their contributions to the Nation during World War I and World War II; to the Committee on Banking, Housing, and Urban Affairs.

By Mr. ALLEN (for himself and Mr. MCCAIN):

S. 1855. A bill to amend title 38, United States Code, to enact into law eligibility of certain veterans and their dependents for burial in Arlington National Cemetery; to the Committee on Veterans' Affairs.

By Mr. KERRY (for himself, Mr. BURNS, Mr. CORZINE, and Mr. BAUCUS):

S. 1856. A bill to amend the Internal Revenue Code of 1986 to promote employer and employee participation in telework arrangements, and for other purposes; to the Committee on Finance.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 1857. A bill to Encourage the Negotiated Settlement of Tribal Claims; to the Committee on Indian Affairs.

By Mr. ALLEN (for himself and Mr. KERRY):

S. 1858. A bill to permit the closed circuit televising of the criminal trial of Zacarias Moussaoui for the victims of September 11th; to the Committee on the Judiciary.

By Mr. SCHUMER (for himself and Mr. CHAFEE):

S. 1859. A bill to extend the deadline for granting posthumous citizenship to individuals who die while on active-duty service in the Armed Forces; to the Committee on the Judiciary.

SUBMISSION OF CONCURRENT AND SENATE RESOLUTIONS

The following concurrent resolutions and Senate resolutions were read, and referred (or acted upon), as indicated:

By Mr. DASCHLE (for himself and Mr. LOTT):

S. Res. 193. A resolution authorizing certain employees of the Senate who perform service in the uniformed services to be placed in a leave without pay status, and for other purposes; considered and agreed to.

ADDITIONAL COSPONSORS

S. 94

At the request of Mr. DORGAN, the names of the Senator from Washington (Ms. CANTWELL) and the Senator from California (Mrs. FEINSTEIN) were added as cosponsors of S. 94, a bill to amend the Internal Revenue Code of 1986 to provide a 5-year extension of the credit for electricity produced form wind.

S. 267

At the request of Mr. DASCHLE, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of S. 267, a bill to amend the Packers and Stockyards Act of 1921, to make it unlawful for any stockyard owner, market agency, or dealer to transfer or market nonambulatory livestock, and for other purposes.

S. 321

At the request of Mr. GRASSLEY, the name of the Senator from Delaware (Mr. CARPER) was added as a cosponsor of S. 321, a bill to amend title XIX of the Social Security Act to provide families of disabled children with the opportunity to purchase coverage under the medicaid program for such children, and for other purposes.

S. 351

At the request of Ms. COLLINS, the name of the Senator from Rhode Island (Mr. REED) was added as a cosponsor of S. 351, a bill to amend the Solid Waste Disposal Act to reduce the quantity of mercury in the environment by limiting use of mercury fever thermometers and improving collection, recycling, and disposal of mercury, and for other purposes.

S. 683

At the request of Mr. SANTORUM, the name of the Senator from Alabama (Mr. SHELBY) was added as a cosponsor of S. 683, a bill to amend the Internal Revenue Code of 1986 to allow individuals a refundable credit against income tax for the purchase of private health insurance, and to establish State health insurance safety-net programs.

S. 990

At the request of Mr. JOHNSON, his name was added as a cosponsor of S. 990, a bill to amend the Pittman-Robertson Wildlife Restoration Act to improve the provisions relating to wildlife conservation and restoration programs, and for other purposes.

S. 1209

At the request of Mr. BINGAMAN, the names of the Senator from Michigan (Mr. LEVIN) and the Senator from North Carolina (Mr. EDWARDS) were added as cosponsors of S. 1209, a bill to amend the Trade Act of 1974 to consolidate and improve the trade adjustment assistance programs, to provide community-based economic development assistance for trade-affected communities, and for other purposes.

S. 1317

At the request of Mr. SCHUMER, the name of the Senator from California (Mrs. FEINSTEIN) was added as a cosponsor of S. 1317, a bill to amend title XVIII of the Social Security Act to provide for equitable reimbursement rates under the medicare program to Medicare+Choice organizations.

S. 1335

At the request of Mr. KENNEDY, the name of the Senator from Georgia (Mr. CLELAND) was added as a cosponsor of S. 1335, a bill to support business incubation in academic settings.

S. 1478

At the request of Mr. LEAHY, his name was added as a cosponsor of S. 1478, a bill to amend the Animal Welfare Act to improve the treatment of certain animals, and for other purposes.

S. 1626

At the request of Mr. BINGAMAN, the name of the Senator from Nebraska (Mr. HAGEL) was added as a cosponsor of S. 1626, a bill to provide disadvantaged children with access to dental services.

S. 1707

At the request of Mr. JEFFORDS, the names of the Senator from Oregon (Mr. WYDEN) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 1707, a bill to amend title XVIII of the Social Security Act to specify the update for payments under the medicare physician fee schedule for 2002 and to direct the Medicare Payment Advisory Commission to conduct a study on replacing the use of the sustainable growth rate as a factor in determining such update in subsequent years.

S. 1749

At the request of Mr. KENNEDY, the names of the Senator from Michigan (Mr. LEVIN), the Senator from Florida (Mr. NELSON), and the Senator from Oklahoma (Mr. NICKLES) were added as cosponsors of S. 1749, a bill to enhance the border security of the United States, and for other purposes.

S. 1754

At the request of Mr. LEAHY, the name of the Senator from Washington (Ms. CANTWELL) was added as a cosponsor of S. 1754, a bill to authorize appropriations for the United States Patent and Trademark Office for fiscal years 2002 through 2007, and for other purposes.

S. 1842

At the request of Mr. CLELAND, the name of the Senator from Georgia (Mr. MILLER) was added as a cosponsor of S. 1842, a bill to modify the project for beach erosion control, Tybee Island, Georgia.

AMENDMENT NO. 2533

At the request of Mr. CRAPO, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Wyoming (Mr. THOMAS), the Senator from Nevada (Mr. ENSIGN), the Senator from Colorado (Mr. ALLARD), the Senator from Colorado (Mr. CAMPBELL), and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of amendment No. 2533 intended to be proposed to S. 1731, an original bill to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLEN:

S. 1848. A bill to provide mortgage payment assistance for employees who are separated from employment; to the Committee on Health, Education, Labor, and Pensions.

Mr. ALLEN. Mr. President, today I rise to introduce the Homestead Preservation Act.

It is a bill to provide displaced workers with access to low-interest loans to help cover monthly home mortgage payments while they are looking for a new job. This is commonsense, compassionate legislation designed to help working families, who through no fault of their own, are adversely affected by international competition.

During the past months, all Americans have been deluged with grim news

of recessions, plummeting consumer confidence and rising unemployment. Since October of last year, unemployment has jumped 1.8 percent, bringing the unemployment rate to 5.7 percent, the highest in over 6 years. This is more than just a statistic. The 5.7 percent represents 8.2 million people who are now without a job, a paycheck, and the means by which to provide their family with a sense of economic security, knowing that the bills will be paid, food is on the table, gifts will be under the Christmas tree.

Virginia has not escaped the effects of the recession. While the unemployment is not as high as the national average, we have seen a 1.4 percent increase in unemployment from October 2000 to October 2001. There were 20 mass layoffs in October, an increase of 8 from the year before. And there have been 2,713 new claims for unemployment benefits in October—almost double from October 2000.

While these are uneasy times for everyone, regions such as Southwest Virginia and Southside, with heavy concentrations in manufacturing—especially the textile and apparel industries—have been especially hard hit. Nationwide, employment in apparel manufacturing lost more than 10,000 jobs just last month. Factory employment has plummeted in the past year and a half. One of every three layoffs in Virginia is from the manufacturing industry, although only one in six jobs throughout the Commonwealth are in this sector. In Virginia, October was the 15th consecutive month of factory job losses.

Virginia's Southside and Southwest regions are already suffering from the economic effects of international competition, such as NAFTA. Nationwide, an average of 37,500 Americans lose their jobs because of NAFTA-related competition each year. During the 1990s, Virginians saw the loss of 15,400 apparel jobs—a decline of 54.3 percent—and 15,300 textile jobs—a decline of 36 percent.

Fair and free trade is necessary if American businesses are to have the opportunity to promote their goods and services and continue to expand through growth abroad. NAFTA has created a net increase in employment. As Governor of Virginia, I led several trade missions abroad to promote our products. We brought back agreements that initially meant half a billion dollars in new investment and sales for Virginia, investments made possible only through fair and free trade.

But, while trade is helping our economy as a whole, there are many good, hard working families, who have been adversely affected by international competition—especially in the textile and apparel industries. Anytime a factory closes, it is a devastating blow to all of the families and businesses in the community and region.

While I was proud of the outstanding way the close-knit Southside and Southwest communities in Virginia came together to help those who lost their jobs, when companies like Pluma and Tultex closed their doors, they should not be forced to go through these times alone. After the Tultex plant closing in Martinsville in early December of 1999, people donated toys to the Salvation Army to make sure that Christmas came to the homes of the thousands of laid off workers.

I am proposing that the Federal Government do its part to help people through these tough times. There are already thoughtful programs in place, such as the NAFTA Transitional Adjustment Assistance program, that helps workers get additional job skills training and employment assistance, and, provides extended unemployment benefits during job training. These programs are the result of the commonsense, logical conclusion that good, working people can lose their jobs because of trade—not because they did anything wrong or because they don't want to work.

We ought to find a way to ease the stress and turmoil for people whose lives are unexpectedly thrown into transition after years of steady employment with a company that suddenly disappears. While these hard-working folks are finding appropriate employment, they should not fear losing their homes. For most people and families, their home is the largest investment they make in life. Many have considerable equity build up.

Government agencies already have low-interest loan programs in place to help families who have met with unexpected economic disaster, such as a natural disaster like a hurricane, flood or tornado.

When a factory closes, it is an economic disaster to these families and their communities. The effects are just as far reaching and certainly as economically devastating. Like a natural disaster, families displaced by international competition are not responsible for the events leading to the factory closings. The Federal Government ought to make the same disaster loan assistance programs available to our displaced workers.

This is my rationale for introducing the Homestead Preservation Act. This legislation will provide temporary home mortgage assistance to displaced workers, helping them make ends meet during their search for a new job.

Specifically, the Homestead Preservation Act authorizes the Department of Labor to administer a low-interest loan program—4 percent—for workers displaced due to international competition. The loan is for up to the amount of 12 monthly home mortgage payments. The program is authorized at $10 million per year, for 5 years. It distributes the loan through an account, providing monthly allocations to cover the amount of the worker's home mortgage payment. The loans could be paid off or repaid over a period of 5 years. No payments would be required until 6 months after the borrower has returned to work full-time. The loan is available only for the cost of a monthly home mortgage payment and covers only those workers displaced due to international competition and those who qualify for benefits under the NAFTA–TAAP and TAA benefits programs.

Like the NAFTA–TAAP and TAA benefits programs, the Homestead Preservation Act recognizes that some temporary assistance is needed as workers take the time to become retrained and reeducated, expand upon their skills and search for new employment.

As Governor, there was nothing I enjoyed more than being able to recruit and land investment from new or expanding enterprises in Virginia. By recruiting businesses, we brought new and better jobs for the hard-working, caring people of Virginia. One example is Drake Extrusion from the United Kingdom, which chose Martinsville Industrial Park for its new carpet and bedding fiber manufacturing plant. It was announced as a $12 million investment. It doubled in value at the official opening in 1996. It brought in additional small businesses. As of last year, Drake employed over 180 people.

Unfortunately, it can take time to bring in new companies and industries to a region, just as it takes time to learn a new skill or earn a degree. Displaced families do not have time; they have monthly bills that must be paid, in full, no excuses. The Homestead Preservation Act provides the financial assistance necessary to bridge the time it takes to find employment. Without this bridge, many working families would not be able to take advantage of the opportunities our there for them. They would be denied the necessary tools to help them succeed in the changing economy.

The current recession has made it even more vital that the Federal Government do what is right by our workers in the textile and apparel industries—in all industries suffering high rates of job losses due to international competition. Because of international competition, textile and apparel workers are even more vulnerable to the current economic situation making them ill-equipped to weather an economic downturn. For example, in 1999, the average wage rates in Virginia for a textile or apparel worker were 77 percent and 57 percent, respectively, of the overall average wage rate for Virginians. This provides for less money in the family's ''rainy day'' savings account. And right now, it is storming for these families. These jobs are not coming back. Only about 70 percent of displaced factory workers find reemployment, well below the access-industry average.

Losses are expected to continue accumulating as the industries brace for worldwide open trade, which is scheduled to begin in 2005. When these workers are displaced, meager savings and temporary unemployment benefits are

frequently not enough to cover expenses that had previously fit within the family budget. Without immediate help, these families, at the minimum, risk ruining their credit ratings and, in the worst-case scenario, could lose their home or car.

The Homestead Preservation Act would provide families vital temporary financial assistance, enabling them to keep them to keep their homes and to protect their credit ratings as they work toward strengthening and updating their skills and continue their search for a new job. Hard-working Americans, facing such a harrowing situation, ought to have a response to help them. People need transitional help now.

The Homestead Preservation Act provides the temporary financial tools necessary for displaced workers to get back on their feet and succeed. It is a caring, logical and responsible response.

Mr. President, as I said, I rise today to introduce the Homestead Preservation Act. This is a commonsense, compassionate place of legislation that is designed to help working families who, through no fault of their own, lose their jobs as a result of international competition.

It is a bill to provide displaced workers with access to low-interest loans to help cover monthly home mortgage payments while they are out looking for a job.

During the past few months, all Americans have been deluged with grim news of recessions, plummeting consumer confidence, and rising unemployment

Clearly, these are uneasy times for everyone in all regions of the country, whether in the South, the Midwest, the Northeast, and out West as well, but particularly in the areas where there are heavy concentrations of manufacturing. The textile and apparel industries have been especially hard hit. That industry is generally in the South and, to some extent, in the Midwest.

Nationwide, employment in apparel manufacturing lost more than 10,000 jobs just last month. That is in Virginia, North Carolina, South Carolina, Mississippi, Alabama, Georgia, Arkansas, Missouri, and various other States.

Factory employment has plummeted in the past year and a half. In Virginia alone, about one out of every six jobs is in manufacturing. But as far as the layoffs, one out of every three layoffs in Virginia is from the manufacturing industry.

I am a supporter of fair and free trade. I think trade is good for American consumers. It is good for our retailers and our farmers. I think it is necessary for our businesses and farmers to have opportunities to promote their goods, their products, their services abroad. That allows them to expand and grow.

I think NAFTA has created a net increase in employment. As Governor of Virginia, I led several trade missions abroad, whether to Canada, Mexico, various countries in Western and Central Europe, as well as East Asia. We brought back agreements that initially meant over a half a billion dollars in new investment and sales for Virginia products. These investments and sales in Virginia were only made possible by fair and free trade.

But while trade is helping our economy as a whole, there are many good, hard-working people and families who have been adversely affected by international competition, particularly in the textile and apparel industries.

Any time a factory closes, it is a devastating blow to all of the families and, indeed, all of the businesses in the communities in that region. You can see, with great pride, how communities come together—close knit communities—and try to help out if a major manufacturer shuts down.

I remember back in December 2 years ago—in early December, 1999—when Tultex shut down. Thousands of jobs were lost. People donated toys to the Salvation Army, though, to make sure Christmas would come to every family.

What I am proposing is that the Federal Government does its part to help people through these tough times, so that people and communities are not alone during these transitions.

There are already thoughtful programs in place. The NAFTA Transitional Adjustment Assistance Program helps workers get additional job skills in training and employment assistance, as well as provides extended unemployment benefits during job training.

These programs are the result of the good, commonsense, logical conclusion that working people can lose their jobs because of trade, not because they did anything wrong or because they did not want to work. They do want to work.

We ought to find a way to help ease the stress and turmoil for people whose lives are unexpectedly thrown into transition after years of steady employment with a company that suddenly disappears. Especially in textile areas, you see folks who have worked there for decades; some of their parents may have worked at that same mill or facility.

These are hard-working people. They are trying to find employment. But while they are doing so, they should not have to worry about or fear losing their homes.

For most people, and most families, their home is the largest investment they will make in their lives. Many have considerable equity built up in their homes that could be lost.

Government agencies already have low-interest loan programs in place to help families who have been hit with unexpected disasters—such as a natural disaster, such as a hurricane or a tornado or a flood.

Whan a factory closes, it is truly an economic disaster to these families and communities. The effects are just as far reaching and certainly as economically devastating. Like a natural disaster, families displaced by international competition are not responsible for the events leading to those factory closings.

The Federal Government ought to make similar disaster loan assistance programs available to our displaced workers. That is the rationale of my introduction of the Homestead Preservation Act.

This legislation would provide temporary mortgage assistance to displaced workers, helping them make ends meet during the search for a new job.

Specifically, the Homestead Preservation Act authorizes the Department of Labor to administer a low-interest loan program—4 percent—for workers displaced due to international competition.

The loan is for up to the amount of 12 monthly home mortgage payments. The program is authorized at $10 million per year for 5 years. It distributes the loan through an account providing a monthly allocation to cover the amount of the worker's home mortgage payment. The loans would be paid or repaid and paid off over 5 years, but no payments would be required until 6 months after the worker has gotten back on his or her feet in gainful employment. The loan would be available only for the cost of the monthly home mortgage payment and covers only those workers displaced due to international competition and who would qualify for the benefits under the NAFTA–TAAP and the transitional adjustment assistance benefits programs.

Working within the parameters and the certification and qualifications of the NAFTA–TAAP and the TAA benefits programs, the Homestead Preservation Act recognizes some temporary assistance is needed as workers take time to retrain and be reeducated and expand upon their skills and search for new employment.

This will provide, in effect, a bridge loan assistance to these displaced workers. If you look at it, the unemployment benefits are fine, but usually they are not enough to cover the expenses which previously fit within a family budget.

Without immediate help, these families, at a minimum, risk ruining their credit ratings and, in the worst case scenario, could lose their car or even their home. The Homestead Preservation Act would provide families with vital temporary financial assistance, enabling them to keep their homes, protect their credit ratings, and, as they work toward strengthening and improving their skills, to continue to be able to search for a job without worrying about losing their homes. They are under a harrowing situation. We ought to have a response to help them.

There are many people who need transitional help right away. As we move forward to expand trade opportunities, let's also improve the transitional adjustment assistance programs.

The Homestead Preservation Act provides the temporary financial tools necessary for displaced workers to get them back on their feet and to succeed. In my view, it is a very caring, logical and responsible response.

I trust my colleagues will agree and support this reasonable, balanced idea.

I ask unanimous consent that the text of the bill and the section-by-section analysis be printed in the RECORD.

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

S. 1848

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 ''Homestead Preservation Act''.

SEC. 2. MORTGAGE PAYMENT ASSISTANCE.

(a) ESTABLISHMENT OF PROGRAM.—The Secretary of Labor (referred to in this section as the ''Secretary'') shall establish a program under which the Secretary shall award low-interest loans to eligible individuals to enable such individuals to continue to make mortgage payments with respect to the primary residences of such individuals.

(b) ELIGIBILITY.—To be eligible to receive a loan under the program established under subsection (a), an individual shall—

(1) be—

(A) an adversely affected worker with respect to whom a certification of eligibility has been issued by the Secretary of Labor under chapter 2 of title II of the Trade Act of 1974 (19 U.S.C. 2271 et seq.); or

(B) an individual who would be an individual described in subparagraph (A) but who resides in a State that has not entered into an agreement under section 239 of such Act (19 U.S.C. 2311);

(2) be a borrower under a loan which requires the individual to make monthly mortgage payments with respect to the primary place of residence of the individual; and

(3) be enrolled in a job training or job assistance program.

(c) LOAN REQUIREMENTS.—

(1) IN GENERAL.—A loan provided to an eligible individual under this section shall—

(A) be for a period of not to exceed 12 months;

(B) be for an amount that does not exceed the sum of—

(i) the amount of the monthly mortgage payment owed by the individual; and

(ii) the number of months for which the loan is provided;

(C) have an applicable rate of interest that equals 4 percent;

(D) require repayment as provided for in subsection (d); and

(E) be subject to such other terms and conditions as the Secretary determines appropriate.

(2) ACCOUNT.—A loan awarded to an individual under this section shall be deposited into an account from which a monthly mortgage payment will be made in accordance with the terms and conditions of such loan.

(d) REPAYMENT.—

(1) IN GENERAL.—An individual to which a loan has been awarded under this section shall be required to begin making repayments on the loan on the earlier of—

(A) the date on which the individual has been employed on a full-time basis for 6 consecutive months; or

(B) the date that is 1 year after the date on which the loan has been approved under this section.

(2) REPAYMENT PERIOD AND AMOUNT.—

(A) REPAYMENT PERIOD.—A loan awarded under this section shall be repaid on a monthly basis over the 5-year period beginning on the date determined under paragraph (1).

(B) AMOUNT.—The amount of the monthly payment described in subparagraph (A) shall be determined by dividing the total amount provided under the loan (plus interest) by 60.

(C) RULE OF CONSTRUCTION.—Nothing in this paragraph shall be construed to prohibit an individual from—

(i) paying off a loan awarded under this section in less than 5 years; or

(ii) from paying a monthly amount under such loan in excess of the monthly amount determined under subparagraph (B) with respect to the loan.

(e) REGULATIONS.—Not later than 6 weeks after the date of enactment of this Act, the Secretary shall promulgate regulations necessary to carry out this section, including regulations that permit an individual to certify that the individual is an eligible individual under subsection (b).

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, $10,000,000 for each of fiscal years 2003 through 2007.

THE HOMESTEAD PRESERVATION ACT—SECTION-BY-SECTION ANALYSIS

A bill to provide mortgage payment assistance for employees who are separated from employment.

SECTION I. SHORT TITLE

This Act may be cited as the ''Homestead Preservation Act''.

SECTION II. MORTGAGE PAYMENT ASSISTANCE

This section establishes the program, sets program perimeters, and defines eligibility for program participation.

The Secretary of Labor (Secretary) is authorized to establish a low-interest loan program to cover the cost of mortgage payments of the borrower's primary residence.

Eligibility for participation is defined as a displaced worker who has received a certification of eligibility by the Secretary under chapter 2, title II of the Trade Act of 1974 (NAFTA–TAAP; TAA) or would be qualified if his or her State of residence had entered into an agreement allowing for NAFTA–TAAP and TAA participation. The borrower must be enrolled in a job training or job assistance program.

The terms of the loan must require the borrower to use the loan to make monthly payments on the mortgage of his or her primary residence.

The loan perimeters are established to limit the life of the loan to a period of one year and to an amount that does not exceed amount of the mortgage payments due over the number of months for which the loan is provided. The interest rate on the loans is capped at 4 percent.

The loan shall be deposited into an account from which the monthly mortgage payment will be made.

Loan repayment begins one year from the date of loan approval or the date on which the borrower has been employed full-time, for six months.

Loan repayment shall be completed within five years with a monthly payment determined by dividing the total amount of the loan, plus interest, by 60. Borrowers may pay the loan early or pay more than the per-month amount required without penalty.

The Secretary has six weeks to promulgate the regulations necessary to implement this Act, including regulations that permit a resident of a non-participating State in NAFTA–TAAP or TAA, to certify that he or she is qualified for loan participation as a displaced worker.

There is authorized to be appropriated, $10 million, per year, for five years.

Mr. WELLSTONE. Mr. President, I thank the Senator from Virginia. His proposal sounds very interesting and very important. I look forward to looking at the specifics of it. I appreciate his words. I appreciate what he is talking about. It may be legislation that provides people with that temporary assistance because people want to get the jobs on which they can support their families. I think it is an important endeavor. I thank my colleague.

By Mr. CHAFEE (for himself, Mr. CARPER, Mr. SMITH of New Hampshire, Mr. JEFFORDS, and Mr. INHOFE):

S. 1850. A bill to amend the Solid Waste Disposal Act to bring underground storage tanks into compliance with subtitle I of that Act, to promote cleanup of leaking underground storage tanks, to provide sufficient resources for such compliance and cleanup, and for other purposes; to the Committee on Environment and Public Works.

Mr. CHAFEE. Mr. President, today I introduce the Underground Storage Tank Compliance Act of 2001. This legislation will bring all underground storage tanks, USTs, into compliance with Federal law and finish the work begun seventeen years ago with enactment of the UST provisions of the Solid Waste Disposal Act. The legislation will emphasize leak prevention and compliance with existing statutes. In addition, this bipartisan bill will assist communities in coping with the contamination of groundwater and oil by methl tertiary butyl ether, MTBE.

In 1984, Congress enacted as Subtitle I of the Solid Waste Disposal Act a comprehensive program to address the problem of leaking underground storage tanks. With the goal of protecting the Nation's groundwater from leaking tanks, the 1984 law imposed minimum Federal requirements for leak detection and prevention standards for USTs. In 1988, owners and operators of existing underground storage tank systems were given a ten-year window to upgrade, replace, or close tanks that didn't meet minimum federal requirements for spill, overfill, and corrosion protection. As the deadline passed on December 22, 1988, many underground storage tanks failed to meet the federal standards.

To assess the situation, Senator SMITH of New Hampshire and I commissioned the U.S. General Accounting Office, GAO, to examine compliance of USTs with Federal requirements. GAO concluded in May 2001 that only 89 percent of tanks were meeting Federal equipment standards. In addition, it also discovered that only 71 percent were being operated and maintained properly. GAO cited infrequent tank inspections and limited funding among the contributing factors.

Communities across the Nation have borne the brunt of our failure to prevent tank releases. Gasoline and fuel

additives, such as MTBE, have contaminated groundwater and rendered it undrinkable. The Village of Pascoag, RI is just one community that has suffered from MTBE contamination that can be traced to leaking underground storage tanks. For months, residents of Pascoag have been unable to use the water supply for drinking, bathing, or cooking. Hundreds of thousands of dollars are being spent to dilute the water with a neighboring communities' supply, to install water filtration systems, and to bring new wells on-line. Additional money will be spent to remediate the contamination and to take enforcement action against the owners of the leaking tanks. Unfortunately, this is not an isolated incident. A similar story can be told in countless communities from New Hampshire, to New York, to California.

To address these issues, the legislation that I introduce today, together with Senators CARPER, SMITH of New Hampshire, JEFFORDS, and INHOFE, requires the inspection of all tanks every two years and increases Federal emphasis on the training tank operators. It simply does not make sense to install modern, protective equipment if the people who operate them do so improperly. Enforcement of existing requirements, rather than creating new requirements, is an important element of our bill. In addition, the legislation emphasizes compliance of tanks owned by Federal, State, and local governments, and provides $200 million for cleanup of sites contaminated by MTBE. Finally, the legislation provides increased funding to carry out the program, which the GAO has identified as critical to the success of the UST program.

Since its inception in 1984, the UST program has been largely successful. More than one million outdated tanks have successfully been closed or removed, and countless cleanups have been undertaken. We have come a long way, but we must go further. Our legislation will build upon the successes of yesterday, so that we may enjoy the successes of tomorrow. I look forward to working with all of my colleagues to move this important bipartisan legislation.

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

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

S. 1850

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 ''Underground Storage Tank Compliance Act of 2001''.

SEC. 2. LEAKING UNDERGROUND STORAGE TANKS.

Section 9004 of the Solid Waste Disposal Act (42 U.S.C. 6991c) is amended by adding at the end the following:

''(f) TRUST FUND DISTRIBUTION.—

''(1) IN GENERAL.—

''(A) AMOUNT AND PERMITTED USES OF DISTRIBUTION.—The Administrator shall distribute to States not less than 80 percent of the funds from the Trust Fund that are made available to the Administrator under section 9013(2)(A) for each fiscal year for use in paying the reasonable costs, incurred under a cooperative agreement with any State, of—

''(i) actions taken by the State under section 9003(h)(7)(A);

''(ii) necessary administrative expenses, as determined by the Administrator, that are directly related to corrective action and compensation programs under subsection (c)(1);

''(iii) any corrective action and compensation program carried out under subsection (c)(1) for a release from an underground storage tank regulated under this subtitle to the extent that, as determined by the State in accordance with guidelines developed jointly by the Administrator and the State, the financial resources of the owner or operator of the underground storage tank (including resources provided by a program in accordance with subsection (c)(1)) are not adequate to pay the cost of a corrective action without significantly impairing the ability of the owner or operator to continue in business;

''(iv) enforcement by the State or a local government of—

''(I) the State program approved under this section; or

''(II) State or local requirements concerning underground storage tanks that are similar or identical to the requirements of this subtitle; or

''(v) State or local corrective actions carried out under regulations promulgated under section 9003(c)(4).

''(B) USE OF FUNDS FOR ENFORCEMENT.—In addition to the uses of funds authorized under subparagraph (A), the Administrator may use funds from the Trust Fund that are not distributed to States under subparagraph (A) for enforcement of any regulation promulgated by the Administrator under this subtitle.

''(C) PROHIBITED USES.—Except as provided in subparagraph (A)(iii), under any similar requirement of a State program approved under this section, or in any similar State or local provision as determined by the Administrator, funds provided to a State by the Administrator under subparagraph (A) shall not be used by the State to provide financial assistance to an owner or operator to meet any requirement relating to underground storage tanks under part 280 of title 40, Code of Federal Regulations (as in effect on the date of enactment of this subsection).

''(2) ALLOCATION.—

''(A) PROCESS.—Subject to subparagraph (B), in the case of a State with which the Administrator has entered into a cooperative agreement under section 9003(h)(7)(A), the Administrator shall distribute funds from the Trust Fund to the State using the allocation process developed by the Administrator under the cooperative agreement.

''(B) REVISIONS TO PROCESS.—The Administrator may revise the allocation process referred to in subparagraph (A) with respect to a State only after—

''(i) consulting with—

''(I) State agencies responsible for overseeing corrective action for releases from underground storage tanks;

''(II) owners; and

''(III) operators; and

''(ii) taking into consideration, at a minimum—

''(I) the total tax revenue contributed to the Trust Fund from all sources within the State;

''(II) the number of confirmed releases from leaking underground storage tanks in the State;

''(III) the number of petroleum storage tanks in the State;

''(IV) the percentage of the population of the State that uses groundwater for any beneficial purpose;

''(V) the performance of the State in implementing and enforcing the program;

''(VI) the financial needs of the State; and

''(VII) the ability of the State to use the funds referred to in subparagraph (A) in any year.

''(3) DISTRIBUTIONS TO STATE AGENCIES.—

''(A) IN GENERAL.—Distributions from the Trust Fund under this subsection shall be made directly to a State agency that—

''(i) enters into a cooperative agreement referred to in paragraph (2)(A); or

''(ii) is enforcing a State program approved under this section.

''(B) ADMINISTRATIVE EXPENSES.—A State agency that receives funds under this subsection shall limit the proportion of those funds that are used to pay administrative expenses to such percentage as the State may establish by law.

''(4) COST RECOVERY PROHIBITION.—Funds from the Trust Fund provided by States to owners or operators for programs under subsection (c)(1) relating to releases from underground storage tanks shall not be subject to cost recovery by the Administrator under section 9003(h)(6).''.

SEC. 3. INSPECTION OF UNDERGROUND STORAGE TANKS.

Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) is amended—

(1) by redesignating subsections (a) and (b) as subsections (b) and (c), respectively; and

(2) by inserting before subsection (b) (as redesignated by paragraph (1)) the following:

''(a) INSPECTION REQUIREMENTS.—Not later than 2 years after the date of enactment of the Underground Storage Tank Compliance Act of 2001, and at least once every 2 years thereafter, the Administrator or a State with a program approved under section 9004, as appropriate, shall require that all underground storage tanks regulated under this subtitle be inspected for compliance with regulations promulgated under section 9003(c).''.

SEC. 4. OPERATOR TRAINING.

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by striking section 9010 and inserting the following:

''SEC. 9010. OPERATOR TRAINING.

''(a) GUIDELINES.—

''(1) IN GENERAL.—Not later than 18 months after the date of enactment of the Underground Storage Tank Compliance Act of 2001, in cooperation with States, owners, and operators, the Administrator shall publish in the Federal Register, after public notice and opportunity for comment, guidelines that specify methods for training operators of underground storage tanks.

''(2) CONSIDERATIONS.—The guidelines described in paragraph (1) shall take into account—

''(A) State training programs in existence as of the date of publication of the guidelines;

''(B) training programs that are being employed by owners and operators as of the date of enactment of this paragraph;

''(C) the high turnover rate of operators;

''(D) the frequency of improvement in underground storage tank equipment technology;

''(E) the nature of the businesses in which the operators are engaged; and

''(F) such other factors as the Administrator determines to be necessary to carry out this section.

''(b) STATE PROGRAMS.—

''(1) IN GENERAL.—Not later than 2 years after the date on which the Administrator

publishes the guidelines under subsection (a)(1), each State shall develop and implement a strategy for the training of operators of underground storage tanks that is consistent with paragraph (2).

''(2) REQUIREMENTS.—A State strategy described in paragraph (1) shall—

''(A) be consistent with subsection (a);

''(B) be developed in cooperation with owners and operators; and

''(C) take into consideration training programs implemented by owners and operators as of the date of enactment of this subsection.

''(3) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements a strategy described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $50,000, to be used to carry out the strategy.''.

SEC. 5. REMEDIATION OF MTBE CONTAMINATION.

Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended—

(1) in paragraph (7)(A)—

(A) by striking ''paragraphs (1) and (2) of this subsection'' and inserting ''paragraphs (1), (2), and (12)''; and

(B) by striking '', and including the authorities of paragraphs (4), (6), and (8) of this subsection'' and inserting ''and the authority under section 9011 and paragraphs (4), (6), and (8),''; and

(2) by adding at the end the following:

''(12) REMEDIATION OF MTBE CONTAMINATION.—

''(A) IN GENERAL.—The Administrator and the States may use funds made available under section 9013(2)(B) to carry out corrective actions with respect to a release of methyl tertiary butyl ether that presents a threat to human health or welfare or the environment.

''(B) APPLICABLE AUTHORITY.—The Administrator or a State shall carry out subparagraph (A)—

''(i) in accordance with paragraph (2); and

''(ii) in the case of a State, in accordance with a cooperative agreement entered into by the Administrator and the State under paragraph (7).''.

SEC. 6. RELEASE PREVENTION, COMPLIANCE, AND ENFORCEMENT.

(a) RELEASE PREVENTION AND COMPLIANCE.—Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) (as amended by section 4) is amended by adding at the end the following:

''SEC. 9011. RELEASE PREVENTION AND COMPLIANCE.

''Funds made available under section 9013(2)(D) from the Trust Fund may be used to conduct inspections, issue orders, or bring actions under this subtitle—

''(1) by a State, in accordance with section 9003(h)(7), acting under—

''(A) a program approved under section 9004; or

''(B) any State requirement concerning the regulation of underground storage tanks that is similar or identical to a requirement under this subtitle, as determined by the Administrator; and

''(2) by the Administrator, under this subtitle (including under a State program approved under section 9004).''.

(b) GOVERNMENT-OWNED TANKS.—Section 9003 of the Solid Waste Disposal Act (42 U.S.C. 6991b) is amended by adding at the end the following:

''(i) GOVERNMENT-OWNED TANKS.—

''(1) COMPLIANCE STRATEGY.—Not later than 2 years after the date of enactment of this subsection, each State shall submit to the Administrator a strategy to ensure compliance with regulations promulgated under subsection (c) of any underground storage tank that is—

''(A) regulated under this subtitle; and

''(B) owned or operated by the State government or any local government.

''(2) FINANCIAL INCENTIVE.—The Administrator may award to a State that develops and implements a strategy described in paragraph (1), in addition to any funds that the State is entitled to receive under this subtitle, not more than $50,000, to be used to carry out the strategy.''.

(c) INCENTIVES FOR PERFORMANCE.—Section 9006 of the Solid Waste Disposal Act (42 U.S.C. 6991e) is amended by adding at the end the following:

''(e) INCENTIVES FOR PERFORMANCE.—In determining the terms of, or whether to issue, a compliance order under subsection (a), or the amount of, or whether to impose, a civil penalty under subsection (d), the Administrator, or a State under a program approved under section 9004, shall take into consideration whether an owner or operator has—

''(1) a history of operating underground storage tanks of the owner or operator in accordance with—

''(A) this subtitle; or

''(B) a State program approved under section 9004; or

''(2) implemented a program, consistent with guidelines published under section 9010, that provides training to persons responsible for operating any underground storage tank of the owner or operator.''.

(d) AUTHORITY TO PROHIBIT CERTAIN DELIVERIES.—Section 9006 of the Solid Waste Disposal Act (42 U.S.C. 6991e) (as amended by subsection (c)) is amended by adding at the end the following:

''(f) AUTHORITY TO PROHIBIT CERTAIN DELIVERIES.—

''(1) IN GENERAL.—After the date on which the Administrator promulgates regulations under paragraph (2), the Administrator, or a State with a program approved under section 9004, may prohibit the delivery of regulated substances to underground storage tanks that are not in compliance with—

''(A) a requirement or standard promulgated by the Administrator under section 9003; or

''(B) a requirement or standard of a State program approved under section 9004.

''(2) AUTHORITY.—Not later than 2 years after the date of enactment of this subsection, the Administrator, after consultation with States, shall promulgate regulations that specify—

''(A) the circumstances under which the authority provided by paragraph (1) may be used;

''(B) the process by which the authority provided by paragraph (1) will be used consistently and fairly; and

''(C) such other factors as the Administrator, in cooperation with States, determines to be necessary to carry out this subsection.''.

(e) PUBLIC RECORD.—Section 9002 of the Solid Waste Disposal Act (42 U.S.C. 6991a) is amended by adding at the end the following:

''(d) PUBLIC RECORD.—

''(1) IN GENERAL.—The Administrator shall require each State and Indian tribe that receives funds under this subtitle to maintain, update at least annually, and make available to the public, in such manner and form as the Administrator shall prescribe (after consultation with States and Indian tribes), a record of underground storage tanks regulated under this subtitle.

''(2) CONSIDERATIONS.—To the maximum extent practicable, the public record of a State or Indian tribe, respectively, shall include, for each year—

''(A) the number, sources, and causes of underground storage tank releases in the State or on tribal land;

''(B) the record of compliance by underground storage tanks in the State or on tribal land with—

''(i) this subtitle; or

''(ii) an applicable State program approved under section 9004; and

''(C) data on the number of underground storage tank equipment failures in the State or on tribal land.

''(3) AVAILABILITY.—The Administrator shall make the public record of each State and Indian tribe under this section available to the public electronically.''.

SEC. 7. FEDERAL FACILITIES.

Section 9007 of the Solid Waste Disposal Act (42 U.S.C. 6991f) is amended by adding at the end the following:

''(c) REVIEW OF FEDERAL UNDERGROUND STORAGE TANKS.—Not later than 1 year after the date of enactment of this subsection, the Administrator, in cooperation with each Federal agency that owns or operates 1 or more underground storage tanks or that manages land on which 1 or more underground storage tanks are located, shall review the status of compliance of those underground storage tanks with this subtitle.

''(d) COMPLIANCE STRATEGIES.—Not later than 2 years after the date of enactment of this subsection, each Federal agency described in subsection (c) shall submit to the Administrator and to each State in which an underground storage tank described in subsection (c) is located, a strategy to ensure the compliance of those underground storage tanks with this subtitle.''.

SEC. 8. TANKS UNDER THE JURISDICTION OF INDIAN TRIBES.

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) is amended by inserting after section 9011 (as added by section 6(a)) the following:

''SEC. 9012. TANKS UNDER THE JURISDICTION OF INDIAN TRIBES.

''The Administrator, in coordination with Indian tribes, shall—

''(1) not later than 1 year after the date of enactment of this section, develop and implement a strategy—

''(A) giving priority to releases that present the greatest threat to human health or the environment, to take necessary corrective action in response to releases from leaking underground storage tanks located wholly within the boundaries of—

''(i) an Indian reservation; or

''(ii) any other area under the jurisdiction of an Indian tribe; and

''(B) to implement and enforce requirements concerning underground storage tanks located wholly within the boundaries of—

''(i) an Indian reservation; or

''(ii) any other area under the jurisdiction of an Indian tribe; and

''(2) not later than 2 years after the date of enactment of this section and every 2 years thereafter, submit to Congress a report that summarizes the status of implementation and enforcement of the leaking underground storage tank program in areas located wholly within—

''(A) the boundaries of Indian reservations; and

''(B) any other areas under the jurisdiction of an Indian tribe.''.

SEC. 9. AUTHORIZATION OF APPROPRIATIONS.

Subtitle I of the Solid Waste Disposal Act (42 U.S.C. 6991 et seq.) (as amended by section 8) is amended by adding at the end the following:

''SEC. 9013. AUTHORIZATION OF APPROPRIATIONS.

''There are authorized to be appropriated to the Administrator—

''(1) to carry out subtitle I (except sections 9003(h), 9005(a), and 9011) $25,000,000 for each of fiscal years 2003 through 2007; and

''(2) from the Trust Fund, notwithstanding section 9508(c)(1) of the Internal Revenue Code of 1986—

''(A) to carry out section 9003(h) (except section 9003(h)(12)) $100,000,000 for each of fiscal years 2003 through 2007;

''(B) to carry out section 9003(h)(12), $200,000,000 for fiscal year 2003, to remain available until expended;

''(C) to carry out section 9005(a)—

''(i) $35,000,000 for each of fiscal years 2003 and 2004; and

''(ii) $20,000,000 for each of fiscal years 2005 through 2008; and

''(D) to carry out section 9011—

''(i) $50,000,000 for fiscal year 2003; and

''(ii) $30,000,000 for each of fiscal years 2004 through 2008.''.

SEC. 10. CONFORMING AMENDMENTS.

(a) IN GENERAL.—Section 9001 of the Solid Waste Disposal Act (42 U.S.C. 6991) is amended—

(1) by striking ''For the purposes of this subtitle—'' and inserting ''In this subtitle:'';

(2) by redesignating paragraphs (1), (2), (3), (4), (5), (6), (7), and (8) as paragraphs (10), (7), (4), (3), (8), (5), (2), and (6), respectively;

(3) by inserting before paragraph (2) (as redesignated by paragraph (2)) the following:

''(1) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).''; and

(4) by inserting after paragraph (8) (as redesignated by paragraph (2)) the following:

''(9) TRUST FUND.—The term 'Trust Fund' means the Leaking Underground Storage Tank Trust Fund established by section 9508 of the Internal Revenue Code of 1986.''.

(b) CONFORMING AMENDMENTS.—

(1) Section 9003(f) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)) is amended—

(A) in paragraph (1), by striking ''9001(2)(B)'' and inserting ''9001(7)(B)''; and

(B) in paragraphs (2) and (3), by striking ''9001(2)(A)'' each place it appears and inserting ''9001(7)(A)''.

(2) Section 9003(h) of the Solid Waste Disposal Act (42 U.S.C. 6991b(h)) is amended in paragraphs (1), (2)(C), (7)(A), and (11) by striking ''Leaking Underground Storage Tank Trust Fund'' each place it appears and inserting ''Trust Fund''.

(3) Section 9009 of the Solid Waste Disposal Act (42 U.S.C. 6991h) is amended—

(A) in subsection (a), by striking ''9001(2)(B)'' and inserting ''9001(7)(B)''; and

(B) in subsection (d), by striking ''section 9001(1) (A) and (B)'' and inserting ''subparagraphs (A) and (B) of section 9001(10)''.

SEC. 11. TECHNICAL AMENDMENTS.

(a) Section 9001(4)(A) of the Solid Waste Disposal Act (42 U.S.C. 6991(4)(A)) (as amended by section 9(a)(2)) is amended by striking ''sustances'' and inserting ''substances''.

(b) Section 9003(f)(1) of the Solid Waste Disposal Act (42 U.S.C. 6991b(f)(1)) is amended by striking ''subsection (c) and (d) of this section'' and inserting ''subsections (c) and (d)''.

(c) Section 9004(a) of the Solid Waste Disposal Act (42 U.S.C. 6991c(a)) is amended by striking ''in 9001(2) (A) or (B) or both'' and inserting ''in subparagraph (A) or (B) of section 9001(7)''.

(d) Section 9005 of the Solid Waste Disposal Act (42 U.S.C. 6991d) (as amended by section 3) is amended—

(1) in subsection (b), by striking ''study taking'' and inserting ''study, taking'';

(2) in subsection (c)(1), by striking ''relevent'' and inserting ''relevant''; and

(3) in subsection (c)(4), by striking ''Evironmental'' and inserting ''Environmental''.

By Mr. BINGAMAN (for himself, Mr. CHAFEE, Mr. ROCKEFELLER, Mr. KENNEDY, Mr. FEINGOLD, Mr. CORZINE, Mr. REED, Mrs. CLINTON, Mr. KERRY, and Mr. KOHL):

S. 1851. A bill to amend part C of title XVIII, of the Social Security Act to provide for continuous open enrollment and disenrollment in Medicare+Choice plans and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, the legislation I am introducing today with Senators CHAFEE, ROCKEFELLER, KENNEDY, FEINGOLD, CORZINE, REED, CLINTON, KERRY, and KOHL entitled the Medicare+Choice Consumer Protection Act is designed to ensure protections for Medicare+Choice beneficiaries that are witnessing increased costs, decreased benefits, and fewer options to obtain affordable supplemental coverage for Medicare.

This legislation is a companion bill to H.R. 3267, legislation introduced by Representative PETE STARK.

The Medicare+Choice program is an important option for many seniors and the disabled in this country, including 15 percent of seniors in the State of New Mexico. This option must remain a viable one in the Medicare program, but due to the recent rounds of plan withdrawals, benefit reductions, and cost increases that plans have undertaken within the program, there has been a growing level of insecurity among Medicare beneficiaries with respect to their health coverage.

Last year, I sponsored legislation, S. 2905, the Medicare+Choice Program Improvement Act of 2000, to increase payments, including the minimum payment amount to Medicare+Choice plans. However, despite payment increases approved by the Congress last year, including some substantial increases in certain more rural areas of the country, we have witnessed over 530,000 people recently lose their Medicare+Choice coverage as a result of HMO pull-outs from the Medicare program, including some in areas that received these much higher payments.

Many others have also experienced increases in their costs through the HMO or benefit reductions, including the elimination or substantial reduction of prescription drug coverage.

Therefore, while we must continue to explore mechanisms to ensure that the Medicare+Choice program remains a viable one, it is clear that even if their push for higher payments is met that the plans may still choose to pull-out of areas, decrease benefits, or increase costs to seniors. Despite ads being run by some Medicare+Choice plans that they will provide ''health care for life,'' Medicare beneficiaries are seeing constant turmoil and change on a yearly basis. Some Medicare Beneficiaries have been dropped to have seen their benefits reduced or costs increased by HMO's on yearly basis since the creation of the Medicare+Choice program in 1997.

In New Mexico, the result of last year's payment increases have resulted in a mixed outcome. Presbyterian's Medicare+Choice plan has reported that they are on track to achieve a profit margin of 3 to 4 percent on its M+C product in 2001 compared to a loss of around 15 percent in the prior year. In contrast, St. Joseph's M+C plan received the substantial increase in its Medicare payment, and yet, eliminated prescription drug coverage to seniors through its HMO without notice to some seniors this past March and still reports the system is up for sale and may completely change this coming year.

Beneficiaries are often left confused and uncertain. As 96 year-old Beulah Torrez of Espanola, New Mexico, said after the last round of Medicare+Choice plan changes, ''I just finally gave up. I couldn't afford anything. I couldn't afford the HMOs.''

As we continue to seek ways to improve Medicare+Choice coverage, we should take immediate action to extend important consumer protections to Medicare beneficiaries who find themselves in a plan that no longer meets their needs. To achieve these goals, the bill we are introducing today would.

(1) Eliminate the Medicare+Choice lock-in scheduled to go into effect in January 2002.

(2) Extend the existing Medigap protections that apply to people whose Medicare+Choice plan withdraws from the program to anyone whose Medicare+Choice plan changes benefits or whose doctor or hospital leaves the plan.

(3) Prevent Medicare+Choice plans from charging higher cost-sharing for a service than Medicare charges in the fee-for-service program.

Eliminating the lock-in would ensure that seniors and people with disabilities continue to be allowed to leave a health plan that is not meeting their needs. When St. Joseph's health plan eliminated prescription drug coverage from its Medicare plan earlier this year, Medicare beneficiaries were left without drug coverage but were at least able to change their health plan at the end of the month. This flexibility will end in January 2002 unless this legislation is passed. It is important that Medicare beneficiaries, often our nation's most vulnerable citizens, know that if they test an HMO and do not like its system, arrangements and rules that they will be able to leave and choose a Medicare option that better suits their specific needs. Both advocates and the managed care industry support this provision.

In addition, if a Medicare+Choice plan withdraws from a community or Medicare entirely, you can under current law move into a select category of Medigap plans, (A, B, C and F, without any individual health underwriting. this provision ensures that Medicare beneficiaries have affordable supplemental Medicare options available to them when, through no fault of their own, their Medicare+Choice plan withdrawals.

However, these protections for Medicare beneficiaries currently do not apply with Medicare+Choice plans that make significant changes, such as eliminating benefits, increasing cost sharing, or changing available providers, within the HMO but stop short of completely withdrawing from the Medicare program. In the St. Joseph's case I mentioned above, seniors were unable to receive important Medigap or supplemental Medicare coverage since the plan did not completely withdraw from the service area.

For Medicare beneficiaries whose needs no longer are met by the HMO due to such changes, a Medigap supplemental policy and a return to Medicare fee-for-service may often make better sense. Therefore, it is critical to extend the current Medigap protections for when a plan terminates Medicare participation to beneficiaries in plans that have made important changes to the benefits, cost sharing, or provider options.

And finally, the third provision of the bill would prevent Medicare+Choice plans from charging higher cost-sharing for individual services than occurs in the Medicare fee-for-service program. According to testimony before the House Ways and Means Health Subcommittee by Thomas Scully, Administrator for the Centers for Medicare and Medicaid Services, CMS, on December 4, 2001,

. . . this year we have found that some plans proposed charging beneficiaries what we believed were unreasonably high copays for particular services . . . Thus, we have a new challenge balancing the need for plans to make decisions about their benefit packages and cost sharing amounts with the important requirement that plan designs do not discourage enrollment. The concern is always that high cost sharing could discourage beneficiaries, who have greater health care needs, from enrolling in or remaining a member of these particular plans.

In the case of UnitedHealth Group's Medicare Complete option in Wisconsin, that plan will begin charging a deductible of $295 a day for a hospital stay up to a cap of $4,800 compared to a similar stay under fee-for-service Medicare which has a deductible of $812. While CMS did require the plan to reduce their proposed deductible from $350 to $295 per day, overall out-of-pocket costs can far exceed those that would occur in fee-for-service for many beneficiaries.

As Stephanie Sue Stein, Director of the Milwaukee County Department on Aging, said at the same House Ways and Means Health Subcommittee hearing on December 4, 2001,

Beneficiaries will still be expected to pay up to $4,800 out-of-pocket in addition to the $55 monthly premium for United's coverage and the $54 monthly premium for Medicare Part B. The excessive cost-sharing proposed by United raises questions about the value of this so-called insurance. It is now clear that many of the 16,000 seniors who have previously relied on UnitedHealthcare to provide access to affordable health care can no longer do so. It looks to us as though the benefit changes for 2002 are designed to discourage enrollment to beneficiaries who have health needs.

The question arises why we would allow Medicare+Choice plans to effectively diminish the value of Medicare benefits in this manner. While the Secretary has the authority under current law to prohibit or reduce some of the new cost-sharing arrangements that plans are preparing to impose, the change proposed by this legislation makes it clear that Medicare+Choice plans cannot charge patients more for a service than the patient would face under the Medicare fee-for-service plan.

In fact, the ability of Medicare+Choice plans to charge higher cost-sharing for benefits or services than in fee-for-service results in further risk avoidance, or what is referred to as ''cherry picking,'' as plans seek to avoid or deny services to the chronically or severely ill. This can have an adverse consequence for the health of people with disabilities, limit their choices, and result in higher costs for the Medicare program. For all of these reasons, we should enact this provision in short order.

While we are undertaking efforts to ensure that Medicare-Choice remains a viable option for Medicare beneficiaries, we must also ensure additional protections for beneficiaries.

As Ms. Stein said in her testimony,

These plans now call themselves new things, complete and secure and healthy, but they are not complete or secure or healthy. They are radically different. These Medicare+Choice policies are not the same ones people bought when they took advantage of what they perceived to be the value-added benefits sold to them as Medicare+Choice. In fact, they are left with Medicare minus protection, Medicare minus the ability to buy a Medigap policy, Medicare minus the ability to choose different insurance.

In fact, according to a report by the Commonwealth Fund in April 2001, ''31 percent of Medicare+Choice enrollees are in contracts where the basic plan has a copayment requirement for hospital admissions, compared with just 13 percent in 2000. Outpatient hospital copayments are being required of 45 percent of Medicare+Choice enrollees in 2001, compared with only 29 percent in 2000.'' This will only increase further in 2002.

Therefore, to improve fundamental financial protections and health care options for our nation's Medicare seniors and disabled enrollees, I urge the swift passage of this legislation.

The following organizations have expressed their support for this legislation: AFSCME Retiree Program, Alliance for Retired Americans, American Association of Homes and Service for the Aging, American Association for International Aging, American Federation of Teachers Program on Retirement and Retirees, American Society of Consultant Pharmacists, Association for Gerontology and Human Development in Historically Black Colleges and Universities, B'nai B'rith Center for Senior Housing and Services, California Health Advocates, Center for Medicare Advocacy, Congress of California Seniors, Eldercare America, Families USA, International Union—UAW, National Academy of Elder Law Attorneys, National Association of Area Agencies on Aging, National Association of Professional Geriatric Care Managers, National Association of Retired and Senior Volunteer Program Directors, National Association of Retired Federal Employees, National Association of Senior Companion Program Directors, National Association of State Units on Aging, National Committee to Preserve Social Security and Medicare, National Council on the Aging, National Renal Administrators Association, National Senior Citizens Law Center, and OWL—Voice for Midlife and Older Women.

I request unanimous consent that a fact sheet and the text of the bill be printed in the RECORD.

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

S. 1851

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 ''Medicare+Choice Consumer Protection Act of 2001''.

SEC. 2. CONTINUOUS OPEN ENROLLMENT AND DISENROLLMENT.

(a) IN GENERAL.—Section 1851(e)(2) of the Social Security Act (42 U.S.C. 1395w–21(e)(2)) is amended to read as follows:

''(2) CONTINUOUS OPEN ENROLLMENT AND DISENROLLMENT.—Subject to paragraph (5), a Medicare+Choice eligible individual may change the election under subsection (a)(1) at any time.''.

(b) CONFORMING AMENDMENTS.—

(1) MEDICARE+CHOICE.—Section 1851(e) of such Act (42 U.S.C. 1395w–21(e)) is amended—

(A) in paragraph (4)—

(i) by striking ''Effective as of January 1, 2002, an'' and inserting ''An'';

(ii) by striking ''other than during an annual, coordinated election period'';

(iii) by inserting ''in a special election period for such purpose'' after ''make a new election under this section''; and

(iv) by striking the second sentence; and

(B) in paragraphs (5)(B) and (6)(A), by striking ''the first sentence of''.

(2) PERMITTING ENROLLMENT IN MEDIGAP WHEN M+C PLANS REDUCE BENEFITS OR WHEN PROVIDER LEAVES A M+C PLAN.—

(A) IN GENERAL.—Clause (ii) of section 1882(s)(3)(B) of such Act (42 U.S.C. 1395ss(s)(3)(B)) is amended—

(i) by inserting ''(I)'' after ''(ii)'';

(ii) by striking ''under the first sentence of'' each place it appears and inserting ''during a special election period provided for under'';

(iii) by inserting ''the circumstances described in subclause (II) are present or'' before ''there are circumstances''; and

(iv) by adding at the end the following new subclause:

''(II) The circumstances described in this subclause are, with respect to an individual enrolled in a Medicare+Choice plan, a reduction in benefits (including an increase in cost-sharing) offered under the Medicare+Choice plan from the previous year or a provider of services or physician

who serves the individual no longer participating in the plan (other than because of good cause relating to quality of care under the plan).''.

(B) CONFORMING AMENDMENT.—Clause (iii) of such section is amended—

(i) by inserting ''the circumstances described in clause (ii)(II) are met or'' after ''policy described in subsection (t), and''; and

(ii) by striking ''under the first sentence of'' and inserting ''during a special election period provided for under''.

(c) EFFECTIVE DATE.—The amendments made by this section shall take effect on January 1, 2002, and shall apply to reductions in benefits and changes in provider participation occurring on or after such date.

SEC. 3. LIMITATION ON MEDICARE+CHOICE COST-SHARING.

(a) IN GENERAL.—Section 1852(a) (42 U.S.C. 1395w–22(a)) is amended by adding at the end the following new paragraph:

''(6) LIMITATION ON COST-SHARING.—

''(A) IN GENERAL.—Subject to subparagraph (B), in no case shall the cost-sharing with respect to an item or service under a Medicare+Choice plan exceed the cost-sharing otherwise applicable under parts A and B to an individual who is not enrolled in a Medicare+Choice plan under this part.

''(B) PERMITTING FLAT COPAYMENTS.—Subparagraph (A) shall not be construed as preventing the application of flat dollar copayment amounts (in place of a percentage coinsurance), such as a fixed copayment for a doctor's visit, so long as such amounts are reasonable and appropriate and do not adversely affect access to items and services (as determined by the Secretary).''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) shall apply as of January 1, 2003.

MEDICARE+CHOICE CONSUMER PROTECTION ACT OF 2001—FACT SHEET

Senators Jeff Bingaman (D–NM), Lincoln Chafee (R–RI), John D. Rockefeller, IV (D–WV), Edward M. Kennedy (D–MA), Russ Feingold (D–WI), Jon Corzine (D–NJ), Jack Reed (D–RI), Hillary Rodham Clinton (D–NY), John Kerry (D–MA) and Herb Kohl (D–WI) are preparing to introduce the ''Medicare+Choice Consumer Protection Act of 2001.'' This legislation is a companion bill to H.R. 3267, which was introduced by Representative Pete Stark (D–CA).

This legislation would improve consumer protections to Medicare beneficiaries seeking to enroll in Medicare+Choice plans by:

Eliminating the Medicare+Choice lock-in schedule to go into effect in January 2002;

Extending the existing Medigap protections that apply to people whose Medicare+Choice plan withdraws from the program to anyone whose Medicare+Choice changes benefits or whose doctor or hospital leaves the plan; and

Preventing Medicare+Choice plans from charging higher cost-sharing for a service than Medicare charges in the fee-for-service program.

NEED FOR LEGISLATION

Medicare+Choice Forthcoming Lock-In: Currently, Medicare beneficiaries that are dissatisfied with their health plan are allowed to enroll or disenroll from their health plans at any time. As of January 2002, Medicare beneficiaries electing the Medicare+Choice option will be required to ''lock in'' with that plan for much longer periods. In fact, for 2002, Medicare+Choice enrollees will only be allowed to switch plans once during the first six months after enrollment. In 2003, the beneficiaries will only be able to switch once during the first three months after enrollment.

The legislation eliminates the upcoming lock-in to ensure that Medicare beneficiaries continue to be allowed to leave a health plan that is not meeting their needs. Medicare beneficiaries, often our nation's most vulnerable citizens, need to know that if they test an HMO and do not like the system, arrangements, and rules that they will be able to leave to choose a Medicare option that better suits their specific needs. Both advocates and the managed care industry support this provision.

Medigap Protections When Medicare+Choice Plans Change Benefits, Cost Sharing, or Provider Options: In addition, if a Medicare+Choice plan withdrawals from a community or Medicare entirely, beneficiaries can under current law move into a select category of Medigap plans (A, B, C and F) without any individual health underwriting. This provision ensures that Medicare beneficiaries have affordable supplemental Medicare options available to them when, through no fault of their own, their Medicare+Choice plan withdrawals.

However, these protections for Medicare beneficiaries currently do not apply with Medicare+Choice plans that make significant changes, such as eliminating benefits, increasing cost sharing, or changing available providers, within the HMO but stop short of completely withdrawing from the Medicare program. For example, some plans now cover only generic prescriptions, in effect eliminating drug coverage for beneficiaries whose prescriptions have no generic equivalent. For those Medicare beneficiaries whose needs are no longer met by the Medicare+Choice plan due to these changes, the legislation extends the current Medigap protections for beneficiaries when a plan terminates Medicare participation to those in plans that have made important changes to their benefits, cost sharing, or provider options.

Preventing Higher Cost Sharing in Medicare+Choice Than in Fee-For-Service: Under current law, cost sharing per enrollee (including premiums) for covered services cannot be more than the actuarial value of the deductibles, coinsurance, and copayments under traditional Medicare fee-for-service. However, Medicare+Choice plans are increasingly charging higher cost-sharing for individual services within the health plan than is allowed in fee-for-service. Higher cost-sharing, for example, is being required by some Medicare+Choice plans for dialysis, hospitalization, and other services than in traditional fee-for-service Medicare.

In addition to creating an adverse consequence for the health of Medicare beneficiaries with disabilities who have certain illnesses, charging beneficiaries higher costs for certain services results in what is referred to as ''cherry picking,'' as some plans seek to avoid or deny services to the chronically or severely ill. Again, this can have adverse health effects for certain beneficiaries, limit their choices, and resulting in higher costs for the Medicare payment through ''risk selection.'' Consequently, this legislation would close this loophole and prohibit Medicare+Choice plans from imposing higher cost sharing for certain services than is allowed in Medicare fee-for-service.

SUPPORTING ORGANIZATIONS

AFSCME Retiree Program.
Alliance for Retired Americans.
American Association of Homes and Service for the Aging.
American Association for International Aging.
American Federation of Teachers Program on Retirement and Retirees.
American Society of Consultant Pharmacists.
Association for Gerontology and Human Development in Historically Black Colleges and Universities.
B'nai B'rith Center for Senior Housing and Services.
California Health Advocates.
Center for Medicare Advocacy.
Congress of California Seniors.
Eldercare America.
Families USA.
International Union, UAW.
National Academy of Elder Law Attorneys.
National Association of Area Agencies on Aging.
National Association of Professional Geriatric Care Managers.
National Association of Retired and Senior Volunteer Program Directors.
National Association of Retired Federal Employees.
National Association of Senior Companion Program Directors.
National Association of State Units on Aging.
National Committee to Preserve Social Security and Medicare.
National Council on the Aging.
National Renal Administrators Association.
National Senior Citizens Law Center.
OWL, Voice for Midlife and Older Women.

By Mr. THOMAS:

S. 1852. A bill to extend the deadline for commencement of construction of a hydroelectric project in the State of Wyoming; to the Committee on Energy and Natural Resources.

Mr. THOMAS. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1852

Be it enacted by the Senate and House of Representatives of the United States in Congress assembled,

SECTION 1. EXTENSION OF TIME FOR FEDERAL ENERGY REGULATORY COMMISSION HYDROELECTRIC PROJECT.

(a) IN GENERAL.—Notwithstanding the time period specified in section 13 of the Federal Power Act (16 U.S.C. 806) that would otherwise apply to the Federal Energy Regulatory Commission Swift Creek Power Company, Inc. hydroelectric license, project number 1651, the Commission may, at the request of the licensee for the project, and after reasonable notice, in accordance with the requirements of that section and the Commission's procedures under that section, extend the time period during which the licensee is required to commence the construction of the project for 3 consecutive 2-year periods.

(b) EFFECTIVE DATE.—Subsection (a) takes effect on the date of the expiration of the extension issued by the Commission before the date of the enactment of this Act under section 13 of the Federal Power Act (16 U.S.C. 806).

By Mr. JOHNSON:

S. 1854. A bill to authorize the President to present congressional gold medals to the Native American Code Talkers in recognition of their contributions to the Nation during World War I and World War II; to the Committee on Banking, Housing, and Urban Affairs.

Mr. JOHNSON. Mr. President, I rise today to introduce legislation that will recognize all Native American Code Talkers who served as Code Talkers during World Wars I and II. Earlier this year, the Navajo Code Talkers were

recognized by Congress and the President, and were presented with their Congressional Gold Medals. I was proud be a cosponsor of legislation introduced by Senator JEFF BINGAMAN granting the medals and participating in the ceremony recognizing their great accomplishments.

Today, I am introducing similar legislation recognizing the over 17 other tribes who served our Nation and democracy across the world. These brave men utilized their language to assist the allied forces, and subsequently saved the lives of thousands of men and women. Years ago, the United States government policy towards Native people attempted to force the assimilation of millions of Native Americans and Alaskan Natives.

The United States government attempted to strip the culture and language from the native peoples of this great land. We have learned the lessons of the past, and I stand here today honoring these courageous soldiers for preserving part of the very core of their culture. Their language.

It is tragic that we have waited so many decades for the recognition of these brave soldiers.

We cannot hope to make up for some of the wrongs that befell the Native peoples in the United States, or across North and South America. But, we can continue to ensure that honor is continually bestowed upon those men and women who fought for and defended our Nation, and the preservation of democracy on foreign lands.

Native Americans remain the most decorated ethnic group in our military forces. I am honored that we are one step closer to honoring those who deserve recognition that is long overdue. This truly marks a proud moment in our Nation's history.

I urge my colleagues to join me in honoring those Native Americans who served as code talkers in World Wars I and II. 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. 1854

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. CONGRESSIONAL MEDALS.

(a) FINDINGS.—Congress finds that—

(1) not fewer than 17 Indian tribes have been identified as having served as code talkers during World War I and World War II;

(2) during World War I, 15 members of the Oklahoma Choctaw served as code talkers in the 36th Infantry Division;

(3) during World War II, many Native Americans served as code talkers, including—

(A) members of the Lakota-Dakota and Sioux Tribes, many of whom served in the 3d Battalion and the 302d Reconnaissance Team, First Cavalry Division;

(B) 17 members of the Commanche Tribe;

(C) members of the Hopi Tribe, many of whom served in the 223d Battalion;

(D) 27 members of the Sac and Fox Tribe of Iowa, 19 of whom served in the 18th Iowa Infantry;

(E) members of the Choctaw Tribe, many of whom served in Company K, 180th Infantry Regiment, 45th Division;

(F) 5 members of the Assiniboine Tribe;

(G) members of the Seminole Tribe of Florida, most of whom served in the 195th Field Artillery Battalion; and

(H) members of the Muscogee Creek Tribe, most of whom served in the Aleutian Islands campaign;

(4) in December 2000, Congress recognized the Navajo Code Talkers by authorizing the presentation of gold and silver medals to the Navajo Code Talkers and posthumously to their surviving family members;

(5) all Native American Code Talkers have performed an important service to the preservation of democracy, and deserve proper recognition, which is long overdue;

(6) because the code was so successful, the Native American Code Talkers are credited with saving the lives of countless American and Allied Forces during World War II; and

(7) Native Americans continue to be one of the most represented and decorated ethnic groups in the United States Armed Forces.

(b) CONGRESSIONAL MEDALS AUTHORIZED.—

(1) PRESENTATION AUTHORIZED.—To express recognition by the United States and its citizens of the achievements of the Native American Code Talkers, the President is authorized to award to each of the Native American Code Talkers, or a surviving family member, on behalf of Congress, a gold medal of appropriate design.

(2) DESIGN AND STRIKING.—For purposes of the awards authorized by paragraph (1), the Secretary of the Treasury (in this section referred to as the ''Secretary'') shall strike gold medals with suitable emblems, devices, and inscriptions, to be determined by the Secretary.

(c) DUPLICATE MEDALS.—The Secretary may strike and sell duplicates in bronze of the medals struck pursuant to this section, under such regulations as the Secretary may prescribe, and at a price sufficient to cover the costs thereof, including labor, materials, dies, use of machinery, and overhead expenses, and the cost of the medals.

(d) STATUS AS NATIONAL MEDALS.—The medals struck pursuant to this section are national medals for purposes of chapter 51, of title 31, United States Code.

(e) FUNDING.—

(1) AUTHORITY TO USE FUND AMOUNTS.—There is authorized to be charged against the United States Mint Public Enterprise Fund, such sums as may be necessary to pay for the costs of the medals authorized by this section.

(2) PROCEEDS OF SALE.—Amounts received from the sale of duplicate medals under this section shall be deposited in the United States Mint Public Enterprise Fund.

By Mr. KERRY (for himself, Mr. BURNS, Mr. CORZINE, and Mr. BAUCUS):

S. 1856. A bill to amend the Internal Revenue Code of 1986 to promote employer and employee participation in telework arrangements, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, along with my colleagues Senator BURNS, Senator CORZINE, and Senator BAUCUS, I wish to introduce legislation of critical importance to our Nation's workforce and economy.

The rapid spread of new telecommunications technologies has generated opportunities for firms across the country to improve upon the traditional work environment. Today, millions of American workers participate in ''telework'' arrangements, otherwise known as telecommuting, which allow them to work outside of their normal work location. Telework arrangements carry several advantages: the ability to spend more time with the children, less time wasted in traffic, enhanced productivity, and the environmental benefits of reduced carbon dioxide emissions. While teleworking grew substantially during the 1990s, the number of teleworkers has reached a plateau, with little increase in the last year. The social, economic, and environmental gains of teleworking are indisputable. Our legislation combines tax incentives and an employer awareness campaign to stimulate further growth in telework arrangements.

The term ''telework'' means to perform normal and regular work functions at locations other than the traditional workplace of the employer, thereby eliminating or substantially reducing the physical commute to and from the workplace. Given the opportunity, workers choose overwhelmingly to participate in telework arrangements. Employees who telework report an enhanced quality of life. 71 percent of teleworkers report being more satisfied with their job than before they were permitted to telework. Working from home allows parents more time with their children and reduces child care expenses. Teleworkers also stay in their communities, providing enhanced security and presence.

If teleworking is implemented broadly in a community, the need for construction of additional automobile infrastructure, which is often driven by peak period commuting demand, may be reduced. Even workers who do not telework benefit since traffic congestion is lessened for them as well.

There are also economic benefits. Data indicate that teleworking enhances productivity, both because teleworkers report being more productive per unit time, and because the teleworker has available the previously nonproductive commute time, an average of 62 minutes per day spent on an average 44 mile round-trip commute. Because teleworkers are able to mix work and personal needs, the number of occasions when they need to be absent from work altogether diminishes. One study suggests that the productivity improvement of home-based teleworkers averages 15 percent. Firms also benefit from eliminating unnecessary office space and reducing associated overhead costs. For example, one large national employer reports that in 2000, their telework program resulted in $100 million in increased productivity, $18 million in reduced turnover, and $25 million in reduced real estate costs. Because of the enhanced quality of life and personal freedom that teleworking fosters, firms are better able to retain valued employees.

Telework arrangements are critical to keeping our economy and workforce

on the leading edge of technological developments. Teleworking contributes to the residential deployment of broadband technology, which has otherwise stagnated. Teleworkers have a disproportionate need for high-speed Internet access. Encouraging telework is a means of inducing greater demand for broadband technology.

Allowing employees to work from home saves energy and reduces carbon dioxide emissions associated with commuting. It also reduces vehicular contributions to local and regional tropospheric pollution both directly and, by reducing congestion in general, indirectly. To the extent telework reduces demands for additional infrastructure, it also leads to less material use in construction and less land-use impact.

The Teleworking Advancement Act creates two tax-based incentives to promote the continued spread of employer-sponsored telework arrangements and a pilot program to raise awareness about telecommuting among small business employers.

The employer telework tax credit would allow employers to claim a credit of up to $500 for each employee who participates in an employer-sponsored telework arrangement during the taxable year. For employees who telework on a partial basis, the credit would be prorated. Employees of small businesses, those with 100 or fewer employees, and disabled employees, as defined by the Americans with Disabilities Act, would be eligible for a maximum credit of $1,000. An employer-sponsored telework arrangement is defined as an arrangement established by an employer that enables employees of the employer to telework for a minimum of 25 days per year. The arrangement must be supported by a written agreement between the employer and each teleworking employee that describes the terms of the arrangement.

The telework equipment tax credit would allow individuals or businesses to claim a credit equal to 10 percent of qualified telework expenses paid, pursuant to an employer-sponsored telework arrangement. Either the employer or the employee, depending on who incurred the expense, would be eligible for the credit. The maximum credit would be $500. For employees of small businesses (those with 100 or fewer employees) and disabled employees, as defined by the Americans with Disabilities Act, the credit would be 20 percent of eligible expenses, with a maximum credit of $1,000. Qualified telework expenses includes expenses paid or incurred for computers, software, modems, telecommunications equipment, and access to Internet or broadband technologies, including applicable taxes and other expenses for the delivery, installation, or maintenance of such equipment.

Finally, the legislation authorizes $5 million for the Administrator of the Small Business Administration to conduct a pilot program to raise awareness about telecommuting among small business employers and to encourage employers to offer telecommuting options to employees. Activities would include producing educational materials, conducting outreach, and acquiring telecommuting technologies and equipment to be used for demonstration purposes. Special efforts would be made to conduct outreach to businesses owned by or employing individuals with disabilities.

The Teleworking Advancement Act will induce more employers to offer teleworking opportunities to their employees, creating broad-based benefits for the American workforce and helping ensure that our economy remains at the forefront of 21st century workplace practices. Through a combination of tax incentives and an employer awareness campaign, our legislation will stimulate the spread of flexible, innovative, and productivity-enhancing labor arrangements. I urge my colleagues to support passage of the legislation, and 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. 1856

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 ''Teleworking Advancement Act''.

SEC. 2. CREDIT FOR TELEWORKING.

(a) IN GENERAL.—Subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 (relating to foreign tax credit, etc.) is amended by inserting after section 30A the following new section:

''SEC. 30B. TELEWORK CREDIT.

''(a) GENERAL RULE.—There shall be allowed as a credit against the tax imposed by this chapter for any taxable year an amount equal to the sum of—

''(1) the employer telework tax credit, plus

''(2) the telework equipment tax credit.

''(b) EMPLOYER TELEWORK TAX CREDIT; TELEWORK EQUIPMENT TAX CREDIT.—For purposes of this section—

''(1) EMPLOYER TELEWORK TAX CREDIT.—Except as provided for in subsection (c)(1), the employer telework tax credit for any taxable year is equal to $500 for each employee who participates in an employer sponsored telework arrangement during the taxable year.

''(2) TELEWORK EQUIPMENT TAX CREDIT.—Except as provided for in subsection (c)(2), the telework equipment tax credit for any taxable year is equal to 10 percent of qualified telework expenses paid or incurred during the taxable year by either the employer on behalf of the employee, or directly by the employee, pursuant to an employer sponsored telework arrangement.

''(c) SPECIAL RULE FOR DISABLED EMPLOYEES AND EMPLOYEES OF SMALL BUSINESSES.—For purposes of this section:

''(1) For each employee who is covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small business, the employer telework tax credit for any taxable year is equal to $1,000 for each employee who participates in an employer sponsored telework arrangement during the taxable year.

''(2) For each employee who is covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small businesses, the telework equipment tax credit for any taxable year is equal to 20 percent of qualified telework expenses paid or incurred during the taxable year by either the employer on behalf of the employee, or directly by the employee, pursuant to an employer sponsored telework arrangement.

''(d) CREDIT ADJUSTMENTS AND LIMITATIONS.—

''(1) CREDIT ADJUSTMENTS.—In computing the credit allowed under subsection (b)(1) or (c)(1) for any taxable year, the following adjustments shall apply:

''(A) In the case of an employee who participates in an employer sponsored telework arrangement for less than the full taxable year, the credit amount identified in subsection (b)(1) or (c)(1), whichever is applicable, shall be multiplied by a fraction, the numerator of which is the total number of months in the taxable year that the employee participates in an employer sponsored telework arrangement and the denominator of which is 12. For purposes of the preceding sentence, an employee is considered to be participating in an employer sponsored telework arrangement for a month if the employee teleworks for at least one full day of such month.

''(B) In the case of an employee who participates in an employer sponsored telework arrangement but does not telework every day of the taxable year that the employee is required by his or her employer to work, the credit amount identified in subsection (b)(1) or (c)(1), whichever is applicable, shall be multiplied by a fraction, the numerator of which is the total number of full days in the taxable year that the employee teleworks and the denominator of which is the total number of days in the taxable year that the employee is required by his or her employer to work.

''(2) TELEWORK EQUIPMENT CREDIT LIMITATIONS.—

''(A) In computing the credit allowed under subsection (b)(2) for any taxable year, the following limitations shall apply:

''(i) The maximum credit claimed by any employer with respect to qualified telework expenses paid or incurred on behalf of an employee shall not exceed $500 for each employee who participates in an employer sponsored telework arrangement.

''(ii) The maximum credit claimed by any employee with respect to qualified telework expenses paid or incurred directly by the employee pursuant to an employer sponsored telework arrangement shall not exceed $500.

''(B) In computing the credit allowed under subsection (c)(2) for any taxable year with respect to employees who are covered under the Americans with Disabilities Act of 1990 (42 U.S.C. 1201), or for each employee of a small business, the following limitations shall apply:

''(i) The maximum credit claimed by any employer with respect to qualified telework expenses paid or incurred on behalf of an employee shall not exceed $1,000 for each employee who participates in an employer sponsored telework arrangement.

''(ii) The maximum credit claimed by any employee with respect to qualified telework expenses paid or incurred directly by the employee pursuant to an employer sponsored telework arrangement shall not exceed $1,000.

''(e) DEFINITIONS.—For purposes of this section—

''(1) EMPLOYER SPONSORED TELEWORK ARRANGEMENT.—The term 'employer sponsored telework arrangement' means an arrangement established by an employer that enables employees of the employer to telework for a minimum of 25 full days per taxable

year. Such an arrangement shall be supported by a written agreement between the employer and each teleworking employee that describes the terms of the employer sponsored telework arrangement.

''(2) QUALIFIED TELEWORK EXPENSES.—

''(A) IN GENERAL.—The term 'qualified telework expenses' shall include expenses paid or incurred for computers, computer-related hardware and software, modems, data processing equipment, telecommunications equipment, and access to Internet or broadband technologies, including applicable taxes and other expenses for the delivery, installation, or maintenance of such equipment.

''(B) ONLY CERTAIN EXPENSES TAKEN INTO ACCOUNT.—Expenses shall be taken into account under subparagraph (A) only to the extent they are authorized by the employer pursuant to an employer sponsored telework arrangement and are necessary to enable the employee to telework.

''(3) SMALL BUSINESS.—The term 'small business' means a business with an average of 100 or fewer employees during the taxable year.

''(4) TELEWORK.—An employee shall be treated as engaged in telework if—

''(A) the employee's normal and regular work functions are performed at a fixed location provided by the employer,

''(B)(i) the employee, under an employer sponsored telework arrangement, performs such functions at the employee's residence or at a location specifically designed to allow employees to perform such functions closer to their residence, and

''(ii) the performance of such functions at such residence or location eliminates or substantially reduces the physical commute of the employee to the fixed location described in subparagraph (A), and

''(C) the employee transmits by electronic or other communications medium the employee's work product from such residence or location to the fixed location where such functions would otherwise have been performed.

''(f) SPECIAL RULES.—

''(1) LIMITATION BASED ON AMOUNT OF TAX.—

''(A) LIABILITY FOR TAX.—The credit allowable under subsection (a) for any taxable year shall not exceed the excess (if any) of—

''(i) the regular tax for the taxable year, reduced by the sum of the credits allowable under subpart A and the preceding sections of this subpart, over

''(ii) the tentative minimum tax for the taxable year.

''(B) CARRYFORWARD OF UNUSED CREDIT.—If the amount of the credit allowable under subsection (a) for any taxable year exceeds the limitation under paragraph (1)(A) for the taxable year, the excess shall be carried to the succeeding taxable year and added to the amount allowable as a credit under subsection (a) for such succeeding taxable year.

''(2) BASIS REDUCTION.—The basis of any property for which a credit is allowable under subsection (a) shall be reduced by the amount of such credit (determined without regard to paragraph (1)).

''(3) RECAPTURE.—The Secretary shall, by regulations, provide for recapturing the benefit of any credit allowable under subsection (a) with respect to any property which ceases to be property eligible for such credit.

''(4) PROPERTY USED OUTSIDE UNITED STATES, ETC., NOT QUALIFIED.—No credit shall be allowed under subsection (a) with respect to any property referred to in section 50(b) or with respect to the portion of the cost of any property taken into account under section 179.

''(5) ELECTION NOT TO TAKE CREDITS.—No credits shall be allowed under subsection (a) for any expense if the taxpayer elects to not have this section apply with respect to such expense.

''(6) DENIAL OF DOUBLE BENEFIT.—No deduction or credit (other than under this section) shall be allowed under this chapter with respect to any expense which is taken into account in determining the credit under this section.

''(7) DOCUMENTATION.—Employers and employees are responsible for maintaining adequate documentation to support any credits claimed under this section.''

(b) CONFORMING AMENDMENT.—Subsection (a) of section 1016 of the Internal Revenue Code of 1986 (relating to general rule for adjustments to basis) is amended by striking ''and'' at the end of paragraph (27), by striking the period at the end of paragraph (28) and inserting '', and'', and by adding at the end the following:

''(29) in the case of property with respect to which a credit was allowed under section 30B, to the extent provided in section 30B(f)(2).''

(c) CLERICAL AMENDMENT.—The table of sections for subpart B of part IV of subchapter A of chapter 1 of the Internal Revenue Code of 1986 is amended by inserting after the item relating to section 30A the following new item:

''Sec. 30B. Telework credit.''

(d) REGULATORY MATTERS.—

(1) PROHIBITION.—No Federal or State agency or instrumentality shall adopt regulations or ratemaking procedures that would have the effect of confiscating any credit or portion thereof allowed under sections 30B of the Internal Revenue Code of 1986 (as added by this Act) or otherwise subverting the purpose of this Act.

(2) TREASURY REGULATORY AUTHORITY.—It is the intent of Congress in providing the telework tax credit under section 30B of the Internal Revenue Code of 1986 (as added by this Act) to promote broad participation in employer sponsored telework arrangements by providing incentives to both employers and employees. Accordingly, the Secretary of the Treasury shall prescribe such regulations as may be necessary or appropriate to carry out the purposes of section 30B of such Code, including regulations describing the information, records, and data that employers and employees are required to provide the Secretary to substantiate compliance with the requirements of this section and section 30B of such Code. Until the Secretary prescribes such regulations, employers and employees may base such determinations on any reasonable method that is consistent with the purposes of section 30B of such Code.

(e) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after December 31, 2001.

SEC. 3. SMALL BUSINESS TELECOMMUTING PILOT PROGRAM.

(a) IN GENERAL.—In accordance with this section, the Administrator shall conduct, in not more than 5 of the Small Business Administration's regions, a pilot program to raise awareness about telecommuting among small business employers and to encourage such employers to offer telecommuting options to employees.

(b) SPECIAL OUTREACH TO INDIVIDUALS WITH DISABILITIES.—In carrying out subsection (a), the Administrator shall make special efforts to do outreach to—

(1) businesses owned by or employing individuals with disabilities, and disabled American veterans in particular;

(2) Federal, State, and local agencies having knowledge and expertise in assisting individuals with disabilities or disabled American veterans; and

(3) any group or organization, the primary purpose of which is to aid individuals with disabilities or disabled American veterans.

(c) PERMISSIBLE ACTIVITIES.—In carrying out the pilot program, the Administrator may only—

(1) produce educational materials and conduct presentations designed to raise awareness in the small business community of the benefits and the ease of telecommuting;

(2) conduct outreach—

(A) to small business concerns that are considering offering telecommuting options; and

(B) as provided in subsection (b); and

(3) acquire telecommuting technologies and equipment to be used for demonstration purposes.

(d) SELECTION OF REGIONS.—In determining which regions will participate in the pilot program, the Administrator shall give priority consideration to regions in which Federal agencies and private-sector employers have demonstrated a strong regional commitment to telecommuting.

(e) REPORT TO CONGRESS.—Not later than 2 years after the first date on which funds are appropriated to carry out this section, the Administrator shall transmit to the Committee on Small Business of the House of Representatives and the Committee on Small Business of the Senate a report containing the results of an evaluation of the pilot program and any recommendations as to whether the pilot program, with or without modification, should be extended to include the participation of all Small Business Administration regions.

(f) DEFINITIONS.—In this section—

(1) the term ''Administrator'' means the Administrator of the Small Business Administration;

(2) the term ''disability'' has the same meaning as in section 3 of the Americans with Disabilities Act of 1990 (42 U.S.C. 12102);

(3) the term ''pilot program'' means the program established under this section; and

(4) the term ''telecommuting'' means the use of telecommunications to perform work functions under circumstances which reduce or eliminate the need to commute.

(g) TERMINATION.—The pilot program shall terminate 2 years after the first date on which funds are appropriated to carry out this section.

(h) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Small Business Administration $5,000,000 to carry out this section.

By Mr. CAMPBELL (for himself and Mr. INOUYE):

S. 1857. A bill to Encourage the Negotiated Settlement of Tribal Claims; to the Committee on Indian Affairs.

Mr. CAMPBELL. Mr. President, I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 1857

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SECTION 1. SETTLEMENT OF TRIBAL CLAIMS.

(a) IN GENERAL.—Solely for purposes of providing an opportunity to explore the settlement of tribal claims, during fiscal year 2002, the statute of limitations shall be deemed not to have run for any claim concerning losses to or mismanagement of tribal trust funds.

(b) NO PRECLUSION OF FINDINGS.—Nothing in this section precludes a court or other adjudicatory entity from adjudicating a statute of limitations defense either:

(1) in an action filed on or after October 1, 2002; or

(2) in any case, controversy, or other proceeding pending on the date of enactment of this section against the United States in which a court or adjudicatory entity is called on to determine whether the statute of limitations on such a claim has run.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 193—AUTHORIZING CERTAIN EMPLOYEES OF THE SENATE WHO PERFORM SERVICE IN THE UNIFORMED SERVICES TO BE PLACED IN A LEAVE WITHOUT PAY STATUS, AND FOR OTHER PURPOSES

Mr. DASCHLE (for himself and Mr. LOTT) submitted the following resolution; which was considered and agreed to:

S. RES. 193

Resolved,

SECTION 1. LEAVE WITHOUT PAY STATUS FOR CERTAIN SENATE EMPLOYEES PERFORMING SERVICE IN THE UNIFORMED SERVICES.

(a) DEFINITIONS.—In this section—

(1) the terms ''employee'' and ''Federal executive agency'' have the meanings given those terms under section 4303 (3) and (5) of title 38, United States Code, respectively; and

(2) the term ''employee of the Senate'' means any employee whose pay is disbursed by the Secretary of the Senate, except that the term does not include a member of the Capitol Police or a civilian employee of the Capitol Police.

(b) LEAVE WITHOUT PAY STATUS.—An employee of the Senate who is deemed to be on furlough or leave of absence under section 4316(b)(1)(A) of title 38, United States Code, by reason of service in the uniformed services—

(1) may be placed in a leave without pay status while so on furlough or leave of absence; and

(2) while placed in that status, shall be treated—

(A) subject to subparagraph (B), as an employee of a Federal executive agency in a leave without pay status for purposes of chapters 83, 84, 87, and 89 of title 5, United States Code; and

(B) as a Congressional employee for purposes of those chapters.

(c) EFFECTIVE DATE.—This section shall take effect on October 1, 2001, and apply to fiscal year 2002 and each fiscal year thereafter.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2678. Mr. HUTCHINSON (for himself, Mr. LOTT, Mr. HELMS, Mr. SESSIONS, and Mrs. HUTCHISON) proposed an amendment to amendment SA 2471 submitted by Mr. Daschle and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes.

SA 2679. Mr. DURBIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2680. Mr. CRAIG submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2681. Mr. CRAIG submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2682. Mr. DORGAN submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2683. Mr. LEAHY submitted an amendment intended to be proposed to amendment SA 2568 submitted by Mr. HELMS and intended to be proposed to the amendment SA 2471 proposed by Mr. DASCHLE to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2684. Mr. LEVIN submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2685. Mr. ALLARD submitted an amendment intended to be proposed by him to the bill S. 1731, supra; which was ordered to lie on the table.

SA 2686. Mr. GRASSLEY (for himself, Mr. HAGEL, Mr. LUGAR, and Mr. JOHNSON) submitted an amendment intended to be proposed to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) supra; which was ordered to lie on the table.

SA 2687. Mr. HOLLINGS submitted an amendment intended to be proposed by him to the bill H.R. 3210, to ensure the continued financial capacity of insurers to provide coverage for risks from terrorism; which was ordered to lie on the table.

SA 2688. Mr. DODD (for himself, Mr. MCCONNELL, Mr. SCHUMER, Mr. BOND, Mr. TORRECELLI, Mr. MCCAIN, and Mr. DURBIN) submitted an amendment intended to be proposed by him to the bill S. 565, to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and nondiscriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2678. Mr. HUTCHINSON (for himself, Mr. LOTT, Mr. HELMS, Mr. SESSIONS, and Mrs. HUTCHISON) proposed an amendment to amendment SA 2471 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 1731) to strengthen the safety net for agricultural producers, to enhance resource conservation and rural development, to provide for farm credit, agricultural research, nutrition, and related programs, to ensure consumers abundant food and fiber, and for other purposes; as follows:

In lieu of the matter proposed to be inserted, insert the following:

SECTION 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This Act may be cited as the ''Farm Security Act of 2001''.

(b) TABLE OF CONTENTS.—The table of contents for this Act is as follows: