control Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling.”; or

“(14) conduct, or cause to be conducted, an investigation, other than any ministerial or nondiscretionary fact finding activities necessary for the agency to perform its mission, of an employee or applicant for employment because of any activity protected under this section.”.

(3) **BOARD AND COURT REVIEW OF ACTIONS RELATING TO SECURITY CLEARANCES.**—

(A) **IN GENERAL.**—Chapter 77 of title 5, United States Code, is amended by inserting after section 7702 the following:

“§ 7702a. Actions relating to security clearances

“(a) In any appeal relating to the suspension, revocation, or other determination relating to a security clearance or access determination, the Merit Systems Protection Board or any reviewing court—

“(1) shall determine whether paragraph (8) or (9) of section 2302(b) was violated;

“(2) may not order the President or the designee of the President to restore a security clearance or otherwise reverse a determination of clearance status or reverse an access determination; and

“(3) subject to paragraph (2), may issue declaratory relief and any other appropriate relief.

“(b)(1) If, in any final judgment, the Board or court declares that any suspension, revocation, or other determination with regards to a security clearance or access determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall conduct a review of that suspension, revocation, access determination, or other determination, giving great weight to the Board or court judgment.

“(2) Not later than 30 days after any Board or court judgment declaring that a security clearance suspension, revocation, access determination, or other determination was made in violation of paragraph (8) or (9) of section 2302(b), the affected agency shall issue an unclassified report to the congressional committees of jurisdiction (with a classified annex if necessary), detailing the circumstances of the agency’s security clearance suspension, revocation, other determination, or access determination. A report under this paragraph shall include any proposed agency action with regards to the security clearance or access determination.

“(c) An allegation that a security clearance or access determination was revoked or suspended in retaliation for a protected disclosure shall receive expedited review by the

Office of Special Counsel, the Merit Systems Protection Board, and any reviewing court.

“(d) For purposes of this section, corrective action may not be ordered if the agency demonstrates by a preponderance of the evidence that it would have taken the same personnel action in the absence of such disclosure.”.

(B) TECHNICAL AND CONFORMING AMENDMENT.—The table of sections for chapter 77 of title 5, United States Code, is amended by inserting after the item relating to section 7702 the following:

“7702a. Actions relating to security clearances.”.

(f) EXCLUSION OF AGENCIES BY THE PRESIDENT.—Section 2302(a)(2)(C) of title 5, United States Code, is amended by striking clause (ii) and inserting the following:

“(ii)(I) the Federal Bureau of Investigation, the Central Intelligence Agency, the Defense Intelligence Agency, the National Imagery and Mapping Agency, the National Security Agency; and

“(II) as determined by the President, any executive agency or unit thereof the principal function of which is the conduct of foreign intelligence or counterintelligence activities, if the determination (as that determination relates to a personnel action) is made before that personnel action; or”.

(g) ATTORNEY FEES.—Section 1204(m)(1) of title 5, United States Code, is amended by striking “agency involved” and inserting “agency where the prevailing party is employed or has applied for employment”.

(h) DISCIPLINARY ACTION.—Section 1215(a)(3) of title 5, United States Code, is amended to read as follows:

“(3)(A) A final order of the Board may impose—

“(i) disciplinary action consisting of removal, reduction in grade, debarment from Federal employment for a period not to exceed 5 years, suspension, or reprimand;

“(ii) an assessment of a civil penalty not to exceed \$1,000; or

“(iii) any combination of disciplinary actions described under clause (i) and an assessment described under clause (ii).

“(B) In any case in which the Board finds that an employee has committed a prohibited personnel practice under paragraph (8) or (9) of section 2302(b), the Board shall impose disciplinary action if the Board finds that the activity protected under paragraph (8) or (9) of section 2302(b) was a significant motivating factor, even if other factors also motivated the decision, for the employee's decision to take, fail to take, or threaten to take or fail to take a personnel action, unless that employee demonstrates, by preponderance of evidence, that the employee would have taken, failed to take, or threatened to take or fail to take the same personnel action, in the absence of such protected activity.”.

(i) SPECIAL COUNSEL AMICUS CURIAE APPEARANCE.—Section 1212 of title 5, United States Code, is amended by adding at the end the following:

“(h)(1) The Special Counsel is authorized to appear as amicus curiae in any action brought in a court of the United States related to any civil action brought in connection with section 2302(b)(8) or (9), or subchapter III of chapter 73, or as otherwise authorized by law. In any such action, the Special Counsel is authorized to present the views of the Special Counsel with respect to compliance with section 2302(b) (8) or (9) or subchapter III of chapter 77 and the impact court decisions would have on the enforcement of such provisions of law.

“(2) A court of the United States shall grant the application of the Special Counsel to appear in any such action for the purposes described in subsection (a).”.

(j) JUDICIAL REVIEW.—

(1) IN GENERAL.—Section 7703(b)(1) of title 5, United States Code, is amended to read as follows:

“(b)(1)(A) Except as provided in subparagraph (B) and paragraph (2), a petition to review a final order or final decision of the Board shall be filed in the United States Court of Appeals for the Federal Circuit. Notwithstanding any other provision of law, any petition for review must be filed within 60 days after the date the petitioner received notice of the final order or decision of the Board.

“(B) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, a petition to review a final order or final decision of the Board in a case alleging a violation of paragraph (8) or (9) of section 2302(b) shall be filed in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2).”.

(2) REVIEW OBTAINED BY OFFICE OF PERSONNEL MANAGEMENT.—Section 7703(d) of title 5, United States Code, is amended to read as follows:

“(d)(1) Except as provided under paragraph (2), this paragraph shall apply to any review obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit if the Director determines, in his discretion, that the Board erred in interpreting a civil service law, rule, or regulation affecting personnel management and that the Board's decision will have a substantial impact on a civil service law, rule, regulation, or policy directive. If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the Court of Appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.

“(2) During the 5-year period beginning on the effective date of the Federal Employee Protection of Disclosures Act, this paragraph shall apply to any review relating to paragraph (8) or (9) of section 2302(b) obtained by the Director of the Office of Personnel Management. The Director of the Office of Personnel Management may obtain review of any final order or decision of the Board by filing, within 60 days after the date the Director received notice of the final order or decision of the Board, a petition for judicial review in the United States Court of Appeals for the Federal Circuit or any court of appeals of competent jurisdiction as provided under subsection (b)(2) if the Director determines, in his discretion, that the Board erred in interpreting paragraph (8) or (9) of section 2302(b). If the Director did not intervene in a matter before the Board, the Director may not petition for review of a Board decision under this section unless the Director first petitions the Board for a reconsideration of its decision, and such petition is denied. In addition to the named respondent, the Board and all other parties to the proceedings before the Board shall have the right to appear in the proceeding before the court of appeals. The granting of the petition for judicial review shall be at the discretion of the Court of Appeals.”.

(k) NONDISCLOSURE POLICIES, FORMS, AND AGREEMENTS.—

(1) IN GENERAL.—

(A) REQUIREMENT.—Each agreement in Standard Forms 312 and 4414 of the Government and any other nondisclosure policy, form, or agreement of the Government shall contain the following statement: “These restrictions are consistent with and do not supersede, conflict with, or otherwise alter the employee obligations, rights, or liabilities created by Executive Order No. 12958; section 7211 of title 5, United States Code (governing disclosures to Congress); section 1034 of title 10, United States Code (governing disclosure to Congress by members of the military); section 2302(b)(8) of title 5, United States Code (governing disclosures of illegality, waste, fraud, abuse or public health or safety threats); the Intelligence Identities Protection Act of 1982 (50 U.S.C. 421 et seq.) (governing disclosures that could expose confidential Government agents); and the statutes which protect against disclosure that may compromise the national security, including sections 641, 793, 794, 798, and 952 of title 18, United States Code, and section 4(b) of the Subversive Activities Act of 1950 (50 U.S.C. 783(b)). The definitions, requirements, obligations, rights, sanctions, and liabilities created by such Executive order and such statutory provisions are incorporated into this agreement and are controlling.”.

(B) ENFORCEABILITY.—Any nondisclosure policy, form, or agreement described under subparagraph (A) that does not contain the statement required under subparagraph (A) may not be implemented or enforced to the extent such policy, form, or agreement is inconsistent with that statement.

(2) PERSONS OTHER THAN GOVERNMENT EMPLOYEES.—Notwithstanding paragraph (1), a nondisclosure policy, form, or agreement that is to be executed by a person connected with the conduct of an intelligence or intelligence-related activity, other than an employee or officer of the United States Government, may contain provisions appropriate to the particular activity for which such document is to be used. Such form or agreement shall, at a minimum, require that the person will not disclose any classified information received in the course of such activity unless specifically authorized to do so by the United States Government. Such nondisclosure forms shall also make it clear that such forms do not bar disclosures to Congress or to an authorized official of an executive agency or the Department of Justice that are essential to reporting a substantial violation of law.

(1) CLARIFICATION OF WHISTLEBLOWER RIGHTS FOR CRITICAL INFRASTRUCTURE INFORMATION.—Section 214(c) of the Homeland Security Act of 2002 (Public Law 107-296) is amended by adding at the end the following: “For purposes of this section a permissible use of independently obtained information includes the disclosure of such information under section 2302(b)(8) of title 5, United States Code.”.

(m) ADVISING EMPLOYEES OF RIGHTS.—Section 2302(c) of title 5, United States Code, is amended by inserting “, including how to make a lawful disclosure of information that is specifically required by law or Executive order to be kept secret in the interest of national defense or the conduct of foreign affairs to the Special Counsel, the Inspector General of an agency, Congress, or other agency employee designated to receive such disclosures” after “chapter 12 of this title”.

(n) SCOPE OF DUE PROCESS.—

(1) SPECIAL COUNSEL.—Section 1214(b)(4)(B)(ii) of title 5, United States Code, is amended by inserting “, after a finding that a protected disclosure was a contributing factor,” after “ordered if”.

(2) INDIVIDUAL ACTION.—Section 1221(e)(2) of title 5, United States Code, is amended by inserting “, after a finding that a protected disclosure was a contributing factor,” after “ordered if”.

(o) EFFECTIVE DATE.—This Act shall take effect 30 days after the date of enactment of this Act.

By Ms. COLLINS (for herself and Mr. LIEBERMAN):

S. 2635. A bill to establish an intergovernmental grant program to identify and develop homeland security information, equipment, capabilities, technologies, and services to further the homeland security needs of Federal, State, and local governments; to the Committee on Governmental Affairs.

Ms. COLLINS. Mr. President, the United States and Israel share a strong and enduring friendship. We also share the threat of terrorist attacks against our citizens. Yet, while terrorism within our borders is relatively new to us, Israelis have confronted this danger for decades. Israel's long history of fighting terrorism has spurred Israeli businesses, researchers and academics to develop highly sophisticated homeland security technologies, particularly in the fields of border integrity, transportation security, and first responder equipment. As the United States pursues new approaches to protecting our Nation, it only makes sense to look to Israel's extensive expertise in this area.

This is why I am introducing legislation with Senator LIEBERMAN to establish a program to provide funds to eligible joint ventures between American firms and businesses in countries such as Israel that are already highly focused on the homeland security issue and have demonstrated the capacity for fruitful cooperation with America in the area of counterterrorism.

This program will act as a revolving fund to develop new homeland security technologies. As these technologies are deployed and become profitable, the businesses that developed them will be required to repay the program for the amount of the funds. This requirement, which has worked for similar existing programs, will help sustain the availability of funds for future funds.

The program will be managed by the Department of Homeland Security. It will dedicate \$25 million toward these joint ventures that develop, manufacture, sell, or otherwise provide products and services with applications related to homeland security.

This legislation will build upon a number of other highly successful public-private partnerships between businesses in the United States and those located in countries such as Israel. Since its founding in 1977, the Bi-National Industrial Research and Development Foundation (BIRD) has created numerous research and development partnerships between American and Israeli businesses. The BIRD Foundation has invested \$180 million in 600 projects during the past 27 years. Simi-

lar partnerships also exist in the development of agricultural, defense, telecommunications, and other technologies. This record demonstrates the potential of a similar binational foundation in the area of homeland security.

As recent international events have demonstrated, the fight against terrorism knows no borders. This legislation will enable our Nation to deploy the highest quality and most innovative tools to improve our homeland security. I ask you to join me in supporting this effort to enhance our Nation's fight against terrorism.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 401—DESIGNATING THE WEEK OF NOVEMBER 7 THROUGH NOVEMBER 13, 2004, AS “NATIONAL VETERANS AWARENESS WEEK” TO EMPHASIZE THE NEED TO DEVELOP EDUCATIONAL PROGRAMS REGARDING THE CONTRIBUTIONS OF VETERANS TO THE COUNTRY.

Mr. BIDEN (for himself, Mr. ALLEN, Mr. BOND, Mrs. BOXER, Mr. BREAUX, Mr. BUNNING, Mr. CAMPBELL, Ms. CANTWELL, Mr. CARPER, Mr. CHAFEE, Mr. CHAMBLISS, Mrs. CLINTON, Mr. COCHRAN, Mr. COLEMAN, Ms. COLLINS, Mr. CONRAD, Mr. CORNYN, Mr. CORZINE, Mr. DAYTON, Mrs. DOLE, Mr. DORGAN, Mr. DURBIN, Mr. FEINGOLD, Mrs. FEINSTEIN, Mr. GRAHAM of Florida, Mr. GRASSLEY, Mr. GREGG, Mr. HAGEL, Mr. HOLLINGS, Mr. INOUE, Mr. JOHNSON, Mr. KENNEDY, Ms. LANDRIEU, Mr. LEVIN, Mr. LIEBERMAN, Mrs. LINCOLN, Mr. LUGAR, Mr. MILLER, Ms. MURKOWSKI, Mrs. MURRAY, Mr. NELSON of Florida, Mr. ROCKEFELLER, Mr. SARBANES, Mr. SESSIONS, Ms. SNOWE, Mr. SPECTER, Mr. SUNUNU, Mr. TALENT, Mr. THOMAS, Mr. VOINOVICH, Mr. WARNER, Mr. WYDEN, and Mr. SMITH) submitted the following resolution; which was referred to the Committee on the Judiciary.

S. RES. 401

Whereas tens of millions of Americans have served in the Armed Forces of the United States during the past century;

Whereas hundreds of thousands of Americans have given their lives while serving in the Armed Forces during the past century;

Whereas the contributions and sacrifices of the men and women who served in the Armed Forces have been vital in maintaining the freedoms and way of life enjoyed by the people of the United States;

Whereas the advent of the all-volunteer Armed Forces has resulted in a sharp decline in the number of individuals and families who have had any personal connection with the Armed Forces;

Whereas this reduction in familiarity with the Armed Forces has resulted in a marked decrease in the awareness by young people of the nature and importance of the accomplishments of those who have served in the Armed Forces, despite the current educational efforts of the Department of Veterans Affairs and the veterans service organizations;

Whereas the system of civilian control of the Armed Forces makes it essential that

the future leaders of the Nation understand the history of military action and the contributions and sacrifices of those who conduct such actions; and

Whereas, on November 10, 2003, President George W. Bush issued a proclamation urging all the people of the United States to observe November 9 through November 15, 2003, as “National Veterans Awareness Week”:

Now, therefore, be it

Resolved,

SECTION 1. NATIONAL VETERANS AWARENESS WEEK.

(a) SENSE OF THE SENATE.—It is the sense of the Senate that the President should designate the week of November 7 through November 13, 2004, as “National Veterans Awareness Week”.

(b) PROCLAMATION.—The Senate requests the President to issue a proclamation—

(1) designating the week of November 7 through November 13, 2004, as “National Veterans Awareness Week” for the purpose of emphasizing educational efforts directed at elementary and secondary school students concerning the contributions and sacrifices of veterans; and

(2) calling on the people of the United States to observe National Veterans Awareness Week with appropriate educational activities.

SENATE CONCURRENT RESOLUTION 121—SUPPORTING THE GOALS AND IDEALS OF THE WORLD YEAR OF PHYSICS

Mr. BINGAMAN (for himself and Mr. DOMENICI) submitted the following concurrent resolution; which was referred to the Committee on Energy and Natural Resources:

S. CON. RES. 121

Whereas throughout history, physics has contributed to knowledge, civilization, and culture around the world;

Whereas physics research has been and continues to be a driving force for scientific, technological, and economic development;

Whereas many emerging fields in science and technology, such as nanoscience, information technology, and biotechnology, are substantially based on, and derive many tools from, fundamental discoveries in physics and physics applications;

Whereas physics will continue to play a vital role in addressing many 21st-century challenges relating to sustainable development, including environmental conservation, clean sources of energy, public health, and security;

Whereas Albert Einstein is a widely recognized scientific figure who contributed enormously to the development of physics, beginning in 1905 with Einstein's groundbreaking papers on the photoelectric effect, the size of molecules, Brownian motion, and the theory of relativity that led to Einstein's most famous equation, $E = mc^2$;

Whereas 2005 will be the 100th anniversary of the publication of those groundbreaking papers;

Whereas the General Assembly of the International Union of Pure and Applied Physics unanimously approved the proposition designating 2005 as the World Year of Physics; and

Whereas the Department of Energy is the leading source of Federal support for academic physics research, accounting for a majority of Federal funding for physics: Now, therefore, be it

Resolved by the Senate (the House of Representatives concurring), That Congress—

(1) supports the goals and ideals of the World Year of Physics, as designated by the

General Assembly of the International Union of Pure and Applied Physics;

(2) encourages the people of the United States to observe the World Year of Physics as a special occasion for giving impetus to—

(A) education and research in physics; and

(B) the public's understanding of physics;

(3) calls on the Secretary of Energy to lead and coordinate Federal activities to commemorate the World Year of Physics;

(4) encourages the Secretary, all science-related organizations, the private sector, and the media to highlight and give enhanced recognition to—

(A) the role of physics in social, cultural, and economic development; and

(B) the positive impact and contributions of physics to society; and

(5) encourages the Secretary and all people involved in physics education and research to take additional steps (including strengthening existing and emerging fields of physics research and promoting the understanding of physics) to ensure that—

(A) support for physics continues; and

(B) physics studies at all levels continue to attract an adequate number of students.

AMENDMENTS SUBMITTED AND PROPOSED

SA 3555. Mrs. BOXER (for herself, Mr. KENNEDY, Mr. BYRD, Ms. MIKULSKI, Mrs. CLINTON, Mr. LIEBERMAN, Mr. LEVIN, Mr. FEINGOLD, Mr. CORZINE, Mr. SCHUMER, Mr. LEAHY, and Mr. WYDEN) submitted an amendment intended to be proposed by her to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table.

SA 3556. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

SA 3557. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

SA 3558. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

SA 3559. Mr. ENSIGN (for himself, Mr. SUNUNU, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

SA 3560. Mr. KENNEDY (for himself, Mr. CORZINE, Ms. MIKULSKI, Ms. CANTWELL, Mrs. MURRAY, and Mr. AKAKA) submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

SA 3561. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2062, supra; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 3555. Mrs. BOXER (for herself, Mr. KENNEDY, Mr. BYRD, Ms. MIKULSKI, Mrs. CLINTON, Mr. LIEBERMAN, Mr. LEVIN, Mr. FEINGOLD, Mr. CORZINE, Mr. SCHUMER, Mr. LEAHY, and Mr. WYDEN) submitted an amendment intended to be proposed by her to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ____ FAIR MINIMUM WAGE.

(a) **SHORT TITLE.**—This section may be cited as the “Fair Minimum Wage Act of 2004”.

(b) **INCREASE IN THE MINIMUM WAGE.**—

(1) **IN GENERAL.**—Section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) is amended to read as follows:

“(1) except as otherwise provided in this section, not less than—

“(A) \$5.85 an hour, beginning on the 60th day after the date of enactment of the Fair Minimum Wage Act of 2004;

“(B) \$6.45 an hour, beginning 12 months after that 60th day; and

“(C) \$7.00 an hour, beginning 24 months after that 60th day;”.

(2) **EFFECTIVE DATE.**—The amendment made by paragraph (1) shall take effect 60 days after the date of enactment of this Act.

(c) **APPLICABILITY OF MINIMUM WAGE TO THE COMMONWEALTH OF THE NORTHERN MARIANA ISLANDS.**—

(1) **IN GENERAL.**—Section 6 of the Fair Labor Standards Act of 1938 (29 U.S.C. 206) shall apply to the Commonwealth of the Northern Mariana Islands.

(2) **TRANSITION.**—Notwithstanding paragraph (1), the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under section 6(a)(1) of the Fair Labor Standards Act of 1938 (29 U.S.C. 206(a)(1)) shall be—

(A) \$3.55 an hour, beginning on the 60th day after the date of enactment of this Act; and

(B) increased by \$0.50 an hour (or such lesser amount as may be necessary to equal the minimum wage under section 6(a)(1) of such Act), beginning 6 months after the date of enactment of this Act and every 6 months thereafter until the minimum wage applicable to the Commonwealth of the Northern Mariana Islands under this subsection is equal to the minimum wage set forth in such section.

SA 3556. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

On page 21, lines 1 and 2, after “defendant” insert “or by the court sua sponte”.

On page 21, line 9, strike “solely”.

SA 3557. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

On page 18, line 7, strike “or”.

On page 18, line 8, insert “over a class action in which” after “(B)”.

On page 18, line 11, strike the period and insert “; or”.

On page 18, between lines 11 and 12, insert the following:

“(C) except for a class action in which any member of a proposed plaintiff class is a citizen of a State different from any defendant, over a class action in which—

“(i) the alleged harm that resulted in injuries to the person or risk to the person's life occurred in the State in which the action is filed;

“(ii) the products, goods, or services responsible for causing the injuries to the person or risk to the person's life were sold, marketed, distributed, purchased, or obtained in the State in which the action is filed;

“(iii) the time the alleged harm occurred, all the plaintiff class members were citizens of the State in which the action is filed;

“(iv) the time the alleged harm occurred, the defendant was registered to do business in the State in which the action is filed; and

“(v) the claims asserted allege violations of State law.

SA 3558. Mr. DURBIN submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

On page 26, strike line 21 and insert the following:

SEC. 9. EXCLUDED ACTIONS.

(a) **IN GENERAL.**—This Act, and the amendments made by this Act, shall not apply to any civil action relating to a tobacco product.

(b) **DEFINED TERM.**—As used in this section, the term “tobacco product” means—

(1) a cigarette, as defined in section 3 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1332);

(2) a little cigar, as defined in section 3 of the Federal Cigarette Labeling and Advertising Act (15 U.S.C. 1332);

(3) a cigar, as defined in section 5702(a) of the Internal Revenue Code of 1986;

(4) pipe tobacco;

(5) loose rolling tobacco and papers used to contain that tobacco;

(6) a product referred to as smokeless tobacco, as defined in section 9 of the Comprehensive Smokeless Tobacco Health Education Act of 1986 (15 U.S.C. 4408); and

(7) any other form of tobacco intended for human consumption.

SEC. 10. EFFECTIVE DATE.

SA 3559. Mr. ENSIGN (for himself, Mr. SUNUNU, and Mr. ALLEN) submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

On page 26, line 23, strike “commenced” and insert “in which the entry of a class certification order (as defined in section 1332(d)(1)(C) of title 28, United States Code) occurs”.

SA 3560. Mr. KENNEDY (for himself, Mr. CORZINE, Ms. MIKULSKI, Ms. CANTWELL, Mrs. MURRAY, and Mr. AKAKA) submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

On page 15, strike lines 3 through 7, and insert the following:

“(B) the term ‘class action’—

“(i) means any civil action filed under rule 23 of the Federal Rules of Civil Procedure or

similar State statute or rule of judicial procedure authorizing an action to be brought by 1 or more representative persons as a class action; and

“(ii) does not include—

“(I) any class action brought under a State civil rights law prohibiting discrimination on the basis of race, color, religion, sex, national origin, age, disability, or other classification specified in that law; or

“(II) any class action or collective action brought to obtain relief under State law for failure to pay the minimum wage, overtime pay, or wages for all time worked, failure to provide rest or meal breaks, or unlawful use of child labor;”

SA 3561. Mr. ENZI submitted an amendment intended to be proposed by him to the bill S. 2062, to amend the procedures that apply to consideration of interstate class actions to assure fairer outcomes for class members and defendants, and for other purposes; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

DIVISION —WORKFORCE REINVESTMENT AND ADULT EDUCATION

SEC. 1. SHORT TITLE.

This division may be cited as the “Workforce Reinvestment and Adult Education Act of 2003”.

SEC. 2. TABLE OF CONTENTS.

The table of contents for this division is as follows:

- Sec. 1. Short title.
- Sec. 2. Table of contents.
- Sec. 3. References.

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998

- Sec. 101. Definitions.
- Sec. 102. Purpose.
- Sec. 103. State workforce investment boards.
- Sec. 104. State plan.
- Sec. 105. Local workforce investment areas.
- Sec. 106. Local workforce investment boards.
- Sec. 107. Local plan.
- Sec. 108. Establishment of one-stop delivery systems.
- Sec. 109. Eligible providers of training services.
- Sec. 110. Eligible providers of youth activities.
- Sec. 111. Youth activities.
- Sec. 112. Comprehensive program for adults.
- Sec. 113. Performance accountability system.
- Sec. 114. Authorization of appropriations.
- Sec. 115. Job Corps.
- Sec. 116. Native American programs.
- Sec. 117. Youth challenge grants.
- Sec. 118. Technical assistance.
- Sec. 119. Demonstration, pilot, multiservice, research and multistate projects.
- Sec. 120. Evaluations.
- Sec. 121. Authorization of appropriations for national activities.
- Sec. 122. Requirements and restrictions.
- Sec. 123. Nondiscrimination.
- Sec. 124. Administrative provisions.
- Sec. 125. General program requirements.

TITLE II—ADULT EDUCATION

PART A—ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION

- Sec. 201. Table of contents.
- Sec. 202. Amendment.

PART B—NATIONAL INSTITUTE FOR LITERACY

- Sec. 211. Short title; purpose.
- Sec. 212. Establishment.

- Sec. 213. Administration.
- Sec. 214. Duties.
- Sec. 215. Leadership in scientifically based reading instruction.
- Sec. 216. National Institute for Literacy Advisory Board.
- Sec. 217. Gifts, bequests, and devises.
- Sec. 218. Mails.
- Sec. 219. Applicability of certain civil service laws.
- Sec. 220. Experts and consultants.
- Sec. 221. Report.
- Sec. 222. Definitions.
- Sec. 223. Authorization of appropriations.
- Sec. 224. Reservation.
- Sec. 225. Authority to publish.

PART C—GENERAL PROVISIONS

- Sec. 241. Transition.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

- Sec. 301. Amendments to the Wagner-Peyser Act.

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

- Sec. 401. Chairperson.
- Sec. 402. Rehabilitation Services Administration.
- Sec. 403. Director.
- Sec. 404. State goals.
- Sec. 405. Authorizations of appropriations.
- Sec. 406. Helen Keller National Center Act.

TITLE V—TRANSITION AND EFFECTIVE DATE

- Sec. 501. Transition provisions.
- Sec. 502. Effective date.

SEC. 3. REFERENCES.

Except as otherwise expressly provided, wherever in this division an amendment or repeal is expressed in terms of an amendment to, or repeal of, a section or other provision, the amendment or repeal shall be considered to be made to a section or other provision of the Workforce Investment Act of 1998 (20 U.S.C. 9201 et seq.).

TITLE I—AMENDMENTS TO TITLE I OF THE WORKFORCE INVESTMENT ACT OF 1998

SEC. 101. DEFINITIONS.

Section 101 (29 U.S.C. 2801) is amended—

(1) in paragraph (8)(C), by striking “not less than 50 percent of the cost of the training” and inserting “a significant portion of the cost of training, as determined by the local board”;

(2) by striking paragraph (13) and redesignating paragraphs (1) through (12) as paragraphs (2) through (13) respectively;

(3) by inserting the following new paragraph after “In this title:”:

“(1) **ACCRUED EXPENDITURES.**—The term ‘accrued expenditures’ includes the sum of actual cash disbursements for direct charges for goods and services, the net increase or decrease in the amounts owed by recipients, goods and other property received for services performed by employees, contractors, subgrantees, or other payees, and other amounts becoming owned for which no current service or performance is required.”;

(4) by striking paragraph (24) and redesignating paragraphs (25) through (32) as paragraphs (24) through (31), respectively;

(5) in paragraph (24) (as so redesignated)—

(A) in subparagraph (B), by striking “higher of—” and all that follows through such subparagraph and inserting “poverty line for an equivalent period;”;

(B) by redesignating subparagraphs (D) through (F) as subparagraph (E) through (G), respectively, and inserting after subparagraph (C) the following:

“(D) receives or is eligible to receive free or reduced price lunch;”;

(6) by striking paragraph (33) and redesignating paragraphs (34) through (53) as paragraphs (32) through (51), respectively.

SEC. 102. PURPOSE.

Section 106 (29 U.S.C. 2811) is amended by inserting at the end the following: “It is also the purpose of this subtitle to provide workforce investment activities in a manner that promotes the informed choice of participants and actively involves participants in decisions affecting their participation in such activities.”.

SEC. 103. STATE WORKFORCE INVESTMENT BOARDS.

(a) **MEMBERSHIP.**—

(1) **IN GENERAL.**—Section 111(b) (29 U.S.C. 2821(b)) is amended—

(A) by amending paragraph (1)(C) to read as follows:

“(C) representatives appointed by the Governor, who are—

“(i)(I) the lead State agency officials with responsibility for the programs and activities that are described in section 121(b) and carried out by one-stop partners;

“(II) in any case in which no lead State agency official has responsibility for such a program or activity, a representative in the State with expertise relating to such program or activity; and

“(III) if not included under subclause (I), the director of the State unit, defined in section 7(8)(B) of the Rehabilitation Act of 1973 (29 U.S.C. 705(8)(B)) except that in a State that has established 2 or more designated State units to administer the vocational rehabilitation program, the board representative shall be the director of the designated State unit that serves the most individuals with disabilities in the State;

“(ii) the State agency officials responsible for economic development;

“(iii) representatives of business in the State who—

“(I) are owners of businesses, chief executive or operating officers of businesses, and other business executives or employers with optimum policy making or hiring authority, including members of local boards described in section 117(b)(2)(A)(i);

“(II) represent businesses with employment opportunities that reflect employment opportunities in the State; and

“(III) are appointed from among individuals nominated by State business organizations and business trade associations;

“(iv) chief elected officials (representing both cities and counties, where appropriate);

“(v) representatives of labor organizations, who have been nominated by State labor federations; and

“(vi) such other representatives and State agency officials as the Governor may designate.”; and

(B) in paragraph (3), by striking “paragraph (1)(C)(i)” and inserting “paragraph (1)(C)(iii)”.

(2) **CONFORMING AMENDMENT.**—Section 111(c) (29 U.S.C. 2811(c)) is amended by striking “subsection (b)(1)(C)(i)” and inserting “subsection (b)(1)(C)(iii)”.

(b) **FUNCTIONS.**—Section 111(d) (29 U.S.C. 2811(d)) is amended—

(1) by amending paragraph (3) to read as follows:

“(3) development and review of statewide policies affecting the integrated provision of services through the one-stop delivery system described in section 121, including—

“(A) the development of criteria for, and the issuance of, certifications of one-stop centers;

“(B) the criteria for the allocation of one-stop center infrastructure funding under section 121(h), and oversight of the use of such funds;

“(C) approaches to facilitating equitable and efficient cost allocation in one-stop delivery systems; and

“(D) such other matters that may promote statewide objectives for, and enhance the

performance of, one-stop delivery systems within the State";

(2) in paragraph (4), by inserting "and the development of State criteria relating to the appointment and certification of local boards under section 117" after "section 116";

(3) in paragraph (5), by striking "sections 128(b)(3)(B) and 133(b)(3)(B)" and inserting "sections 128(b)(3) and 133(b)(3)"; and

(4) in paragraph (9), by striking "section 503" and inserting "section 136(i)".

(c) **ELIMINATION OF ALTERNATIVE ENTITY AND PROVISION OF AUTHORITY TO HIRE STAFF.**—Section 111(e) (29 U.S.C. 2821(e)) is amended to read as follows:

"(e) **AUTHORITY TO HIRE STAFF.**—The State board may hire staff to assist in carrying out the functions described in subsection (d)."

SEC. 104. STATE PLAN.

(a) **PLANNING CYCLE.**—Section 112(a) (29 U.S.C. 2822(a)) is amended by striking "5-year strategy" and inserting "2-year strategy".

(b) **CONTENTS.**—Section 112(b)(17)(A) (29 U.S.C. 2822(b)(17)(A)) is amended—

(1) in clause (iii) by striking "and";

(2) by amending clause (iv) to read as follows:

"(iv) how the State will serve the employment and training needs of dislocated workers (including displaced homemakers and formerly self-employed and transitioning farmers, ranchers, and fisherman) low income individuals (including recipients of public assistance), homeless individuals, ex-offenders, individuals training for nontraditional employment, and other individuals with multiple barriers to employment (including older individuals)"; and

(3) by adding the following new clause after clause (iv):

"(v) how the State will serve the employment and training needs of individuals with disabilities, consistent with section 188 and Executive Order 13217 (relating to community-based alternatives for individuals with disabilities) including the provision of outreach, intake, assessments, and service delivery, the development of performance measures, and the training of staff; and"

(c) **MODIFICATION TO PLAN.**—Section 112(d) (29 U.S.C. 2822(d)) is amended by striking "5-year period" and inserting "2-year period".

SEC. 105. LOCAL WORKFORCE INVESTMENT AREAS.

(a) **DESIGNATION OF AREAS.**—

(1) **CONSIDERATIONS.**—Section 116(a)(1)(B) (29 U.S.C. 2831(a)(1)(B)) is amended by adding at the end the following clause:

"(vi) The extent to which such local areas will promote efficiency in the administration and provision of services."

(2) **AUTOMATIC DESIGNATION.**—Section 116(a)(2) (29 U.S.C. 2831(a)(2)) is amended to read as follows:

"(2) **AUTOMATIC DESIGNATION.**—

"(A) **IN GENERAL.**—Except as provided in subparagraph (B) of this paragraph and subsection (b), the Governor shall approve a request for designation as a local area from—

"(i) any unit of general local government with a population of 500,000 or more; and

"(ii) an area served by a rural concentrated employment program grant recipient that served as a service delivery area or substate area under the Job training Partnership Act (29 U.S.C. 1501 et seq.).

for the 2-year period covered by a State plan under section 112 if such request is made not later than the date of the submission of the State plan.

"(B) **CONTINUED DESIGNATION BASED ON PERFORMANCE.**—The Governor may deny a request for designation submitted pursuant to subparagraph (A) if such unit of government was designated as a local area for the preceding 2-year period covered by a State plan

and the Governor determines that such local area did not perform successfully during such period."

(b) **REGIONAL PLANNING.**—Section 116(c)(1) (29 U.S.C. 2831(c)(1)) is amended by adding at the end the following: "The State may require the local boards for the designated region to prepare a single regional plan that incorporates the elements of the local plan under section 118 and that is submitted and approved in lieu of separate local plans under such section."

SEC. 106. LOCAL WORKFORCE INVESTMENT BOARDS.

(a) **COMPOSITION.**—Section 117(b)(2)(A) (29 U.S.C. 2832(b)(2)(A)) is amended—

(1) in clause (i)(II), by inserting "businesses that are in the leading industries in the local area, and large and small businesses in the local area" after "local area";

(2) by amending clause (ii) to read as follows:

"(ii) superintendents of the local secondary school systems, administrators of entities providing adult education and literacy activities, and the presidents or chief executive officers of postsecondary educational institutions (including community colleges, where such entities exist);"

(3) in clause (iv), by striking the semicolon and inserting "and faith-based organizations; and"; and

(4) by striking clause (vi).

(b) **AUTHORITY OF BOARD MEMBERS.**—Section 117(b)(3) (29 U.S.C. 2832(b)) is amended—

(1) in the heading, by inserting "AND REPRESENTATION" after "MEMBERS"; and

(2) by adding at the end the following: "The members of the board shall represent diverse geographic sections within the local area."

(c) **FUNCTIONS.**—Section 117(d) (29 U.S.C. 2832(d)) is amended—

(1) in paragraph (2)(B), by striking "local area" and all that follows and inserting "local area."; and

(2) in paragraph (4) by inserting "and ensure the appropriate use and management of the funds provided under this title for such programs, activities, and system" after "area".

(d) **AUTHORITY TO ESTABLISH COUNCILS AND ELIMINATION OF REQUIREMENT FOR YOUTH COUNCILS.**—Section 117(h) (29 U.S.C. 2832(h)) is amended to read as follows:

"(h) **ESTABLISHMENT OF COUNCILS.**—The local board may establish councils to provide information and advice to assist the local board in carrying out activities under this title. Such councils may include a council composed of one-stop partners to advise the local board on the operation of the one-stop delivery system, a youth council composed of experts and stakeholders in youth programs to advise the local board on activities for youth, and such other councils as the local board determines are appropriate."

(e) **REPEAL OF ALTERNATIVE ENTITY PROVISION.**—Section 117 (29 U.S.C. 2832) is further amended by striking subsection (i).

SEC. 107. LOCAL PLAN.

(a) **PLANNING CYCLE.**—Section 118(a) (29 U.S.C. 2833(a)) is amended by striking "5-year" and inserting "2-year".

(b) **CONTENTS.**—Section 118(b) (29 U.S.C. 2833(b)) is amended—

(1) by amending paragraph (2) to read as follows:

"(2) a description of the one-stop delivery system to be established or designated in the local area, including a description of how the local board will ensure the continuous improvement of eligible providers of services through the system and ensure that such providers meets the employment needs of local employers and participants."; and

(2) in paragraph (4), by striking "and dislocated worker".

SEC. 108. ESTABLISHMENT OF ONE-STOP DELIVERY SYSTEMS.

(a) **ONE-STOP PARTNERS.**—

(1) **REQUIRED PARTNERS.**—Section 121(b)(1) (29 U.S.C. 2841(b)(1)) is amended—

(A) in subparagraph (B)—

(i) by striking clauses (ii) and (v)

(ii) by redesignating clauses (iii) and (iv) as clauses (ii) and (iii), respectively, and by redesignating clauses (vi) through (xii) as clauses (iv) through (x), respectively;

(iii) in clause (ix) (as so redesignated), by striking "and";

(iv) in clause (x) (as so redesignated), by striking the period and inserting "and"; and

(v) by inserting after clause (x) (as so redesignated) the following:

"(xi) programs authorized under part A of title IV of the Social Security Act (42 U.S.C. 601 et. seq.), subject to subparagraph (C)."; and

(B) by adding after subparagraph (B) the following:

"(C) **DETERMINATION BY THE GOVERNOR.**—The program referred to in clauses (xi) of subparagraph (B) shall be included as a required partner for purposes of this title in a State unless the Governor of the State notifies the Secretary and the Secretary of Health and Human Services in writing of a determination by the Governor not to include such programs as required partners for purposes of this title in the State."

(2) **ADDITIONAL PARTNERS.**—Section 121(b)(2)(B) (29 U.S.C. 2841(b)(2)(B)) is amended—

(A) by striking clause (i) and redesignating clauses (ii) through (v) as clauses (i) through (iv) respectively;

(B) in clause (iii) (as so redesignated) by striking "and" at the end;

(C) in clause (iv) (as so redesignated) by striking the period and inserting a semicolon; and

(D) by adding at the end the following new clauses:

"(v) employment and training programs administered by the Social Security Administration, including the Ticket to Work program (established by Public Law 106-170);

"(vi) programs under part D of title IV of the Social Security Act (42 U.S.C. 451 et seq.) (relating to child support enforcement); and

"(vii) programs carried out in the local area for individuals with disabilities, including programs carried out by State agencies relating to mental health, mental retardation, and developmental disabilities, State Medicaid agencies, State Independent Living Councils, and Independent Living Centers."

(b) **PROVISION OF SERVICES.**—Subtitle B of title I is amended—

(1) by striking subsection (e) of section 121;

(2) by moving subsection (c) of section 134 from section 134, redesignating such subsection as subsection (e), and inserting such subsection (as so redesignated) after subsection (d) of section 121; and

(3) by amending subsection (e) (as moved and redesignated by paragraph (2))—

(A) in paragraph (1)(A), by striking "subsection (d)(2)" and inserting "section 134(c)(2)";

(B) in paragraph (1)(B)—

(i) by striking "subsection (d)" and inserting "section 134(c)"; and

(ii) by striking "subsection (d)(4)(G)" and inserting "section 134(c)(4)(G)";

(C) in paragraph (1)(C), by striking "subsection (e)" and inserting "section 134(d)";

(D) in paragraph (1)(D)—

(i) by striking "section 121(b)" and inserting "subsection (b)"; and

(ii) by striking "and" at the end; and

(E) by amending paragraph (1)(E) to read as follows:

“(E) shall provide access to the information described in section 15(e) of the Wagner-Peyser Act (29 U.S.C. 491-2(e)).”.

(c) **CERTIFICATION AND FUNDING OF ONE-STOP CENTERS.**—Section 121 (as amended by subsection (b)) is further amended by adding at the end the following new subsections:

“(g) **CERTIFICATION OF ONE-STOP CENTERS.**—

“(1) **IN GENERAL.**—The State board shall establish procedures and criteria for periodically certifying one-stop center for the purpose of awarding the one-stop infrastructure funding described in subsection (h).

“(2) **CRITERIA.**—The criteria for certification under this subsection shall include minimum standards relating to the scope and degree of service integration achieved by the centers involving the programs provided by the one-stop partners, and how the centers ensure that such providers meet the employment needs of local employers and participants.

“(3) **EFFECT OF CERTIFICATION.**—One-stop centers certified under this subsection shall be eligible to receive the infrastructure grants authorized under subsection (h).

“(h) **ONE-STOP INFRASTRUCTURE FUNDING.**—

“(1) **PARTNER CONTRIBUTIONS.**—

“(A) **PROVISION OF FUNDS.**—Notwithstanding any other provision of law, as determined under subparagraph (B), a portion of the Federal funds provided to the State and areas within the State under the Federal laws authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating additional partner programs described in (b)(2)(B) for a fiscal year shall be provided to the Governor by such programs to carry out this subsection.

“(B) **DETERMINATION OF GOVERNOR.**—Subject to subparagraph (C), the Governor, in consultation with the State board, shall determine the portion of funds to be provided under subparagraph (A) by each one-stop partner and in making such determination shall consider the proportionate use of the one-stop centers by each partner, the costs of administration for purposes not related to one-stop centers for each partner, and other relevant factors described in paragraph (3).

“(C) **LIMITATIONS.**—

“(i) **PROVISION FROM ADMINISTRATIVE FUNDS.**—The funds provided under this paragraph by each one-stop partner shall be provided only from funds available for the costs of administration under the program administered by such partner, and shall be subject to the limitations with respect to the portion of funds under such programs that may be used for administration.

“(ii) **FEDERAL DIRECT SPENDING PROGRAMS.**—Programs that are Federal direct spending under section 250(c)(8) of the Balanced Budget and Emergency Deficit Control Act of 1985 (2 U.S.C. 900(c)(8)) shall not, for purposes of this paragraph, be required to provide an amount in excess of the amount determined to be equivalent to the proportionate use of the one-stop centers by such programs in the State.

“(2) **ALLOCATION BY GOVERNOR.**—From the funds provided under paragraph (1), the Governor shall allocate funds to local areas in accordance with the formula established under paragraph (3) for the purposes of assisting in paying the costs of the infrastructure of One-Stop centers certified under subsection (g).

“(3) **ALLOCATION FORMULA.**—The State board shall develop a formula to be used by the Governor to allocate the funds described in paragraph (1). The formula shall include such factors as the State board determines are appropriate, which may include factors such as the number of centers in the local area that have been certified, the population

served by such centers, and the performance of such centers.

“(4) **COSTS OF INFRASTRUCTURE.**—For purposes of this subsection, the term ‘costs of infrastructure’ means the nonpersonnel costs that are necessary for the general operation of a one-stop center, including the rental costs of the facilities, the costs of utilities and maintenance, equipment (including adaptive technology for individuals with disabilities), strategic planning activities for the center, and common outreach activities.

“(i) **OTHER FUNDS.**—

“(1) **IN GENERAL.**—In addition to the funds provided to carry out subsection (h), a portion of funds made available under Federal law authorizing the one-stop partner programs described in subsection (b)(1)(B) and participating partner programs described in subsection (b)(2)(B), or the noncash resources available under such programs shall be used to pay the costs relating to the operation of the one-stop delivery system that are not paid for from the funds provided under subsection (h), to the extent not inconsistent with the Federal law involved including—

“(A) infrastructure costs that are in excess of the funds provided under subsection (h);

“(B) common costs that are in addition to the costs of infrastructure; and

“(C) the costs of the provision of core services applicable to each program.

“(2) **DETERMINATION AND GUIDANCE.**—The method for determining the appropriate portion of funds to be provided by each program under paragraph (1) shall be determined as part of the memorandum of understanding under subsection (c). The State board shall provide guidance to facilitate the determination of appropriate funding allocation in local areas.”.

SEC. 109. ELIGIBLE PROVIDERS OF TRAINING SERVICES.

Section 122 (29 U.S.C. 2842) is amended to read as follows:

“SEC. 122. IDENTIFICATION OF ELIGIBLE PROVIDERS OF TRAINING SERVICES.

“(a) **IN GENERAL.**—The Governor shall establish criteria and procedures regarding the eligibility of providers of training services described in section 134(c)(4) to receive funds provided under section 133(b) for the provision of such training services.

“(b) **CRITERIA.**—

“(1) **IN GENERAL.**—The criteria established pursuant to subsection (a) shall take into account the performance of providers of training services with respect to the indicators described in section 136 or other appropriate indicators (taking into consideration the characteristics of the population served and relevant economic conditions), and such other factors as the Governor determines are appropriate to ensure the quality of services, the accountability of providers, how the centers ensure that such providers meet the needs of local employers and participants, and the informed choice of participants under chapter 5. Such criteria shall require that the provider submit appropriate, accurate and timely information to the State for purposes of carrying out subsection (d). The criteria shall also provide for periodic review and renewal of eligibility under this section for providers of training services. The Governor may authorize local areas in the State to establish additional criteria or to modify the criteria established by the Governor under this section for purposes of determining the eligibility of providers of training services to provide such services in the local area.

“(2) **LIMITATION.**—In carrying out the requirements of this subsection, no personally identifiable information regarding a student, including Social Security number, student identification number, or other identifier,

may be disclosed without the prior written consent of the parent or eligible student in compliance with section 444 of the General Education Provisions Act (20 U.S.C. 1232g).

“(c) **PROCEDURES.**—The procedures established under subsection (a) shall identify the application process for a provider of training services to become eligible to receive funds under section 133(b), and identify the respective roles of the State and local areas in receiving and reviewing applications and in making determinations of eligibility based on the criteria established under this section. The procedures shall also establish a process for a provider of training services to appeal a denial or termination of eligibility under this section that includes an opportunity for a hearing and prescribes appropriate time limits to ensure prompt resolution of the appeal.

“(d) **INFORMATION TO ASSIST PARTICIPANTS IN CHOOSING PROVIDERS.**—In order to facilitate and assist participants under chapter 5 in choosing providers of training services, the Governor shall ensure that an appropriate list or lists of providers determined eligible under this section in the State, accompanied by such information as the Governor determines is appropriate, is provided to the local boards in the State to be made available to such participants and to members of the public through the one-stop delivery system in the State.

“(e) **AGREEMENTS WITH OTHER STATES.**—States may enter into agreements, on a reciprocal basis, to permit eligible providers of training services to accept individual training accounts provided in another State.

“(f) **RECOMMENDATIONS.**—In developing the criteria, procedures, and information required under this section, the Governor shall solicit and take into consideration the recommendations of local boards and providers of training services within the State.

“(g) **OPPORTUNITY TO SUBMIT COMMENTS.**—During the development of the criteria, procedures, and information required under this section, the Governor shall provide an opportunity for interested members of the public, including representatives of business and labor organizations, to submit comments regarding such criteria, procedures, and information.”.

SEC. 110. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

Section 123 (29 U.S.C. 2843) is amended to read as follows:

“SEC. 123. ELIGIBLE PROVIDERS OF YOUTH ACTIVITIES.

“(a) **IN GENERAL.**—From the funds allocated under section 128(b) to a local area, the local board for such area shall award grants or contracts on a competitive basis to providers of youth activities identified based on the criteria in the State plan and shall conduct oversight with respect to such providers.

“(b) **EXCEPTIONS.**—A local board may award grants or contracts on a sole-source basis if such board determines there are an insufficient number of eligible providers of training services in the local area involved (such as rural areas) for grants to be awarded on a competitive basis under subsection (a).”.

SEC. 111. YOUTH ACTIVITIES.

(a) **STATE ALLOTMENTS.**—

(1) **IN GENERAL.**—Section 127(a) (29 U.S.C. 2852(a)) is amended to read as follows:

“(a) **ALLOTMENT AMONG STATES.**—

“(1) **YOUTH ACTIVITIES.**—

“(A) **YOUTH CHALLENGE GRANTS.**—

“(i) **RESERVATION OF FUNDS.**—Of the amount appropriated under section 137(a) for each fiscal year, the Secretary shall reserve 25 percent to provide youth challenge grants under section 169.

“(i) LIMITATION.—Notwithstanding clause (i), if the amount appropriated under section 137(a) for a fiscal year exceeds \$1,000,000,000, the Secretary shall reserve \$250,000,000 to provide youth challenge grants under section 169.

“(B) OUTLYING AREAS AND NATIVE AMERICANS.—After determining the amount to be reserved under subparagraph (A), of the remainder of the amount appropriated under section 137(a) for each fiscal year the Secretary shall—

“(i) reserve not more than $\frac{1}{4}$ of one percent of such amount to provide assistance to the outlying areas to carry out youth activities and statewide workforce investment activities; and

“(ii) reserve not more than 1 and $\frac{1}{2}$ percent of such amount to provide youth activities under section 166 (relating to Native Americans).

“(C) STATES.—

“(i) IN GENERAL.—Of the remainder of the amount appropriated under section 137(a) for a fiscal year that is available after determining the amounts to be reserved under subparagraphs (A) and (B), the Secretary shall allot—

“(I) the amount of the remainder that is less than or equal to the total amount that was allotted to States for fiscal year 2003 under section 127(b)(1)(C) of this Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) in accordance with the requirements of such section 127(b)(1)(C); and

“(II) the amount of the remainder, if any, in excess of the amount referred to in subsection (I) in accordance with clause (ii).

“(ii) FORMULAS FOR EXCESS FUNDS.—Subject to clauses (iii) and (iv), of the amounts described in clause (i)(II)—

“(I) 33 and $\frac{1}{3}$ percent shall be allotted on the basis of the relative number of individuals in the civilian labor force who are ages 16-19 in each State, compared to the total number of individuals in the civilian labor force who are ages 16-19 in all States;

“(II) 33 and $\frac{1}{3}$ percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States; and

“(III) 33 and $\frac{1}{3}$ percent shall be allotted on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each State, compared to the total number of disadvantaged youth who are ages 16 through 21 in all States.

“(iii) MINIMUM AND MAXIMUM PERCENTAGES.—The Secretary shall ensure that no State shall receive an allotment for a fiscal year that is less than 90 percent or greater than 130 percent of the allotment percentage of that State for the preceding fiscal year.

“(iv) SMALL STATE MINIMUM ALLOTMENT.—Subject to clause (iii), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than $\frac{1}{10}$ of 1 percent of the amount available under subparagraph (A).

“(2) DEFINITIONS.—For the purposes of paragraph (1), the following definitions apply:

“(A) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of the remainder described in paragraph (1)(C)(i) that is received through an allotment made under this subsection for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003)

that is received by the State involved for fiscal year 2003.

“(B) DISADVANTAGED YOUTH.—The term ‘disadvantaged youth’ means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

“(3) SPECIAL RULE.—For purposes of the formulas specified in paragraph (1)(C), the Secretary shall, as appropriate and to the extent practicable, exclude college students and members of the Armed Forces from the determination of the number of disadvantaged youth.

(2) REALLOTMENT.—Section 127 (29 U.S.C. 2552) is further amended—

(A) by striking subsection (b);

(B) by redesignating subsection (c) as subsection (b);

(C) in subsection (b) (as so redesignated)

(i) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the State under this section during such program year (including amounts allotted to the State in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(ii) in paragraph (3)—

(I) by striking “for the prior program year” and inserting “for the program year in which the determination is made”; and

(II) by striking “such prior program year” and inserting “such program year”;

(iii) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”.

(b) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATEWIDE ACTIVITIES.—Section 128(a) is amended to read as follows:

“(a) RESERVATION FOR STATEWIDE ACTIVITIES.—

“(1) IN GENERAL.—The Governor of a State shall reserve not more than 10 percent of the amount allotted to the State under section 127(a)(1)(C) for a fiscal year for statewide activities.

“(2) USE OF FUNDS.—Regardless of whether the amounts are allotted under section 127(a)(1)(C) and reserved under paragraph (1) or allotted under section 132 and reserved under section 133(a), the Governor may use the reserved amounts to carry out statewide youth activities under section 129(b) or statewide employment and training activities under section 133.”.

(2) WITHIN STATE ALLOCATION.—Section 128(b) is amended to read as follows:

“(b) WITHIN STATE ALLOCATION.—

“(1) IN GENERAL.—Of the amounts allotted to the State under section 127(a)(1)(C) and not reserved under subsection (a)(1)—

“(A) 80 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

“(B) 20 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

“(2) ESTABLISHED FORMULA.—

“(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

“(i) 33 and $\frac{1}{3}$ percent shall be allotted on the basis of the relative number of individ-

uals in the civilian labor force who are ages 16-19 in each local area, compared to the total number of individuals in the civilian labor force who are ages 16-19 in all local areas in the State;

“(ii) 33 and $\frac{1}{3}$ percent shall be allotted on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State; and

“(iii) 33 and $\frac{1}{3}$ percent on the basis of the relative number of disadvantaged youth who are ages 16 through 21 in each local area, compared to the total number of disadvantaged youth who are ages 16 through 21 in all local areas in the State.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

“(C) DEFINITIONS.—

“(i) ALLOCATION PERCENTAGE.—For purposes of this paragraph, the term ‘allocation percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Investment Act Amendments of 2003) that is received by the local area involved for fiscal year 2003.

“(ii) DISADVANTAGED YOUTH.—The term ‘disadvantaged youth’ means an individual who is age 16 through 21 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

“(3) YOUTH DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) in accordance with such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

“(4) LOCAL ADMINISTRATIVE COST LIMIT.—

“(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 133(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 5.

“(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 5, regardless of whether the funds were allocated under this subsection or section 133(b).”.

(3) REALLOCATION.—Section 128(c) (29 U.S.C. 2853(c)) is amended—

(A) in paragraph (1), by striking “paragraph (2)(A) or (3) of”;

(B) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the local area under this section during such program year (including amounts allotted to the local area in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(C) by amending paragraph (3)—

(i) by striking “subsection (b)(3)” each place it appears and inserting “subsection (b)”;

(ii) by striking “the prior program year” and inserting “the program year in which the determination is made”;

(iii) by striking “such prior program year” and inserting “such program year”; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

“(4) **ELIGIBILITY.**—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”.

(c) **YOUTH PARTICIPANT ELIGIBILITY.**—Section 129(a) (29 U.S.C. 2854(a)) is amended to read as follows:

“(a) **YOUTH PARTICIPANT ELIGIBILITY.**—

“(1) **IN GENERAL.**—The individuals participating in activities carried out under this chapter by a local area during any program year shall be individuals who, at the time the eligibility determination is made, are—

“(A) not younger than age 16 or older than age 24; and

“(B) one or more of the following:

“(i) school dropouts;

“(ii) recipients of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities) who are deficient in basic skills;

“(iii) court-involved youth attending an alternative school;

“(iv) youth in foster care or who have been in foster care; or

“(v) in school youth who are low-income individuals and one or more of the following:

“(I) Deficient in literacy skills.

“(II) Homeless, runaway, or foster children.

“(III) Pregnant or parents.

“(IV) Offenders.

“(V) Individuals who require additional assistance to complete an educational program, or to secure and hold employment.

“(2) **PRIORITY FOR SCHOOL DROPOUTS.**—A priority in the provision of services under this chapter shall be given to individuals who are school dropouts.

“(3) **LIMITATIONS ON ACTIVITIES FOR IN-SCHOOL YOUTH.**—

“(A) **PERCENTAGE OF FUNDS.**—For any program year, not more than 30 percent of the funds available for statewide activities under subsection (b), and not more than 30 percent of funds available to local areas under subsection (c), may be used to provide activities for in-school youth meeting the requirements of paragraph (1)(B)(v).

“(B) **NON-SCHOOL HOURS REQUIRED.**—Activities carried out under this chapter for in-school youth meeting the requirements of paragraph (1)(B)(v) shall only be carried out in non-school hours or periods when school is not in session (such as before and after school or during summer recess.”.

(d) **STATEWIDE YOUTH ACTIVITIES.**—Section 129(b) (29 U.S.C. 2854(b)) is amended to read as follows:

“(b) **STATEWIDE ACTIVITIES.**—

“(1) **IN GENERAL.**—Funds reserved by a Governor for a State as described in sections 128(a) and 133(a)(1) may be used for statewide activities including—

“(A) additional assistance to local areas that have high concentrations of eligible youth;

“(B) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

“(C) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 5 in coordination with

evaluations carried out by the Secretary under section 172, research, and demonstration projects;

“(D) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

“(E) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

“(F) operating a fiscal and management accountability system under section 136(f); and

“(G) carrying out monitoring and oversight of activities under this chapter and chapter 5.

“(2) **LIMITATION.**—Not more than 5 percent of the funds allotted under section 127(b) shall be used by the State for administrative activities carried out under this subsection and section 133(a).

“(3) **PROHIBITION.**—No funds described in this subsection or in section 134(a) may be used to develop or implement education curricula for school systems in the State.”.

(e) **LOCAL ELEMENTS AND REQUIREMENTS.**—

(1) **PROGRAM DESIGN.**—Section 129(c)(1) (29 U.S.C. 2854(c)(1)) is amended—

(A) in the matter preceding subparagraph (A), by striking “paragraph (2)(A) or (3), as appropriate, of”;

(B) in subparagraph (B), by inserting “are directly linked to one or more of the performance outcomes relating to this chapter under section 136, and that” after “for each participant that”; and

(C) in subparagraph (C)—

(i) by redesignating clauses (i) through (iv) as clauses (ii) through (v), respectively;

(ii) by inserting before clause (ii) (as so redesignated) the following:

“(i) activities leading to the attainment of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities);”;

(iii) in clause (ii) (as redesignated by this subparagraph), by inserting “and advanced training” after “opportunities”;

(iv) in clause (iii) (as redesignated by this subparagraph), by inserting “that lead to the attainment of recognized credentials” after “learning”; and

(v) by amending clause (v) (as redesignated by this subparagraph) to read as follows:

“(v) effective connections to employers in sectors of the local labor market experiencing high growth in employment opportunities.”.

(2) **PROGRAM ELEMENTS.**—Section 129(c)(2) (29 U.S.C. 2854(c)(2)) is amended—

(A) in subparagraph (A), by striking “secondary school, including dropout prevention strategies” and inserting “secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities), including dropout prevention strategies”;

(B) in subparagraph (I), by striking “and” at the end;

(C) in subparagraph (J), by striking the period at the end and inserting a semicolon; and

(D) by adding at the end the following:

“(K) on-the-job training opportunities; and

“(L) financial literacy skills.”.

(3) **ADDITIONAL REQUIREMENTS.**—Section 129(c)(3)(A) (29 U.S.C. 2854(c)(3)(A)) is amend-

ed in the matter preceding clause (i) by striking “or applicant who meets the minimum income criteria to be considered an eligible youth”;

(4) **PRIORITY AND EXCEPTIONS.**—Section 129(c) (29 U.S.C. 2854(c)) is further amended—

(A) by striking paragraphs (4) and (5);

(B) by redesignating paragraph (6) as paragraph (4);

(C) by redesignating paragraph (7) as paragraph (5), and in such redesignated paragraph (5) by striking “youth councils” and inserting “local boards”; and

(D) by redesignating paragraph (8) as paragraph (6).

SEC. 112. COMPREHENSIVE PROGRAM FOR ADULTS.

(a) **TITLE OF CHAPTER 5.**—

(1) The title heading of chapter 5 is amended to read as follows:

“CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS”.

(2) **CONFORMING AMENDMENT.**—Table of contents in section 1(b) is amended by amending the item related to the heading for chapter 5 to read as follows:

“CHAPTER 5—COMPREHENSIVE EMPLOYMENT AND TRAINING ACTIVITIES FOR ADULTS”.

(b) **GENERAL AUTHORIZATION.**—Section 131 (29 U.S.C. 2861) is amended—

(1) by striking “paragraphs (1)(B) and (2)(B) of”; and

(2) by striking “, and dislocated workers,”.

(c) **STATE ALLOTMENTS.**—

(1) **IN GENERAL.**—Section 132(a) (29 U.S.C. 2862(a)) is amended to read as follows:

“(a) **IN GENERAL.**—The Secretary shall—

“(1) reserve 10 percent of the amount appropriated under section 137(b) for a fiscal year, of which—

“(A) not less than 75 percent shall be used for national dislocated worker grants under section 173;

“(B) not more than 20 percent may be used for demonstration projects under section 171; and

“(C) not more than 5 percent may be used to provide technical assistance under section 170; and

“(2) make allotments from 90 percent of the amount appropriated under section 137(b) for a fiscal year in accordance with subsection (b).”.

(2) **ALLOTMENT AMONG STATES.**—Section 132(b) (29 U.S.C. 2862(b)) is amended to read as follows:

“(b) **ALLOTMENT AMONG STATES FOR ADULT EMPLOYMENT AND TRAINING ACTIVITIES.**—

“(1) **RESERVATION FOR OUTLYING AREAS.**—From the amount made available under subsection (a)(2) for a fiscal year, the Secretary shall reserve not more than ¼ of 1 percent to provide assistance to outlying areas to carry out employment and training activities for adults and statewide workforce investment activities.

“(2) **STATES.**—Subject to paragraph (5), of the remainder of the amount referred to under subsection (a)(2) for a fiscal year that is available after determining the amount to be reserved under paragraph (1), the Secretary shall allot to the States for employment and training activities for adults and for statewide workforce investment activities—

“(A) 26 percent in accordance with paragraph (3); and

“(B) 74 percent in accordance with paragraph (4).

“(3) **BASE FORMULA.**—

“(A) **FISCAL YEAR 2004.**—

“(i) **IN GENERAL.**—Subject to clause (ii), the amount referred to in paragraph (2)(A) shall be allotted for fiscal year 2004 on the basis of allotment percentage of each State under

section 6 of the Wagner-Peyser Act for fiscal year 2003.

“(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2004 exceeds the amount that was available for allotment to the States under the Wagner-Peyser Act for fiscal year 2003, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than $\frac{3}{10}$ of one percent of such excess amount.

“(iii) DEFINITION.—For purposes of this subparagraph, the term ‘allotment percentage’ means the percentage of the amounts allotted to States under section 6 of the Wagner-Peyser Act that is received by the State involved for fiscal year 2003.

“(B) FISCAL YEARS 2005 AND THEREAFTER.—

“(i) IN GENERAL.—Subject to clause(ii), the amount referred to in paragraph(2)(A) shall be allotted for fiscal year 2005 and each fiscal year thereafter on the basis of the allotment percentage of each State under this paragraph for the preceding fiscal year.

“(ii) EXCESS AMOUNTS.—If the amount referred to in paragraph (2)(A) for fiscal year 2005 or any fiscal year thereafter exceeds the amount that was available for allotment under this paragraph for the prior fiscal year, such excess amount shall be allotted on the basis of the relative number of individuals in the civilian labor force in each State, compared to the total number of individuals in the civilian labor force in all States, adjusted to ensure that no State receives less than $\frac{3}{10}$ of one percent of such excess amount.

“(iii) DEFINITION.—For purposes of this subparagraph, the term ‘allotment percentage’ means the percentage of the amounts allotted to States under this paragraph in a fiscal year that is received by the State involved for such fiscal year.

“(4) CONSOLIDATED FORMULA.—

“(A) IN GENERAL.—Subject to subparagraphs (B) and (C), of the amount referred to in paragraph (2)(B)—

“(i) 60 percent shall be allotted on the basis of the relative number of unemployed individuals in each State, compared to the total number of unemployed individuals in all States;

“(ii) 25 percent shall be allotted on the basis of the relative excess number of unemployed individuals in each State, compared to the total excess number of unemployed individuals in all States; and

“(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each State, compared to the total number of disadvantaged adults in all States.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—

“(i) MINIMUM PERCENTAGE.—The Secretary shall ensure that no State shall receive an allotment under this paragraph for a fiscal year that is less than 90 percent of the allotment percentage of the State under this paragraph for the preceding fiscal year.

“(ii) MAXIMUM PERCENTAGE.—Subject to clause (i), the Secretary shall ensure that no State shall receive an allotment for a fiscal year under this paragraph that is more than 130 percent of the allotment of the State under this paragraph for the preceding fiscal year.

“(C) SMALL STATE MINIMUM ALLOTMENT.—Subject to subparagraph (B), the Secretary shall ensure that no State shall receive an allotment under this paragraph that is less than $\frac{3}{10}$ of 1 percent of the amount available under subparagraph (A).

“(D) DEFINITIONS.—For the purposes of this paragraph:

“(i) ALLOTMENT PERCENTAGE.—The term ‘allotment percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of the amounts described in paragraph (2)(B) that is received through an allotment made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allotted to States under this chapter (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) and under reemployment service grants received by the State involved for fiscal year 2003.

“(ii) DISADVANTAGED ADULT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

“(iii) EXCESS NUMBER.—The term ‘excess number’ means, used with respect to the excess number of unemployed individuals within a State, the number that represents the number of unemployed individuals in excess of 4 and $\frac{1}{2}$ percent of the civilian labor force in the State.

“(5) ADJUSTMENTS IN ALLOTMENTS BASED ON DIFFERENCES WITH UNCONSOLIDATED FORMULAS.—

“(A) IN GENERAL.—The Secretary shall ensure that for any fiscal year no State has an allotment difference, as defined in subparagraph (C), that is less than zero. The Secretary shall adjust the amounts allotted to the States under this subsection in accordance with subparagraph (B) if necessary to carry out this subparagraph.

“(B) ADJUSTMENTS IN ALLOTMENTS.—

“(i) REDISTRIBUTION OF EXCESS AMOUNTS.—

“(I) IN GENERAL.—If necessary to carry out subparagraph (A), the Secretary shall reduce the amounts that would be allotted under paragraphs (3) and (4) to States that have an excess allotment difference, as defined in subclause (II), by the amount of such excess, and use such amounts to increase the allotments to States that have an allotment difference less than zero.

“(II) EXCESS AMOUNTS.—For purposes of subclause (I), the term ‘excess’ allotment difference means an allotment difference for a State that is—

“(aa) in excess of 3 percent of the amount described in subparagraph (C)(i)(II); or

“(bb) in excess of a percentage established by the Secretary that is greater than 3 percent of the amount described in subparagraph (C)(i)(II) if the Secretary determines that such greater percentage is sufficient to carry out subparagraph (A).

“(ii) USE OF AMOUNTS AVAILABLE UNDER NATIONAL RESERVE ACCOUNT.—If the funds available under clause (i) are insufficient to carry out subparagraph (A), the Secretary shall use funds reserved under section 132(a) in such amounts as are necessary to increase the allotments to States to meet the requirements of subparagraph (A). Such funds shall be used in the same manner as the States use the other funds allotted under this subsection.

“(C) DEFINITION OF ALLOTMENT DIFFERENCE.—

“(i) IN GENERAL.—For purposes of this paragraph, the term ‘allotment difference’ means the difference between—

“(I) the total amount a State would receive of the amounts available for allotment under subsection (b)(2) for a fiscal year pursuant to paragraphs (3) and (4); and

“(II) the total amount the State would receive of the amounts available for allotment under subsection (b)(2) for the fiscal year if such amounts were allotted pursuant to the unconsolidated formulas (applied as de-

scribed in clause (iii)) that were used in allotting funds for fiscal year 2003.

“(ii) UNCONSOLIDATED FORMULAS.—For purposes of clause (i), the unconsolidated formulas are:

“(I) The requirements for the allotment of funds to the States contained in section 132(b)(1)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to the allotment of funds under such section for fiscal year 2003.

“(II) The requirements for the allotment of funds to the States contained in section 132(b)(2)(B) of this Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to the allotment of funds under such section for fiscal year 2003.

“(III) The requirements for the allotment of funds to the States that were contained in section 6 of the Wagner-Peyser Act (as in effect on the day before the date of enactment of the Workforce Reinvestment and Adult Education Act of 2003) that were applicable to the allotment of funds under such Act for fiscal year 2003.

“(IV) The requirements for the allotment of funds to the States that were established by the Secretary for Reemployment Services Grants that were applicable to the allotment of funds for such grants for fiscal year 2003.

“(iii) PROPORTIONATE APPLICATION OF UNCONSOLIDATED FORMULAS BASED ON FISCAL YEAR 2003.—In calculating the amount under clause (i)(II), each of the unconsolidated formulas identified in clause (ii) shall be applied, respectively, only to the proportionate share of the total amount of funds available for allotment under subsection (b)(2) for a fiscal year that is equal to the proportionate share to which each of the unconsolidated formulas applied with respect to the total amount of funds allotted to the States under all of the unconsolidated formulas in fiscal year 2003.

“(iv) RULE OF CONSTRUCTION.—The amounts used to adjust the allotments to a State under subparagraph (B) for a fiscal year shall not be included in the calculation of the amounts under clause (i) for a subsequent fiscal year, including the calculation of allocation percentages for a preceding fiscal year applicable to paragraphs (3) and (4) and to the unconsolidated formulas described in clause (ii).”

(3) REALLOTMENT.—Section 132(c) (29 U.S.C. 2862(c)) is amended—

(A) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the State under this section during such program year (including amounts allotted to the State in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(B) in paragraph (3)—

(i) by striking “for the prior program year” and inserting “for the program year in which the determination is made”; and

(ii) by striking “such prior program year” and inserting “such program year”; and

(C) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible State means a State that does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”.

(d) WITHIN STATE ALLOCATIONS.—

(1) RESERVATION FOR STATE ACTIVITIES.—Section 133(a) (29 U.S.C. 2863(a)) is amended to read as follows:

“(a) RESERVATION FOR STATEWIDE ACTIVITIES.—The Governor of a State may reserve up to 50 percent of the total amount allotted to the State under section 132 for a fiscal year to carry out the statewide activities described in section 134(a).”

(2) ALLOCATIONS TO LOCAL AREAS.—Section 133(b) (29 U.S.C. 2863(b)) is amended to read as follows:

“(b) ALLOCATIONS TO LOCAL AREAS.—

“(1) IN GENERAL.—Of the amounts allotted to the State under section 132(b)(2) and not reserved under subsection (a)—

“(A) 85 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (2); and

“(B) 15 percent of such amounts shall be allocated by the Governor to local areas in accordance with paragraph (3).

“(2) ESTABLISHED FORMULA.—

“(A) IN GENERAL.—Of the amounts described in paragraph (1)(A), the Governor shall allocate—

“(i) 60 percent on the basis of the relative number of unemployed individuals in each local area, compared to the total number of unemployed individuals in all local areas in the State;

“(ii) 25 percent on the basis of the relative excess number of unemployed individuals in each local area, compared to the total excess number of unemployed individuals in all local areas in the State; and

“(iii) 15 percent shall be allotted on the basis of the relative number of disadvantaged adults in each local area, compared to the total number of disadvantaged adults in all local areas in the State.

“(B) MINIMUM AND MAXIMUM PERCENTAGES.—The Governor shall ensure that no local area shall receive an allocation for a fiscal year under this paragraph that is less than 90 percent or greater than 130 percent of the allocation percentage of the local area for the preceding fiscal year.

“(C) DEFINITIONS.—

“(i) ALLOCATION PERCENTAGE.—The term ‘allocation percentage’, used with respect to fiscal year 2004 or a subsequent fiscal year, means a percentage of amount described in paragraph (1)(A) that is received through an allocation made under this paragraph for the fiscal year. The term, with respect to fiscal year 2003, means the percentage of the amounts allocated to local areas under this chapter (as in effect on the day before the date of enactment of the Workforce Reinforcement and Adult Education Act of 2003) that is received by the local area involved for fiscal year 2003.

“(ii) DISADVANTAGED ADULT.—The term ‘disadvantaged adult’ means an individual who is age 22 through 72 who received an income, or is a member of a family that received a total family income, that, in relation to family size, does not exceed the poverty line.

“(iii) EXCESS NUMBER.—The term ‘excess number’ means, used with respect to the excess number of unemployed individuals within a local area, the number that represents the number of unemployed individuals in excess of 4.5 percent of the civilian labor force in the local area.

“(3) DISCRETIONARY ALLOCATION.—The Governor shall allocate to local areas the amounts described in paragraph (1)(B) based on a formula developed in consultation with the State board and local boards. Such formula shall be objective and geographically equitable and may include such demographic and economic factors as the Governor, after consultation with the State board and local boards, determines are appropriate.

“(4) LOCAL ADMINISTRATIVE COST LIMIT.—

“(A) IN GENERAL.—Of the amounts allocated to a local area under this subsection and section 128(b) for a fiscal year, not more than 10 percent of the amount may be used by the local boards for the administrative costs of carrying out local workforce investment activities under this chapter or chapter 4.

“(B) USE OF FUNDS.—Funds made available for administrative costs under subparagraph (A) may be used for the administrative costs of any of the local workforce investment activities described in this chapter or chapter 4, regardless of whether the funds were allocated under this subsection or section 128(b).”

(3) REALLOCATION AMONG LOCAL AREAS.—Section 133(c) (29 U.S.C. 2863(c)) is amended—

(A) in paragraph (1), by striking “paragraph (2)(A) or (3) of”; and

(B) by amending paragraph (2) to read as follows:

“(2) AMOUNT.—The amount available for reallocation for a program year is equal to the amount by which the unexpended balance, excluding accrued expenditures, at the end of such program year of the total amount of funds available to the local area under this section during such program year (including amounts allotted to the local area in prior program years that remain available during the program year for which the determination is made) exceeds 30 percent of such total amount.”;

(C) by amending paragraph (3)—

(i) by striking “subsection (b)(3)” each place it appears and inserting “subsection (b)”; and

(ii) by striking “the prior program year” and inserting “the program year in which the determination is made”;

(iii) by striking “such prior program year” and inserting “such program year”; and

(iv) by striking the last sentence; and

(D) by amending paragraph (4) to read as follows:

“(4) ELIGIBILITY.—For purposes of this subsection, an eligible local area means a local area which does not have an amount available for reallocation under paragraph (2) for the program year for which the determination under paragraph (2) is made.”

(e) USE OF FUNDS FOR EMPLOYMENT AND TRAINING ACTIVITIES.—

(1) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) IN GENERAL.—Section 134(a)(1) (29 U.S.C. 2864(a)(1)) is amended to read as follows:

“(1) IN GENERAL.—

“(A) REQUIRED USE OF FUNDS.—Not less than 50 percent of the funds reserved by a Governor under section 133(a) shall be used to support the provision of core services in local areas, consistent with the local plan, through one-stop delivery systems by distributing funds to local areas in accordance with subparagraph (B). Such funds may be used by States to employ State personnel to provide such services in designated local areas in consultation with local boards.

“(B) METHOD OF DISTRIBUTING FUNDS.—The method of distributing funds under this paragraph shall be developed in consultation with the State board and local boards. Such method of distribution, which may include the formula established under section 121(h)(3), shall be objective and geographically equitable, and may include factors such as the number of centers in the local area that have been certified, the population served by such centers, and the performance of such centers.

“(C) OTHER USE OF FUNDS.—Funds reserved by a Governor for a State—

“(i) under section 133(a) and not used under subparagraph (A), may be used for statewide activities described in paragraph (2); and

“(ii) under section 133(a) and not used under subparagraph (A), and under section 128(a) may be used to carry out any of the statewide employment and training activities described in paragraph (3).”

(B) STATEWIDE RAPID RESPONSE ACTIVITIES.—Section 134(a)(2) (29 U.S.C. 2864(a)(2)) is amended to read as follows:

“(2) STATEWIDE RAPID RESPONSE ACTIVITIES.—A State shall carry out statewide rapid response activities using funds reserved as described in section 133(a). Such activities shall include—

“(A) provision of rapid response activities, carried out in local areas by the State or by an entity designated by the State, working in conjunction with the local boards and the chief elected officials in the local areas; and

“(B) provision of additional assistance to local areas that experience disasters, mass layoffs or plant closings, or other events that precipitate substantial increases in the number of unemployed individuals, carried out in local areas by the State, working in conjunction with the local boards and the chief elected officials in the local areas.”

(C) STATEWIDE EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(a)(3) (29 U.S.C. 2864(a)(3)) is amended to read as follows:

“(3) STATEWIDE ACTIVITIES.—Funds reserved by a Governor for a State as described in sections 133(a) and 128(a) may be used for statewide activities including—

“(A) supporting the provision of core services described in section 134(c)(2) in the one-stop delivery system;

“(B) conducting evaluations under section 136(e) of activities authorized under this chapter and chapter 4 in coordination with evaluations carried out by the Secretary under section 172, research, and demonstration projects;

“(C) providing incentive grants to local areas for regional cooperation among local boards (including local boards in a designated region as described in section 116(c)), for local coordination of activities carried out under this Act, and for exemplary performance by local areas on the local performance measures;

“(D) providing technical assistance and capacity building to local areas, one-stop operators, one-stop partners, and eligible providers, including the development and training of staff, the development of exemplary program activities, and the provision of technical assistance to local areas that fail to meet local performance measures;

“(E) operating a fiscal and management accountability system under section 136(f);

“(F) carrying out monitoring and oversight of activities carried out under this chapter and chapter 4;

“(G) implementing innovative programs, such as incumbent worker training programs, programs serving individuals with disabilities consistent with section 188;

“(H) developing strategies for effectively serving hard-to-serve populations and for integrating programs and services among one-stop partners;

“(I) implementing innovative programs for displaced homemakers, which for purposes of this subparagraph may include an individual who is receiving public assistance and is within 2 years of exhausting lifetime eligibility under Part A of title IV of the Social Security Act (42 U.S.C. 601 et seq.); and

“(J) implementing programs to increase the number of individuals training for and placed in nontraditional employment.”

(D) LIMITATION ON STATE ADMINISTRATIVE EXPENDITURES.—Section 134(a) is further amended by adding the following new paragraph:

“(4) LIMITATION.—Not more than 5 percent of the funds allotted under section 132(b) shall be used by the State for administrative activities carried out under this subsection and section 128(a).”.

(2) LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—Section 134(b) (29 U.S.C. 2864(b)) is amended—

(A) by striking “under paragraph (2)(A)” and all that follows through “section 133(b)(2)(B)” and inserting “under section 133(b)”;

(B) in paragraphs (1) and (2), by striking “or dislocated workers, respectively” both places it appears; and

(C) by redesignating subsections (d) and (e) as subsections (c) and (d), respectively.

(3) REQUIRED LOCAL EMPLOYMENT AND TRAINING ACTIVITIES.—

(A) ALLOCATED FUNDS.—Section 134(c)(1) (29 U.S.C. 2864(c)(1)) (as redesignated by paragraph (2)) is amended to read as follows:

“(1) IN GENERAL.—Funds allocated to a local area for adults under section 133(b) shall be used—

“(A) to establish a one-stop delivery system as described in section 121(e);

“(B) to provide the core services described in paragraph (2) through the one-stop delivery system in accordance with such paragraph;

“(C) to provide the intensive services described in paragraph (3) to adults described in such paragraph; and

“(D) to provide training services described in paragraph (4) to adults described in such paragraph.”.

(B) CORE SERVICES.—Section 134(c)(2) (29 U.S.C. 2864(c)(2)) (as redesignated by paragraph (2)) is amended—

(i) by striking “who are adults or dislocated workers”;

(ii) in subparagraph (A), by striking “under this subtitle” and inserting “under the one-stop partner programs described in section 121(b)”;

(iii) by amending subparagraph (D) to read as follows:

“(D) labor exchange services, including—

“(i) job search and placement assistance, and where appropriate career counseling;

“(ii) appropriate recruitment services for employers; and

“(iii) reemployment services provided to unemployment claimants.”;

(iv) in subparagraph (I), by inserting “and the administration of the work test for the unemployment compensation system” after “compensation”; and

(v) by amending subparagraph (J) to read as follows:

“(J) assistance in establishing eligibility for programs of financial aid assistance for training and education programs that are not funded under this Act and are available in the local area; and”.

(C) INTENSIVE SERVICES.—Section 134(c)(3) (29 U.S.C. 2864(c)(3)) (as redesignated by paragraph (2) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—

“(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide intensive services for adults who—

“(I) are unemployed and who have been determined by the one-stop operator to be—

“(aa) unlikely or unable to obtain suitable employment through core services; and

“(bb) in need of intensive services in order to obtain suitable employment; or

“(II) are employed, but who are determined by a one-stop operator to be in need of intensive services to obtain or retain suitable employment.

“(ii) DEFINITION.—The Governor shall define the term ‘suitable employment’ for purposes of this subparagraph.”; and

(ii) in subparagraph (C)—

(I) in clause (v), by striking “for participants seeking training services under paragraph (4)”;

(II) by adding the following clauses after clause (vi):

“(vii) Internships and work experience.

“(viii) Literacy activities relating to basic work readiness, and financial literacy activities.

“(ix) Out-of-area job search assistance and relocation assistance.”.

(D) TRAINING SERVICES.—Section 134(c)(4) (as redesignated by paragraph (2) of this subsection) is amended—

(i) by amending subparagraph (A) to read as follows:

“(A) IN GENERAL.—

“(i) ELIGIBILITY.—Funds allocated to a local area under section 133(b) shall be used to provide training services to adults who—

“(I) after an interview, evaluation, or assessment, and case management, have been determined by a one-stop operator or one-stop partner, as appropriate, to—

“(aa) be unlikely or unable to obtain or retain suitable employment through intensive services under paragraph (3)(A);

“(bb) be in need of training services to obtain or retain suitable employment; and

“(cc) have the skills and qualifications to successfully participate in the selected program of training services;

“(II) select programs of training services that are directly linked to the employment opportunities in the local area involved or in another area in which the adults receiving such services are willing to commute or relocate;

“(III) who meet the requirements of subparagraph (B); and

“(IV) who are determined eligible in accordance with the priority system in effect under subparagraph (E).

“(ii) The Governor shall define the term ‘suitable employment’ for purposes of this subparagraph.”;

(ii) in subparagraph (B)(i), by striking “Except” and inserting “Notwithstanding section 479B of the Higher Education Act of 1965 (20 U.S.C. 1087uu) and except”;

(iii) by amending subparagraph (E) to read as follows:

“(E) PRIORITY.—

“(i) IN GENERAL.—A priority shall be given to unemployed individuals for the provision of intensive and training services under this subsection.

“(ii) ADDITIONAL PRIORITY.—If the funds in the local area, including the funds allocated under section 133(b), for serving recipients of public assistance and other low-income individuals, including single parents, displaced homemakers, and pregnant single women, is limited, the priority for the provision of intensive and training services under this subsection shall include such recipients and individuals.

“(iii) DETERMINATIONS.—The Governor and the appropriate local board shall direct the one-stop operators in the local area with regard to making determinations with respect to the priority of service under this subparagraph.”;

(iv) in subparagraph (F), by adding the following clause after clause (iii):

“(iv) ENHANCED INDIVIDUAL TRAINING ACCOUNTS.—Each local board may, through one-stop centers, assist individuals receiving individual training accounts through the establishment of such accounts that include, in addition to the funds provided under this paragraph, funds from other programs and sources that will assist the individual in obtaining training services.”; and

(v) in subparagraph (G)(iv), by redesignating subclause (IV) as subclause (V) and inserting after subclause (III) the following:

“(IV) Individuals with disabilities.”.

(4) PERMISSIBLE ACTIVITIES.—Section 134(d) (as redesignated by paragraph (2)) is amended—

(A) by amending paragraph (1) to read as follows:

“(1) DISCRETIONARY ONE-STOP DELIVERY ACTIVITIES.—

“(A) IN GENERAL.—Funds allocated to a local area under section 133(b) may be used to provide, through the one-stop delivery system—

“(i) customized screening and referral of qualified participants in training services to employers;

“(ii) customized employment-related services to employers on a fee-for-service basis;

“(iii) customer support to navigate among multiple services and activities for special participant populations that face multiple barriers to employment, including individuals with disabilities; and

“(iv) employment and training assistance provided in coordination with child support enforcement activities of the State agency carrying out subtitle D of title IV of the Social Security Act.

“(B) WORK SUPPORT ACTIVITIES FOR LOW-WAGE WORKERS.—

“(i) IN GENERAL.—Funds allocated to a local area under 133(b) may be used to provide, through the one-stop delivery system and in collaboration with the appropriate programs and resources of the one-stop partners, work support activities designed to assist low-wage workers in retaining and enhancing employment.

“(ii) ACTIVITIES.—The activities described in clause (i) may include assistance in accessing financial supports for which such workers may be eligible and the provision of activities available through the one-stop delivery system in a manner that enhances the opportunities of such workers to participate, such as the provision of employment and training activities during nontraditional hours and the provision of on-site child care while such activities are being provided.”; and

(B) by adding after paragraph (3) the following new paragraph:

“(4) INCUMBENT WORKER TRAINING PROGRAMS.—

“(A) IN GENERAL.—The local board may use up to 10 percent of the funds allocated to a local area under section 133(b) to carry out incumbent worker training programs in accordance with this paragraph.

“(B) TRAINING ACTIVITIES.—The training programs for incumbent workers under this paragraph shall be carried out by the local area in conjunction with the employers of such workers for the purpose of assisting such workers in obtaining the skills necessary to retain employment and avert layoffs.

“(C) EMPLOYER MATCH REQUIRED.—

“(i) IN GENERAL.—Employers participating in programs under this paragraph shall be required to pay a proportion of the costs of providing the training to the incumbent workers. The Governor shall establish, or may authorize the local board to establish, the required portion of such costs, which shall not be less than—

“(I) 10 percent of the costs, for employers with 50 or fewer employees;

“(II) 25 percent of the costs, for employers with more than 50 employees but fewer than 100 employees; and

“(III) 50 percent of the costs, for employers with 100 or more employees.

“(ii) CALCULATION OF MATCH.—The wages paid by an employer to a worker while they are attending training may be included as part of the requirement payment of the employer.”.

SEC. 113. PERFORMANCE ACCOUNTABILITY SYSTEM.**(a) STATE PERFORMANCE MEASURES.—**

(1) IN GENERAL.—Section 136(b)(1) (29 U.S.C. 2871(b)(1)) is amended—

(A) in subparagraph (A)(i), by striking “and the customer satisfaction indicator of performance described in paragraph (2)(B)”;

and

(B) in subparagraph (A)(ii), by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”.

(2) INDICATORS OF PERFORMANCE.—Section 136(b)(2) (29 U.S.C. 2871(b)(2)) is amended—

(A) in subparagraph (A)(i), by striking “(except for self-service and information activities) and (for participants who are eligible youth age 19 through 21) for youth activities authorized under section 129”;

(B) by amending subparagraph (A)(i)(IV) to read as follows:

“(IV) the efficiency of the program in obtaining the outcomes described in subclauses (I) through (III).”;

(C) by amending subparagraph (A)(ii) to read as follows:

“(ii) CORE INDICATORS FOR ELIGIBLE YOUTH.—The core indicators of performance for youth activities authorized under section 129 shall consist of—

“(I) entry into employment, education or advanced training, or military service;

“(II) attainment of secondary school diplomas or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities);

“(III) attainment of literacy or numeracy skills; and

“(IV) the efficiency of the program in obtaining the outcomes described in subclauses (I) through (III).”;

(D) by striking subparagraph (B);

(E) by redesignating subparagraph (C) as subparagraph (B), and by adding at the end of such subparagraph (as so redesignated) the following new sentence: “Such indicators may include customer satisfaction of employers and participants with services received from the workforce investment activities authorized under this subtitle.”.

(3) LEVELS OF PERFORMANCE.—Section 136(b)(3)(A) (29 U.S.C. 2871(b)(3)(A)) is amended—

(A) in clause (i), by striking “and the customer satisfaction indicator described in paragraph (2)(B)”;

(B) in clause (ii), by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “for the 2”;

(C) in clause (iii)—

(i) in the heading, by striking “FOR FIRST 3 YEARS”;

(ii) by striking “and the customer satisfaction indicator of performance, for the first 3” and inserting “for the 2”;

(D) in clause (iv)—

(i) by striking subclause (I);

(ii) by redesignating subclauses (II) and (III) as subclauses (I) and (II), respectively; and

(iii) in subclause (I) (as so redesignated)—

(I) by striking “taking into account” and inserting “which shall be adjusted based on”;

(II) by inserting “such as unemployment rates and job losses or gains in particular industries” after “economic conditions”;

(III) by inserting “such as indicators of poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, and welfare dependency” after “program”;

(E) by striking clause (v); and

(F) by redesignating clause (vi) as clause (v).

(4) ADDITIONAL INDICATORS.—Section 136(b)(3)(B) is amended by striking “paragraph (2)(C)” and inserting “paragraph (2)(B)”.

(b) LOCAL PERFORMANCE MEASURES.—Section 136(c) (29 U.S.C. 2871(c)) is amended—

(1) in paragraph (1)(A)(i), by striking “, and the customer satisfaction indicator of performance described in subsection (b)(2)(B).”;

(2) in paragraph (1)(A)(ii), by striking “subsection (b)(2)(C)” and inserting “subsection (b)(2)(B)”;

(3) by amending paragraph (3) to read as follows:

“(3) DETERMINATIONS.—In determining such local levels of performance, the local board, the chief elected official, and the Governor shall ensure such levels are adjusted based on the specific economic characteristics (such as unemployment rates and job losses or gains in particular industries), demographic characteristics, or other characteristics of the population to be served in the local area, such as poor work history, lack of work experience, low levels of literacy or English proficiency, disability status, and welfare dependency.”.

(c) REPORT.—Section 136(d) (29 U.S.C. 2871(d)) is amended—

(1) in paragraph (1), by striking “and the customer satisfaction indicator” in both places that it appears;

(2) in paragraph (2)(E), by striking “(excluding participants who received only self-service and informational activities)”;

(3) by adding at the end the following:

“(4) DATA VALIDATION.—In preparing the reports described in this subsection, the States shall establish procedures, consistent with guidelines issued by the Secretary, to ensure the information contained in the report is valid and reliable.”.

(d) SANCTIONS FOR STATE.—Section 136(g) (29 U.S.C. 2871(g)) is amended—

(1) in paragraph (1)(A), by striking “or (B)”;

(2) in paragraph (2), by striking “section 503” and inserting “section 136(i)”.

(e) SANCTIONS FOR LOCAL AREAS.—Section 136(h) (29 U.S.C. 2871(h)) is amended—

(1) in paragraph (1), by striking “or (B)”;

(2) by amending paragraph (2)(B) to read as follows:

“(B) APPEAL TO GOVERNOR.—A local area that is subject to a reorganization plan under subparagraph (A) may, not later than 30 days after receiving notice of the reorganization plan, appeal to the Governor to rescind or revise such plan. In such case, the Governor shall make a final decision not later than 30 days after the receipt of the appeal.”.

(f) INCENTIVE GRANTS.—Section 136(i) (29 U.S.C. 2871(i)) is amended to read as follows:

“(i) INCENTIVE GRANTS FOR STATES AND LOCAL AREAS.—

“(1) INCENTIVE GRANTS FOR STATES.—

“(A) IN GENERAL.—From funds appropriated under section 174, the Secretary may award grants to States for exemplary performance in carrying programs under this chapters 4 and 5 of this title. Such awards may be based on States meeting or exceeding the performance measures established under this section, on the performance of the State in serving special populations, including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines is appropriate.

“(B) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under chapters 4 and 5 of this title, including demonstrations and innovative programs for special populations.

“(2) INCENTIVE GRANTS FOR LOCAL AREAS.—

“(A) IN GENERAL.—From funds reserved under sections 128(a) and 133(a), the Governor may award incentive grants to local areas

for exemplary performance with respect to the measures established under this section and with the performance of the local area in serving special populations, including the levels of service and the performance outcomes.

“(B) USE OF FUNDS.—The funds awarded to a local area may be used to carry out activities authorized for local areas under chapters 4 and 5 of this title, and such demonstration or other innovative programs to serve special populations as may be approved by the Governor.”.

(g) REPEAL OF DEFINITIONS.—Sections 502 and 503 (and the items related to such sections in the table of contents) are repealed.

SEC. 114. AUTHORIZATION OF APPROPRIATIONS.

(a) YOUTH ACTIVITIES.—Section 137(a) (29 U.S.C. 2872(a)) is amended by striking “such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “\$1,250,000,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2009”.

(b) ADULT EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137(b) (29 U.S.C. 2872(b)) is amended by striking “section 132(a)(1), such sums as may be necessary for each of fiscal years 1999 through 2003” and inserting “132(a), \$3,079,800,000 for fiscal year 2004 and such sums as may be necessary for each of fiscal years 2005 through 2009”.

(c) DISLOCATED WORKER EMPLOYMENT AND TRAINING ACTIVITIES.—Section 137 is further amended by striking subsection (c).

SEC. 115. JOB CORPS.

(a) COMMUNITY PARTICIPATION.—Section 153 (29 U.S.C. 2893) is amended—

(1) by amending subsection (a) to read as follows:

“(a) BUSINESS AND COMMUNITY PARTICIPATION.—The director of each Job Corps center shall ensure the establishment and development of the business and community relationships and networks described in subsection (b) in order to enhance the effectiveness of such center.”;

(2) in subsection (b)—

(A) in the heading, by striking “RESPONSIBILITIES” and inserting “NETWORKS”;

(B) by striking “The responsibilities of the Liaison” and inserting “The activities carried out by each Job Corps center under this section”;

(3) in subsection (c), by striking “The Liaison for” and inserting “The director of”.

(b) INDUSTRY COUNCILS.—Section 154(b) (29 U.S.C. 2894(b)) is amended—

(1) in paragraph (1)(A), by striking “local and distant”;

(2) by adding after paragraph (2) the following:

“(3) EMPLOYERS OUTSIDE OF LOCAL AREAS.—The industry council may include, or otherwise provide for consultation with, employers from outside the local area who are likely to hire a significant number of enrollees from the Job Corps center.”.

(c) INDICATORS OF PERFORMANCE AND ADDITIONAL INFORMATION.—Section 159(c) (29 U.S.C. 2893(c)) is amended—

(1) by amending paragraph (1) to read as follows:

“(1) CORE INDICATORS.—The Secretary shall annually establish expected levels of performance for Job Corps centers and the Job Corps program relating to each of the core indicators for youth identified in section 136(b)(2)(A)(ii).”;

(2) in paragraph (2), by striking “measures” each place it appears and inserting “indicators”.

SEC. 116. NATIVE AMERICAN PROGRAMS.

(a) ADVISORY COUNCIL.—Section 166(h)(4)(C) (29 U.S.C. 2911(h)(4)(C)) is amended to read as follows:

“(C) DUTIES.—The Council shall advise the Secretary on the operation and administration of the programs assisted under this section.”.

(b) ASSISTANCE TO AMERICAN SAMOANS IN HAWAII.—Section 166 (29 U.S.C. 2911) is further amended by striking subsection (j).

(c) MIGRANT AND SEASONAL FARMWORKER PROGRAMS.—Section 167(d) is amended by inserting “(including permanent housing)” after “housing”.

SEC. 117. YOUTH CHALLENGE GRANTS.

Section 169 (29 U.S.C. 2914) is amended to read as follows:

“SEC. 169. YOUTH CHALLENGE GRANTS.

“(a) IN GENERAL.—Of the amounts reserved by the Secretary under section 127(a)(1)(A) for a fiscal year—

“(1) the Secretary shall use not less than 80 percent to award competitive grants under subsection (b); and

“(2) the Secretary may use not more than 20 percent to award discretionary grants under subsection (c).

“(b) COMPETITIVE GRANTS TO STATES AND LOCAL AREAS.—

“(1) ESTABLISHMENT.—From the funds described in subsection (a)(1), the Secretary shall award competitive grants to eligible entities to carry out activities authorized under this section to assist eligible youth in acquiring the skills, credentials and employment experience necessary to succeed in the labor market.

“(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to States, local boards, recipients of grants under section 166 (relating to Native American programs), and public or private entities (including consortia of such entities) applying in conjunction with local boards.

“(3) GRANT PERIOD.—The Secretary may make a grant under this section for a period of 1 year and may renew the grants for each of the 4 succeeding years.

“(4) AUTHORITY TO REQUIRE MATCH.—The Secretary may require that grantees under this subsection provide a non-Federal share of the cost of activities carried out under a grant awarded under this subsection.

“(5) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 as of the time the eligibility determination is made may be eligible to participate in activities provided under this subsection.

“(6) USE OF FUNDS.—Funds under this subsection may be used for activities that are designed to assist youth in acquiring the skills, credentials and employment experience that are necessary to succeed in the labor market, including the activities identified in section 129. The activities may include activities such as—

“(A) training and internships for out-of-school youth in sectors of economy experiencing or projected to experience high growth;

“(B) after-school dropout prevention activities for in-school youth;

“(C) activities designed to assist special youth populations, such as court-involved youth and youth with disabilities; and

“(D) activities combining remediation of academic skills, work readiness training, and work experience, and including linkages to postsecondary education, apprenticeships, and career-ladder employment.

“(7) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the activities the eligible entity will provide to eligible youth under this subsection;

“(B) a description of the programs of demonstrated effectiveness on which the provi-

sion of the activities under subparagraph (A) are based, and a description of how such activities will expand the base of knowledge relating to the provision of activities for youth;

“(C) a description of the private and public, and local and State resources that will be leveraged to provide the activities described under subparagraph (A) in addition the funds provided under this subsection; and

“(D) the levels of performance the eligible entity expects to achieve with respect to the indicators of performance for youth specified in section 136(b)(2)(A)(ii).

“(8) FACTORS FOR AWARD.—In awarding grants under this subsection the Secretary may consider the quality of the proposed project, the goals to be achieved, the likelihood of successful implementation, the extent to which the project is based on proven strategies or the extent to which the project will expand the knowledge base on activities for youth, and the additional State, local or private resources that will be provided.

“(9) EVALUATION.—The Secretary may reserve up to 5 percent of the funds described in subsection(a)(1) to provide technical assistance to, and conduct evaluations of the projects funded under this subsection (using appropriate techniques as described in section 172(c)).

“(c) DISCRETIONARY GRANTS FOR YOUTH ACTIVITIES.—

“(1) IN GENERAL.—From the funds described in subsection(a)(2), the Secretary may award grants to eligible entities to provide activities that will assist youth in preparing for, and entering and retaining, employment.

“(2) ELIGIBLE ENTITIES.—Grants under this subsection may be awarded to public or private entities that the Secretary determines would effectively carry out activities relating to youth under this subsection.

“(3) PARTICIPANT ELIGIBILITY.—Youth ages 14 through 19 at the time the eligibility determination is made may be eligible to participate in activities under this subsection.

“(4) USE OF FUNDS.—Funds provided under this subsection may be used for activities that will assist youth in preparing for, and entering and retaining, employment, including the activities described in section 129 for out-of-school youth, activities designed to assist in-school youth to stay in school and gain work experience, and such other activities that the Secretary determines are appropriate.

“(5) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(6) ADDITIONAL REQUIREMENTS.—The Secretary may require the provision of a non-Federal share for projects funded under this subsection and may require participation of grantees in evaluations of such projects, including evaluations using the techniques as described in section 172(c).”.

SEC. 118. TECHNICAL ASSISTANCE.

Section 170 (29 U.S.C. 2915) is amended—

(1) by striking subsection (b);

(2) by striking “(a) GENERAL TECHNICAL ASSISTANCE.—”;

(3) by redesignating paragraphs (1), (2), and (3) as subsections (a), (b), and (c) respectively, and moving such subsections 2 ems to the left;

(4) in subsection (a) (as redesignated by paragraph (3))—

(A) by inserting “the training of staff providing rapid response services, the training of other staff of recipients of funds under this title, peer review activities under this title, assistance regarding accounting and program operation practices (when such as-

sistance would not be duplicative to assistance provided by the State),” after “localities.”; and

(B) by striking “from carrying out activities” and all that follows up to the period and inserting “to implement the amendments made by the Workforce Reinvestment and Adult Education Act of 2003”; and

(5) by inserting, after subsection (c) (as redesignated by paragraph (3)), the following:

“(d) BEST PRACTICES COORDINATION.—The Secretary shall establish a system whereby States may share information regarding best practices with regards to the operation of workforce investment activities under this Act.”.

SEC. 119. DEMONSTRATION, PILOT, MULTISERVICE, RESEARCH AND MULTISTATE PROJECTS.

(a) DEMONSTRATION AND PILOT PROJECTS.—Section 171(b) (29 U.S.C. 2916(b)) is amended—

(1) in paragraph (1)—

(A) by striking “Under a” and inserting “Consistent with the priorities specified in the”;

(B) by amending subparagraphs (A) through (D) to read as follows:

“(A) projects that assist national employers in connecting with the workforce investment system established under this title in order to facilitate the recruitment and employment of needed workers and to provide information to such system on skills and occupations in demand;

“(B) projects that promote the development of systems that will improve the effectiveness and efficiency of programs carried out under this title;

“(C) projects that focus on opportunities for employment in industries and sectors of industries that are experiencing or are likely to experience high rates of growth;

“(D) projects carried out by States and local areas to test innovative approaches to delivering employment-related services.”;

(C) by striking subparagraph (E);

(D) by redesignating subparagraphs (F) and (G) as subparagraphs (E) and (F), respectively;

(E) by inserting after subparagraph (F) (as so redesignated) the following:

“(G) projects that provide retention grants to qualified job training programs upon placement or retention of a low-income individual trained by that program in employment with a single employer for a period of 1 year, provided that such employment is providing to the low-income individual an income not less than twice the poverty line for that individual.”; and

(F) by striking subparagraph (H); and

(2) in paragraph (2)—

(A) by striking subparagraph (B); and

(B) by redesignating subparagraph (C) as subparagraph (B).

(b) MULTISERVICE PROJECTS.—Section 171(c)(2)(B) (29 U.S.C. 2916(c)(2)(B)) is amended to read as follows:

“(B) NET IMPACT STUDIES AND REPORTS.—The Secretary shall conduct studies to determine the net impacts of programs, services, and activities carried out under this title. The Secretary shall prepare and disseminate to the public reports containing the results of such studies.”.

(c) WAIVER AUTHORITY TO CARRY OUT DEMONSTRATIONS AND EVALUATIONS.—Section 171 (29 U.S.C. 2916(d)) is further amended by striking subsection (d).

SEC. 120. EVALUATIONS.

(a) IN GENERAL.—Section 173 (29 U.S.C. 2916) is amended—

(1) by amending the designation and heading to read as follows:

“SEC. 173. NATIONAL DISLOCATED WORKER GRANTS.”;

and

(2) in subsection (a)—

(A) by striking “national emergency grants” in the matter preceding paragraph (1) and inserting “national dislocated worker grants”; and

(B) in paragraph (1), by striking “subsection (c)” and inserting “subsection (b)”.

(b) ADMINISTRATION.—Section 173 (29 U.S.C. 2918) is further amended—

(1) by striking subsection (b) and redesignating subsections (c) and (d) as subsections (b) and (c), respectively; and

(2) by striking subsection (e) and redesignating subsections (f) and (g) as subsection (d) and (e), respectively.

(c) ELIGIBLE ENTITIES.—Section 173(b)(1)(B) (29 U.S.C. 2918(b)(1)(B)) (as redesignated by subsection (b) of this section) is amended by striking “, and other entities” and all that follows and inserting a period.

(d) CONFORMING AMENDMENT.—The table of contents in section 1(b) is amended by amending the item related to section 173 to read as follows:

“Sec. 173. National dislocated worker grants.”.

SEC. 121. AUTHORIZATION OF APPROPRIATIONS FOR NATIONAL ACTIVITIES.

(a) IN GENERAL.—Section 174(a)(1) (29 U.S.C. 2919(a)(1)) is amended by striking “1999 through 2003” and inserting “2004 through 2009”.

(b) RESERVATIONS.—Section 174(b) is amended to read as follows:

“(b) TECHNICAL ASSISTANCE; DEMONSTRATION AND PILOT PROJECTS; EVALUATIONS; INCENTIVE GRANTS.—There are authorized to be appropriated to carry out sections 170 through 172 and section 136 such sums as may be necessary for each of fiscal years 2004 through 2009.”.

SEC. 122. REQUIREMENTS AND RESTRICTIONS.

(a) IN GENERAL.—Section 181(c)(2)(A) (29 U.S.C. 2931(c)(2)(A)) is amended in the matter preceding clause (i) by striking “shall” and inserting “may”.

(b) LIMITATIONS.—Section 181(e) is amended by striking the first sentence.

SEC. 123. NONDISCRIMINATION.

Section 188(a)(2) (29 U.S.C. 2931(a)(2)) is amended—

(1) by striking “EMPLOYMENT.—No” and inserting “EMPLOYMENT.—

“(A) IN GENERAL.—Except as provided in subparagraph (B), no”;

(2) by adding at the end the following subparagraph:

“(B) EXEMPTION FOR RELIGIOUS ORGANIZATIONS.—Subparagraph (A) shall not apply to a recipient of financial assistance under this title that is a religious corporation, association, educational institution, or society, with respect to the employment of individuals of a particular religion to perform work connected with the carrying on by such corporation, association, educational institution, or society of its activities. Such recipients shall comply with the other requirements contained in subparagraph (A).”.

SEC. 124. ADMINISTRATIVE PROVISIONS.

(a) PROGRAM YEAR.—Section 189(g)(1) (29 U.S.C. 2939(g)(1)) is amended to read as follows:

“(1) IN GENERAL.—Appropriations for any fiscal year for programs and activities carried out under this title shall be available for obligation only on the basis of a program year. The program year shall begin on July 1 in the fiscal year for which the appropriation is made.”.

(b) AVAILABILITY.—Section 189(g)(2) (29 U.S.C. 2939(g)(2)) is amended by striking “each State” and inserting “each recipient”.

(c) GENERAL WAIVERS.—Section 189(i)(4) (29 U.S.C. 2939(i)(4)) is amended—

(1) in subparagraph (A), in the matter preceding clause (i), by inserting “, or in accord-

ance with subparagraph (D),” after “subparagraph (B)”;

(2) by adding the following subparagraph:

“(D) EXPEDITED PROCESS FOR EXTENDING APPROVED WAIVERS TO ADDITIONAL STATES.—In lieu of the requirements of subparagraphs (B) and (C), the Secretary may establish an expedited procedure for the purpose of extending to additional States the waiver of statutory or regulatory requirements that have been approved for a State pursuant to a request under subparagraph (B). Such procedure shall ensure that the extension of such waivers to additional States are accompanied by appropriate conditions relating to the implementation of such waivers.”.

SEC. 125. GENERAL PROGRAM REQUIREMENTS.

Section 195 (29 U.S.C. 2945) is amended by adding at the end the following new paragraph:

“(14) Funds provided under this title shall not be used to establish or operate stand-alone fee-for-service enterprises that compete with private sector employment agencies within the meaning of section 701(c) of the Civil Rights Act of 1964 (42 U.S.C. 2000e(c)). For purposes of this paragraph, such an enterprise does not include one-stop centers.”.

TITLE II—ADULT EDUCATION PART A—ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION

SEC. 201. TABLE OF CONTENTS.

The table of contents in section 1(b) is amended by amending the items relating to title II to read as follows:

“TITLE II—ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION

“Sec. 201. Short title.

“Sec. 202. Purpose.

“Sec. 203. Definitions.

“Sec. 204. Home schools.

“Sec. 205. Authorization of appropriations.

“CHAPTER 1—FEDERAL PROVISIONS

“Sec. 211. Reservation of funds; grants to eligible agencies; allotments.

“Sec. 212. Performance accountability system.

“Sec. 213. Incentive grants for states.

“CHAPTER 2—STATE PROVISIONS

“Sec. 221. State administration.

“Sec. 222. State distribution of funds; matching requirement.

“Sec. 223. State leadership activities.

“Sec. 224. State plan.

“Sec. 225. Programs for corrections education and other institutionalized individuals.

“CHAPTER 3—LOCAL PROVISIONS

“Sec. 231. Grants and contracts for eligible providers.

“Sec. 232. Local application.

“Sec. 233. Local administrative cost limits.

“CHAPTER 4—GENERAL PROVISIONS

“Sec. 241. Administrative provisions.

“Sec. 242. National leadership activities.”.

SEC. 202. AMENDMENT.

Title II is amended to read as follows:

“TITLE II—ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION

“SEC. 201. SHORT TITLE.

“This title may be cited as the ‘Adult Basic Skills and Family Literacy Education Act’.

“SEC. 202. PURPOSE.

“It is the purpose of this title to provide instructional opportunities for adults seeking to improve their basic reading, writing, speaking, and math skills, and support States and local communities in providing, on a voluntary basis, adult basic skills and family literacy programs, in order to—

“(1) increase the basic reading, writing, speaking, and math skills necessary for

adults to obtain employment and self-sufficiency and to successfully advance in the workforce;

“(2) assist adults in the completion of a secondary school education (or its equivalent) and the transition to a postsecondary educational institution;

“(3) increase the basic reading, writing, speaking, and math skills of parents to enable them to support the educational development of their children and make informed choices regarding their children’s education; and

“(4) assist immigrants who are not proficient in English in improving their reading, writing, speaking, and math skills and acquiring an understanding of the American free enterprise system, individual freedom, and the responsibilities of citizenship.

“SEC. 203. DEFINITIONS.

“In this title:

“(1) ADULT BASIC SKILLS AND FAMILY LITERACY EDUCATION PROGRAMS.—The term ‘adult basic skills and family literacy education programs’ means a sequence of academic instruction and educational services below the postsecondary level that increase an individual’s ability to read, write, and speak in English and perform mathematical computations leading to a level of proficiency equivalent to secondary school completion that is provided for individuals—

“(A) who are at least 16 years of age;

“(B) who are not enrolled or required to be enrolled in secondary school under State law; and

“(C) who—

“(i) lack sufficient mastery of basic reading, writing, speaking, and math skills to enable the individuals to function effectively in society;

“(ii) do not have a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities), and have not achieved an equivalent level of education; or

“(iii) are unable to read, write, or speak the English language.

“(2) ELIGIBLE AGENCY.—The term ‘eligible agency’—

“(A) means the sole entity or agency in a State or an outlying area responsible for administering or supervising policy for adult basic skills and family literacy education programs in the State or outlying area, respectively, consistent with the law of the State or outlying area, respectively; and

“(B) may be the State educational agency, the State agency responsible for administering workforce investment activities, or the State agency responsible for administering community or technical colleges.

“(3) ELIGIBLE PROVIDER.—The term ‘eligible provider’ means—

“(A) a local educational agency;

“(B) a community-based or faith-based organization of demonstrated effectiveness;

“(C) a volunteer literacy organization of demonstrated effectiveness;

“(D) an institution of higher education;

“(E) a public or private educational agency;

“(F) a library;

“(G) a public housing authority;

“(H) an institution that is not described in any of subparagraphs (A) through (G) and has the ability to provide adult basic skills and family literacy education programs to adults and families; or

“(I) a consortium of the agencies, organizations, institutions, libraries, or authorities described in any of subparagraphs (A) through (H).

“(4) **ENGLISH LANGUAGE ACQUISITION PROGRAM.**—The term ‘English language acquisition program’ means a program of instruction designed to help individuals with limited English proficiency achieve competence in reading, writing, and speaking the English language.

“(5) **ESSENTIAL COMPONENTS OF READING INSTRUCTION.**—The term ‘essential components of reading instruction’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(6) **FAMILY LITERACY EDUCATION PROGRAMS.**—The term ‘family literacy education programs’ means educational programs that—

“(A) assist parents and students, on a voluntary basis, in achieving the purposes of this title as described in section 202; and

“(B) are of sufficient intensity in terms of hours and of sufficient duration to make sustainable changes in a family, are based upon scientific research-based principles, and for the purpose of substantially increasing the ability of parents and children to read, write, and speak English integrate—

“(i) interactive literacy activities between parents and their children;

“(ii) training for parents regarding how to be the primary teacher for their children and full partners in the education of their children;

“(iii) parent literacy training that leads to economic self-sufficiency; and

“(iv) an age-appropriate education to prepare children for success in school and life experiences.

“(7) **GOVERNOR.**—The term ‘Governor’ means the chief executive officer of a State or outlying area.

“(8) **INDIVIDUAL WITH A DISABILITY.**—

“(A) **IN GENERAL.**—The term ‘individual with a disability’ means an individual with any disability (as defined in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102)).

“(B) **INDIVIDUALS WITH DISABILITIES.**—The term ‘individuals with disabilities’ means more than one individual with a disability.

“(9) **INDIVIDUAL WITH LIMITED ENGLISH PROFICIENCY.**—The term ‘individual with limited English proficiency’ means an adult or out-of-school youth who has limited ability in reading, writing, speaking, or understanding the English language, and—

“(A) whose native language is a language other than English; or

“(B) who lives in a family or community environment where a language other than English is the dominant language.

“(10) **INSTITUTION OF HIGHER EDUCATION.**—The term ‘institution of higher education’ has the meaning given to that term in section 101 of the Higher Education Act of 1965 (20 U.S.C. 1001).

“(11) **LITERACY.**—The term ‘literacy’ means the ability to read, write, and speak the English language with competence, knowledge, and comprehension.

“(12) **LOCAL EDUCATIONAL AGENCY.**—The term ‘local educational agency’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(13) **OUTLYING AREA.**—The term ‘outlying area’ has the meaning given to that term in section 101 of this Act.

“(14) **POSTSECONDARY EDUCATIONAL INSTITUTION.**—The term ‘postsecondary educational institution’ means—

“(A) an institution of higher education that provides not less than a 2-year program of instruction that is acceptable for credit toward a bachelor’s degree;

“(B) a tribally controlled community college; or

“(C) a nonprofit educational institution offering certificate or apprenticeship programs at the postsecondary level.

“(15) **READING.**—The term ‘reading’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(16) **SCIENTIFICALLY BASED READING RESEARCH.**—The term ‘scientifically based reading research’ has the meaning given to that term in section 1208 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

“(17) **SECRETARY.**—The term ‘Secretary’ means the Secretary of Education.

“(18) **STATE.**—The term ‘State’ means each of the several States of the United States, the District of Columbia, and the Commonwealth of Puerto Rico.

“(19) **STATE EDUCATIONAL AGENCY.**—The term ‘State educational agency’ has the meaning given to that term in section 9101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 7801).

“(20) **WORKPLACE LITERACY PROGRAM.**—The term ‘workplace literacy program’ means an educational program that is offered in collaboration between eligible providers and employers or employee organizations for the purpose of improving the productivity of the workforce through the improvement of reading, writing, speaking, and math skills.

“SEC. 204. HOME SCHOOLS.

“Nothing in this title shall be construed to affect home schools, whether or not a home school is treated as a home school or a private school under State law, or to compel a parent engaged in home schooling to participate in an English language acquisition program, a family literacy education program, or an adult basic skills and family literacy education program.

“SEC. 205. AUTHORIZATION OF APPROPRIATIONS.

“There are authorized to be appropriated to carry out this title \$584,300,000 for fiscal year 2004 and such sums as may be necessary for fiscal years 2005 through 2009.

“CHAPTER 1—FEDERAL PROVISIONS

“SEC. 211. RESERVATION OF FUNDS; GRANTS TO ELIGIBLE AGENCIES; ALLOTMENTS.

“(a) **RESERVATION OF FUNDS.**—From the sums appropriated under section 205 for a fiscal year, the Secretary—

“(1) shall reserve 1.75 percent to carry out the National Institute for Literacy Establishment Act;

“(2) shall reserve up to 1.72 percent for incentive grants under section 213; and

“(3) shall reserve up to 1.55 percent to carry out section 242.

“(b) GRANTS TO ELIGIBLE AGENCIES.—

“(1) **IN GENERAL.**—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall award a grant to each eligible agency having a State plan approved under section 224 in an amount equal to the sum of the initial allotment under subsection (c)(1) and the additional allotment under subsection (c)(2) for the eligible agency for the fiscal year, subject to subsections (f) and (g).

“(2) **PURPOSE OF GRANTS.**—The Secretary may award a grant under paragraph (1) only if the eligible agency involved agrees to expend the grant in accordance with the provisions of this title.

“(c) ALLOTMENTS.—

“(1) **INITIAL ALLOTMENTS.**—From the sums appropriated under section 205 and not reserved under subsection (a) for a fiscal year, the Secretary shall allot to each eligible agency having a State plan approved under section 224—

“(A) \$100,000, in the case of an eligible agency serving an outlying area; and

“(B) \$250,000, in the case of any other eligible agency.

“(2) **ADDITIONAL ALLOTMENTS.**—From the sums appropriated under section 205, not reserved under subsection (a), and not allotted under paragraph (1), for a fiscal year, the Secretary shall allot to each eligible agency that receives an initial allotment under paragraph (1) an additional amount that bears the same relationship to such sums as the number of qualifying adults in the State or outlying area served by the eligible agency bears to the number of such adults in all States and outlying areas.

“(d) **QUALIFYING ADULT.**—For the purpose of subsection (c)(2), the term ‘qualifying adult’ means an adult who—

“(1) is at least 16 years of age;

“(2) is beyond the age of compulsory school attendance under the law of the State or outlying area;

“(3) does not have a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities); and

“(4) is not enrolled in secondary school.

“(e) SPECIAL RULE.—

“(1) **IN GENERAL.**—From amounts made available under subsection (c) for the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau, the Secretary shall award grants to Guam, American Samoa, the Commonwealth of the Northern Mariana Islands, the Republic of the Marshall Islands, the Federated States of Micronesia, or the Republic of Palau to carry out activities described in this title in accordance with the provisions of this title as determined by the Secretary.

“(2) **TERMINATION OF ELIGIBILITY.**—Notwithstanding any other provision of law, the Republic of the Marshall Islands, the Federated States of Micronesia, and the Republic of Palau shall be eligible to receive a grant under this title until an agreement for the extension of United States education assistance under the Compact of Free Association for each of the Freely Associated States becomes effective.

“(3) **ADMINISTRATIVE COSTS.**—The Secretary may provide not more than 5 percent of the funds made available for grants under this subsection to pay the administrative costs of the Pacific Region Educational Laboratory regarding activities assisted under this subsection.

“(f) HOLD-HARMLESS PROVISIONS.—

“(1) **IN GENERAL.**—Notwithstanding subsection (c), and subject to paragraphs (2) and (3), for fiscal year 2004 and each succeeding fiscal year, no eligible agency shall receive an allotment under this title that is less than 90 percent of the allotment the eligible agency received for the preceding fiscal year under this title.

“(2) **EXCEPTION.**—An eligible agency that receives for the preceding fiscal year only an initial allotment under subsection 211(c)(1) (and no additional allotment under 211(c)(2)) shall receive an allotment equal to 100 percent of the initial allotment.

“(3) **RATABLE REDUCTION.**—If for any fiscal year the amount available for allotment under this title is insufficient to satisfy the provisions of paragraph (1), the Secretary shall ratably reduce the payments to all eligible agencies, as necessary.

“(g) **REALLOTMENT.**—The portion of any eligible agency’s allotment under this title for a fiscal year that the Secretary determines will not be required for the period such allotment is available for carrying out activities under this title, shall be available for reallocation from time to time, on such dates during such period as the Secretary shall fix, to other eligible agencies in proportion to the original allotments to such agencies under this title for such year.

“SEC. 212. PERFORMANCE ACCOUNTABILITY SYSTEM.”

“(a) PURPOSE.—The purpose of this section is to establish a comprehensive performance accountability system, composed of the activities described in this section, to assess the effectiveness of eligible agencies in achieving continuous improvement of adult basic skills and family literacy education programs funded under this title, in order to optimize the return on investment of Federal funds in adult basic skills and family literacy education programs.

“(b) ELIGIBLE AGENCY PERFORMANCE MEASURES.—

“(1) IN GENERAL.—For each eligible agency, the eligible agency performance measures shall consist of—

“(A)(i) the core indicators of performance described in paragraph (2)(A); and

“(ii) employment performance indicators identified by the eligible agency under paragraph (2)(B); and

“(B) an eligible agency adjusted level of performance for each indicator described in subparagraph (A).

“(2) INDICATORS OF PERFORMANCE.—

“(A) CORE INDICATORS OF PERFORMANCE.—The core indicators of performance shall include the following:

“(i) Measurable improvements in basic skill levels in reading, writing, and speaking the English language and basic math, leading to proficiency in each skill.

“(ii) Receipt of a secondary school diploma or the General Equivalency Diploma (GED) (including recognized alternative standards for individuals with disabilities).

“(iii) Placement in postsecondary education or other training programs.

“(B) EMPLOYMENT PERFORMANCE INDICATORS.—Consistent with applicable Federal and State privacy laws, an eligible agency shall identify in the State plan the following individual participant employment performance indicators—

“(i) entry into employment;

“(ii) retention in employment; and

“(iii) increase in earnings.

“(3) LEVELS OF PERFORMANCE.—

“(A) ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR CORE INDICATORS.—

“(i) IN GENERAL.—For each eligible agency submitting a State plan, there shall be established, in accordance with this subparagraph, levels of performance for each of the core indicators of performance described in paragraph (2)(A) for adult basic skills and family literacy education programs authorized under this title. The levels of performance established under this subparagraph shall, at a minimum—

“(I) be expressed in an objective, quantifiable, and measurable form; and

“(II) show the progress of the eligible agency toward continuously and significantly improving the agency's performance outcomes in an objective, quantifiable, and measurable form.

“(ii) IDENTIFICATION IN STATE PLAN.—Each eligible agency shall identify, in the State plan submitted under section 224, expected levels of performance for each of the core indicators of performance for the first 3 program years covered by the State plan.

“(iii) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR FIRST 3 YEARS.—In order to ensure an optimal return on the investment of Federal funds in adult basic skills and family literacy education programs authorized under this title, the Secretary and each eligible agency shall reach agreement on levels of student proficiency for each of the core indicators of performance, for the first 3 program years covered by the State plan, taking into account the levels identified in the State plan under clause (ii) and the factors described in

clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan prior to the approval of such plan.

“(iv) FACTORS.—The agreement described in clause (iii) or (v) shall take into account—

“(I) how the levels involved compare with the eligible agency's adjusted levels of performance, taking into account factors including the characteristics of participants when the participants entered the program; and

“(II) the extent to which such levels promote continuous and significant improvement in performance on the student proficiency measures used by such eligible agency and ensure optimal return on the investment of Federal funds.

“(v) AGREEMENT ON ELIGIBLE AGENCY ADJUSTED LEVELS OF PERFORMANCE FOR SECOND 3 YEARS.—Prior to the fourth program year covered by the State plan, the Secretary and each eligible agency shall reach agreement on levels of student proficiency for each of the core indicators of performance for the fourth, fifth, and sixth program years covered by the State plan, taking into account the factors described in clause (iv). The levels agreed to under this clause shall be considered to be the eligible agency adjusted levels of performance for the eligible agency for such years and shall be incorporated into the State plan.

“(vi) REVISIONS.—If unanticipated circumstances arise in a State resulting in a significant change in the factors described in clause (iv)(I), the eligible agency may request that the eligible agency adjusted levels of performance agreed to under clause (iii) or (v) be revised.

“(B) LEVELS OF EMPLOYMENT PERFORMANCE.—The eligible agency shall identify, in the State plan, eligible agency levels of performance for each of the employment performance indicators described in paragraph (2)(B). Such levels shall be considered to be eligible agency adjusted levels of performance for purposes of this title.

“(c) REPORT.—

“(1) IN GENERAL.—Each eligible agency that receives a grant under section 211(b) shall annually prepare and submit to the Secretary, the Governor, the State legislature, eligible providers, and the general public within the State, a report on the progress of the eligible agency in achieving eligible agency performance measures, including the following:

“(A) Information on the levels of performance achieved by the eligible agency with respect to the core indicators of performance and employment performance indicators.

“(B) The number and type of each eligible provider that receives funding under such grant.

“(2) INFORMATION DISSEMINATION.—The Secretary—

“(A) shall make the information contained in such reports available to the general public through publication and other appropriate methods;

“(B) shall disseminate State-by-State comparisons of the information; and

“(C) shall provide the appropriate committees of the Congress with copies of such reports.

“SEC. 213. INCENTIVE GRANTS FOR STATES.”

“(a) IN GENERAL.—From funds appropriated under section 211(a)(2), the Secretary may award grants to States for exemplary performance in carrying out programs under this title. Such awards shall be based on States meeting or exceeding the core indicators of performance established under section 212(b)(2)(A) and may be based on the per-

formance of the State in serving populations, such as those described in section 224(b)(10), including the levels of service provided and the performance outcomes, and such other factors relating to the performance of the State under this title as the Secretary determines appropriate.

“(b) USE OF FUNDS.—The funds awarded to a State under this paragraph may be used to carry out any activities authorized under this title, including demonstrations and innovative programs for hard-to-serve populations.

“CHAPTER 2—STATE PROVISIONS”**“SEC. 221. STATE ADMINISTRATION.”**

“Each eligible agency shall be responsible for the following activities under this title:

“(1) The development, submission, implementation, and monitoring of the State plan.

“(2) Consultation with other appropriate agencies, groups, and individuals that are involved in, or interested in, the development and implementation of activities assisted under this title.

“(3) Coordination and avoidance of duplication with other Federal and State education, training, corrections, public housing, and social service programs.

“SEC. 222. STATE DISTRIBUTION OF FUNDS; MATCHING REQUIREMENT.”

“(a) STATE DISTRIBUTION OF FUNDS.—Each eligible agency receiving a grant under this title for a fiscal year—

“(1) shall use an amount not less than 82.5 percent of the grant funds to award grants and contracts under section 231 and to carry out section 225, of which not more than 10 percent of such amount shall be available to carry out section 225;

“(2) shall use not more than 12.5 percent of the grant funds to carry out State leadership activities under section 223; and

“(3) shall use not more than 5 percent of the grant funds, or \$75,000, whichever is greater, for the administrative expenses of the eligible agency.

“(b) MATCHING REQUIREMENT.—

“(1) IN GENERAL.—In order to receive a grant from the Secretary under section 211(b), each eligible agency shall provide, for the costs to be incurred by the eligible agency in carrying out the adult basic skills and family literacy education programs for which the grant is awarded, a non-Federal contribution in an amount at least equal to—

“(A) in the case of an eligible agency serving an outlying area, 12 percent of the total amount of funds expended for adult basic skills and family literacy education programs in the outlying area, except that the Secretary may decrease the amount of funds required under this subparagraph for an eligible agency; and

“(B) in the case of an eligible agency serving a State, 25 percent of the total amount of funds expended for adult basic skills and family literacy education programs in the State.

“(2) NON-FEDERAL CONTRIBUTION.—An eligible agency's non-Federal contribution required under paragraph (1) may be provided in cash or in kind, fairly evaluated, and shall include only non-Federal funds that are used for adult basic skills and family literacy education programs in a manner that is consistent with the purpose of this title.

“SEC. 223. STATE LEADERSHIP ACTIVITIES.”

“(a) IN GENERAL.—Each eligible agency may use funds made available under section 222(a)(2) for any of the following adult basic skills and family literacy education programs:

“(1) The establishment or operation of professional development programs to improve the quality of instruction provided pursuant to local activities required under section

231(b), including instruction incorporating the essential components of reading instruction and instruction provided by volunteers or by personnel of a State or outlying area.

“(2) The provision of technical assistance to eligible providers of adult basic skills and family literacy education programs for development and dissemination of scientific research-based instructional practices in reading, writing, speaking, math, and English language acquisition programs.

“(3) The provision of assistance to eligible providers in developing, implementing, and reporting measurable progress in achieving the objectives of this title.

“(4) The provision of technology assistance, including staff training, to eligible providers of adult basic skills and family literacy education programs, including distance learning activities, to enable the eligible providers to improve the quality of such activities.

“(5) The development and implementation of technology applications or distance learning, including professional development to support the use of instructional technology.

“(6) Coordination with other public programs, including welfare-to-work, workforce development, and job training programs.

“(7) Coordination with existing support services, such as transportation, child care, and other assistance designed to increase rates of enrollment in, and successful completion of, adult basic skills and family literacy education programs, for adults enrolled in such activities.

“(8) The development and implementation of a system to assist in the transition from adult basic education to postsecondary education.

“(9) Activities to promote workplace literacy programs.

“(10) Activities to promote and complement local outreach initiatives described in section 242(7).

“(11) Other activities of statewide significance, including assisting eligible agencies in achieving progress in improving the skill levels of adults who participate in programs under this title.

“(b) COORDINATION.—In carrying out this section, eligible agencies shall coordinate where possible, and avoid duplicating efforts, in order to maximize the impact of the activities described in subsection (a).

“(c) STATE-IMPOSED REQUIREMENTS.—Whenever a State or outlying area implements any rule or policy relating to the administration or operation of a program authorized under this title that has the effect of imposing a requirement that is not imposed under Federal law (including any rule or policy based on a State or outlying area interpretation of a Federal statute, regulation, or guideline), the State or outlying area shall identify, to eligible providers, the rule or policy as being imposed by the State or outlying area.

“SEC. 224. STATE PLAN.

“(a) 6-YEAR PLANS.—

“(1) IN GENERAL.—Each eligible agency desiring a grant under this title for any fiscal year shall submit to, or have on file with, the Secretary a 6-year State plan.

“(2) COMPREHENSIVE PLAN OR APPLICATION.—The eligible agency may submit the State plan as part of a comprehensive plan or application for Federal education assistance.

“(b) PLAN CONTENTS.—The eligible agency shall include in the State plan or any revisions to the State plan—

“(1) an objective assessment of the needs of individuals in the State or outlying area for adult basic skills and family literacy education programs, including individuals most in need or hardest to serve;

“(2) a description of the adult basic skills and family literacy education programs that will be carried out with funds received under this title;

“(3) a description of how the eligible agency will evaluate and measure annually the effectiveness and improvement of the adult basic skills and family literacy education programs based on the performance measures described in section 212 including—

“(A) how the eligible agency will evaluate and measure annually such effectiveness on a grant-by-grant basis; and

“(B) how the eligible agency—

“(i) will hold eligible providers accountable regarding the progress of such providers in improving the academic achievement of participants in adult education programs under this title and regarding the core indicators of performance described in section 212(b)(2)(A); and

“(ii) will use technical assistance, sanctions, and rewards (including allocation of grant funds based on performance and termination of grant funds based on nonperformance);

“(4) a description of the performance measures described in section 212 and how such performance measures have significantly improved adult basic skills and family literacy education programs in the State or outlying area;

“(5) an assurance that the eligible agency will, in addition to meeting all of the other requirements of this title, award not less than one grant under this title to an eligible provider that—

“(A) offers flexible schedules and necessary support services (such as child care and transportation) to enable individuals, including individuals with disabilities, or individuals with other special needs, to participate in adult basic skills and family literacy education programs; and

“(B) attempts to coordinate with support services that are not provided under this title prior to using funds for adult basic skills and family literacy education programs provided under this title for support services;

“(6) an assurance that the funds received under this title will not be expended for any purpose other than for activities under this title;

“(7) a description of how the eligible agency will fund local activities in accordance with the measurable goals described in section 231(d);

“(8) an assurance that the eligible agency will expend the funds under this title only in a manner consistent with fiscal requirements in section 241;

“(9) a description of the process that will be used for public participation and comment with respect to the State plan, which process—

“(A) shall include consultation with the State workforce investment board, the State board responsible for administering community or technical colleges, the Governor, the State educational agency, the State board or agency responsible for administering block grants for temporary assistance to needy families under title IV of the Social Security Act, the State council on disabilities, the State vocational rehabilitation agency, other State agencies that promote the improvement of adult basic skills and family literacy education programs, and direct providers of such programs; and

“(B) may include consultation with the State agency on higher education, institutions responsible for professional development of adult basic skills and family literacy education programs instructors, representatives of business and industry, refugee assistance programs, and faith-based organizations;

“(10) a description of the eligible agency's strategies for serving populations that include, at a minimum—

“(A) low-income individuals;

“(B) individuals with disabilities;

“(C) the unemployed;

“(D) the underemployed; and

“(E) individuals with multiple barriers to educational enhancement, including individuals with limited English proficiency;

“(11) a description of how the adult basic skills and family literacy education programs that will be carried out with any funds received under this title will be integrated with other adult education, career development, and employment and training activities in the State or outlying area served by the eligible agency;

“(12) a description of the steps the eligible agency will take to ensure direct and equitable access, as required in section 231(c)(1), including—

“(A) how the State will build the capacity of community-based and faith-based organizations to provide adult basic skills and family literacy education programs; and

“(B) how the State will increase the participation of business and industry in adult basic skills and family literacy education programs; and

“(13) a description of how the eligible agency will consult with any State agency responsible for postsecondary education to develop adult education that prepares students to enter postsecondary education without the need for remediation upon completion of secondary school equivalency programs.

“(c) PLAN REVISIONS.—When changes in conditions or other factors require substantial revisions to an approved State plan, the eligible agency shall submit the revisions of the State plan to the Secretary.

“(d) CONSULTATION.—The eligible agency shall—

“(1) submit the State plan, and any revisions to the State plan, to the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, or outlying area for review and comment; and

“(2) ensure that any comments regarding the State plan by the Governor, the chief State school officer, or the State officer responsible for administering community or technical colleges, and any revision to the State plan, are submitted to the Secretary.

“(e) PLAN APPROVAL.—A State plan submitted to the Secretary shall be approved by the Secretary only if the plan is consistent with the specific provisions of this title.

“SEC. 225. PROGRAMS FOR CORRECTIONS EDUCATION AND OTHER INSTITUTIONALIZED INDIVIDUALS.

“(a) PROGRAM AUTHORIZED.—From funds made available under section 222(a)(1) for a fiscal year, each eligible agency shall carry out corrections education and education for other institutionalized individuals.

“(b) USES OF FUNDS.—The funds described in subsection (a) shall be used for the cost of educational programs for criminal offenders in correctional institutions and for other institutionalized individuals, including academic programs for—

“(1) basic skills education;

“(2) special education programs as determined by the eligible agency;

“(3) reading, writing, speaking, and math programs; and

“(4) secondary school credit or diploma programs or their recognized equivalent.

“(c) PRIORITY.—Each eligible agency that is using assistance provided under this section to carry out a program for criminal offenders within a correctional institution shall give priority to serving individuals who are likely to leave the correctional institution within 5 years of participation in the program.

“(d) DEFINITIONS.—For purposes of this section:

“(1) CORRECTIONAL INSTITUTION.—The term ‘correctional institution’ means any—

“(A) prison;

“(B) jail;

“(C) reformatory;

“(D) work farm;

“(E) detention center; or

“(F) halfway house, community-based rehabilitation center, or any other similar institution designed for the confinement or rehabilitation of criminal offenders.

“(2) CRIMINAL OFFENDER.—The term ‘criminal offender’ means any individual who is charged with, or convicted of, any criminal offense.

“CHAPTER 3—LOCAL PROVISIONS

“SEC. 231. GRANTS AND CONTRACTS FOR ELIGIBLE PROVIDERS.

“(a) GRANTS AND CONTRACTS.—From grant funds made available under section 211(b), each eligible agency shall award multiyear grants or contracts, on a competitive basis, to eligible providers within the State or outlying area that meet the conditions and requirements of this title to enable the eligible providers to develop, implement, and improve adult basic skills and family literacy education programs within the State.

“(b) LOCAL ACTIVITIES.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to establish or operate one or more programs of instruction that provide services or instruction in one or more of the following categories:

“(1) Adult basic skills and family literacy education programs (including proficiency in reading, writing, speaking, and math).

“(2) Workplace literacy programs.

“(3) English language acquisition programs.

“(4) Family literacy education programs.

“(c) DIRECT AND EQUITABLE ACCESS; SAME PROCESS.—Each eligible agency receiving funds under this title shall ensure that—

“(1) all eligible providers have direct and equitable access to apply for grants or contracts under this section; and

“(2) the same grant or contract announcement process and application process is used for all eligible providers in the State or outlying area.

“(d) MEASURABLE GOALS.—The eligible agency shall require eligible providers receiving a grant or contract under subsection (a) to demonstrate—

“(1) the eligible provider’s measurable goals for participant outcomes to be achieved annually on the core indicators of performance and employment performance indicators described in section 212(b)(2);

“(2) the past effectiveness of the eligible provider in improving the basic academic skills of adults and, for eligible providers receiving grants in the prior year, the success of the eligible provider receiving funding under this title in meeting or exceeding its performance goals in the prior year;

“(3) the commitment of the eligible provider to serve individuals in the community who are the most in need of basic academic skills instruction services, including individuals who are low-income or have minimal reading, writing, speaking, and math skills, or limited English proficiency;

“(4) the program—

“(A) is of sufficient intensity and duration for participants to achieve substantial learning gains; and

“(B) uses instructional practices that include the essential components of reading instruction;

“(5) educational practices are based on scientifically based research;

“(6) the activities of the eligible provider effectively employ advances in technology,

as appropriate, including the use of computers;

“(7) the activities provide instruction in real-life contexts, when appropriate and scientifically based, to ensure that an individual has the skills needed to compete in the workplace and exercise the rights and responsibilities of citizenship;

“(8) the activities are staffed by well-trained instructors, counselors, and administrators;

“(9) the activities are coordinated with other available resources in the community, such as through strong links with elementary schools and secondary schools, postsecondary educational institutions, one-stop centers, job training programs, community-based and faith-based organizations, and social service agencies;

“(10) the activities offer flexible schedules and support services (such as child care and transportation) that are necessary to enable individuals, including individuals with disabilities or other special needs, to attend and complete programs;

“(11) the activities include a high-quality information management system that has the capacity to report measurable participant outcomes and to monitor program performance against the performance measures established by the eligible agency;

“(12) the local communities have a demonstrated need for additional English language acquisition programs;

“(13) the capacity of the eligible provider to produce valid information on performance results, including enrollments and measurable participant outcomes;

“(14) adult basic skills and family literacy education programs offer rigorous reading, writing, speaking, and math content that are based on scientific research; and

“(15) applications of technology, and services to be provided by the eligible providers, are of sufficient intensity and duration to increase the amount and quality of learning and lead to measurable learning gains within specified time periods.

“(e) SPECIAL RULE.—Eligible providers may use grant funds under this title to serve children participating in family literacy programs assisted under this part, provided that other sources of funds available to provide similar services for such children are used first.

“SEC. 232. LOCAL APPLICATION.

“Each eligible provider desiring a grant or contract under this title shall submit an application to the eligible agency containing such information and assurances as the eligible agency may require, including—

“(1) a description of how funds awarded under this title will be spent consistent with the requirements of this title;

“(2) a description of any cooperative arrangements the eligible provider has with other agencies, institutions, or organizations for the delivery of adult basic skills and family literacy education programs; and

“(3) each of the demonstrations required by section 231(d).

“SEC. 233. LOCAL ADMINISTRATIVE COST LIMITS.

“(a) IN GENERAL.—Subject to subsection (b), of the amount that is made available under this title to an eligible provider—

“(1) at least 95 percent shall be expended for carrying out adult basic skills and family literacy education programs; and

“(2) the remaining amount shall be used for planning, administration, personnel and professional development, development of measurable goals in reading, writing, speaking, and math, and interagency coordination.

“(b) SPECIAL RULE.—In cases where the cost limits described in subsection (a) are too restrictive to allow for adequate planning, administration, personnel develop-

ment, and interagency coordination, the eligible provider may negotiate with the eligible agency in order to determine an adequate level of funds to be used for noninstructional purposes.

“CHAPTER 4—GENERAL PROVISIONS

“SEC. 241. ADMINISTRATIVE PROVISIONS.

“(a) SUPPLEMENT NOT SUPPLANT.—Funds made available for adult basic skills and family literacy education programs under this title shall supplement and not supplant other State or local public funds expended for adult basic skills and family literacy education programs.

“(b) MAINTENANCE OF EFFORT.—

“(1) IN GENERAL.—

“(A) DETERMINATION.—An eligible agency may receive funds under this title for any fiscal year if the Secretary finds that the fiscal effort per student or the aggregate expenditures of such eligible agency for activities under this title, in the second preceding fiscal year, were not less than 90 percent of the fiscal effort per student or the aggregate expenditures of such eligible agency for adult basic skills and family literacy education programs, in the third preceding fiscal year.

“(B) PROPORTIONATE REDUCTION.—Subject to paragraphs (2), (3), and (4), for any fiscal year with respect to which the Secretary determines under subparagraph (A) that the fiscal effort or the aggregate expenditures of an eligible agency for the preceding program year were less than such effort or expenditures for the second preceding program year, the Secretary—

“(i) shall determine the percentage decreases in such effort or in such expenditures; and

“(ii) shall decrease the payment made under this title for such program year to the agency for adult basic skills and family literacy education programs by the lesser of such percentages.

“(2) COMPUTATION.—In computing the fiscal effort and aggregate expenditures under paragraph (1), the Secretary shall exclude capital expenditures and special one-time project costs.

“(3) DECREASE IN FEDERAL SUPPORT.—If the amount made available for adult basic skills and family literacy education programs under this title for a fiscal year is less than the amount made available for adult basic skills and family literacy education programs under this title for the preceding fiscal year, then the fiscal effort per student and the aggregate expenditures of an eligible agency required in order to avoid a reduction under paragraph (1)(B) shall be decreased by the same percentage as the percentage decrease in the amount so made available.

“(4) WAIVER.—The Secretary may waive the requirements of this subsection for not more than 1 fiscal year, if the Secretary determines that a waiver would be equitable due to exceptional or uncontrollable circumstances, such as a natural disaster or an unforeseen and precipitous decline in the financial resources of the State or outlying area of the eligible agency. If the Secretary grants a waiver under the preceding sentence for a fiscal year, the level of effort required under paragraph (1) shall not be reduced in the subsequent fiscal year because of the waiver.

“SEC. 242. NATIONAL LEADERSHIP ACTIVITIES.

“The Secretary shall establish and carry out a program of national leadership activities that may include the following:

“(1) Technical assistance, on request, including assistance—

“(A) on requests to volunteer community- and faith-based organizations, including but not limited to, improving their fiscal management, research-based instruction, and reporting requirements, and the development

of measurable objectives to carry out the requirements of this title;

“(B) in developing valid, measurable, and reliable performance data, and using performance information for the improvement of adult basic skills and family literacy education programs;

“(C) on adult education professional development; and

“(D) in using distance learning and improving the application of technology in the classroom.

“(2) Providing for the conduct of research on national literacy basic skill acquisition levels among adults, including the number of adults functioning at different levels of reading proficiency.

“(3) Improving the coordination, efficiency, and effectiveness of adult education and workforce development services at the national, State, and local levels.

“(4) Determining how participation in adult basic skills and family literacy education programs prepares individuals for entry into and success in postsecondary education and employment, and in the case of prison-based services, the effect on recidivism.

“(5) Evaluating how different types of providers, including community and faith-based organizations or private for-profit agencies measurably improve the skills of participants in adult basic skills and family literacy education programs.

“(6) Identifying model integrated basic and workplace skills education programs, coordinated literacy and employment services, and effective strategies for serving adults with disabilities.

“(7) Supporting the development of an entity that would produce and distribute technology-based programs and materials for adult basic skills and family literacy education programs using an intercommunication system, as that term is defined in section 397 of the Communications Act of 1934 (47 U.S.C. 397), and expand the effective outreach and use of such programs and materials to adult education eligible providers.

“(8) Initiating other activities designed to improve the measurable quality and effectiveness of adult basic skills and family literacy education programs nationwide.”

PART B—NATIONAL INSTITUTE FOR LITERACY

SEC. 211. SHORT TITLE; PURPOSE.

(a) **SHORT TITLE.**—This part may be cited as the “National Institute for Literacy Establishment Act”.

(b) **PURPOSE.**—The purpose of this part is to establish a National Institute for Literacy to provide national leadership in promoting reading research, reading instruction, and professional development in reading based on scientifically based research by—

(1) disseminating widely information on scientifically based reading research to improve academic achievement for children, youth, and adults;

(2) identifying and disseminating information about schools, local educational agencies, and State educational agencies that have effectively developed and implemented classroom reading programs that meet the requirements of subpart 1 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6361 et seq.), including those State educational agencies, local educational agencies, and schools that are identified as effective through the External Evaluation of Reading First under section 1205 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6365);

(3) serving as a national resource for information on reading instruction programs that contain the essential components of reading instruction as supported by scientifically

based reading research, and that can lead to improved reading outcomes for children, youth, and adults;

(4) developing print and electronic materials that describe and model the application of scientifically based reading research;

(5) providing national and regional reading leadership for State and local personnel for the application and implementation of scientifically based reading research;

(6) coordinating efforts among Federal agencies, especially the Department of Labor, the Department of Health and Human Services, and the National Institute of Child Health and Human Development, that provide reading programs, conduct research, and provide services to recipients of Federal financial assistance under titles I and III of the Elementary and Secondary Education Act of 1965, the Head Start Act, the Individuals with Disabilities Education Act, and the Adult Basic Skills and Family Literacy Education Act, and each Bureau funded school (as defined in title XI of the Education Amendments of 1978 (25 U.S.C. 2001 et seq.)); and

(7) informing the Congress, Federal departments and agencies, schools of education, and the public of successful local, State, and Federal program activities in reading instruction that are determined to be effective based on the findings of scientifically based reading research.

SEC. 212. ESTABLISHMENT.

(a) **IN GENERAL.**—There is established the National Institute for Literacy. The Institute shall be administered, in accordance with this part, under the supervision and direction of a Director. There shall be an agreement between an Interagency Group (comprised of the Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services) and the Institute on how the purposes of the Institute may be achieved effectively. Such agreement—

(1) shall be regularly reviewed, and modified as needed to remain current with any changes in the purposes of the Institute; and

(2) shall be updated no later than 1 year after the enactment of this part.

(b) **DIRECTOR.**—

(1) **APPOINTMENT.**—The Interagency Group shall appoint a Director of the Institute, who has an understanding of, supports, and is familiar with scientifically based reading research, instruction, and professional development applicable to children, youth, and adults. If a vacancy in the position of the Director of the Institute occurs, the Interagency Group shall appoint an Interim Director until such time as a new Director can be appointed.

(2) **PAY.**—The Director of the Institute shall receive the rate of basic pay for level IV of the Executive Schedule.

(3) **TERM.**—The Director of the Institute shall be appointed for an initial term of 3 years and may serve not more than 1 additional term of 3 years.

SEC. 213. ADMINISTRATION.

(a) **IN GENERAL.**—The Director of the Institute shall be responsible for administering the Institute. The Director of the Institute shall—

(1) provide leadership for the Institute, consistent with the purposes described in section 211(b);

(2) supervise all employees in the Institute;

(3) assign responsibility to carry out the duties of the Institute among officers and employees, and offices of the Institute;

(4) prepare requests for appropriations for the Institute and submit those requests to the Interagency Group;

(5) oversee the expenditure of all funds allocated for the Institute to carry out the purposes under section 211(b); and

(6) ensure that the Institute's standards for research quality are consistent with those promulgated by the Institute for Education Sciences.

(b) **OFFICES.**—The Institute shall have separate offices from the Department of Education, the Department of Labor, and the Department of Health and Human Services, and shall have maximum flexibility in its operations to carry out the purposes of the Institute.

(c) **ADMINISTRATIVE SUPPORT.**—The Secretary of Education shall provide administrative support for the Institute, including the administration of grants, contracts and cooperative agreements, personnel, legal counsel, and payroll.

SEC. 214. DUTIES.

(a) **IN GENERAL.**—In order to provide leadership for the improvement and expansion of the system for delivery of scientifically based reading instructional practices, the Director of the Institute shall—

(1) establish a national electronic database of effective reading programs for children, youth, and adults that include the essential components of reading instruction, and disseminate such information to parents, teachers, State and Federal elected officials, and the public;

(2) develop print and electronic materials for professional development that provide applications of scientifically based reading research, and instructional practices in reading for children, youth, and adults;

(3) provide technical assistance to the Congress, school Boards, Federal agencies, State departments of education, adult education programs, local school districts, local public and private schools, and schools of education, on scientifically based reading instructional practices including diagnostic and assessment instruments and instructional materials;

(4) collaborate and support Federal research programs in reading instruction, including, where appropriate, those areas of study addressed by the National Institute of Child Health and Human Development, the Institute for Education Sciences, the National Science Foundation, the Department of Labor, and the National Research Council;

(5) coordinate with the Department of Education, the Department of Labor, the Department of Health and Human Services, and the National Institute of Child Health and Human Development on all programs that include improving reading instructional practices for children, youth, and adults, and teacher training in reading instructional practices;

(6) use and support the collection of the best possible information in carrying out this section, and where appropriate, including reviews of research on instruction using the criteria for quality identified by the Institute for Education Sciences;

(7) conduct reviews of research, including randomized field trials, on reading programs, and conduct reviews of Federal reading policies and reading program implementation using a board of visitors as described in subchapter 300 of the National Science Foundation Administrative Manual; and

(8) develop an Internet site that provides useful information to educators and the public on reading literacy that is consistent with the purposes described in section 211(b).

(b) **GRANTS, CONTRACTS, AND COOPERATIVE AGREEMENTS.**—The Institute may award grants to, or enter into contracts or cooperative agreements with, individuals, public or private institutions, agencies, organizations, or other legal entities to carry out the activities of the Institute.

(c) **RELATION TO OTHER LAWS.**—The duties and powers of the Institute under this part

are in addition to the duties and powers of the Institute under subparts 1, 2, and 3 of part B of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 1201 et seq.) (commonly referred to as Reading First, Early Reading First, and the William F. Goodling Even Start Family Literacy Programs, respectively).

SEC. 215. LEADERSHIP IN SCIENTIFICALLY BASED READING INSTRUCTION.

(a) IN GENERAL.—The Director of the Institute may award fellowships, with such stipends and allowances as necessary, to outstanding individuals who are pursuing careers in scientifically based research in reading instruction or pre-service or in-service training in reading instruction, including teaching children and adults to read.

(b) FELLOWSHIPS.—Fellowships awarded under this subsection shall be used, under the auspices of the Institute, to engage in research, education training, technical assistance, or other activities to advance the field of scientifically based reading instruction for children, youth, and adults, including the training of volunteers in such reading skills instruction.

(c) INTERNS AND VOLUNTEERS.—The Director of the Institute may award paid and unpaid internships to individuals seeking to assist the Institute in carrying out its mission. Notwithstanding section 1342 of title 31, United States Code, the Institute may accept and use voluntary and uncompensated services as the Institute deems necessary.

SEC. 216. NATIONAL INSTITUTE FOR LITERACY ADVISORY BOARD.

(a) ESTABLISHMENT.—

(1) IN GENERAL.—There shall be a National Institute for Literacy Advisory Board, which shall consist of 10 individuals appointed by the President with the advice and consent of the Senate.

(2) COMPOSITION.—The Board shall be comprised of individuals who are not otherwise officers or employees of the Federal Government and who are knowledgeable about scientifically based reading instruction, and the findings of scientifically based reading research. The members of the Board may include—

(A) representatives from teacher training institutions where scientifically based reading instruction is a major component of pre-service training;

(B) teachers who have been successful in teaching children to read proficiently;

(C) members of the business community who have developed successful employee reading instruction programs;

(D) volunteer tutors in reading who are using scientifically based reading instruction;

(E) reading researchers who have conducted scientifically based research; and

(F) other qualified individuals knowledgeable about scientifically based reading instruction, including adult education.

(b) DUTIES.—The Board shall—

(1) provide advice to the Director of the Institute to ensure that the purposes of the Institute under section 211 are carried out effectively; and

(2) approve the annual report to the Congress;

(c) FEDERAL ADVISORY COMMITTEE ACT.—Except as otherwise provided in this part, the Board established by this section shall be subject to the provisions of the Federal Advisory Committee Act (5 U.S.C. App.).

(d) APPOINTMENTS.—

(1) IN GENERAL.—Each member of the Board shall be appointed for a term of 3 years, except that the initial terms for members may be 1, 2, or 3 years in order to establish a rotation, in which $\frac{1}{3}$ of the members are selected each year. Any such member may be ap-

pointed for not more than 2 consecutive terms.

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

(e) QUORUM.—A majority of the members of the Board shall constitute a quorum, but a lesser number may hold hearings. Any recommendation of the Board may be passed only by a majority of the Board members present.

(f) ELECTION OF OFFICERS.—The Chairperson and Vice Chairperson of the Board shall be elected by the members of the Board. The term of office of the Chairperson and Vice Chairperson shall be 2 years.

(g) MEETINGS.—The Board shall meet at the call of the Chairperson, or a majority of the members of the Board, but not less than quarterly.

SEC. 217. GIFTS, BEQUESTS, AND DEVICES.

(a) IN GENERAL.—The Institute may accept, administer, and use gifts or donations of services, money, or property, whether real or personal, tangible or intangible.

(b) RULES.—The Director of the Institute shall establish written rules setting forth the criteria to be used by the Institute in determining whether the acceptance of contributions of services, money, or property whether real or personal, tangible or intangible, would reflect unfavorably upon the ability of the Institute or any employee to carry out the responsibilities of the Institute or employee, or official duties, in a fair and objective manner, or would compromise the integrity or the appearance of the integrity of the Institute's programs or any official involved in those programs.

SEC. 218. MAILS.

The Board and the Institute may use the United States mails in the same manner and under the same conditions as other departments and agencies of the United States.

SEC. 219. APPLICABILITY OF CERTAIN CIVIL SERVICE LAWS.

The Director of the Institute and the staff of the Institute may be appointed without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, and may be paid without regard to the provisions of chapter 51 and subchapter III of chapter 53 of that title relating to classification and General Schedule pay rates, except that an individual so appointed may not receive pay in excess of the annual rate of basic pay payable for level IV of the Executive Schedule.

SEC. 220. EXPERTS AND CONSULTANTS.

The Institute may procure temporary and intermittent services under section 3109(b) of title 5, United States Code.

SEC. 221. REPORT.

(a) IN GENERAL.—The Institute shall submit a biennial report to the Committee on Education and the Workforce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate. Each report submitted under this section shall include—

(1) a comprehensive and detailed description of the Institute's operations, activities, financial condition, and accomplishments in carrying out the purposes of the Institute as specified in section 211, for the period covered by the report; and

(2) a summary description of how the Institute will advance the purposes of the Institute for the next biennium.

(b) FIRST REPORT.—The Institute shall submit a report under this section not later than 1 year after the date of enactment of this part.

SEC. 222. DEFINITIONS.

For purposes of this part—

(1) the term "Board" means the National Institute for Literacy Advisory Board;

(2) the term "Institute" means the National Institute for Literacy;

(3) the term "Interagency Group" means the Secretary of Education, the Secretary of Labor, and the Secretary of Health and Human Services;

(4) the term "literacy" means the ability to read, write, and speak the English language with competence, knowledge, and comprehension; and

(5) the terms "reading", "scientifically based reading research", and "essential components of reading instruction" have the meanings given those terms in section 1208 of part B of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6368).

SEC. 223. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to administer and carry out this part \$6,700,000 for fiscal year 2004 and such sums as may be necessary for each of the 5 succeeding fiscal years.

SEC. 224. RESERVATION.

From amounts appropriated to the Institute, the Director of the Institute may use not more than 5 percent of such amounts for the administration of information dissemination under section 1207 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6367).

SEC. 225. AUTHORITY TO PUBLISH.

The Institute, including the Board, may prepare, publish, and present (including through oral presentations) such research-based information and research reports as needed to carry out the purposes and mission of the Institute.

PART C—GENERAL PROVISIONS

SEC. 241. TRANSITION.

The Secretary shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this title.

TITLE III—AMENDMENTS TO THE WAGNER-PEYSER ACT

SEC. 301. AMENDMENTS TO THE WAGNER-PEYSER ACT.

The Wagner-Peyser Act (29 U.S.C. 49 et seq.) is amended—

(1) by striking sections 1 through 13;

(2) in section 14 by inserting "of Labor" after "Secretary"; and

(3) by amending section 15 to read as follows:

"SEC. 15. WORKFORCE AND LABOR MARKET INFORMATION SYSTEM.

"(a) SYSTEM CONTENT.—

"(1) IN GENERAL.—The Secretary of Labor, in accordance with the provisions of this section, shall oversee the development, maintenance, and continuous improvement of a nationwide workforce and labor market information system that includes—

"(A) statistical data from cooperative statistical survey and projection programs and data from administrative reporting systems that, taken together, enumerate, estimate, and project employment opportunities and conditions at national, State, and local levels in a timely manner, including statistics on—

"(i) employment and unemployment status of national, State, and local populations, including self-employed, part-time, and seasonal workers;

"(ii) industrial distribution of occupations, as well as current and projected employment opportunities, wages, benefits (where data is available), and skill trends by occupation and industry, with particular attention paid to State and local conditions;

"(iii) the incidence of, industrial and geographical location of, and number of workers

displaced by, permanent layoffs and plant closings; and

“(iv) employment and earnings information maintained in a longitudinal manner to be used for research and program evaluation;

“(B) information on State and local employment opportunities, and other appropriate statistical data related to labor market dynamics, which—

“(i) shall be current and comprehensive;

“(ii) shall meet the needs identified through the consultations described in subparagraphs (A) and (B) of subsection (e)(2); and

“(iii) shall meet the needs for the information identified in section 134(d);

“(C) technical standards (which the Secretary shall publish annually) for data and information described in subparagraphs (A) and (B) that, at a minimum, meet the criteria of chapter 35 of title 44, United States Code;

“(D) procedures to ensure compatibility and additivity of the data and information described in subparagraphs (A) and (B) from national, State, and local levels;

“(E) procedures to support standardization and aggregation of data from administrative reporting systems described in subparagraph (A) of employment-related programs;

“(F) analysis of data and information described in subparagraphs (A) and (B) for uses such as—

“(i) national, State, and local policy-making;

“(ii) implementation of Federal policies (including allocation formulas);

“(iii) program planning and evaluation; and

“(iv) researching labor market dynamics;

“(G) wide dissemination of such data, information, and analysis in a user-friendly manner and voluntary technical standards for dissemination mechanisms; and

“(H) programs of—

“(i) training for effective data dissemination;

“(ii) research and demonstration; and

“(iii) programs and technical assistance.

“(2) INFORMATION TO BE CONFIDENTIAL.—

“(A) IN GENERAL.—No officer or employee of the Federal Government or agent of the Federal Government may—

“(i) use any submission that is furnished for exclusively statistical purposes under the provisions of this section for any purpose other than the statistical purposes for which the submission is furnished;

“(ii) make any publication or media transmittal of the data contained in the submission described in clause (i) that permits information concerning individual subjects to be reasonably inferred by either direct or indirect means; or

“(iii) permit anyone other than a sworn officer, employee, or agent of any Federal department or agency, or a contractor (including an employee of a contractor) of such department or agency, to examine an individual submission described in clause (i); without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission.

“(B) IMMUNITY FROM LEGAL PROCESS.—Any submission (including any data derived from the submission) that is collected and retained by a Federal department or agency, or an officer, employee, agent, or contractor of such a department or agency, for exclusively statistical purposes under this section shall be immune from the legal process and shall not, without the consent of the individual, agency, or other person who is the subject of the submission or provides that submission, be admitted as evidence or used for any purpose in any action, suit, or other judicial or administrative proceeding.

“(C) RULE OF CONSTRUCTION.—Nothing in this section shall be construed to provide immunity from the legal process for such submission (including any data derived from the submission) if the submission is in the possession of any person, agency, or entity other than the Federal Government or an officer, employee, agent, or contractor of the Federal Government, or if the submission is independently collected, retained, or produced for purposes other than the purposes of this Act.

“(b) SYSTEM RESPONSIBILITIES.—

“(1) IN GENERAL.—The workforce and labor market information system described in subsection (a) shall be planned, administered, overseen, and evaluated through a cooperative governance structure involving the Federal Government and States.

“(2) DUTIES.—The Secretary, with respect to data collection, analysis, and dissemination of labor employment statistics for the system, shall carry out the following duties:

“(A) Assign responsibilities within the Department of Labor for elements of the workforce and labor market information system described in subsection (a) to ensure that all statistical and administrative data collected is consistent with appropriate Bureau of Labor Statistics standards and definitions.

“(B) Actively seek the cooperation of other Federal agencies to establish and maintain mechanisms for ensuring complementarity and nonduplication in the development and operation of statistical and administrative data collection activities.

“(C) Eliminate gaps and duplication in statistical undertakings, with the systemization of wage surveys as an early priority.

“(D) In collaboration with the Bureau of Labor Statistics and States, develop and maintain the elements of the workforce and labor market information system described in subsection (a), including the development of consistent procedures and definitions for use by the States in collecting the data and information described in subparagraphs (A) and (B) of subsection (a)(1).

“(E) Establish procedures for the system to ensure that—

“(i) such data and information are timely;

“(ii) paperwork and reporting for the system are reduced to a minimum; and

“(iii) States and localities are fully involved in the development and continuous improvement of the system at all levels, including ensuring the provision, to such States and localities, of budget information necessary for carrying out their responsibilities under subsection (e).

“(c) NATIONAL ELECTRONIC TOOLS TO PROVIDE SERVICES.—The Secretary is authorized to assist in the development of national electronic tools that may be used to facilitate the delivery of core services described in section 134 and to provide workforce information to individuals through the one-stop delivery systems described in section 121 and through other appropriate delivery systems.

“(d) COORDINATION WITH THE STATES.—

“(1) IN GENERAL.—The Secretary, working through the Bureau of Labor Statistics and the Employment and Training Administration, shall regularly consult with representatives of State agencies carrying out workforce information activities regarding strategies for improving the workforce and labor market information system.

“(2) FORMAL CONSULTATIONS.—At least twice each year, the Secretary, working through the Bureau of Labor Statistics, shall conduct formal consultations regarding programs carried out by the Bureau of Labor Statistics with representatives of each of the 10 Federal regions of the Department of Labor, elected from the State directors af-

filiated with State agencies that perform the duties described in subsection (e)(2).

“(e) STATE RESPONSIBILITIES.—

“(1) DESIGNATION OF STATE AGENCY.—In order to receive Federal financial assistance under this section, the Governor of a State shall—

“(A) designate a single State agency to be responsible for the management of the portions of the workforce and labor market information system described in subsection (a) that comprise a statewide workforce and labor market information system and for the State's participation in the development of the annual plan; and

“(B) establish a process for the oversight of such system.

“(2) DUTIES.—In order to receive Federal financial assistance under this section, the State agency shall—

“(A) consult with State and local employers, participants, and local workforce investment boards about the labor market relevance of the data to be collected and disseminated through the statewide workforce and labor market information system;

“(B) consult with State educational agencies and local educational agencies concerning the provision of employment statistics in order to meet the needs of secondary school and postsecondary school students who seek such information;

“(C) collect and disseminate for the system, on behalf of the State and localities in the State, the information and data described in subparagraphs (A) and (B) of subsection (a)(1);

“(D) maintain and continuously improve the statewide workforce and labor market information system in accordance with this section;

“(E) perform contract and grant responsibilities for data collection, analysis, and dissemination for such system;

“(F) conduct such other data collection, analysis, and dissemination activities as will ensure an effective statewide workforce and labor market information system;

“(G) actively seek the participation of other State and local agencies in data collection, analysis, and dissemination activities in order to ensure complementarity, compatibility, and usefulness of data;

“(H) participate in the development of the annual plan described in subsection (c); and

“(I) utilize the quarterly records described in section 136(f)(2) of the Workforce Investment Act of 1998 to assist the State and other States in measuring State progress on State performance measures.

“(3) RULE OF CONSTRUCTION.—Nothing in this section shall be construed as limiting the ability of a State agency to conduct additional data collection, analysis, and dissemination activities with State funds or with Federal funds from sources other than this section.

“(f) NONDUPLICATION REQUIREMENT.—None of the functions and activities carried out pursuant to this section shall duplicate the functions and activities carried out under the Carl D. Perkins Vocational and Applied Technology Education Act (20 U.S.C. 2301 et seq.).

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of the fiscal years 2004 through 2009.

“(h) DEFINITION.—In this section, the term ‘local area’ means the smallest geographical area for which data can be produced with statistical reliability.”

TITLE IV—AMENDMENTS TO THE REHABILITATION ACT OF 1973

SEC. 401. CHAIRPERSON.

Section 705(b)(5) of the Rehabilitation Act of 1973 (29 U.S.C. 796d(b)(5)) is amended to read as follows:

“(5) CHAIRPERSON.—The Council shall select a chairperson from among the voting membership of the Council.”.

SEC. 402. REHABILITATION SERVICES ADMINISTRATION.

Section 3(a) of the Rehabilitation Act of 1973 (29 U.S.C. 702(a)) is amended—

(1) by striking “Office of the Secretary” and inserting “Department of Education”;

(2) by striking “President by and with the advice and consent of the Senate” and inserting “Secretary, except that the current Commissioner appointed under the authority existing on the day prior to the date of enactment of this Act may continue to serve in the former capacity”; and

(3) by striking “, and the Commissioner shall be the principal officer.”.

SEC. 403. DIRECTOR.

(a) IN GENERAL.—The Rehabilitation Act of 1973 (29 U.S.C. 701 et seq.) is amended by striking “Commissioner” each place it appears, except in section 21, and inserting “Director”.

(b) EXCEPTION.—Section 21 of the Rehabilitation Act of 1973 (29 U.S.C. 718) is amended—

(1) in subsection (b)(1)—

(A) by striking “Commissioner” the first place it appears and inserting “Director of the Rehabilitation Services Administration”; and

(B) by striking “(referred to in this subsection as the ‘Director’)”; and

(2) by striking “Commissioner and the Director” each place it appears and inserting “both such Directors”.

SEC. 404. STATE GOALS.

Section 101(a) of the Rehabilitation Act of 1973 (29 U.S.C. 721(a)) is amended—

(1) in paragraph (11)(D)(i) by inserting “, which may be provided using alternative means of meeting participation (such as video conferences and conference calls)” before the semicolon; and

(2) in paragraph (15)—

(A) in subparagraph (A), by redesignating clauses (ii) and (iii) as clauses (iii) and (iv), respectively, and inserting after clause (i) the following:

“(ii) include an assessment of the transition services provided under this Act, and coordinated with transition services under the Individuals with Disabilities Education Act, as to those services meeting the needs of individuals with disabilities.”; and

(B) by amending subparagraph (D)(i) to read as follows:

“(i) the methods to be used to expand and improve the services to individuals with disabilities including—

“(I) how a broad range of assistive technology services and assistive technology devices will be provided to such individuals at each stage of the rehabilitative process and how such services and devices will be provided to such individuals on a statewide basis; and

“(II) how transition services will be better coordinated with those services under the Individuals with Disabilities Education Act in order to improve transition services for individuals with disabilities served under this Act.”.

SEC. 405. AUTHORIZATIONS OF APPROPRIATIONS.

The Rehabilitation Act of 1973 is further amended—

(1) in section 100(b)(1) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(2) in section 100(d)(1)(B) by striking “fiscal year 2003” and inserting “fiscal year 2009”;

(3) in section 110(c) by amending paragraph (2) to read as follows:

“(2) The sum referred to in paragraph (1) shall be, as determined by the Secretary, not less than 1 percent and not more than 1.5 percent of the amount referred to in paragraph (1) for each of fiscal years 2003 through 2009.”;

(4) in section 112(h) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(5) in section 201(a) by striking “fiscal years 1999 through 2003” each place it appears and inserting “fiscal years 2004 through 2009”;

(6) in section 302(i) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(7) in section 303(e) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(8) in section 304(b) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(9) in section 305(b) by striking “fiscal years 1999 through 2003” and insert “fiscal years 2004 through 2009”;

(10) in section 405 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(11) in section 502(j) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(12) in section 509(l) by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(13) in section 612 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(14) in section 628 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(15) in section 714 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(16) in section 727 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”;

(17) in section 753 by striking “fiscal years 1999 through 2003” and inserting “fiscal years 2004 through 2009”.

SEC. 406. HELEN KELLER NATIONAL CENTER ACT.

(a) GENERAL AUTHORIZATION OF APPROPRIATIONS.—The first sentence of section 205(a) of the Helen Keller National Center Act (29 U.S.C. 1904(a)) is amended by striking “1999 through 2003” and inserting “2004 through 2009”.

(b) HELEN KELLER NATIONAL CENTER FEDERAL ENDOWMENT FUND.—The first sentence of section 208(h) of such Act (29 U.S.C. 1907(h)) is amended by striking “1999 through 2003” and inserting “2004 through 2009”.

TITLE V—TRANSITION AND EFFECTIVE DATE

SEC. 501. TRANSITION PROVISIONS.

The Secretary of Labor shall take such actions as the Secretary determines to be appropriate to provide for the orderly implementation of this division.

SEC. 502. EFFECTIVE DATE.

Except as otherwise provided in this division, this division and the amendments made by this division, shall take effect on the date of enactment of this division.

NOTICES OF HEARINGS/MEETINGS

SUBCOMMITTEE ON NATIONAL PARKS

Mr. THOMAS. Mr. President, I would like to announce for the information of the Senate and the public that a hear-

ing has been scheduled before the Subcommittee on National Parks of the Committee on Energy and Natural Resources. The purpose of this hearing is to conduct oversight on the implementation of the National Parks Air Tour Management Act of 2000, Public Law 106-181.

The hearing will take place on Thursday July 22, 2004 at 2:30 p.m. in room SD-366 of the Dirksen Senate Office Building in Washington, DC.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, SD-364 Dirksen Senate Office Building, Washington, DC 20510-6150.

For further information, please contact: Tom Lillie at (202) 224-5161 or Sarah Creachbaum at (202) 224-6293.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON ARMED SERVICES

Mr. SMITH. Mr. President, I ask unanimous consent that the committee on Armed Services be authorized to meet during the session of the Senate on July 8, 2004, at 10 a.m., in open session to consider the following nominations: Admiral Vernon E. Clark, USN, for reappointment to the grade of Admiral and to be chief of Naval Operations; and Lieutenant General James E. Cartwright, USMC, for appointment to the grade of General and to be Commander, United States Strategic Command.

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SMITH. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Thursday, July 8, 2004, at 9:30 a.m. on S. 2411—Assistance to Firefighters Act of 2004.

COMMITTEE ON THE JUDICIARY

Mr. SMITH. Mr. President, I ask unanimous consent that the Committee on the Judiciary be authorized to meet to conduct a markup on Thursday, July 8, 2004, at 9:30 a.m. in Dirksen Senate Building Room 226.

Agenda:

I. Nominations: Claude A. Allen to be U.S. Circuit Judge for the Fourth Circuit, Michael H. Watson to be U.S. District Judge for the Southern District of Ohio, David W. McKeague to be United States Circuit Judge for the Sixth Circuit, Richard A. Griffin to be United States Circuit Judge for the Sixth Circuit, Virginia Maria Hernandez Covington to be United States District Judge for the Middle District of Florida.

II. Legislation: S. 1635, L-1 Visa (Intracompany Transferee) Reform Act of 2003, Chambliss, S.J. Res. 4, Proposing an amendment to the Constitution of the United States authorizing

Congress to prohibit the physical desecration of the flag of the United States Act of 2003, Hatch, Feinstein, Craig, Sessions, DeWine, Grassley, Graham, Cornyn, Chambliss, Specter, Kyl, S. 1700, Advancing Justice through DNA Technology Act of 2003, Hatch, Biden, Specter, Leahy, DeWine, Feinstein, Kennedy, Schumer, Durbin, Kohl, Edwards, S. 2396, Federal Courts Improvement Act of 2004, Hatch, Leahy, Chambliss, Durbin, Schumer.

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

SUBCOMMITTEE ON FINANCIAL MANAGEMENT,
THE BUDGET, AND INTERNATIONAL SECURITY

Mr. SMITH. Mr. President, I ask unanimous consent that the Committee on Governmental Affairs' Subcommittee on Financial Management, the Budget, and International Security be authorized to meet on Thursday, July 8, 2004 at 10:30 a.m. for a hearing entitled, "Oversight Hearing on the Federal Government's 2003 Financial Statement: Improving Accountability of American Taxpayers' Dollars."

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

PRIVILEGES OF THE FLOOR

Mr. HARKIN. Mr. President, I ask unanimous consent that privilege of the floor be granted to Sam Kang and Ryan Ball for the duration of today's session.

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

Mr. SMITH. Mr. President, I ask unanimous consent that two of my interns, Evan Mueller and Dana Dryer, be granted the privilege of the floor during this discussion.

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

Mr. REID. Mr. President, I ask unanimous consent that Jessica Segall from the Office of Senator CHRIS DODD be granted floor privileges during the Senate consideration of the Class Action Fairness Act of 2004.

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

Mr. CARPER. Mr. President, I would like to be recognized for 10 minutes.

The PRESIDING OFFICER. The Senator from Delaware is recognized.

CLASS ACTION REFORM

Mr. CARPER. Mr. President, we just concluded a vote and a very disappointing chapter in our effort to reform the way part of our legal system works in this country.

We have debated for the last several days how we might change the current system where people have been harmed by goods or services provided for their use by some company and did not get what they should have—they have been shortchanged or maybe even exposed to a dangerous product or harmed by it in some way—and how we might make sure they are made whole and that we have the opportunity to assemble that

group of harmed people across States or across the country so they can have their day in court. We are looking for a way to make sure the companies that harmed those people are held accountable and know they are going to face a serious financial consequence if they do something untoward or just wrong with respect to their products or services which they provide.

Today we were not able to proceed to the bill and have the opportunity to offer amendments which are germane, pertinent to the bill, relevant to the bill, or those which maybe were not.

My colleague who is presiding has been here for a year and half or so. I know these are issues he has worked on a lot in those 18 months. This class action reform is probably an issue on which he has spent the most time.

As we leave here tonight with this business unfinished, I am deeply disappointed. We come to the end of a chapter, not the end of the book. We have to turn a page and figure out how to go forward.

Our system of justice is out of whack. It is out of balance. The tragedy of it all is we had a very good legislative product here to debate and fix. The system worked the way it was supposed to. We had hearings, I think as many as 10, on this issue and how to fix it. The committees of jurisdiction held hearings in the House and in the Senate. The committees of jurisdiction had a chance to actually debate and vote on the bills and to amend them. They had the opportunity to report those bills out. The House debated this on the floor. In the Senate, we had the opportunity. In the Senate, we fell one vote short of bringing the bill to the Senate floor last fall. We had the opportunity coming out of that disappointing vote to go back to make the bill even better and to bring a truly bipartisan bill to the floor of the Senate which would be supported by a Republican majority and with a good deal of Democratic support.

Given that 65 Members in the Senate were prepared to vote for it, to go home tonight not having had a chance to actually vote for amendments, relevant amendments and nonrelevant amendments, is very disappointing. I am not going to get into assigning blame. There is probably enough on both sides.

I said to the press in an earlier interview that this week in the Senate reminds me of maybe a new television reality show, a dysfunctional family. It is not pretty to watch or, frankly, to be a part of.

When I came here, I wanted to fix things and right wrongs. I know most of us came here with that in mind. This is a wrong that needs to be made right. We had a great opportunity in this bill to do that.

I leave here tonight bewildered, in a sense. One sure way to stymie a bill and stop progress on it this week was to bring the bill to the floor of the Senate in a way that closed off the oppor-

tunity for the minority to offer some reasonable number of nongermane amendments.

I have said so many times to our friends on the other side of the aisle, when you bring the bill to the Senate floor, think of it as a bottle of wine we are opening. We are popping the cork and letting it breathe for a while. Maybe set aside a week and give us a week to debate the bill itself, relevant amendments and a reasonable number of nongermane amendments.

If it becomes clear after several days or a week that our side is being dilatory, if it becomes clear our side is simply not interested in passing the bill, they are just playing games, those Democrats who support a bill will support an effort to close off debate and to force a final vote on the bill.

For the life of me, after saying repeatedly since January that the one way to kill the bill is to bring it to the Senate in a way that stymies debate and closes off amendments that might be nongermane, the very first thing out of the box presented was a cloture motion and a move to fill the amendment tree so our side is precluded from offering amendments, except for those that are germane, I don't understand it.

In the words of a colleague on our side who is opposed to the bill, the only way those who are opposed to the bill could have won was by bringing the bill to the Senate today, invoking cloture, and inflaming Democratic opposition to the bill, united Democratic opposition to the bill.

There are at least a dozen or more on this side who very much want to pass class action legislation this year. God knows I do, and I know people on both sides have worked to get us to this point. For the life of me, I do not understand why we could not open that bottle of wine, let it breathe for a while, debate the amendments, germane and nongermane. If it became clear we were wasting our time and people were playing games, we could have cut it off, but do not do it right out of the box.

I leave here bewildered and, frankly, more than a little bit disappointed. I say to those folks around the country who are as disappointed as I am, and others who support the bill, I am not one who gives up easily.

Some of my colleagues hear me talk about my four core values that we built an administration on when I was Governor of Delaware and which I brought with me and I try to use them here with my legislative initiatives.

One, figure out the right thing to do and do it. I am convinced changing this part of our legal system is the right thing to do.

The second core value is to commit to excellence in everything we do. By golly, I know we can do better than the status quo with respect to this aspect of our legal system.

My third core value is the Golden Rule: treat other people the way I want to be treated. When consumers are

harmed, they ought to be compensated. When companies misbehave, they ought to have to pay damages. It is that simple. The way our system runs today is wrong. It is wrong for consumers and, frankly, it is wrong for companies, in many cases. It is a wrong that needs to be righted.

My fourth core value is don't give up. I am not one who ever gives up. I, for sure, am not going to give up.

While I go home disappointed, I will come back next week committed to do whatever we can this year to pass this bill and get it signed into law.

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

The PRESIDING OFFICER. The clerk will call the roll.

The assistant legislative clerk proceeded to call the roll.

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

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

REFERRAL OF NOMINATIONS

Mr. FRIST. Mr. President, as in executive session, I ask unanimous consent that Executive Calendar Nos. 697 and 698 be rereferred to the Finance Committee and referred to the Banking Committee. I further ask unanimous consent that when the nominations are reported by the Banking Committee, they be automatically discharged from the Finance Committee and placed on the Executive Calendar. Finally, I ask unanimous consent that this agreement be specific to these nominations only.

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

EXECUTIVE SESSION

EXECUTIVE CALENDAR

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to executive session for consideration of the following nominations on the Executive Calendar: Military nominations reported by the Armed Services Committee during today's session. I further ask unanimous consent that the nominations be confirmed, the motions to reconsider be laid upon the table, the President be immediately notified of the Senate's action, and the Senate then resume legislative session.

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

The nominations considered and confirmed are as follows:

IN THE NAVY

The following named officer for reappointment as Chief of Naval Operations, United States Navy, for an additional term of two years, and appointment to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., sections 601 and 5033:

To be admiral

Adm. Vernon E. Clark, 0000

IN THE MARINE CORPS

The following named officer for appointment in the United States Marine Corps to the grade indicated while assigned to a position of importance and responsibility under title 10, U.S.C., section 601:

To be general

Lt. Gen. James E. Cartwright

LEGISLATIVE SESSION

The PRESIDING OFFICER. The Senate will return to legislative session.

GARRETT LEE SMITH MEMORIAL ACT

Mr. FRIST. Mr. President, I ask unanimous consent that the Senate proceed to the immediate consideration of S. 2634, introduced earlier today by Senators DODD, DEWINE, REED, SMITH, REID, DASCHLE, and others.

The PRESIDING OFFICER. The clerk will state the bill by title.

The legislative clerk read as follows:

A bill (S. 2634) to amend the Public Health Service Act to support planning, implementation, and evaluation of organized activities involving statewide youth suicide early intervention and prevention strategies, to provide funds for campus mental and behavioral health service centers.

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

Mr. FRIST. Mr. President, I ask unanimous consent that the bill be read the 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 (S. 2634) was read the third time and passed, as follows:

S. 2634

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 "Garrett Lee Smith Memorial Act".

SEC. 2. FINDINGS.

Congress makes the following findings:

(1) More children and young adults die from suicide each year than from cancer, heart disease, AIDS, birth defects, stroke, and chronic lung disease combined.

(2) Over 4,000 children and young adults tragically take their lives every year, making suicide the third overall cause of death between the ages of 10 and 24. According to the Centers for Disease Control and Prevention suicide is the third overall cause of death among college-age students.

(3) According to the National Center for Injury Prevention and Control of the Centers for Disease Control and Prevention, children and young adults accounted for 15 percent of all suicides completed in 2000.

(4) From 1952 to 1995, the rate of suicide in children and young adults has tripled.

(5) From 1980 to 1997, the rate of suicide among young adults ages 15 to 19 increased 11 percent.

(6) From 1980 to 1997, the rate of suicide among children ages 10 to 14 increased 109 percent.

(7) According to the National Center of Health Statistics, suicide rates among Na-

tive Americans range from 1.5 to 3 times the national average for other groups, with young people ages 15 to 34 making up 64 percent of all suicides.

(8) Congress has recognized that youth suicide is a public health tragedy linked to underlying mental health problems and that youth suicide early intervention and prevention activities are national priorities.

(9) Youth suicide early intervention and prevention have been listed as urgent public health priorities by the President's New Freedom Commission in Mental Health (2002), the Institute of Medicine's Reducing Suicide: A National Imperative (2002), the National Strategy for Suicide Prevention: Goals and Objectives for Action (2001), and the Surgeon General's Call to Action To Prevent Suicide (1999).

(10) Many States have already developed comprehensive Statewide youth suicide early intervention and prevention strategies that seek to provide effective early intervention and prevention services.

(11) In a recent report, a startling 85 percent of college counseling centers revealed an increase in the number of students they see with psychological problems. Furthermore, the American College Health Association found that 61 percent of college students reported feeling hopeless, 45 percent said they felt so depressed they could barely function, and 9 percent felt suicidal.

(12) There is clear evidence of an increased incidence of depression among college students. According to a survey described in the Chronicle of Higher Education (February 1, 2002), depression among freshmen has nearly doubled (from 8.2 percent to 16.3 percent). Without treatment, researchers recently noted that "depressed adolescents are at risk for school failure, social isolation, promiscuity, self medication with drugs and alcohol, and suicide—now the third leading cause of death among 10-24 year olds."

(13) Researchers who conducted the study "Changes in Counseling Center Client Problems Across 13 Years" (1989-2001) at Kansas State University stated that "students are experiencing more stress, more anxiety, more depression than they were a decade ago." (The Chronicle of Higher Education, February 14, 2003).

(14) According to the 2001 National Household Survey on Drug Abuse, 20 percent of full-time undergraduate college students use illicit drugs.

(15) The 2001 National Household Survey on Drug Abuse also reported that 18.4 percent of adults aged 18 to 24 are dependent on or abusing illicit drugs or alcohol. In addition, the study found that "serious mental illness is highly correlated with substance dependence or abuse. Among adults with serious mental illness in 2001, 20.3 percent were dependent on or abused alcohol or illicit drugs, while the rate among adults without serious mental illness was only 6.3 percent."

(16) A 2003 Gallagher's Survey of Counseling Center Directors found that 81 percent were concerned about the increasing number of students with more serious psychological problems, 67 percent reported a need for more psychiatric services, and 63 percent reported problems with growing demand for services without an appropriate increase in resources.

(17) The International Association of Counseling Services accreditation standards recommend 1 counselor per 1,000 to 1,500 students. According to the 2003 Gallagher's Survey of Counseling Center Directors, the ratio of counselors to students is as high as 1 counselor per 2,400 students at institutions of higher education with more than 15,000 students.

SEC. 3. AMENDMENT TO THE PUBLIC HEALTH SERVICES ACT.

Title V of the Public Health Service Act (42 U.S.C. 290aa et seq) is amended—

(1) in section 520E (42 U.S.C. 290bb-36)—

(A) in the section heading by striking “CHILDREN AND ADOLESCENTS” and inserting “YOUTH”;

(B) by striking subsection (a) and inserting the following:

“(a) IN GENERAL.—The Secretary shall award grants or cooperative agreements to public organizations, private nonprofit organizations, political subdivisions, and Federally recognized Indian tribes or tribal organizations to implement the State-sponsored statewide or tribal youth suicide early intervention and prevention strategy as developed under section 596A.”;

(C) in subsection (b), by striking all after “coordinated” and inserting “with the Strategy for Suicide Prevention Federal Steering Group and the suicide prevention resource center provided for under section 596B.”;

(D) in subsection (c)—

(i) in the matter preceding paragraph (1), by striking “A State” and all that follows through “desiring” and inserting “A public organization, private nonprofit organization, political subdivision, and Federally recognized Indian tribes or tribal organization desiring”;

(ii) by redesignating paragraphs (1) through (9) as paragraphs (2) through (10), respectively;

(iii) by inserting before paragraph (2) (as so redesignated), the following:

“(1) comply with the State-sponsored statewide early intervention and prevention strategy as developed under section 596A.”;

(iv) in paragraph (2) (as so redesignated), by striking “children and adolescents” and inserting “youth”;

(v) in paragraph (3) (as so redesignated), by striking “best evidence-based.”;

(vi) in paragraph (4) (as so redesignated), by striking “primary” and all that follows and inserting “general, mental, and behavioral health services, and substance abuse services.”;

(vii) in paragraph (5) (as so redesignated), by striking “children and” and all that follows and inserting “youth including the school systems, educational institutions, juvenile justice system, substance abuse programs, mental health programs, foster care systems, and community child and youth support organizations.”;

(viii) by striking paragraph (8) (as so redesignated), and inserting the following:

“(8) offer access to services and care to youth with diverse linguistic and cultural backgrounds.”; and

(ix) by striking paragraph (9) (as so redesignated), and inserting the following:

“(9) conduct annual self-evaluations of outcomes and activities, including consulting with interested families and advocacy organizations.”;

(E) by striking subsection (d) and inserting the following:

“(d) USE OF FUNDS.—Amounts provided under a grant or cooperative agreement under this section shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this section. Applicants shall provide financial information to demonstrate compliance with this section.”;

(F) in subsection (e)—

(i) by striking “contract.”; and

(ii) by inserting after “Secretary that the” the following: “application complies with the State-sponsored statewide early intervention and prevention strategy as developed under section 596A and”;

(G) in subsection (f), by striking “contracts.”;

(H) in subsection (g)—

(i) by striking “A State” and all that follows through “organization receiving” and inserting “A public organization, private nonprofit organization, political subdivision, and Federally recognized Indian tribes or tribal organization receiving”;

(ii) by striking “contract,” each place that such appears;

(I) in subsection (h), by striking “contracts.”;

(J) in subsection (i)—

(i) by striking “A State” and all that follows through “organization receiving” and inserting “A public organization, private nonprofit organization, political subdivision, and Federally recognized Indian tribes or tribal organization receiving”;

(ii) by striking “contract.”;

(K) in subsection (k), by striking “5 years” and inserting “3 years”;

(L) in subsection (l)(2), by striking “21” and inserting “24”; and

(M) in subsection (m)—

(i) by striking “APPROPRIATION.—” and all that follows through “For” in paragraph (1) and inserting “APPROPRIATION.—For”; and

(ii) by striking paragraph (2);

(2) by inserting after part I (42 U.S.C. 290jj et seq), the following:

“PART J—SUICIDE EARLY INTERVENTION AND PREVENTION”;

(3) by redesignating section 520E (42 U.S.C. 290bb-36), as amended by paragraph (1), as section 596 and transferring such section to part J (as added by paragraph (2)); and

(4) by adding at the end of part J (as added by paragraph (2) and amended by paragraph (3)), the following:

“SEC. 596A. YOUTH SUICIDE EARLY INTERVENTION AND PREVENTION STRATEGIES, TRAINING, AND TECHNICAL ASSISTANCE.

“(a) YOUTH SUICIDE EARLY INTERVENTION AND PREVENTION STRATEGIES.—

“(1) IN GENERAL.—The Secretary acting through the Administrator of the Substance Abuse and Mental Health Services Administration, shall award grants or cooperative agreements to eligible entities to—

“(A) develop and implement State-sponsored statewide or tribal youth suicide early intervention and prevention strategies in schools, educational institutions, juvenile justice systems, substance abuse programs, mental health programs, foster care systems, and other child and youth support organizations;

“(B) support public organizations and private nonprofit organizations actively involved in State-sponsored statewide or tribal youth suicide early intervention and prevention strategies and in the development and continuation of State-sponsored statewide youth suicide early intervention and prevention strategies;

“(C) collect and analyze data on State-sponsored statewide or tribal youth suicide early intervention and prevention services that can be used to monitor the effectiveness of such services and for research, technical assistance, and policy development; and

“(D) assist eligible entities, through State-sponsored statewide or tribal youth suicide early intervention and prevention strategies, in achieving targets for youth suicide reductions under title V of the Social Security Act (42 U.S.C. 701 et seq.).

“(2) ELIGIBLE ENTITY.—

“(A) DEFINITION.—In this subsection, the term ‘eligible entity’ means—

“(i) a State;

“(ii) a public organization or private nonprofit organization designated by a State to develop or direct the State-sponsored statewide youth suicide early intervention and prevention strategy; and

“(iii) a Federally-recognized Indian tribe or tribal organization (as defined in the Indian Self-Determination and Education Assistance Act) or an urban Indian organization (as defined in the Indian Health Care Improvement Act) that is actively involved in the development and continuation of a tribal youth suicide early intervention and prevention strategy.

“(B) PREFERENCE.—In awarding grants and cooperative agreements under this section, the Secretary shall give preference to States that have rates of youth suicide that significantly exceed the national average as determined by the Centers for Disease Control and Prevention.

“(C) LIMITATION.—In carrying out this section, the Secretary shall ensure that each State is awarded only one grant or cooperative agreement under this section. For purposes of the preceding sentence, a State shall be considered to have been awarded a grant or cooperative agreement if the eligible entity involved is the State or an entity designated by the State under subparagraph (A)(ii). Nothing in this subparagraph shall be construed to apply to entities described in subparagraph (A)(iii).

“(3) PREFERENCE.—In providing assistance under a grant or cooperative agreement under this subsection, an eligible entity shall give preference to public organizations, private nonprofit organizations, political subdivisions, and tribal organizations actively involved with the State-sponsored statewide or tribal youth suicide early intervention and prevention strategy that—

“(A) provide early intervention and assessment services, including screening programs, to youth who are at risk for mental or emotional disorders that may lead to a suicide attempt, and that are integrated with, school systems, educational institutions, juvenile justice systems, substance abuse programs, mental health programs, foster care systems, and other child and youth support organizations;

“(B) demonstrate collaboration among early intervention and prevention services or certify that entities will engage in future collaboration;

“(C) employ or include in their applications a commitment to evaluate youth suicide early intervention and prevention practices and strategies adapted to the local community;

“(D) provide timely referrals for appropriate community-based mental health care and treatment of youth who are at risk for suicide in child-serving settings and agencies;

“(E) provide immediate support and information resources to families of youth who are at risk for suicide;

“(F) offer access to services and care to youth with diverse linguistic and cultural backgrounds;

“(G) offer appropriate post-suicide intervention services, care, and information to families, friends, schools, educational institutions, juvenile justice systems, substance abuse programs, mental health programs, foster care systems, and other child and youth support organizations of youth who recently completed suicide;

“(H) offer continuous and up-to-date information and awareness campaigns that target parents, family members, child care professionals, community care providers, and the general public and highlight the risk factors associated with youth suicide and the life-saving help and care available from early intervention and prevention services;

“(I) ensure that information and awareness campaigns on youth suicide risk factors, and early intervention and prevention services, use effective communication mechanisms

that are targeted to and reach youth, families, schools, educational institutions, and youth organizations;

“(J) provide a timely response system to ensure that child-serving professionals and providers are properly trained in youth suicide early intervention and prevention strategies and that child-serving professionals and providers involved in early intervention and prevention services are properly trained in effectively identifying youth who are at risk for suicide;

“(K) provide continuous training activities for child care professionals and community care providers on the latest youth suicide early intervention and prevention services practices and strategies;

“(L) conduct annual self-evaluations of outcomes and activities, including consulting with interested families and advocacy organizations; and

“(M) provide services in areas or regions with rates of youth suicide that exceed the national average as determined by the Centers for Disease Control and Prevention.

“(4) REQUIREMENT FOR DIRECT SERVICES.—Not less than 85 percent of grant funds received under this subsection shall be used to provide direct services.

“(b) SUICIDE PREVENTION RESOURCE CENTER; TRAINING AND TECHNICAL ASSISTANCE.—

“(1) OPERATION OF CENTER.—The Secretary, acting through the Administrator of the Substance Abuse and Mental Health Services Administration and in consultation with the National Strategy for Suicide Prevention Federal Steering Group, shall award a competitive grant or contract to a public or private nonprofit entity for the establishment of a Suicide Prevention Resource Center to carry out the activities described in paragraph (3).

“(2) APPLICATION.—To be eligible for a grant or contract under paragraph (1), an entity shall prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require.

“(3) AUTHORIZED ACTIVITIES.—The Suicide Prevention Resource Center shall provide appropriate information, training, and technical assistance to States, political subdivisions of a State, Federally recognized Indian tribes, tribal organizations, public organizations, or private nonprofit organizations for—

“(A) the development or continuation of statewide or tribal youth suicide early intervention and prevention strategies;

“(B) ensuring the surveillance of youth suicide early intervention and prevention strategies;

“(C) studying the costs and effectiveness of statewide youth suicide early intervention and prevention strategies in order to provide information concerning relevant issues of importance to State, tribal, and national policymakers;

“(D) further identifying and understanding causes and associated risk factors for youth suicide;

“(E) analyzing the efficacy of new and existing youth suicide early intervention techniques and technology;

“(F) ensuring the surveillance of suicidal behaviors and nonfatal suicidal attempts;

“(G) studying the effectiveness of State-sponsored statewide and tribal youth suicide early intervention and prevention strategies on the overall wellness and health promotion strategies related to suicide attempts;

“(H) promoting the sharing of data regarding youth suicide with Federal agencies involved with youth suicide early intervention and prevention, and State-sponsored statewide or tribal youth suicide early intervention and prevention strategies for the purpose of identifying previously unknown men-

tal health causes and associated risk-factors for suicide in youth; and

“(I) other activities determined appropriate by the Secretary.

“(5) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, \$3,000,000 for fiscal year 2005, \$4,000,000 for fiscal year 2006, and \$5,000,000 for fiscal year 2007.

“(c) COORDINATION AND COLLABORATION.—

“(1) IN GENERAL.—In carrying out this section, the Secretary shall collaborate with the National Strategy for Suicide Prevention Federal Steering Group and other Federal agencies responsible for early intervention and prevention services relating to youth suicide.

“(2) CONSULTATION.—In carrying out this section, the Secretary shall consult with—

“(A) State and local agencies, including agencies responsible for early intervention and prevention services under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), the State Children's Health Insurance Program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.), programs funded by grants under title V of the Social Security Act (42 U.S.C. 701 et seq.), and programs under part C of the Individuals with Disabilities Education Act (20 U.S.C. 1431 et seq.);

“(B) local and national organizations that serve youth at risk for suicide and their families;

“(C) relevant national medical and other health and education specialty organizations;

“(D) youth who are at risk for suicide, who have survived suicide attempts, or who are currently receiving care from early intervention services;

“(E) families and friends of youth who are at risk for suicide, who have survived suicide attempts, who are currently receiving care from early intervention and prevention services, or who have completed suicide;

“(F) qualified professionals who possess the specialized knowledge, skills, experience, and relevant attributes needed to serve youth at risk for suicide and their families; and

“(G) third-party payers, managed care organizations, and related commercial industries.

“(3) POLICY DEVELOPMENT.—The Secretary shall—

“(A) coordinate and collaborate on policy development at the Federal level with the National Strategy for Suicide Prevention Federal Steering Group; and

“(B) consult on policy development at the Federal level with the private sector, including consumer, medical, suicide prevention advocacy groups, and other health and education professional-based organizations, with respect to State-sponsored statewide or tribal youth suicide early intervention and prevention strategies.

“(d) RULE OF CONSTRUCTION; RELIGIOUS ACCOMMODATION.—Nothing in this section shall be construed to preempt any State law, including any State law that does not require the suicide early intervention for youth whose parents or legal guardians object to such early intervention based on the parents' or legal guardians' religious beliefs.

“(e) EVALUATIONS AND REPORT.—

“(1) EVALUATIONS BY ELIGIBLE ENTITIES.—Not later than 18 months after receiving a grant or cooperative agreement under subsection (a), an eligible entity shall submit to the Secretary the results of an evaluation to be conducted by the entity concerning the effectiveness of the activities carried out under the grant or agreement.

“(2) REPORT.—Not later than 2 years after the date of enactment of this section, the Secretary shall submit to the appropriate

committees of Congress a report concerning the results of—

“(A) the evaluations conducted under paragraph (1); and

“(B) an evaluation conducted by the Secretary to analyze the effectiveness and efficacy of the activities conducted with grants, collaborations, and consultations under this section.

“(f) AUTHORIZATION OF APPROPRIATIONS.—For the purpose of carrying out subsection (a), there are authorized to be appropriated \$7,000,000 for fiscal year 2005, \$16,000,000 for fiscal year 2006, \$25,000,000 for fiscal year 2007, and such sums as may be necessary for each of fiscal years 2008 and 2009.

“SEC. 596B. MENTAL AND BEHAVIORAL HEALTH SERVICES ON CAMPUS.

“(a) PURPOSE.—It is the purpose of this section to increase access to, and enhance the range of, services for students with mental and behavioral health problems that can lead to school failure, such as depression, substance abuse, and suicide attempts, so as to ensure that college students have the support necessary to successfully complete their studies.

“(b) PROGRAM AUTHORIZED.—From funds appropriated under subsection (j), the Secretary shall award competitive grants to institutions of higher education to create or expand mental and behavioral health services to students at such institutions, to provide such services, and to develop best practices for the delivery of such services. Such grants shall, subject to the availability of such appropriations, be for a period of 3 years.

“(c) ELIGIBLE GRANT RECIPIENTS.—Any institution of higher education that seeks to provide, or provides, mental and behavioral health services to students is eligible to apply for a grant under this section. Services may be provided at—

“(1) college counseling centers;

“(2) college and university psychological service centers;

“(3) mental health centers;

“(4) psychology training clinics; and

“(5) institution of higher education supported, evidence-based, mental health and substance abuse screening programs.

“(d) APPLICATIONS.—Each institution of higher education seeking to obtain a grant under this section shall submit an application to the Secretary. Each such application shall include—

“(1) a description of identified mental and behavioral health needs of students at the institution of higher education;

“(2) a description of currently available Federal, State, local, private, and institutional resources to address the needs described in paragraph (1) at the institution of higher education;

“(3) an outline of program objectives and anticipated program outcomes, including an explanation of how the treatment provider at the institution of higher education will coordinate activities under this section with existing programs and services;

“(4) the anticipated impact of funds provided under this section in improving the mental and behavioral health of students attending the institution of higher education;

“(5) outreach strategies, including ways in which the treatment provider at the institution of higher education proposes to reach students, promote access to services, and address the range of needs of students;

“(6) a proposed plan for reaching those students most in need of services;

“(7) a plan to evaluate program outcomes and assess the services provided with funds under this section;

“(8) financial information concerning the applicant to demonstrate compliance with subsection (h); and

“(9) such additional information as is required by the Secretary.

“(e) PEER REVIEW OF APPLICATIONS.—The Secretary, in consultation with the Secretary of Education, shall provide the applications submitted under this section to a peer review panel for evaluation. With respect to each application, the peer review panel shall recommend the application for funding or for disapproval.

“(f) USE OF FUNDS.—Funds provided by a grant under this section may be used for 1 or more of the following activities:

“(1) Prevention, screening, early intervention, assessment, treatment, management, and education of mental and behavioral health problems that can lead to school failure, such as depression, substance abuse, and suicide attempts by students enrolled at the institution of higher education.

“(2) Education of families to increase awareness of potential mental and behavioral health issues of students enrolled at the institution of higher education.

“(3) Hiring staff trained to identify and treat mental and behavioral health problems, including residents and interns such as those in psychological doctoral and post doctoral programs.

“(4) Evaluating and disseminating outcomes and best practices of mental and behavioral health services.

“(g) ADDITIONAL REQUIRED ELEMENTS.—Each institution of higher education that receives a grant under this section shall—

“(1) provide annual reports to the Secretary describing the use of funds, the program's objectives, and how the objectives were met, including a description of program outcomes;

“(2) perform such additional evaluations as the Secretary may require, which may include—

“(A) increases in range of services provided;

“(B) increases in the quality of services provided;

“(C) increases in access to services;

“(D) college continuation rates;

“(E) decreases in college dropout rates;

“(F) increases in college graduation rates; and

“(G) accepted and valid measurements and assessments of improved mental health functionality; and

“(3) coordinate such institution's program under this section with other related efforts on campus by entities concerned with the general mental and behavioral health needs of students.

“(h) SUPPLEMENT NOT SUPPLANT.—Grant funds provided under this section shall be used to supplement, and not supplant, Federal and non-Federal funds available for carrying out the activities described in this section. Grantees shall provide financial information to demonstrate compliance with this subsection.

“(i) REQUIREMENT FOR DIRECT SERVICES AND LIMITATIONS.—

“(1) DIRECT SERVICES.—Not less than 75 percent of grant funds received under this section shall be used to provide direct services.

“(2) ADMINISTRATIVE COSTS.—Not more than 5 percent of grant funds received under this section shall be used for administrative costs.

“(3) PROHIBITION ON USE FOR CONSTRUCTION OR RENOVATION.—Grant funds received under this section shall not be used for construction or renovation of facilities or buildings.

“(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated for grants under this section, \$5,000,000 for fiscal year 2005, \$7,000,000 for fiscal year 2006, \$10,000,000 for fiscal year 2007, and such sums as may be necessary for each fiscal years 2008 and 2009.

“SEC. 596C. DEFINITIONS.

“In this part:

“(1) EARLY INTERVENTION.—The term ‘early intervention’ means a strategy or approach that is intended to prevent an outcome or to alter the course of an existing condition.

“(2) EDUCATIONAL INSTITUTION; INSTITUTION OF HIGHER EDUCATION; SCHOOL.—The term—

“(A) ‘educational institution’ means a school or institution of higher education;

“(B) ‘institution of higher education’ has the meaning given such term in section 101 of the Higher Education Act of 1965; and

“(C) ‘school’ means an elementary or secondary school (as such terms are defined in section 901 of the Elementary and Secondary Education Act of 1965).

“(3) PREVENTION.—The term ‘prevention’ means a strategy or approach that reduces the likelihood or risk of onset, or delays the onset, of adverse health problems.

“(4) YOUTH.—The term ‘youth’ means individuals who are between 6 and 24 years of age.”.

MEASURES READ THE FIRST TIME—S. 2629, S. 2630, S. 2631, S. 2632, and S. 2633

Mr. FRIST. Mr. President, I understand that five bills are at the desk. I ask unanimous consent that they be read for the first time en bloc.

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

The clerk will read the bills for the first time.

The legislative clerk read as follows:

A bill (S. 2629) to amend the Medicare Prescription Drug, Improvement, and Modernization Act of 2003 to eliminate the coverage gap, to eliminate HMO subsidies, to repeal health savings accounts, and for other purposes.

A bill (S. 2630) to amend title V, United States Code, to establish a national health program administered by the Office of Personnel Management to offer Federal employee health benefits plans to individuals who are not Federal employees, and for other purposes.

A bill (S. 2631) to require the Federal Trade Commission to monitor and investigate gasoline prices under certain circumstances.

A bill (S. 2632) to establish a first responder and terrorism preparedness grant information hotline, and for other purposes.

A bill (S. 2633) to amend the Federal Power Act to provide refunds for unjust and unreasonable charges on electric energy in the State of California.

Mr. FRIST. Mr. President, I now ask for their second reading and, in order to place the bills on the calendar under the provisions of rule XIV, I object to further proceeding on these matters en bloc.

The PRESIDING OFFICER. The bills will be read the second time on the next legislative day.

MEASURE PLACED ON THE CALENDAR—S.J. RES. 40

Mr. FRIST. I understand there is a joint resolution at the desk that is due for a second reading.

The PRESIDING OFFICER. The clerk will read the joint resolution by title for the second time.

The legislative clerk read as follows:

A joint resolution (S.J. Res. 40) proposing an amendment to the Constitution of the United States relating to marriage.

Mr. FRIST. I object to further proceedings on the measure at this time in order to place the joint resolution on the calendar under the provisions of rule XIV.

The PRESIDING OFFICER. Objection having been heard, the joint resolution will be placed on the calendar.

ORDERS FOR FRIDAY, JULY 9, 2004

Mr. FRIST. I ask unanimous consent that when the Senate completes its business today, it adjourn until 9:30 a.m., on Friday, July 9. I further ask that following the prayer and pledge, the morning hour be deemed expired, the Journal of proceedings be approved to date, the time for the two leaders be reserved for their use later in the day, and the Senate then begin a period for morning business with the first 4 hours equally divided between the two leaders or their designees.

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

PROGRAM

Mr. FRIST. Mr. President, tomorrow the Senate will be in a period for morning business throughout the day. There will be no rollcall votes during tomorrow's session, but Senators are encouraged to come to the floor to speak on the constitutional amendment regarding marriage, which we hope to consider next week.

A few moments ago we failed to invoke cloture on a very important bill, the class action bill, that we have spent the majority of this week debating. As I said at the outset, I had hoped we would be able to address this important bill, consider all relevant amendments, with no time limit on those relevant amendments, so we could pass a bill that is very important to the American people, to the economy, and to the concepts of equity and fairness. We were unsuccessful, in spite of our very best attempt to consider all relevant amendments and take up a bill that 62 people in this body support.

The problem was that Members from both sides of the aisle insisted on offering or wanting to offer and debate very complicated but, most importantly, unrelated amendments at this time. We set up a procedural process by which we could consider individual relevant amendments, but a decision was made, and it played out in the cloture vote today, that we would not proceed on this important bill at this juncture because some people thought we would need to include a lot of nongermane amendments. There were a lot of non-relevant amendments that appeared.

I am very hopeful, because I am a strong supporter of this bill as written, that we can come to some agreement given the fact there are a majority of people in this Senate who believe in this bill strongly, that we can come to some agreement in terms of time to consider this bill with relevant amendments debated so that we can serve the

American people. That seems not to be the case now. Discussions hopefully will continue.

If we cannot do it in a reasonably short period of time and stay on relevant amendments, we just simply are not going to be able to do it in this session. We have somewhere around 30 legislative days remaining and we have a range of issues, some that were brought up on the floor today, issues such as homeland security and issues concerning the institution of marriage.

We have the Australia trade bill that hopefully we can consider very quickly in the near future. We have 13 appropriations bills, spending bills, that we must consider. There are 12 we need to consider in some way in the next several weeks. Then there are a number of judges who we must continue to move on. We have all of that in a period of about 30 days.

It means that as majority leader I need to insist on reasonable, disciplined, and regular order in the sense that when we go to a bill, we debate that bill, those issues, consider amendments that are relevant to that bill and not consider the broad range of issues that we naturally have as Senators. We have to have an orderly process. The orderly process led today, because of the insistence on these non-germane, nonrelevant amendments, to a point that we are not going to be able to consider class action reform now.

So I think what we will see predominantly tomorrow is debate on a very important issue to the American people and to the values of the United States of America, and that is the issue of marriage. We will likely see debate on that tomorrow, and that debate will continue on the constitutional amendment Monday and Tuesday. I would think somewhere during the middle of next week, probably Wednesday, we will have a vote, the nature of which I will be talking to the Democratic leader over the course of tomorrow morning.

So we had a good debate this week. I am very disappointed in the fact that the other side of the aisle—for the most part it was the other side of the aisle—insisted on having other amendments. I am disappointed we were unable to fully address class action reform. Hopefully, we can come back to it at some point in the future.

ADJOURNMENT UNTIL 9:30 TOMORROW

Mr. FRIST. If there is no further business to come before the Senate, I ask unanimous consent that the Senate stand in adjournment under the previous order.

There being no objection, the Senate, at 8:18 p.m., adjourned until Friday, July 9, 2004, at 9:30 a.m.

NOMINATIONS

Executive nominations received by the Senate July 8, 2004:

DEPARTMENT OF DEFENSE

VALERIE LYNN BALDWIN, OF KANSAS, TO BE AN ASSISTANT SECRETARY OF THE ARMY, VICE SANDRA L. PACK, RESIGNED.

DEPARTMENT OF STATE

CHRISTOPHER J. LAPLEUR, OF NEW YORK, A CAREER MEMBER OF THE SENIOR FOREIGN SERVICE, CLASS OF MINISTER-COUNSELOR, TO BE AMBASSADOR EXTRAORDINARY AND PLENIPOTENTIARY OF THE UNITED STATES OF AMERICA TO MALAYSIA.

IN THE COAST GUARD

THE FOLLOWING NAMED INDIVIDUAL FOR APPOINTMENT AS PERMANENT COMMISSIONED REGULAR OFFICER IN THE UNITED STATES COAST GUARD IN THE GRADE INDICATED UNDER TITLE 14, U.S.C., SECTION 211:

To be commander

LAURIE J. MOSIER, 0000

IN THE ARMY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

LT. GEN. JAMES L. CAMPBELL, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES ARMY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be lieutenant general

MAJ. GEN. JOHN M. BROWN III, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. ROBERT F. WILLARD, 0000

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT IN THE UNITED STATES NAVY TO THE GRADE INDICATED WHILE ASSIGNED TO A POSITION OF IMPORTANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C., SECTION 601:

To be vice admiral

VICE ADM. ALBERT T. CHURCH III, 0000

IN THE AIR FORCE

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

NORMAN L. WILLIAMS, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICER FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

THOMAS R. BIRD, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

REX A. HINESLEY, 0000

JERI K. SOMERS, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

PETER W. BICKEL, 0000

WILLIAM D. TAYLOR, 0000

THE FOLLOWING NAMED AIR NATIONAL GUARD OF THE UNITED STATES OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE RESERVE OF THE AIR FORCE UNDER TITLE 10, U.S.C., SECTIONS 12203 AND 12212:

To be colonel

DONALD A. AHERN, 0000

DOUGLAS M. AIKEN, 0000

MARK G. ALLEN, 0000

GEORGE W. ASEBELL, 0000

JAMES E. ASTOR, 0000

DAVID L. AUGUSTINE, 0000

ROBERT J. BECKLUND, 0000

GEORGE H. BENEFIELD JR., 0000

STEVEN J. BERRYHILL, 0000

ROBERT M. BRANYON, 0000

ERIC W. CAMPBELL, 0000

DAVID E. CANTRELL, 0000

THOMAS H. CANTWELL, 0000

DEBRA J. CARROLL, 0000

THOMAS S. CAUTHERN, 0000

STEWART W. CEARLEY, 0000

STEPHEN L. CHASE, 0000

RUTH A. CHRISTOPHERSON, 0000

JAMES D. COBB, 0000

JAMES F. COLEMAN, 0000

CARLAND D. COLVIN, 0000

JAMES R. COMPTON, 0000

DAVID M. CRUZ JR., 0000

CHARLES S. DORSEY, 0000

ALAN C. DORWARD, 0000

RICHARD J. EVANS III, 0000

LYNN D. FEES, 0000

TERRENCE B. FORNOF, 0000

MICHAEL C. FOSTER, 0000

MARK E. GOERGEN, 0000

TIMOTHY R. GRAMS, 0000

ANN M. GREENLEE, 0000

GREG A. HAASE, 0000

JEFFREY W. HAUSER, 0000

STUART A. HEMMINGSON, 0000

MICHAEL E. HUSTED, 0000

GARY W. KEEFE, 0000

JOHN E. KENT, 0000

CHARLES G. KING, 0000

RANDALL S. KING, 0000

WAYNE E. LEE, 0000

BRADLEY S. LINK, 0000

RICKIE B. MATTSON, 0000

GARY H. MAUPIN, 0000

MICHAEL P. MCDONOUGH, 0000

STEVEN D. MCMAHON, 0000

DONALD R. MCPARTLAND JR., 0000

EDWARD E. METZGAR, 0000

RITA C. MEYER, 0000

GARY J. MOE, 0000

JOHN S. MORAWIEC, 0000

JON K. MOTT, 0000

KENNETH E. NERESON, 0000

RYAN A. ORIAN, 0000

GERALD E. OTTERBEIN, 0000

THOMAS J. OWENS II, 0000

ROBERT J. PARTHENAIS, 0000

WALLACE J. PASCHAL II, 0000

GREGORY P. PIETROCOLA, 0000

PAUL A. POCOPANNI JR., 0000

NORMAN A. POKLAR, 0000

JONATHAN T. PROEHL, 0000

RONALD V. SACHSE, 0000

TERRANCE W. SANDO, 0000

EWIN R. SANSOM, 0000

DENISE O. SCHOFIELD, 0000

GEORGE R. SKUODAS, 0000

JEFFREY S. SMILEY, 0000

EDWIN C. SMITH, 0000

KERRY M. TAYLOR, 0000

CARL J. THOMAE, 0000

TIMOTHY G. VAUGHAN, 0000

JOHN H. WAKEFIELD, 0000

WILLIAM B. WALKUP, 0000

KEITH A. WEAVER, 0000

GARY V. WELLS, 0000

JOHN F. WHITE, 0000

BRUCE T. WILLEN, 0000

JONATHAN D. WILLIAMS, 0000

MICHAEL A. WOBBERMA, 0000

IN THE NAVY

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MYLES E. BROOKS JR., 0000

HILLARY KING JR., 0000

JAMES E. WATTS, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

BILLY M. APPLETON, 0000

BENEDICT J. BROWN, 0000

KENNETH D. COUNTS, 0000

ROBERT J. COYLE, 0000

JAMES T. DENLEY, 0000

MICHAEL L. GREENWALT, 0000

ALAN M. HANSEN, 0000

J. P. HEDGES JR., 0000

MARK R. HENDRICKS, 0000

MICHAEL G. MUELLER, 0000

CARLOS B. ORTIZ, 0000

TIMOTHY L. OVERTURF, 0000

BRENT W. SCOTT, 0000

STUART D. SMITH, 0000

DAVID A. TUBLEY, 0000

STEVEN P. UNGER, 0000

MIL A. YI, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT TO THE GRADE INDICATED IN THE UNITED STATES NAVY UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

CARLA M. ALBRITTON, 0000

MICHAEL L. ANDERSON, 0000

THOMAS S. ARMSTRONG, 0000

RAYMOND W. BICHARD, 0000

VICTOR D. BLANCO, 0000

PAUL J. BOURGEOIS, 0000

FORREST R. BROWNE III, 0000

JOHN D. BRUGHELLI, 0000

JOSE CERVANTES, 0000

KURT M. CHIVERS, 0000

CHARLES E. CHURCHWARD, 0000

WILBURN A. CLARKE, 0000

MICHAEL E. CORSEY, 0000

WILLIAM J. DARNEY III, 0000

DANE A DENMAN, 0000
 KIT A DUNCAN, 0000
 KENNETH W EPPS, 0000
 RACHEL M FANT, 0000
 MARTIN F FIELDS JR., 0000
 MATTHEW J GIBBONS, 0000
 JOHN E GILLILAND, 0000
 ROWDY C GRIFFIN, 0000
 ROBERT J HAMMOND, 0000
 TIMOTHY J HARRINGTON, 0000
 MARK K HARRIS, 0000
 RICHARD D HEINZ, 0000
 JAMES M JOHNSON, 0000
 KEVIN M JONES, 0000
 DAVID H KAO, 0000
 ROBERT J KILLIUS, 0000
 BRYANT W KNOX, 0000
 JAMES A LAPOINTE, 0000
 FRANK J LORENTZEN, 0000
 KYLE P LUKSOVSKY, 0000
 DAVID A MARCH, 0000
 THOMAS R MARSZALEK, 0000
 SCOTT T MCCAIN, 0000
 PATRICK J MCCLANAHAN, 0000
 THOMAS J MOREAU, 0000
 JOSEPH H NEUHEISEL, 0000
 DANIEL J NOLL, 0000
 GARY J POWE, 0000
 JOE F RAY, 0000
 MICHAEL L RENEGAR, 0000
 DAVID D SANDERS, 0000
 TIFFANY A SCHAD, 0000
 VINCENT P SCHIAVONE, 0000
 DAVID A SHEALY, 0000
 EDWARD E SIMPSON, 0000
 ROBERT F SKJONSBY, 0000
 SCOTT C SMITH, 0000
 JOHN D SORACCO, 0000
 CHRISTOPHER T SOSA, 0000
 ALESSANDRO I STAMEGNA, 0000
 TERRY M SURDYKE, 0000
 DERRIC T TURNER, 0000
 HAROLD W VALENTINE, 0000
 MARK S WHEELER, 0000
 POLLY S WOLF, 0000
 EDWARD L ZAWISLAK, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

MICHAEL T ACROMITTE, 0000
 TROY G ANDERSON, 0000
 JOSEPH C AQUILINA, 0000
 BRIAN K AUCE, 0000
 JOHN B BACCUS III, 0000
 LAUREN D BALES, 0000
 RICHARD D BARROW II, 0000
 JOHN L BASTIEN, 0000
 ANTHONY G BATTAGLIA, 0000
 MARY P BAVARO, 0000
 MARY BECKETT, 0000
 STEPHANIE A BERNARD, 0000
 SANDRA L BIERLING, 0000
 CHARLES S BLACKADAR, 0000
 CAROL L BLACKWOOD, 0000
 JEFFREY A BLAIR, 0000
 OCTAVIO A BORGES, 0000
 PAMELA J BRETHAUER, 0000
 STACY A BRETHAUER, 0000
 WILLIAM J BRUNSMAN, 0000
 BRYAN S BUCHANAN, 0000
 KEVIN D BUCKLEY, 0000
 THOMAS B BUTTOLPH, 0000
 JANIS R CARLTON, 0000
 THOMAS M CHUPP, 0000
 JOSEPH B CLEM, 0000
 VICKI J COLAPIETRO, 0000
 MICHAEL E COMPEGGIE, 0000
 MARY N COOK, 0000
 CARL R COWEN, 0000
 THOMAS A CRAIG, 0000
 STEVEN D CRONQUIST, 0000
 MICHAEL P DALGETTY, 0000
 ANTHONY E DELCADO, 0000
 ANNE DENYS, 0000
 MARK L DICK, 0000
 RICHARD R DOBHAN, 0000
 ROBERT J DONOVAN, 0000
 CHRISTINE E DORR, 0000
 BRAD H DOUGLAS, 0000
 ROBERT DUNBAR JR., 0000
 THEODORE D EDSON, 0000
 JOHN C ELKAS, 0000
 MARK J FLYNN, 0000
 STEVEN E GABLE, 0000
 MICHELE L GASPER, 0000
 DAVID W GIBSON, 0000
 COLLEEN M GILSTAD, 0000
 JOHN GILSTAD, 0000
 PATRICK H GINN, 0000
 WAYNE M GLUF, 0000
 TIMOTHY S GORMLEY, 0000
 DANIEL L GRAMINS, 0000
 CHRISTOPHER A HAM, 0000
 JOHN S HAMMES, 0000
 TONY S HAN, 0000
 JAMES L HANCOCK, 0000
 CARY E HARRISON, 0000
 JOHN F HAWLEY, 0000
 DANIEL J HEBERT, 0000
 ELIZABETH M HOFMEISTER, 0000
 NICHOLAS M HOLMES, 0000
 ANTHONY R HOOVLER, 0000
 TIM B HOPKINS, 0000
 DARRYL K ITOW, 0000

JENNIFER M JAGOE, 0000
 PETER M JOHNSON, 0000
 STEVEN A KEWISH, 0000
 BRIAN S KING, 0000
 NEIL M KING, 0000
 BARBARA E KNOLLMANNRITSCH, 0000
 CHRISTOPHER A KURTZ, 0000
 TRI H LAC, 0000
 LOUIS V LAVOPA, 0000
 BENJAMIN K LEE, 0000
 HEIDI LYSZCZARZ, 0000
 JOHN L LYSZCZARZ, 0000
 DANIEL F MAHER, 0000
 ELIZABETH A MALEY, 0000
 JEANETTE H MATTHEWS, 0000
 SCOTT T MAURER, 0000
 PAUL D MCADAMS, 0000
 MICHAEL S MCCLINCY, 0000
 MICHAEL B MCGINNIS, 0000
 LISA M MCGOWAN, 0000
 PATRICIA L MCKAY, 0000
 MELANIE J MERRICK, 0000
 ROBERT N MILLER JR., 0000
 ERIN M MOORE, 0000
 LISA P MULLIGAN, 0000
 PATRICK M MULLIN, 0000
 DAVID P MURPHY, 0000
 DAVID F MURRAY, 0000
 JANET N MYERS, 0000
 DIPAK D NADKARNI, 0000
 SCOTT L NASSON, 0000
 DAVID K NAUGLE, 0000
 AMY L OBOYLE, 0000
 PHILIP M OCONNELL, 0000
 WILLIAM S PADGETT, 0000
 DAVID PALMER, 0000
 GEORGE A PAZOS, 0000
 MICHAEL G PENNY, 0000
 MICHAEL J PHIPPS, 0000
 LEE A PIETRANGELO, 0000
 STEVEN J PORTOUW, 0000
 MARTIN W PRUSS, 0000
 TRENT D RASMUSSEN, 0000
 WARD L REED III, 0000
 ROY R RICE, 0000
 MATTHEW C RINGS, 0000
 PETER F ROBERTS, 0000
 ANTHONIO RODRIGUEZ, 0000
 MILDRED RODRIGUEZ, 0000
 JUAN A ROSARIOCOLLAZO, 0000
 JOSEPH D RUGGIERO, 0000
 RICHARD J SAVARINO JR., 0000
 ASHLEY A SCHROEDER, 0000
 ERIC L SCHWARTZMAN, 0000
 CHRISTINE L G SEARS, 0000
 STEPHEN T SEARS, 0000
 PAUL D SEEMAN, 0000
 ERIC S SHERCK, 0000
 SOHAIL A SIDDIQUE, 0000
 AMANDA J SIMSIMAN, 0000
 GEORGE H SMITH, 0000
 LOREN J SMITH, 0000
 IFEOLUMIPO O SOFOLA, 0000
 JOEL D STEWART, 0000
 JAMES A STOREY, 0000
 ROGER L SUR, 0000
 ROSEMARIE C TAN, 0000
 JAMES K TARVER, 0000
 JAMES E TOLEDANO, 0000
 EDWARD T WATERS, 0000
 WILLIAM D WATSON, 0000
 STEVEN M WECHSLER, 0000
 CHRISTOPHER WESTBROOK, 0000
 WILLIAM M WIKE, 0000
 GREGORY A WRIGHT, 0000
 KIMBERLY S WYATT, 0000
 JAMES C YOUNG, 0000
 CRAIG M ZELIG, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

TIMOTHY A ACKERMAN, 0000
 STEPHEN G ALFANO, 0000
 KENNETH A BELL, 0000
 BRADLEY R BURNETT, 0000
 HECTOR A CABALLERO, 0000
 SOOK K CHAI, 0000
 JORGE A GRAZIANI, 0000
 SCOTT KOOSTRA, 0000
 SEAN C MEEHAN, 0000
 BRETT T METCALF, 0000
 ANTHONY J OPIKA, 0000
 SCOTT T OZAKI, 0000
 VICTOR T Y PAK, 0000
 TONY L PETERSON, 0000
 JOHN J RICHARD, 0000
 WILLIAM G SHOEMAKER, 0000
 CHRISTOPHER A STEWART, 0000
 TODD E SUMNER, 0000
 TIMOTHY B TINKER, 0000
 KEVIN R TORSKE, 0000
 DAVID T TURBYFILL, 0000
 TERRY D WEBB, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

STEVEN E ALLEN, 0000
 TIMOTHY D BARNES, 0000
 LUIS A BENEVIDES, 0000
 RICHARD D BERGTOLD, 0000
 SEAN BIGGERSTAFF, 0000

PHILIP J BLAINE, 0000
 CHRISTOPHER A BLOW, 0000
 JIMMY A BRADLEY, 0000
 LEON F BRADWAY, 0000
 MICHAEL D BRIDGES, 0000
 KARI A BUCHANAN, 0000
 MARQUEZ F CAMPBELL, 0000
 JAMES G CHRISTENSON, 0000
 DANIEL J CORNWELL, 0000
 MARK C CROWELL, 0000
 CATHI L CULVER, 0000
 MARY F DAVID, 0000
 ANDREW M DAVIDSON, 0000
 WILLIAM F DAVIS, 0000
 DANNY W DENTON, 0000
 KRISTI B DEPPERMAN, 0000
 BEVERLY A DEXTER, 0000
 JAIME E DIAZSOLA, 0000
 THOMAS L DRIVER, 0000
 DAVID W DROZD, 0000
 JOSEPH B ESSEX, 0000
 DEANN J FARR, 0000
 JOHN F FERGUSON, 0000
 BRICE A GOODWIN, 0000
 JOSEPH L GRANADO, 0000
 WILLIAM O HAISSIG, 0000
 MICHELE A HANCOCK, 0000
 GERALYN A HARADON, 0000
 PATRICK L HAWKINS, 0000
 RICHARD D HAYDEN, 0000
 BRIAN R HOSKINS, 0000
 PAUL B JACOB, 0000
 RICHARD J JEHUE, 0000
 MARY E JENKINS, 0000
 SCOTT L JOHNSTON, 0000
 DAVID E JONES, 0000
 MARVIN L JONES, 0000
 JEANMARIE P JONSTON, 0000
 STANLEY J JOSSELL, 0000
 RONALD A JURAS, 0000
 KAREN J KASOWSKI, 0000
 FREDERIC J KELLEY III, 0000
 KEVIN L KLETTE, 0000
 SCOTT P LAWRY, 0000
 RANDAL K LEBLANC, 0000
 JOHN W LEFAVOUR, 0000
 JAMES A LETEXIER, 0000
 LARRY L LOOMIS, 0000
 WILLIAM P MACCHI, 0000
 MARIA K MAJAR, 0000
 ANN C MARQUEZ, 0000
 CARLOS J MARTINEZ, 0000
 SCOTT A MCCLELLAN, 0000
 MARTIN D MCCUE, 0000
 MICAH L MEYERS, 0000
 ADAM S MICHELS, 0000
 LESLIE A MOORE, 0000
 THOMAS A MOWELL, 0000
 JOSEPH S MYERS JR., 0000
 MANUEL E NAGUIT, 0000
 ROBERT E NEWELL, 0000
 EDWARD C NORTON JR., 0000
 ROBERT E OBRICHT, 0000
 LUIS M PEREZ, 0000
 NORA M PEREZ, 0000
 JOSEPH J PICKEL, 0000
 JEFFREY M PLUMMER, 0000
 ANTHONY V POTTUS, 0000
 JOHN A RALPH, 0000
 DYLAN D SCHMORROW, 0000
 RUSSELL D SHILLING, 0000
 BRENDA D SMITH, 0000
 DEBRA R SOYK, 0000
 MARK J STEVENSON, 0000
 VERONICA SULLIVANFREDERICK, 0000
 ANNE M SWAP, 0000
 STEVEN D TATE, 0000
 PAULINE M TAYLOR, 0000
 JEFFREY C TROWBRIDGE, 0000
 KEN H UYESUGI, 0000
 MICHAEL P VENABLE, 0000
 MICHAEL S WARRINGTON, 0000
 TIMOTHY H WEBER, 0000
 BRIAN K WILLIAMSON, 0000
 SHARON M WRIGHT, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
 TO THE GRADE INDICATED IN THE UNITED STATES NAVY
 UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

KRISTEN N ATTERBURY, 0000
 CATHERINE A BAYNE, 0000
 JAMES G BEASLEY, 0000
 MARGARET S BEAUBIEN, 0000
 VALERIE J BEUTEL, 0000
 CHERYL W BLANZOLA, 0000
 JULIA C BUCK, 0000
 JOSEPH P BURKARD, 0000
 PATRICIA M BURNS, 0000
 MAUREEN R N BUTLER, 0000
 SARAH M BUTLER, 0000
 IRIS A BYERS, 0000
 BARBARA G CALTEUXZEVALLAS, 0000
 PAULA Y CHAMBERLAIN, 0000
 SUZANNE M CLARK, 0000
 BRIAN D CLEMENT, 0000
 SHERI R COLEMAN, 0000
 NANCY K CONDON, 0000
 KEVIN J COOLONG, 0000
 CRAIG L COOPER, 0000
 LUZ M CRELLIN, 0000
 BRIAN J DREW, 0000
 VICKI L EDGAR, 0000
 TERRY J HALBRITTER, 0000
 BRADLEY J HARTGERINK, 0000
 SANDRA K HEAVEN, 0000

PENNY M HEISLER, 0000
ANITA M HENRY, 0000
LINDA J A HOUDE, 0000
KARON V JONES, 0000
TAMMY C JONES, 0000
FRANCES G KELLER, 0000
BARBARA J KINCADE, 0000
KATHLEEN A KNIGHT, 0000
RONNELL R LEFTWICH, 0000
SHARRON A LEWIS, 0000
CATHERINE M MACDONALD, 0000
IAN A MACKENZIE, 0000
REBECCA A MALARA, 0000
TRISHA C MARTIN, 0000
JOHN P MAYE, 0000
JONIE L MCBEE, 0000
CATHERINE J MCDONALD, 0000
CHERYL L MCDONALD, 0000
JOY L MURRAY, 0000
MICHAEL A NACE, 0000
LAURA A PAGANO, 0000
JOANNE M PETRELLI, 0000
TANYA M PONDER, 0000
PAMELA J PORTER, 0000
KAREN S PRUETT, 0000
DON S RAYMUNDO, 0000
KURK A ROGERS, 0000
CHRISTOPHER E SCHMIDT, 0000
KIMBERLY W SHIPLEY, 0000
GLENDA D SINK, 0000
DOROTHEA A SLEDGE, 0000
GORDON R SMITH, 0000
LAVENCION V STARKS, 0000
SUSAN A STEINER, 0000
AMY M TARBAY, 0000
PERRY J WEIN, 0000
MOISE WILLIS, 0000
PATRICIA A WIRTH, 0000
JAMIE H WISE, 0000
CONSTANCE L WORLINE, 0000
MARY A YONK, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
TO THE GRADE INDICATED IN THE UNITED STATES NAVY
UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

DAVID A BERGER, 0000
TIERNEY M CARLOS, 0000

REBECCA A CONRAD, 0000
MATTHEW C DOLAN, 0000
JOEL A DOOLIN, 0000
ANNE B FISCHER, 0000
BABETTE R GORDON, 0000
HOLIDAY HANNA, 0000
ERROL D HENRIQUES, 0000
SEAN P HENSELER, 0000
THOMAS C HEROLD, 0000
MATTHEW R HYDE, 0000
MICHAEL J JAEGER, 0000
PAUL C KIAMOS, 0000
LOURAE LANGEVIN, 0000
DON A MARTIN, 0000
ANTHONY J MAZZEO, 0000
JAMES B MCFARLANE, 0000
GORDON E MODARAI, 0000
WILLIAM F OBRIEN, 0000
JAMES A PROTIN, 0000
MARY S REISMEIER, 0000
ADRIAN J ROWE, 0000
GARY E SHARP, 0000
STEPHANIE M SMART, 0000
ERIN E STONE, 0000

THE FOLLOWING NAMED OFFICERS FOR APPOINTMENT
TO THE GRADE INDICATED IN THE UNITED STATES NAVY
UNDER TITLE 10, U.S.C., SECTION 624:

To be commander

JOHN J ADAMETZ, 0000
JOHN C ALBERGHINI, 0000
MICHAEL J ANGERINOS, 0000
HECTOR A ARELLANO JR., 0000
GARTH B BERNINGHAUS, 0000
TIMOTHY P COWAN, 0000
MARK K EDELSON, 0000
ROBERT M FAIRBANKS, 0000
EDDIE G GALLION, 0000
ROBERT W GANOWSKI, 0000
PETER E HANLON, 0000
TODD B HENRICKS, 0000
JEFFREY D HICKS, 0000
JOHN A KLIEM, 0000
RONALD F KRAMPS, 0000
MICHELLE C LADUCA, 0000
GREGORY D LUNSFORD, 0000
CYNTHIA J MANNING, 0000
RAYMOND J MARDINI, 0000

TIMOTHY R MARKLE, 0000
CARMELO MELENDEZ, 0000
ROLAND A MINA, 0000
RODNEY M MOORE, 0000
BRUCE C NEVEL, 0000
CRAIG S PRATHER, 0000
ARMAND T QUATTLEBAUM, 0000
STEPHEN K REVELAS, 0000
KEVIN L ROYE, 0000
GLENN A SHEPHARD, 0000
STEVEN L SIMS, 0000
LESLIE S STEELE, 0000
GEORGE N SUTHER, 0000
GARY A TAVE, 0000
PAUL J VANDENBERG, 0000
JOHN D WHITE, 0000
BARNEY S WILLIAMS, 0000

CONFIRMATIONS

Executive nominations confirmed by
the Senate July 8, 2004:

IN THE MARINE CORPS

THE FOLLOWING NAMED OFFICER FOR APPOINTMENT
IN THE UNITED STATES MARINE CORPS TO THE GRADE
INDICATED WHILE ASSIGNED TO A POSITION OF IMPOR-
TANCE AND RESPONSIBILITY UNDER TITLE 10, U.S.C.,
SECTION 601:

To be general

LT. GEN. JAMES E. CARTWRIGHT

IN THE NAVY

THE FOLLOWING NAMED OFFICER FOR REAPPOINT-
MENT AS CHIEF OF NAVAL OPERATIONS, UNITED STATES
NAVY, FOR AN ADDITIONAL TERM OF TWO YEARS, AND
APPOINTMENT TO THE GRADE INDICATED WHILE AS-
SIGNED TO A POSITION OF IMPORTANCE AND RESPONSI-
BILITY UNDER TITLE 10, U.S.C., SECTIONS 601 AND 5033:

To be admiral

ADM. VERNON E. CLARK