

S. 543, a bill to provide for equal coverage of mental health benefits with respect to health insurance coverage unless comparable limitations are imposed on medical and surgical benefits.

S. 548

At the request of Mr. HARKIN, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 548, a bill to amend title XVIII of the Social Security Act to provide enhanced reimbursement for, and expanded capacity to, mammography services under the medicare program, and for other purposes.

S. 572

At the request of Mr. CHAFEE, the name of the Senator from Oregon (Mr. SMITH) was added as a cosponsor of S. 572, a bill to amend title XIX of the Social Security Act to extend modifications to DSH allotments provided under the Medicare, Medicaid, and SCHIP Benefits Improvement and Protection Act of 2000.

S. 697

At the request of Mr. BAUCUS, the names of the Senator from Montana (Mr. BURNS) and the Senator from Rhode Island (Mr. REED) were added as cosponsors of S. 697, a bill to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

S. CON. RES. 8

At the request of Ms. SNOWE, the name of the Senator from Montana (Mr. BURNS) was added as a cosponsor of S. Con. Res. 8, a concurrent resolution expressing the sense of Congress regarding subsidized Canadian lumber exports.

S. CON. RES. 14

At the request of Mr. CAMPBELL, the names of the Senator from Oregon (Mr. SMITH) and the Senator from Wyoming (Mr. ENZI) were added as cosponsors of S. Con. Res. 14, a concurrent resolution recognizing the social problem of child abuse and neglect, and supporting efforts to enhance public awareness of it.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from Hawaii (Mr. AKAKA) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as "National Airborne Day".

S. RES. 44

At the request of Mr. COCHRAN, the names of the Senator from Georgia (Mr. CLELAND) and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. Res. 44, a resolution designating each of March 2001, and March 2002, as "Arts Education Month".

AMENDMENT NO. 179

At the request of Mr. KERRY, the name of the Senator from Vermont (Mr. LEAHY) was added as a cosponsor of Amendment No. 179 intended to be proposed to H. Con. Res. 83, a concurrent resolution establishing the con-

gressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

AMENDMENT NO. 183

At the request of Mr. KERRY, the name of the Senator from Iowa (Mr. HARKIN) was added as a cosponsor of Amendment No. 183 intended to be proposed to H. Con. Res. 83, a concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

AMENDMENT NO. 190

At the request of Mr. NELSON of Florida, his name was added as a cosponsor of Amendment No. 190 proposed to H. Con. Res. 83, a concurrent resolution establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. ALLEN (for himself, Mr. WARNER, Mr. HELMS, Mr. SPECTER, Mr. BROWNBACK, Mrs. FEINSTEIN, and Mr. HUTCHINSON):

S. 702. A bill for the relief of Gao Zhan; to the Committee on the Judiciary.

Mr. ALLEN. Mr. President, I rise to introduce legislation on behalf of myself, Senators WARNER, HELMS, SPECTER, BROWNBACK, FEINSTEIN and TIM HUTCHINSON. This bill will grant citizenship to a Chinese woman, Gao Zhan, who has been living in Virginia and is a researcher at American University.

Early this year, Gao Zhan, her husband, Dong Hua Xue and their 5-year-old son, Andrew, went to the People's Republic of China to visit the parents of Gao Zhan and Dong Hua. On February 11, 2001, Gao, Dong Hua, and Andrew were detained as they were leaving the People's Republic of China. They were separated, blindfolded and taken incommunicado to unknown locations.

After 26 days of separated detention, Chinese authorities released Dong Hua and Andrew. Dong Hua and Andrew returned to their home in Virginia. Gao Zhan has remained in a Chinese prison. We do not know where she is and no one has been permitted to visit her.

The U.S. Department of State has made over a dozen protests to the government of the People's Republic of China about this matter but the government of the People's Republic of China has refused to permit access to Gao Zhan.

The requirements to become a U.S. citizen are: Establishing residency for five years prior to application; Passing the INS test on U.S. history, government and language; Passing the FBI background investigation; and Taking the oath of renunciation and allegiance.

Gao Zhan and her husband, Dong Hua, have been permanent resident aliens of the United States since September 28, 1993. They filed applications to become citizens on August 3, 1998. Their applications to become citizens were granted on November 24, 1999. The only step that remained before they could become citizens was to take their oath of renunciation and allegiance.

Gao Zhan and Dong Hua had completed the first three of these requirements before they visited the People's Republic of China. Last Friday, March 30, Dong Hua took his oath of renunciation and allegiance.

This legislation would permit Gao Zhan to become a U.S. citizen without her having to take the oath. In addition, the legislation provides that the Attorney General may deliver the certificate indicating that Gao Zhan is a citizen to her husband if it cannot be delivered personally to her.

This bill will be referred to the Subcommittee on Immigration of the Senate Committee on the Judiciary. I have spoken with Senator BROWNBACK, chairman of the Subcommittee, as well as Senator FEINSTEIN ranking member, and Senator HATCH, chairman of the full Committee, and urged them to move this bill as rapidly as possible.

The first step that will be taken by the Subcommittee on Immigration is to request a report on this case from the Immigration and Naturalization Service, INS, which will provide the Subcommittee with a factual record from which to operate. I have been told that this report may take about two weeks to prepare.

When the Deputy Prime Minister of the People's Republic of China visited the United States last month, President Bush raised the issue of Gao Zhan's continued detention and the refusal to permit officials of the U.S. government to visit her.

Secretary of State Colin Powell recently called for the release of Gao Zhan on humanitarian grounds and criticized the People's Republic of China for holding Andrew, Gao Zhan's 5 year old son and a U.S. citizen, without notifying our Embassy in Beijing as required by treaty.

It has been reported that this past Tuesday, the People's Republic of China formally accused Gao Zhan of "accepting money from a foreign intelligence agency and participating in espionage activities in China." If Gao Zhan is tried on this charge, she is likely to be convicted and given a long prison sentence. China tries such security cases in secret and allows little chance for defendants to respond to the charges.

I hope the introduction of this bill and its consideration by the Congress

will improve Gao Zhan's conditions in the People's Republic of China, afford her protections and rights that she doesn't currently have as a permanent resident alien and hopefully lead to her release. I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 702

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

SECTION 1. NATURALIZATION OF GAO ZHAN.

(a) NATURALIZATION.—Notwithstanding any other provision of law, the Attorney General shall naturalize Gao Zhan as a citizen of the United States, without her being administered the oath of renunciation and allegiance pursuant to section 337(a) of the Immigration and Nationality Act (8 U.S.C. 1448(a)), not later than 5 days after the date of the enactment of this Act.

(b) CERTIFICATE OF NATURALIZATION.—Not later than 5 days after the date of naturalization under paragraph (1), an appropriate official of the United States Government designated by the Attorney General shall deliver to Gao Zhan a certificate of naturalization prepared by the Attorney General. If the Attorney General determines that delivery of the certificate of naturalization cannot be made within the period specified, the Attorney shall furnish the certificate to Gao Zhan's spouse, Xue Donghua, on her behalf.

By Mr. SMITH of New Hampshire
(for himself, Mr. LEAHY, Mr. JEFFORDS, Mr. GREGG, Mr. LIEBERMAN, Mr. DODD, Mr. KENNEDY, and Mr. KERRY):

S. 703. A bill to extend the effective period of the consent of Congress to the interstate compact relating to the restoration of Atlantic salmon to the Connecticut River Basin and creating the Connecticut River Atlantic Salmon Commission, and for other purposes; to the Committee on the Judiciary.

Mr. SMITH of New Hampshire. Mr. President, I rise today to introduce a bill to extend the authorization of the Connecticut River Atlantic Salmon Commission, CRASC, for an additional 20 years.

CRASC is a cooperative effort that includes multiple state and federal agencies, conservation organizations, industry and citizens throughout the Connecticut River basin. It was initially recognized by Congress in 1983. For the past twenty years, the Commission has been working to restore Atlantic salmon and other anadromous fish populations in the Connecticut River watershed.

The Connecticut River basin runs through the states of New Hampshire, Vermont, Massachusetts and Connecticut. The native Atlantic salmon stocks declined through the 18th century, and disappeared from the Connecticut River and its tributaries in the 1800s. Since 1983, CRASC has been successful in reintroducing the Atlantic salmon throughout the watershed.

The success of the CRASC is due to the cooperative nature in which it

runs. Without the support of all the stakeholders, the restoration efforts would be slower and more difficult. Restoration efforts include the construction and maintenance of fish passage systems; salmon hatcheries and reintroduction; habitat restoration; research, monitoring and evaluation; and education and public outreach. The health of the salmon population is directly related to the quality of the river, and without these efforts, the two million people who live in the basin would be unable to enjoy the benefits that can be derived from a cleaner, healthier river system.

The legislation that I am introducing does two basic things. First, it reauthorizes the Connecticut River Atlantic Salmon Commission for another twenty years. Second, the bill authorizes \$9 million in appropriations to the Secretary of the Interior through 2010 to carry out Atlantic salmon and anadromous fish restoration activities. The U.S. Fish and Wildlife Service provides the Commission with just over half of its annual expenditures; however, the level of funding has not kept pace with needs. This authorization level would provide \$5 million a year to federal and state agencies for operations and maintenance needs, and \$4 million a year for construction and capital improvement needs for the hatcheries and fish passage systems.

The Connecticut River Atlantic Salmon Commission is the perfect example of federal and state agencies and the public working together to conserve our natural resources. In the past twenty years, this cooperative approach to conservation has resulted in the successful conservation of anadromous fish populations throughout the Connecticut River basin, as well as the improvement in the quality of the river and its tributaries. This kind of effort deserves the continued support of Congress.

By Mr. CAMPBELL:

S. 704. A bill to prohibit the cloning of humans; to the Committee on Health, Education, Labor, and Pensions.

Mr. CAMPBELL. Mr. President, today I am introducing a bill to prohibit the cloning of human beings. This bill, which is similar to the bill I introduced in 1998, would be an outright ban on human cloning, whether publicly or privately funded.

My bill intends to prohibit human reproductive cloning in a comprehensive manner. It includes a ban on the use of human and animal tissues for the purpose of creating a cloned human child. However, this bill does not address the prohibition of embryo cloning, nor does this bill extend to cloning technologies for animals or plants.

Though an executive order in 1997 banned the use of federal money for any project involving the cloning of humans, no law limits such research with private funds. And, though the Food and Drug Administration has de-

clared its authority to regulate human cloning, we have very recently heard testimony before a House subcommittee stating that several research groups are moving ahead in their experiments without such approval.

In addition to the moral dilemma this process presents, a recent Time/CNN poll shows 90 percent of the respondents think it is a bad idea to clone human beings. And, as a nation, we are not alone in rejecting both the notion and the practice of altering creation. There is broad international agreement that the cloning of human beings for reproductive purposes should be prohibited.

I am not a scientist and do not wish to insert myself in the process of scientific research and the advances from that research from which we all benefit. However, when science and technology cross over the boundary of what is ethically and morally appropriate, I believe I have an obligation to respond on behalf of myself and my constituents. Congress, and its law-making authority, is the only mechanism available to assert the will of the American people that human cloning not go forward.

I believe now is the time to enact an immediate ban on such efforts before this research opens doors we will never be able to close.

I urge my colleagues to take swift action to impose a ban on human cloning. In doing so, we must ensure that the prohibition is comprehensive, and covers all possible techniques in this rapidly advancing field. We are all aware of the announced efforts to move forward with human cloning experiments so we must act quickly. I urge my colleagues to work together so we can pass a bill to prevent these and future efforts to clone humans.

I thank the chair and ask unanimous consent that the bill be printed in the RECORD.

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

S. 704

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 "Human Cloning Prohibition Act".

SEC. 2. DEFINITIONS.

In this Act:

(1) HUMAN CLONING PROCEDURE.—The term "human cloning procedure" means—

(A) the use of somatic cell nuclear transfer or any other cloning technique for the purpose of initiating or attempting to initiate a human pregnancy;

(B) the implantation of a conceptus, blastocyst, or embryo created through somatic cell nuclear transfer into a mammalian uterus; or

(C) the creation of genetically identical siblings by dividing a conceptus, blastocyst, or embryo for the purpose of initiating or attempting to initiate a human pregnancy.

(2) EGG.—The term "egg" means a mature female germ cell of any species.

(3) OOCYTE.—The term "oocyte" means an immature female germ cell of any species.

(4) PERSON.—The term “person” includes any individual, partnership, firm, joint stock company, corporation, association, trust, estate, or other legal entity.

(5) SOMATIC CELL.—The term “somatic cell” means any diploid cell of the human organism, including a cell of a conceptus, embryo, fetus, child, or adult, not existing as a haploid germ cell.

(6) SOMATIC CELL NUCLEAR TRANSFER.—The term “somatic cell nuclear transfer” means transferring the nucleus of a human somatic cell into an oocyte or egg from which the nucleus has been removed or rendered inert.

SEC. 3. PROHIBITION ON HUMAN CLONING.

(a) IN GENERAL.—It shall be unlawful for any person to engage in a human cloning procedure.

(b) FEDERAL FUNDS.—No Federal funds may be obligated or expended to conduct or support any research the purpose of which is to engage in a human cloning procedure.

SEC. 4. ENFORCEMENT.

(a) CIVIL PENALTIES.—Any person found to be in violation of section 3 shall be subject to a civil penalty of not more than \$10,000,000 for each such violation.

(b) INELIGIBILITY FOR FEDERAL FUNDS.—An individual found to be in violation of section 3 shall not be eligible to receive any Federal funding for any research for a period of 15 years after such violation.

(c) CRIMINAL PENALTY.—Any person who is convicted of violating any provision of section 3 shall be fined according to the provisions of title 18, United States Code, or sentenced to up to 10 years in prison, or both.

By Mr. KERRY (for himself, Mr. JEFFORDS, Mr. DASCHLE, Mrs. HUTCHISON, Mr. LEAHY, Mr. REID, Mr. HOLLINGS, Mr. JOHNSON, Mr. SCHUMER, Ms. MIKULSKI, Mrs. MURRAY, Mr. TORRICELLI, Mr. INOUYE, Mr. REED, Mrs. CLINTON, Mr. BINGAMAN, Mr. HARKIN, Mr. SAR-BANES, Mr. LIEBERMAN, Mr. ROCKEFELLER, Mr. KENNEDY, Mrs. LINCOLN, and Ms. SNOWE.

S. 706. A bill to amend the Social Security Act to establish programs to alleviate the nursing profession shortage, and for other purposes; to the Committee on Finance.

Mr. KERRY. Mr. President, I am pleased to join my colleague Senator JEFFORDS in introducing the Nurse Reinvestment Act. This legislation will increase the number of nurses in our country, and also ensure that every nurse in the field has the skills he or she needs to provide the quality care patients deserve.

We are in the midst of a serious nursing workforce shortage. Every type of community, urban, suburban and rural, is touched by it. No sector of our health care system is immune to it. Across the country, hospitals, nursing homes, home health care agencies and hospices are struggling to find nurses to care for their patients. Patients in search of care have been denied admission to facilities and told that there were “no beds” for them. Often there are beds, just not the nurses to care for the patients who would occupy them.

Our Nation has suffered from nursing shortages in the past. However, this shortage is particularly severe because we are losing nurses at both ends of the

pipeline. Over the past five years, enrollment in entry-level nursing programs has declined by 20 percent. Lured to the lucrative jobs of the new economy, high school graduates are not pursuing careers in nursing in the numbers they once had. Consequently, nurses under the age of 30 represent only 10 percent of the current workforce. By 2010, 40 percent of the nursing workforce will be over the age of 50, and nearing retirement. If these trends are not reversed, we stand to lose vast numbers of nurses at the same time that they will be needed to care for the millions of baby boomers enrolling in Medicare.

The Nurse Reinvestment Act will support the recruitment of new students into our nation's nursing programs. The bill will fund national and local public service announcements to enhance the profile of the nursing profession and encourage students to commit to a career in nursing. Our legislation will also expand school-to-career partnerships between health care facilities, nursing colleges, middle schools and high schools to show our youth the value of a nursing degree.

Our legislation will ensure that barriers to higher education do not dissuade Americans who are interested in nursing from pursuing a degree in the field. The Nurse Reinvestment Act will support remedial education for students who need help getting-up to speed on math, science and medical English. Our legislation will also ensure that there is support for single moms and dads with children who need a hand in daycare or a lift in getting to their classroom because they are without transportation.

In addition to recruiting new nurses, our legislation will reinvest in nurses who are already practicing by providing them with education and training at every step of the career ladder and at every health care facility in which they work. It will ensure that nurses can obtain advanced degrees, from a B.S. in Nursing to a PhD in Nursing. It will enable nurses to access the specialty training they require to learn how to treat a specific disease or utilize a new piece of technology. Our bill will also help colleges and universities develop curriculum in gerontology and long-term care so that nursing students can pursue concentrations, minors and majors in this growing field of health care and be ready to apply their knowledge to the current and future senior population.

To assist institutions in providing advanced education and training for nurses across the career ladder, our bill will strengthen the partnerships between colleges of nursing and health care facilities. Grants will be available to support such initiatives as the teaching of a courses in gerontology in the conference rooms of a hospital or nursing home. Grants will also support the use of distance learning technology to extend education and training to rural areas, and specialty education and training to all areas.

The Nurse Reinvestment Act will authorize, for the first time in history, a National Nurse Service Corps. Separate from, though modeled after, the National Health Service Corps, the NNSC will administer scholarships to students who commit to working in a health care facility that is experiencing a shortage of nurses. In urban, suburban and rural communities across the country, where facilities turn away patients due to staff shortages, the NNSC will send qualified nurses to serve and provide the care that patients deserve.

Our legislation will place nursing students in hospital-based programs on equal footing with medical students by enabling those nurses to obtain training in community health centers, federally qualified health centers and rural health clinics. To support nurse education and training in non-hospital-based programs, which are not eligible to bill Medicare for their training expenses, our bill establishes a Dedicated Fund for Clinical Nurse Education. Home health care agencies and hospices would be able to draw from the fund to establish new or upgrade old training programs. Finally, the Nurse Reinvestment Act will reauthorize the 1987 Omnibus Budget Reconciliation Act's enhanced federal Medicaid match for clinical nurse education and training in nursing homes. Under our bill, states will be eligible to receive an enhanced federal match of 90 percent for the costs of nurse education and training in nursing homes.

Our country boasts the best health care system in the world. But, that health care system is being jeopardized by the shortage plaguing our nursing workforce. Indeed, state-of-the-art medical facilities are of no use if their beds go unfilled and their floors remain empty because the nurses needed to staff them are not available. The Nurse Reinvestment Act not only seeks to increase the numbers of new nurses in our country, but also ensures that all nurses have the skills they need to provide the high quality care that makes our health care system the best in the world.

Mr. JEFFORDS. Mr. President, in response to the nursing shortage, I am joining Senators KERRY, HUTCHISON, DASCHLE, and other in introducing the Nurse Reinvestment Act. Our legislation increases the number of qualified individuals entering the nursing profession and provides them with the skills they need to provide care in the twenty-first century.

We are facing a looming crisis. There is a need to encourage more dedicated Americans to enter the profession, and to support them once they are there. All facets of the health care system will have a role to play in ensuring a strong nursing workforce. Nurses, physicians, hospitals, nursing homes, academia, community organizations and state and federal governments all must accept responsibility and work towards a solution.

Yet, the size of our nursing workforce is remaining stagnant, while its average age is increasing rapidly. In 1980, 53 percent of all nurses were under the age of 40. In 2000 that percentage dropped to 32 percent. In Vermont the numbers are even lower, where only 28 percent of nurses are under the age of 40.

The major medical advances of the nineteenth century were in the area of public health. The world population growing exponentially as we expanded access to clean water, sanitary environments, and immunization. Later, driven by numerous wars, the twentieth century saw advances in surgery and clinical care for specific conditions. Likewise, pharmaceutical therapies have improved our ability to cure or manage hundreds of diseases and conditions. All of these developments mean that more of us are living, and we are living longer.

This leads us to the twenty-first century, where I believe we will face the challenge of providing quality long-term care to the very elderly and the chronically ill. We know the population of people over the age of 85 is growing and we know the "Baby-boom" generation is approaching retirement. Much of the care for this population will need to be provided by a skilled nursing workforce.

I would now like to enumerate some of the ways in which the Nurse Reinvestment Act expands and improves the federal government's support of "pipeline" programs which maintain a strong talent pool and develop a workforce that can address the increasingly diverse needs of America's population.

First and foremost, our legislation creates a National Nursing Service Corps that provides scholarships to nursing schools in exchange for a commitment to serve two years in a health facility determined to have a critical shortage of nurses. We have developed this scholarship program to mirror the current Nursing Loan Repayment Program, and we specify that these nursing scholarships shall be qualified as non-taxable income.

The Act authorizes two new grant programs under the Health Resources and Service Administration's Division of Nursing. The first program, Initiatives to Combat Nursing Shortages, develops national, state, and local public service announcements to enhance the profile of nursing. It conducts outreach at primary and secondary schools, and provides appropriate student support services to individuals from disadvantaged backgrounds.

The second grant program, Initiatives to Strengthen the Nursing Workforce, provides financial incentives for the pursuit of additional education across the nursing career ladder. It also helps schools develop curriculums in gerontology, and establishes distance learning partnerships between schools and providers to improve access to care in underserved communities. Such measures recognize the

changes in the delivery of care that nurses will face in the coming decades.

Finally, the Nurse Reinvestment Act expands and adjusts the Medicare payments for clinical nurse education to reimburse qualified hospitals for the costs of training nurses in hospital-affiliated provider sites, such as federally qualified community health centers, rural health clinics, nursing homes, home health care agencies and hospices. Nurses will therefore be able to receive their clinical training in the settings in which they are increasingly likely to practice.

I am aware that there is other legislation being introduced today that addresses the nursing shortage. I applaud that action. I believe the numerous nursing bills demonstrate the deep congressional interest in reducing the nursing shortage, and the broad choice of policy proposals available. This is an issue that rises above partisanship and I anticipate that we will be able to work together to produce the very best policy.

Adequate health care services cannot survive any further diminishing of the nursing workforce. All patients depend on the professional care of nurses, and we must make sure it will be there for them. Once again, I want to thank all my fellow cosponsors, and I urge my colleagues to support the Nurse Reinvestment Act.

By Mr. CRAPO:

S. 707. A bill to provide grants for special environmental assistance for the regulation of communities and habitat ("SEARCH grants") to small communities; to the Committee on Environment and Public Works.

Mr. CRAPO. Mr. President, I rise today to introduce legislation to authorize a national environmental grants program for small communities called Project SEARCH.

I am particularly excited about the proposal because with each passing month, I have been hearing from new interested partners in helping with the legislation or have seen similar concepts advanced by others. Because of our mutual interest in helping small communities respond to environmental problems, I invite my colleagues to join me in supporting this measure.

The national Project SEARCH, Special Environmental Assistance for the Regulation of Communities and Habitat, concept is based on a pilot program that operated with great success in Idaho in 1999 and 2000. In short, the bill establishes a simplified application process for communities with populations under 2,500 to receive assistance grants for meeting a broad array of federal, state, or local environmental regulations. Grants would be available for initial feasibility studies, to address unanticipated costs arising during the course of a project, or when a community has been turned down or underfunded by traditional sources. The program would require no match from the recipients.

Some of the major highlights of the program are: A simplified application process—no special grants coordinators required; No unsolicited bureaucratic intrusions into the decision-making process; Communities must first have attempted to receive funds from traditional sources; It is open to studies or projects involving any environmental regulation; Applications are reviewed and approved by citizens panel of volunteers; The panel chooses the number of recipients and size of grants; The panel consists of volunteers representing all regions of the state; and No local match is required to receive the SEARCH funds.

Over the past several years, it has become increasing apparent that small communities are having problems complying with environmental rules and regulations due primarily to lack of funding, not a willingness to do so. They, like all of us, want clean water and air and a healthy natural environment. Sometimes, they simply cannot shoulder the financial burden with their limited resources.

In addition, small communities wishing to pursue unique collaborative efforts might be discouraged by grant administrators who prefer conformity. Some run into unexpected costs during a project and have borrowed and bonded to the maximum. Others are in critical habitat locations and any project may have additional costs, which may not be recognized by traditional financial sources. Still others just need help for the initial environmental feasibility study so they can identify the most effective path forward.

With these needs in mind, in 1998, I was able to secure \$1.3 million through the Environmental Protection Agency, EPA, for a grant program for Idaho's small communities. Idaho's program does not replace other funding sources, but serves as a final resort when all other means have been exhausted.

The application process was simplified so that any small town mayor, county commissioner, sewer district chairman, or community leader could manage it without hiring a professional grant writer. An independent citizens committee with statewide representation was established to make the selections and get the funds on the ground as quickly as possible. No bureaucratic or political intrusions were permitted.

Although the EPA subsequently insisted that grants be limited to water and wastewater projects, forty-four communities in Idaho ultimately applied, not including two that failed to meet the eligibility requirements. Ultimately, twenty-one communities were awarded grants in several categories, and ranged in size from \$9,000 to \$319,000. Communities serving Native Americans and migrants, as well as several innovative collaborative efforts were included in the successful applicants. The communities that were not selected are being given assistance in exploring other funding sources and other advice.

The response and feedback from all participants has been overwhelmingly positive. Environmental officials from the state and EPA who witnessed the process have stated that the process worked well and was able to accomplish much on a volunteer basis. There was even extraordinary appreciation from other funding agencies because some communities they were not able to reach were provided funds for feasibility studies. The only negative comments were from those who wished that the EPA had not limited the program to water and wastewater projects.

The conclusion of all participants was that Project SEARCH is a program worthy of being expanded nationally. So many small communities in so many states can benefit from a program that assists underserved and often overlooked communities. This legislation provides us the opportunity to help small communities throughout the United States.

I have been encouraged by statements from regulatory officials at the federal, state, and local level that have identified small communities as particularly in need of assistance in this area. Environmental organizations have also made favorable remarks about the importance of assisting small communities with the compliance costs of environmental regulations. Finally, I should also note that organizations representing small towns and rural areas recognize this long overlooked problem.

I invite my colleague to take this opportunity to assist small communities in each of their states. Although the grant program provided for in this bill is not large in comparison to other things the federal government funds, these resources could be put to good and effective use, as Idaho has proven. Moreover, I will remind everyone that nowhere does this measure contemplate a change in environmental regulations or standards. This is simply about relief for small communities that would not otherwise be able to serve the public interest or the environment.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 709. A bill to amend the Internal Revenue Code of 1986 to clarify the tax treatment of Alaska Native Settlement Trusts; to the Committee on Finance.

Mr. MURKOWSKI. Mr. President, I am pleased to be joined by Senator STEVENS in introducing legislation that will allow Alaska Native Corporations to establish settlement trusts designed to promote the health, education, welfare and cultural heritage of Alaska Natives.

Mr. President, in 1987, the Alaska Native Claims Settlement Act was amended to permit Native Corporations to establish settlement trusts to hold lands and investments for the benefit of current and future generations of Alaska Natives. Assets in these

trusts are insulated from business exposure and risks and can be invested to provide distributions of income to Native shareholders and their future generations.

Although the 1987 amendments were designed to facilitate the development of settlement trusts, many Native Corporations have been stymied in their efforts because the tax law, in many cases, imposes onerous penalties on the Native shareholders when the trusts are created. For example, when assets are transferred to the trust, they are treated as a de facto distribution of assets directly to the shareholders themselves to the extent of the corporation's earnings and profits.

Even though the current shareholders receive no actual income at the time of the transfer into the trust, they are liable for income taxes as if they received an actual distribution. This not only requires the shareholder to come up with money to pay taxes on a distribution he or she never received, but also can result in a situation where a trust fund beneficiary is required to prepay taxes on his share of the entire trust corpus, which may be substantially more in taxes than the amount of cash benefits he or she will actually receive in the future.

Our legislation remedies this inequity by allowing an Alaska Native Corporation to transfer property to an electing trust without tax to the beneficiaries. Electing trusts would annually pay tax on their and future distributions to beneficiaries would be taxable only to the extent such distributions exceeded the taxable income of the trust in that year and all prior years for which an election was in effect.

Alaska Native Corporations are unique entities. Unlike Native American tribes in the lower 48, Alaska Native corporations are subject to income tax. But unlike ordinary C corporations, Alaska Native corporations have diverse purposes, one of which is to preserve and protect the heritage of the Native shareholders. The settlement trust concept is well suited to the special needs of Alaska's Natives. As the Conference Committee Report to ANSCA amendments of 1987 stated:

"Trust distributions may be used to fight poverty, provide food, shelter and clothing and served comparable economic welfare purposes. Additionally, cash distributions of trust income may be made on an across-the-board basis to the beneficiary population as part of the economic welfare function."

Settlement trusts will ensure that for generations to come, Native Alaskans will have a steady stream of income on which to continue building an economic base. The current tax rules discourage the creation of such trusts with the result that Native corporations are under extreme pressure to distribute all current earnings rather than prudently reinvesting for the future.

It is my hope that we will be able to see this legislation adopted into law

this year. For the long-term benefit of Alaska Natives, this tax law change is fundamentally necessary.

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

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

S. 709

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 "Alaska Native Settlement Trust Tax Fairness Act of 2001".

SEC. 2. TAX TREATMENT AND INFORMATION REQUIREMENTS OF ALASKA NATIVE SETTLEMENT TRUSTS.

(a) TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.—Subpart A of part I of subchapter J of chapter 1 of the Internal Revenue Code of 1986 (relating to general rules for taxation of trusts and estates) is amended by adding at the end the following new section:

"SEC. 646. TAX TREATMENT OF ALASKA NATIVE SETTLEMENT TRUSTS.

"(a) IN GENERAL.—Except as otherwise provided in this section, the provisions of this subchapter and section 1(e) shall apply to all Settlement Trusts.

"(b) TAXATION OF INCOME OF TRUST.—Except as provided in subsection (f)(1)(B)(ii)—

"(1) IN GENERAL.—There is hereby imposed on the taxable income of an electing Settlement Trust, other than its net capital gain, a tax at the lowest rate specified in section 1.

"(2) CAPITAL GAIN.—In the case of an electing Settlement Trust with a net capital gain for the taxable year, a tax is hereby imposed on such gain at the rate of tax which would apply to such gain if the taxpayer were subject to a tax on its other taxable income at only the lowest rate specified in section 1.

"(c) ONE-TIME ELECTION.—

"(1) IN GENERAL.—A Settlement Trust may elect to have the provisions of this section apply to the trust and its beneficiaries.

"(2) TIME AND METHOD OF ELECTION.—An election under paragraph (1) shall be made by the trustee of such trust—

"(A) on or before the due date (including extensions) for filing the Settlement Trust's return of tax for the first taxable year of such trust ending after the date of the enactment of this section, and

"(B) by attaching to such return of tax a statement specifically providing for such election.

"(3) PERIOD ELECTION IN EFFECT.—Except as provided in subsection (f), an election under this subsection—

"(A) shall apply to the first taxable year described in paragraph (2)(A) and all subsequent taxable years, and

"(B) may not be revoked once it is made.

"(d) CONTRIBUTIONS TO TRUST.—

"(1) BENEFICIARIES OF ELECTING TRUST NOT TAXED ON CONTRIBUTIONS.—In the case of an electing Settlement Trust, no amount shall be includable in the gross income of a beneficiary of such trust by reason of a contribution to such trust.

"(2) EARNINGS AND PROFITS.—The earnings and profits of the sponsoring Native Corporation shall not be reduced on account of any contribution to such Settlement Trust:

"(e) TAX TREATMENT OF DISTRIBUTIONS TO BENEFICIARIES.—Amounts distributed by an electing Settlement Trust during any taxable year shall be considered as having the following characteristics in the hands of the recipient beneficiary:

“(1) First, as amounts excludable from gross income for the taxable year to the extent of the taxable income of such trust for such taxable year (decreased by any income tax paid by the trust with respect to the income) plus any amount excluded from gross income of the trust under section 103.

“(2) Second, as amounts excludable from gross income to the extent of the amount described in paragraph (1) for all taxable years for which an election is in effect under subsection (c) with respect to the trust, and not previously taken into account under paragraph (1).

“(3) Third, as amounts distributed by the sponsoring Native Corporation with respect to its stock (within the meaning of section 301(a)) during such taxable year and taxable to the recipient beneficiary as amounts described in section 301(c)(1), to the extent of current accumulated earnings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

“(4) Fourth, as amounts distributed by the trust in excess of the distributable net income of such trust for such taxable year.

Amounts distributed to which paragraph (3) applies shall not be treated as a corporate distribution subject to section 311(b), and for purposes of determining the amount of a distribution for purposes of paragraph (3) and the basis to the recipients, section 643(e) and not section 301(b) or (d) shall apply.

“(f) SPECIAL RULES WHERE TRANSFER RESTRICTIONS MODIFIED.—

“(1) TRANSFER OF BENEFICIAL INTERESTS.—If, at any time, a beneficial interest in an electing Settlement Trust may be disposed of to a person in a manner which would not be permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)) if such interest were Settlement Common Stock—

“(A) no election may be made under subsection (c) with respect to such trust, and

“(B) if such an election is in effect as of such time—

“(i) such election shall cease to apply as of the first day of the taxable year in which such disposition is first permitted,

“(ii) the provisions of this section shall not apply to such trust for such taxable year and all taxable years thereafter, and

“(iii) the distributable net income of such trust shall be increased by the current and accumulated earnings and profits of the sponsoring Native Corporation as of the close of such taxable year after proper adjustment is made for all distributions made by the sponsoring Native Corporation during such taxable year.

In no event shall the increase under clause (iii) exceed the fair market value of the trust's assets as of the date the beneficial interest of the trust first becomes so disposable. The earnings and profits of the sponsoring Native Corporation shall be adjusted as of the last day of such taxable year by the amount of earnings and profits so included in the distributable net income of the trust.

“(2) STOCK IN CORPORATION.—If—

“(A) the Settlement Common Stock in the sponsoring Native Corporation may be disposed of to a person in any manner not permitted by section 7(h) of the Alaska Native Claims Settlement Act (43 U.S.C. 1606(h)), and

“(B) at any time after such disposition of stock is first permitted, such corporation transfers assets to a Settlement Trust, paragraph (1)(B) shall be applied to such trust on and after the date of the transfer in the same manner as if the trust permitted dispositions of beneficial interests in the

trust in a manner not permitted by such section 7(h).

“(3) CERTAIN DISTRIBUTIONS.—For purposes of this section, the surrender of an interest in a Native Corporation or an electing Settlement Trust in order to accomplish the whole or partial redemption of the interest of a shareholder or beneficiary in such corporation or trust, or to accomplish the whole or partial liquidation of such corporation or trust, shall be deemed to be a transfer permitted by section 7(h) of the Alaska Native Claims Settlement Act.

“(g) TAXABLE INCOME.—For purposes of this title, the taxable income of an electing Settlement Trust shall be determined under section 641(b) without regard to any deduction under section 651 or 661.

“(h) DEFINITIONS.—For purposes of this section—

“(1) ELECTING SETTLEMENT TRUST.—The term ‘electing Settlement Trust’ means a Settlement Trust which has made the election, effective for a taxable year, described in subsection (c).

“(2) NATIVE CORPORATION.—The term ‘Native Corporation’ has the meaning given such term by section 3(m) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(m)).

“(3) SETTLEMENT COMMON STOCK.—The term ‘Settlement Common Stock’ has the meaning given such term by section 3(p) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(p)).

“(4) SETTLEMENT TRUST.—The term ‘Settlement Trust’ means a trust that constitutes a settlement trust under section 3(t) of the Alaska Native Claims Settlement Act (43 U.S.C. 1602(t)).

“(5) SPONSORING NATIVE CORPORATION.—The term ‘sponsoring Native Corporation’ means the Native Corporation which transfers assets to an electing Settlement Trust.

“(i) SPECIAL LOSS DISALLOWANCE RULE.—Any loss that would otherwise be recognized by a shareholder upon a disposition of a share of stock of a sponsoring Native Corporation shall be reduced (but not below zero) by the per share loss adjustment factor. The per share loss adjustment factor shall be the aggregate of all contributions to all electing Settlement Trusts sponsored by such Native Corporation made on or after the first day each trust is treated as an electing Settlement Trust expressed on a per share basis and determined as of the day of each such contribution.

“(j) CROSS REFERENCE.—

For information required with respect to electing Settlement Trusts and sponsoring Native Corporations, see section 6039H.

“(b) REPORTING.—Subpart A of part III of subchapter A of chapter 61 of subtitle F of such Code (relating to information concerning persons subject to special provisions) is amended by inserting after section 6039G the following new section:

“SEC. 6039H. INFORMATION WITH RESPECT TO ALASKA NATIVE SETTLEMENT TRUSTS AND SPONSORING NATIVE CORPORATIONS.

“(a) REQUIREMENT.—The fiduciary of an electing Settlement Trust (as defined in section 646(h)(1)) shall include with the return of income of the trust a statement containing the information required under subsection (c).

“(b) APPLICATION WITH OTHER REQUIREMENTS.—The filing of any statement under this section shall be in lieu of the reporting requirements under section 6034A to furnish any statement to a beneficiary regarding amounts distributed to such beneficiary (and such other reporting rules as the Secretary deems appropriate).

“(c) REQUIRED INFORMATION.—The information required under this subsection shall include—

“(1) the amount of distributions made during the taxable year to each beneficiary.

“(2) the treatment of such distribution under the applicable provision of section 646, including the amount that is excludable from the recipient beneficiary's gross income under section 646, and

“(3) the amount (if any) of any distribution during such year that is deemed to have been made by the sponsoring Native Corporation (as defined in section 646(h)(5)).

“(d) SPONSORING NATIVE CORPORATION.—

“(1) IN GENERAL.—The electing Settlement Trust shall, on or before the date on which the statement under subsection (a) is required to be filed, furnish such statement to the sponsoring Native Corporation (as so defined).

“(2) DISTRIBUTEES.—The sponsoring Native Corporation shall furnish each recipient of a distribution described in section 646(e)(3) a statement containing the amount deemed to have been distributed to such recipient by such corporation for the taxable year.”

“(c) CLERICAL AMENDMENT.—

(1) The table of sections for subpart A of part I of subchapter J of chapter 1 of such Code is amended by adding at the end the following new item:

“Sec. 646. Tax treatment of Alaska Native Settlement Trusts.”

(2) The table of sections for subpart A of part III of subchapter A of chapter 61 of subtitle F of such Code is amended by inserting after the item relating to section 6039G the following new item:

“Sec. 6039H. Information with respect to Alaska Native Settlement Trusts and sponsoring Native Corporations.”

“(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years ending after the date of the enactment of this Act and to contributions made to electing Settlement Trusts for such year or any subsequent year.

By Mr. KENNEDY (for himself and Mr. HELMS):

S. 710. A bill to require coverage for colorectal cancer screenings; to the Committee on Health, Education, Labor, and Pensions.

Mr. KENNEDY. Mr. President, today, I am introducing the “Eliminate Colorectal Cancer Act of 2001”. I am pleased to have my colleague, Senator HELMS, as the leading co-sponsor of this important legislation.

Colorectal cancer is the second leading cause of cancer deaths among men and women in America. Over 50,000 Americans will die of this disease this year alone.

The good news on colorectal cancer is that if it is detected early, we can dramatically improve the chance of survival. We have tried and true screening techniques that can not only discover this cancer early, but can prevent this disease by finding and eliminating growths before they become cancerous.

The tragedy is that too often Americans do not get these lifesaving screenings. Today, only one-third of those at-risk for colorectal cancer are screened—and screening rates for minorities and women are even lower. All Americans age 50 and over should be screened for this disease, and there are many at increased risk who may need to start screening even earlier.

Some are simply not aware they should be screened and others cannot afford to get this lifesaving test. We must work together for the day when no American is denied access to these lifesaving screening procedures simply because their health insurance company would not foot the bill.

Medicare offers this important benefit. Now it's time that every American has that same assurance.

That is why this week we are introducing "The Eliminate Colorectal Cancer Act of 2001", bipartisan legislation that will ensure that all health insurance covers screening procedures that can discover colorectal cancer in its earliest and most treatable stages.

I am pleased that Representative SLAUGHTER and Representative MORELLA are offering a similar bipartisan bill in the House, and I express my appreciation of so many from the cancer community on this legislation over the past couple of years.

In this case, an ounce of prevention brings a lifesaving cure that could save tens of thousands of lives this year.

I ask unanimous consent that the text of the "Eliminate Colorectal Cancer Act of 2001" be printed in the RECORD with a bill summary.

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

S. 710

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

SECTION 1. SHORT TITLE; FINDINGS.

(a) **SHORT TITLE.**—This Act may be cited as the "Eliminate Colorectal Cancer Act of 2001".

(b) **FINDINGS.**—The Congress finds the following:

(1) Colorectal cancer is the second leading cause of cancer deaths in the United States for men and women combined.

(2) It is estimated that in 2001, 135,400 new cases of colorectal cancer will be diagnosed in men and women in the United States.

(3) Colorectal cancer is expected to kill 56,700 individuals in the United States in 2001.

(4) The adoption of a healthy lifestyle at a young age can significantly reduce the risk of developing colorectal cancer.

(5) Appropriate screenings and regular tests, can save large numbers of lives by leading to earlier identification of colorectal cancer.

(6) The Centers for Disease Control and Prevention, the Health Care Financing Administration, and the National Cancer Institute have initiated the Screen for Life Campaign targeted to individuals age 50 and older to spread the message of the importance of colorectal cancer screening tests.

(7) Education helps to inform the public of symptoms for the early detection of colorectal cancer and methods of prevention.

SEC. 2. COVERAGE FOR COLORECTAL CANCER SCREENING.

(a) **GROUP HEALTH PLANS.**—

(1) **PUBLIC HEALTH SERVICE ACT AMENDMENTS.**—

(A) **IN GENERAL.**—Subpart 2 of part A of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-4 et seq.) is amended by adding at the end the following:

"SEC. 2707. COVERAGE FOR COLORECTAL CANCER SCREENING.

"(a) **COVERAGE FOR COLORECTAL CANCER SCREENING.**—

"(1) **IN GENERAL.**—A group health plan, and a health insurance issuer offering group health insurance coverage, shall provide coverage for colorectal cancer screening at regular intervals to—

"(A) any participant or beneficiary age 50 or over; and

"(B) any participant or beneficiary under the age of 50 who is at a high risk for colorectal cancer, or who may have symptoms or circumstances that indicate a need for colorectal cancer screening.

"(2) **DEFINITION OF HIGH RISK.**—For purposes of subsection (a)(1)(B), the term 'high risk for colorectal cancer' has the meaning given such term in section 1861(pp)(2) of the Social Security Act (42 U.S.C. 1395x(pp)(2)).

"(3) **METHOD OF SCREENING.**—The group health plan or health insurance issuer shall cover the method and frequency of colorectal cancer screening deemed appropriate by a health care provider treating such participant or beneficiary, in consultation with the participant or beneficiary. Such coverage shall include the procedures in section 1861(pp)(1) of the Social Security Act (42 U.S.C. 1395x(pp)(1)) and section 4104(a)(2) of the Balanced Budget Act of 1997.

"(b) **NOTICE.**—A group health plan under this part shall comply with the notice requirement under section 714(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements of this section as if such section applied to such plan.

"(c) **NON-PREEMPTION OF MORE PROTECTIVE STATE LAW WITH RESPECT TO HEALTH INSURANCE ISSUERS.**—This section shall not be construed to supersede any provision of State law which establishes, implements, or continues in effect any standard or requirement solely relating to health insurance issuers in connection with group health insurance coverage that provides greater protections to participants and beneficiaries than the protections provided under this section.".

(B) **TECHNICAL AMENDMENT.**—Section 2723(c) of the Public Health Service Act (42 U.S.C. 300gg-23(c)) is amended by striking "section 2704" and inserting "sections 2704 and 2707".

(2) **ERISA AMENDMENTS.**—

(A) **IN GENERAL.**—Subpart B of part 7 of subtitle B of title I of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1185 et seq.) is amended by adding at the end the following new section:

"SEC. 714. COVERAGE FOR COLORECTAL CANCER SCREENING.

"(a) **COVERAGE FOR COLORECTAL CANCER SCREENING.**—

"(1) **IN GENERAL.**—A group health plan, and a health insurance issuer offering group health insurance coverage, shall provide coverage for colorectal cancer screening at regular intervals to—

"(A) any participant or beneficiary age 50 or over; and

"(B) any participant or beneficiary under the age of 50 who is at a high risk for colorectal cancer, or who may have symptoms or circumstances that indicate a need for colorectal cancer screening.

"(2) **DEFINITION OF HIGH RISK.**—For purposes of subsection (a)(1)(B), the term 'high risk for colorectal cancer' has the meaning given such term in section 1861(pp)(2) of the Social Security Act (42 U.S.C. 1395x(pp)(2)).

"(3) **METHOD OF SCREENING.**—The group health plan or health insurance issuer shall cover the method and frequency of colorectal cancer screening deemed appropriate by a health care provider treating such participant or beneficiary, in consultation with the participant or beneficiary. Such coverage shall include the procedures in section 1861(pp)(1) of the Social Security Act (42 U.S.C. 1395x(pp)(1)) and section 4104(a)(2) of the Balanced Budget Act of 1997.

"(b) **NOTICE UNDER GROUP HEALTH PLAN.**—The imposition of the requirements of this section shall be treated as a material modification in the terms of the plan described in section 102(a), for purposes of assuring notice of such requirements under the plan; except that the summary description required to be provided under the third to last sentence of section 104(b)(1) with respect to such modification shall be provided by not later than 60 days after the first day of the first plan year in which such requirements apply.".

(B) **TECHNICAL AND CONFORMING AMENDMENTS.**—

(i) Section 731(c) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191(c)) is amended by striking "section 711" and inserting "sections 711 and 714".

(ii) Section 732(a) of the Employee Retirement Income Security Act of 1974 (29 U.S.C. 1191a(a)) is amended by striking "section 711" and inserting "sections 711 and 714".

(iii) The table of contents in section 1 of the Employee Retirement Income Security Act of 1974 is amended by inserting after the item relating to section 713 the following new item:

"Sec. 714. Coverage for colorectal cancer screening.".

(b) **INDIVIDUAL HEALTH INSURANCE.**—

(1) **IN GENERAL.**—Part B of title XXVII of the Public Health Service Act (42 U.S.C. 300gg-41 et seq.) is amended by inserting after section 2752 the following new section:

"SEC. 2753. COVERAGE FOR COLORECTAL CANCER SCREENING.

"(a) **IN GENERAL.**—The provisions of section 2707(a) shall apply to health insurance coverage offered by a health insurance issuer in the individual market in the same manner as it applies to health insurance coverage offered by a health insurance issuer in connection with a group health plan in the small or large group market.

"(b) **NOTICE.**—A health insurance issuer under this part shall comply with the notice requirement under section 714(b) of the Employee Retirement Income Security Act of 1974 with respect to the requirements referred to in subsection (a) as if such section applied to such issuer and such issuer were a group health plan.".

(2) **TECHNICAL AMENDMENT.**—Section 2762(b)(2) of the Public Health Service Act (42 U.S.C. 300gg-62(b)(2)) is amended by striking "section 2751" and inserting "sections 2751 and 2753".

(c) **EFFECTIVE DATES.**—

(1) **GROUP HEALTH PLANS.**—

(A) **IN GENERAL.**—Subject to subparagraph (B), the amendments made by subsection (a) shall apply with respect to group health plans for plan years beginning on or after January 1, 2002.

(B) **COLLECTIVE BARGAINING AGREEMENTS.**—In the case of a group health plan maintained pursuant to 1 or more collective bargaining agreements between employee representatives and 1 or more employers ratified before the date of enactment of this Act, the amendments made by subsection (a) shall not apply to plan years beginning before the later of—

(i) the date on which the last collective bargaining agreements relating to the plan terminates (determined without regard to any extension thereof) agreed to after the date of enactment of this Act, or

(ii) January 1, 2002.

For purposes of clause (i), any plan amendment made pursuant to a collective bargaining agreement relating to the plan which amends the plan solely to conform to any requirement added by subsection (a) shall not be treated as a termination of such collective bargaining agreement.

(2) **INDIVIDUAL HEALTH INSURANCE.**—The amendments made by subsection (b) shall

apply with respect to health insurance coverage offered, sold, issued, renewed, in effect, or operated in the individual market on or after January 1, 2002.

(d) COORDINATED REGULATIONS.—The Secretary of Labor and the Secretary of Health and Human Services shall ensure, through the execution of an interagency memorandum of understanding among such Secretaries, that—

(1) regulations, rulings, and interpretations issued by such Secretaries relating to the same matter over which both Secretaries have responsibility under the provisions of this section (and the amendments made thereby) are administered so as to have the same effect at all times; and

(2) coordination of policies relating to enforcing the same requirements through such Secretaries in order to have a coordinated enforcement strategy that avoids duplication of enforcement efforts and assigns priorities in enforcement.

ELIMINATE COLORECTAL CANCER ACT OF 2001
ENDORSEMENTS AND BILL SUMMARY

Colorectal cancer is the second leading cause of cancer deaths among men and women. Each year, more than 56,000 Americans die from this devastating disease, yet colorectal cancer can be easily prevented or treated when it is diagnosed early through regular, appropriate screening tests. Unfortunately, only one-third of the at-risk United States population is currently screened for colorectal cancer. In the Balanced Budget Act of 1997, Congress acted to encourage more screening by creating a new colorectal cancer screening benefit for Medicare beneficiaries. We believe the time has come for persons under age 65.

The Eliminate Colorectal Cancer Act of 2001 would require all health insurance plans to cover colorectal cancer screening for all patients age 50 and over and for others who have significant risk factors for the disease. The screening method and frequency of the test would be based on the patient's medical condition and decided by the treating physician, in consultation with the patient. Methods covered under the Act are those that are available under Medicare.

As colorectal cancer survivors in every state will attest, early detection and treatment are essential to winning this battle. More than 90 percent of people whose colorectal cancer is detected and treated early are able to resume active and productive lives.

This legislation is strongly supported by these and many other leading organizations:

American Cancer Society, American Gastroenterological Association, Cancer Research Foundation of America, American Association for Clinical Chemistry, Digestive Disease National Coalition, Association of Community Cancer Centers, American Association of Homes and Services for the Aging, American College of Gastroenterology, American Society for Gastrointestinal Endoscopy, Colon Cancer Alliance, Hereditary Colon Cancer Association, Crohn's and Colitis Foundation of America, Men's Health Network, CancerCare, Society for Gastroenterological Nurses and Associates.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 711. A bill to amend the Internal Revenue Code of 1986 to maintain exemption of Alaska from dyeing requirements for exempt diesel fuel and kerosene; to the Committee on Finance.

Mr. MURKOWSKI. Mr. President, today I am joined by Senator TED STEVENS in introducing legislation that

would clarify a provision in the tax code that exempts the State of Alaska from the IRS diesel dyeing rules.

The Small Business Job Protection Act of 1996 included a provision that exempted Alaska from the diesel dyeing requirements during the period the state was exempted from the Clean Air Act low sulfur diesel dyeing rules. For various reasons, it was believed at the time that Alaska would ultimately be permanently exempted from the Clean Air Act rules. However, technological changes suggest that Alaska may in the next few years lose its exemption from the low sulfur rules.

However, in our view, whether Alaska is exempted from the low sulfur rules, it is imperative that Alaska be permanently exempted from the IRS diesel dyeing rules. That is what our bill does.

Today, more than 95 percent of all diesel fuel used in Alaska is exempt from tax because it is used for heating, power generation, or in commercial fishing boats. Under the diesel dyeing rules in place in 49 states, exempt diesel must be dyed. If these diesel dyeing rules were applied to Alaska, refiners would have to buy huge quantities of dye, along with expensive injection systems, to dye all of this non-taxable diesel fuel.

Although the Joint Tax Committee originally estimated in 1996 that repealing the dyeing rules for Alaska could cost the Treasury \$500,000 a year, some refiners were spending as much as \$750,000 on dye alone. Add on another \$100,000 for injection systems and you begin to wonder what happened to common sense regulation. Congress saw it that way and decided to exempt Alaska. Now that exemption should be made permanent.

Approximately 65 percent of the state's communities are served solely by barges. For many of these communities, the fuel oil barge comes in only once a year when the waterways are not frozen. It is absurd to require these communities to build a second storage facility for undyed taxable fuel simply for the few vehicles in town that are subject to tax.

It is currently projected that the state will have to spend from \$200 million to \$400 million just to repair fuel storage tanks in hundreds of rural communities because of leaking fuel problems. If IRS dyeing rules were in place, millions more would have to be spent simply to maintain a small supply of taxable diesel in each of these communities.

In 1996, Congress acted sensibly in exempting Alaska from the IRS diesel dyeing rules. It is my hope that we will again see the wisdom of exempting Alaska, this time making it a permanent exemption.

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. 711

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

SECTION 1. ALASKA EXEMPTION FROM DYEING REQUIREMENTS.

(a) EXCEPTION TO DYEING REQUIREMENTS FOR EXEMPT DIESEL FUEL AND KEROSENE.—Paragraph (1) of section 4082(c) of the Internal Revenue Code of 1986 (relating to exception to dyeing requirements) is amended to read as follows:

“(1) removed, entered, or sold in the State of Alaska for ultimate sale or use in such State, and”.

(b) EFFECTIVE DATE.—The amendment made by this section applies with respect to fuel removed, entered, or sold on or after the date of the enactment of this Act.

By Mr. THOMAS:

S. 712. A bill to prohibit commercial air tour operations over Yellowstone National Park and Grand Teton National Park; to the Committee on Commerce, Science, and Transportation.

Mr. THOMAS. Mr. President, I rise today to introduce legislation to protect two crown jewels of the National Park Service, Yellowstone and Grand Teton National Parks.

The “Yellowstone and Teton Scenic Overflight Act of 2001” is similar to legislation I introduced last Congress regarding an important issue facing these two parks. Specifically, this legislation would prohibit all scenic flights—both fixed wing and helicopter—over Yellowstone and Grand Teton National Parks. Recently, a proposed scenic helicopter tour operation near Grand Teton had many folks concerned about the impact its operations would have on these magnificent areas.

This legislation is designed to protect Yellowstone and Teton and the natural and historic values of these parks in the interest of all who visit and enjoy these areas. I am aware of that the National Parks Air Tour Management Act, which became law during the 106th Congress, provides a process that attempts to address scenic overflight operations in our parks. Unfortunately, the regulations being developed for the Act continue to be delayed and it is unclear when they will ultimately be published. The unique nature of Yellowstone and Teton parks requires us to act in a quick and decisive manner to address this issue as soon as possible.

Grand Teton National Park is home to the only airport in the continental United States that is entirely within a national park. Commercial air tours by their very nature, fly passengers purposefully over the parks, at low altitudes, often to the very locations and attractions favored by ground-based visitors. The threats posed by these operations to Yellowstone and Teton require our quick action.

As Chairman of the Senate Energy Committee's Subcommittee on National Parks and Historic Preservation, I understand the importance of our nation's parks. They are our national treasures and deserve to be protected to the best of our ability. I hope the

Senate will take quick action on this legislation so that visitors can enjoy the sounds of nature at Grand Teton and Yellowstone National Parks now and in the future.

By Mr. MURKOWSKI (for himself and Mr. STEVENS):

S. 713. A bill to amend the Internal Revenue Code of 1986 to provide a charitable deduction for certain expenses incurred in support of Native Alaskan subsistence whaling; to the Committee on Finance.

Mr. MURKOWSKI. Mr. President, I rise on behalf of myself and Senator STEVENS to introduce legislation that would resolve a dispute that has existed for several years between the IRS and native whaling captains in my state. Our legislation would amend the Internal Revenue Code to ensure that a charitable donation tax deduction would be allowed for native whaling captains who organize and support subsistence whaling activities in their communities.

Subsistence whaling is a necessity to the Alaska Native community. In many of our remote village communities, the whale hunt is a tradition that has been carried on for generations over many millennia. It is the custom that the captain of the hunt make all provisions for the meals, wages and equipment costs associated with this important activity.

In most instances, the Captain is repaid in whale meat and muktuck, which is blubber and skin. However, as part of the tradition, the Captain is required to donate a substantial portion of the whale to his village in order to help the community survive.

The proposed deduction would allow the Captain to deduct up to \$7,500 to help defray the costs associated with providing this community service.

I want to point out that if the Captain incurred all of these expenses and then donated the whale meat to a local charitable organization, the Captain would almost certainly be able to deduct the costs he incurred in outfitting the boat for the charitable purpose. However, the cultural significance of the Captain's sharing the whale with the community would be lost.

This is a very modest effort to allow the Congress to recognize the importance of this part of our native Alaskan tradition. When this measure passed the Senate two years ago, the Joint Committee on Taxation estimated that this provision would cost a mere three million dollars over a 10 year period. I think that is a very small price for preserving this vital link with our natives' heritage.

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

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

S. 713

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 "Native Alaskan Subsistence Whaling Act of 2001".

SEC. 2. CHARITABLE CONTRIBUTION DEDUCTION FOR CERTAIN EXPENSES INCURRED IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.

(a) IN GENERAL.—Section 170 of the Internal Revenue Code of 1986 (relating to charitable, etc., contributions and gifts) is amended by redesignating subsection (m) as subsection (n) and by inserting after subsection (l) the following new subsection:

"(m) EXPENSES PAID BY CERTAIN WHALING CAPTAINS IN SUPPORT OF NATIVE ALASKAN SUBSISTENCE WHALING.—

"(1) IN GENERAL.—In the case of an individual who is recognized by the Alaska Eskimo Whaling Commission as a whaling captain charged with the responsibility of maintaining and carrying out sanctioned whaling activities and who engages in such activities during the taxable year, the amount described in paragraph (2) (to the extent such amount does not exceed \$7,500 for the taxable year) shall be treated for purposes of this section as a charitable contribution.

"(2) AMOUNT DESCRIBED.—

"(A) IN GENERAL.—The amount described in this paragraph is the aggregate of the reasonable and necessary whaling expenses paid by the taxpayer during the taxable year in carrying out sanctioned whaling activities.

"(B) WHALING EXPENSES.—For purposes of subparagraph (A), the term 'whaling expenses' includes expenses for—

"(i) the acquisition and maintenance of whaling boats, weapons, and gear used in sanctioned whaling activities,

"(ii) the supplying of food for the crew and other provisions for carrying out such activities, and

"(iii) storage and distribution of the catch from such activities.

"(3) SANCTIONED WHALING ACTIVITIES.—For purposes of this subsection, the term 'sanctioned whaling activities' means subsistence bowhead whale hunting activities conducted pursuant to the management plan of the Alaska Eskimo Whaling Commission."

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall apply to taxable years beginning after December 31, 2000.

By Ms. SNOWE (for herself and Mr. KERRY):

S. 714. A bill to urge the United States Trade Representative to pursue the establishment of a small business advocate within the World Trade Organization, and for other purposes; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to introduce legislation designed to promote export opportunities for our nation's small businesses.

Nationwide, an estimated 13 to 16 million small businesses account for over 99 percent of all employers. They also employ over 50 percent of the workforce, and account for virtually all of the new jobs being created. Maine, in particular, is a state with a historical record of self-reliance and small business enterprise. Of the roughly 37,000 employers, about 97 percent are small firms. Maine also boasts an estimated 73,000 self-employed persons. Surveys credit small businesses with virtually all of the new job creation in the state as well.

In addition, small firms played a central role in the latest economic expansion. From 1992 to 1996, for example,

small firms created 75 percent of the new jobs, up 10.5 percent, while large company employment grew only 3.7 percent. In the trade arena, according to the U.S. Small Business Administration, SBA, the number of small U.S. firms engaged in exporting has tripled since 1987, and over the past five years, the dollar value of small business exports has grown 300 percent. Small business now accounts for 31 percent of the value of U.S. exports. Overall, 97 percent of all exporters are small businesses, with the most dramatic export growth among companies employing less than 20 people. Firms engaged in international trade are 20 percent more productive, and employee wages are 15 percent higher in firms that trade as compared to firms that do not engage in trade. These firms are also 9 percent less likely to go bankrupt, and experience 20 percent greater job growth than non-traders.

Despite these impressive statistics, less than one percent of U.S. small businesses are engaged in international trade-related business activities. That is why I believe so strongly that there is substantial export potential in the small business community that has yet to be fully realized.

Small and medium-sized businesses are the fastest growing segment of the international business community. However, many report that their interests have not been given sufficient attention by our international trade negotiators. In addition, small businesses often cannot afford to maintain in-house international trade expertise to resolve complex trade problems. Small business advocacy groups often lack political influence in foreign markets, which hinders solving problems outside of the legal process. Small firms often do not have the sales volume to overcome the costs of trade barriers and substantial overhead expenses in international transactions.

With these concerns in mind, in January, I introduced the Small Business Enhancement Act of 2001, which contains a provision to establish the position of Assistant United Trade Representative for Small Business. I believe that this important step would ensure that small businesses have a seat at the table when international trade agreements are being negotiated.

The measure I am introducing today takes this concept one step further by expressing the sense of the Senate that the United States Trade Representative, USTR, should pursue the establishment of a small business advocate within the World Trade Organization, WTO, as a matter of U.S. policy.

Because the WTO is the principal international organization for rules governing world-wide international trade, it has the potential to address a range of global trade issues of concern to small businesses in the U.S. In addition, it stands to reason that better coordination is needed between small business support and advocacy agencies around the world and small firms and trade associations.

My bill requires the USTR to pursue the establishment of a small business advocate at the WTO in order to safeguard the interests of small firms and represent those interests in trade negotiations and disputes. It also directs the USTR to submit a report to Congress on the steps taken to establish this advocate.

I hope this legislation will provide a foundation for small businesses during the next round of WTO negotiations. I look forward to working with the Senate Small Business Committee and the Senate Finance Committee as we work to ensure that U.S. businesses enjoy the full benefits of international trade.

By Mr. BAUCUS:

S. 715. A bill to designate 7 counties in the State of Montana as High Intensity Drug Trafficking Areas and authorize funding for drug control activities in those areas; to the Committee on the Judiciary.

Mr. BAUCUS. Mr. President, I rise today to introduce critical legislation in the fight against methamphetamine use in rural America.

Methamphetamine also known as "meth" is a powerful and addictive drug. Considered by many youths to be a casual, soft-core drug with few lasting effects. They couldn't be more wrong. Meth can actually cause more long-term damage to the body than cocaine or crack. The physical damage is just the beginning. The societal damage resulting from rampant meth use is incalculable. The damage caused ranges from broken homes to violent crime such as increased child abuse to a higher robbery rate.

Meth use in Montana alone has skyrocketed in the past few years. During 1996, 1 meth lab was seized statewide, 4 in 1997, twelve in 1998, 50 in 1999, 100 in 2000, and at least 150 expected this year. The DEA reported an increase of meth lab seizures in Montana of 900 percent from 1993 to 1998. And according to the Office of National Drug Control Policy, based on admission rates per 100,000 persons, Montana is one of the eight states with a "serious methamphetamine problem."

The meth problem is particularly severe on Montana's Indian reservations, of which our state has seven. Life is hard there. In some reservation towns, over half of the working age adults are unemployed. Because meth is cheap and relatively easy to make, these lower-income individuals are a natural target for meth peddlers. Without viable employment options, too often these young people turn to drugs.

So how does a rural state like Montana deal with such a scourge? The answer is not very well. The fact is, there are a good many talented Montanans working on the meth problem, but they have few resources with which to wage the battle. Fewer every day with no options for leveraging additional resources. Moreover, their efforts are often fragmented, not coordinated to the extent they could be, particularly

among the treatment, prevention, and law enforcement communities. Again, it's simply an issue of scarcity of resources.

To make their job easier, Montana has petitioned to be considered part of the Rocky Mountain High Intensity Drug Trafficking Area (HIDTA). Although the Rocky Mountain HIDTA authorities have stated their willingness to include Montana in its organization, they lack the resources to make that happen.

The bill I am introducing today would authorize funding to make Montana's admission to the Rocky Mountain HIDTA a reality. This legislation would provide Montana the resources to put forth a coordinated effort in the fight against meth in Montana. By admitting the seven counties included in the legislation, we begin to attack the scourge at its roots—where it enters the state and is the most problematic for meth use. In a perfect world, we could include all 56 Montana counties, but I believe this is a good start. It will increase law enforcement and forensic personnel in Montana; coordinate efforts to exchange information among law enforcement agencies; and engage in a public information campaign to educate the public about the dangers of meth use.

Mr. President, the time has come to fight this scourge. Montana is under siege by meth, and we must do all we can to continue our efforts to stop it.

By Mr. SANTORUM:

S. 716. A bill to amend the Consolidated Farm and Rural Development Act to authorize the Secretary of Agriculture to make grants to nonprofit organizations to finance the construction, refurbishing, and servicing of individually-owned household water well systems in rural areas for individuals with low or moderate incomes; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. SANTORUM. Mr. President, I rise today to introduce the "Affordable Drinking Water Act of 2001." I am pleased to reintroduce this bill in the 107th Congress as I believe it sets out an innovative approach to meet the safe drinking water needs of rural Americans nationwide.

The Affordable Drinking Water Act of 2001 provides a targeted alternative to water delivery in rural areas. Low to moderate income households who would prefer to have their own well, or are experiencing drinking water problems, could secure financing to install or refurbish an individually owned household well. In my home state of Pennsylvania, 2.5 million citizens currently choose to have their drinking water supplied by privately-owned individual water wells.

The approach envisioned under this bill would establish a partnership between the federal government and non-profit entities to administer grants to eligible homeowners for the purposes of: bringing old household water wells up to current standards; replacing systems that have met their expected life; or providing homeowners without a drinking water source with a new individual household water well system.

Another important component of this legislation will afford rural consumers with individually owned water wells the same payment flexibility as other utility customers. Centralized water systems currently are eligible to receive federal grants and loans with repayment spread out over 40 years. The Affordable Drinking Water Act of 2001 would provide loans to low to moderate income homeowners to upgrade or install a household drinking water well now, and then repay the cost through monthly installments. This ability to stretch out payments over the life of the loan gives rural well owners an affordable option that they otherwise do not have.

Mr. President, I am pleased to introduce this legislation today, and believe that it is appropriately balanced to meet the safe-drinking water needs of rural households.

By Mr. McCAIN:

S. 717. A bill to provide educational opportunities for disadvantaged children, and for other purposes; to the Committee on Finance.

Mr. McCAIN. Mr. President, today, I am introducing legislation to authorize a three-year nationwide school choice demonstration program targeted at children from economically disadvantaged families. The program would expand educational opportunities for low-income children by providing parents and students the freedom to choose the best school for their unique academic needs, while encouraging schools to be creative and responsive to the needs of all students.

This bill authorizes \$1.8 billion annually for fiscal years 2002 through 2004 to be used to provide school choice vouchers to economically disadvantaged children through the nation. The funds would be divided among the states based upon the number of children they have enrolled in public schools. Then, each state would conduct a lottery among low-income children who attend the public schools with the lowest academic performance in their state. Each child selected in the lottery would receive \$2,000 per year for three years to be used to pay tuition at any school of their choice in the state, including private or religious schools. The money could also be used to pay for transportation to the school or supplementary educational services to meet the unique needs of the individual student.

In total, this bill authorizes \$5.4 billion for the three-year school choice demonstration program, as well as a GAO evaluation of the program upon its completion. The cost of this important test of school vouchers is fully offset by eliminating more than \$5.4 billion in unnecessary pork and inequitable corporate tax loopholes.

Mr. President, we all know that one of the most important issues facing our nation is the education of our children. Providing a solid, quality education for each and every child in our nation is a critical component in their quest for

personal success and fulfillment. A solid education for our children also plays a pivotal role in the success of our nation; economically, intellectually, civically and morally.

We must strive to develop and implement initiatives which strengthen and improve our education system thereby ensuring that our children are provided with the essential academic tools for succeeding professionally, economically and personally. I am sure we all agree that increasing the academic performance and skills of all our nation's students must be the paramount goal of any education reform we implement.

School vouchers are a viable method of allowing all American children access to high quality schools, including private and religious schools. Every parent should be able to obtain the highest quality education for their children, not just the wealthy. Tuition vouchers would finally provide low-income children trapped in mediocre, or worse, schools the same educational choices as children of economic privilege.

Some of my colleagues may argue that vouchers would divert money away from our nation's public schools and instead of instilling competition into our school systems we should be pouring more and more money into poor performing public schools. I respectfully disagree. While I support strengthening financial support for education in our nation, the solution to what ails our system is not simply pouring more and more money into it.

Currently our nation spends significantly more money than most countries and yet our students scored lower than their peers from almost all of the forty countries which participated in the last Third International Mathematics and Science Study (TIMSS) test. Students in countries which are struggling economically, socially and politically, such as Russia, outscored U.S. children in math and scored far above them in advanced math and physics. Clearly, we must make significant change beyond simply pouring more money into the current structure in order to improve our children's academic performance in order to maintain a viable force in the world economy.

It is shameful that we are failing to provide many of our children with adequate training and quality academic preparation for the real world. The number of college freshman who require remedial courses in reading, writing and mathematics when they begin their higher education is unacceptably high. In fact, presently, more than 30 percent of entering freshman need to enroll in one of more remedial courses when they start college. It does not bode well for our future economy if the majority of workers are not prepared with the basic skills to engage in a competitive global marketplace.

I concede that school vouchers are not the magic bullet for eradicating all

that is wrong with our current educational system, but they are an important opportunity for providing improved academic opportunities for all children, not just the wealthy. Examination of the limited voucher programs scattered around our country reveal high levels of parent and student satisfaction, an increase in parental involvement, and a definite improvement in attendance and discipline at the participating schools. Vouchers encourage public schools, communities and parents to all work together to raise the level of education for all students. Through this bill, we have the opportunity to replicate these important attributes throughout all of our nation's communities.

Thomas Jefferson said, "The purpose of education is to create young citizens with knowing heads and loving hearts." If we fail to give our children the education they need to nurture their heads and hearts, then we threaten their futures and the future of our nation. Each of us is responsible for ensuring that our children have both the love in their hearts and the knowledge in their heads to not only dream, but to make their dreams a reality.

The time has come for us to finally conduct a national demonstration of school choice to determine the benefits or perhaps disadvantages of providing educational choices to all students, not just those who are fortunate enough to be born into a wealthy family. I urge my colleagues to support this bill and put the needs of America's school children ahead of pork barrel projects and tax loopholes benefitting only special interests and big business.

Mr. President, I ask unanimous consent that a copy of this bill be printed in the RECORD.

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

S. 717

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

SECTION 1. PURPOSES.

The purposes of this Act are—

(1) to assist States to—

(A) give children from low-income families the same choices among all elementary and secondary schools and other academic programs as children from wealthier families already have;

(B) improve schools and other academic programs by giving parents in low-income families increased consumer power to choose the schools and programs that the parents determine best fit the needs of their children; and

(C) more fully engage parents in their children's schooling; and

(2) to demonstrate, through a 3-year national grant program, the effects of a voucher program that gives parents in low-income families—

(A) choice among public, private, and religious schools for their children; and

(B) access to the same academic options as parents in wealthy families have for their children.

SEC. 2. AUTHORIZATION OF APPROPRIATIONS.

(a) IN GENERAL.—There is authorized to be appropriated to carry out this Act (other

than section 10) \$1,800,000,000 for each of fiscal years 2001 through 2004.

(b) EVALUATION.—There is authorized to be appropriated to carry out section 10 \$17,000,000 for fiscal years 2002 through 2005.

SEC. 3. PROGRAM AUTHORITY.

(a) IN GENERAL.—The Secretary shall make grants to States, from allotments made under section 4 to enable the States to carry out educational choice programs that provide scholarships, in accordance with this Act.

(b) LIMIT ON FEDERAL ADMINISTRATIVE EXPENDITURES.—The Secretary may reserve not more than \$1,000,000 of the amounts appropriated under section 2(a) for a fiscal year to pay for the costs of administering this Act.

SEC. 4. ALLOTMENTS TO STATES.

(a) ALLOTMENTS.—The Secretary shall make the allotments to States in accordance with a formula specified in regulations issued in accordance with subsection (b). The formula shall provide that the Secretary shall allot to each State an amount that bears the same relationship to the amounts appropriated under section 2(a) for a fiscal year (other than funds reserved under section 3(b)) as the number of covered children in the State bears to the number of covered children in all such States.

(b) FORMULA.—Not later than 90 days after the date of enactment of this Act, the Secretary shall issue regulations specifying the formula referred to in subsection (a).

(c) LIMIT ON STATE ADMINISTRATIVE EXPENDITURES.—The State may reserve not more than 1 percent of the funds made available through the State allotment to pay for the costs of administering this Act.

(d) DEFINITION.—In this section, the term "covered child" means a child who is enrolled in a public school (including a charter school) that is an elementary school or secondary school.

SEC. 5. ELIGIBLE SCHOOLS.

(a) ELIGIBILITY.—

(1) IN GENERAL.—Schools identified by a State under paragraph (2) shall be considered to be eligible schools under this Act.

(2) DETERMINATION.—Not later than 180 days after the date the Secretary issues regulations under section 4(b), each State shall identify the public elementary schools and secondary schools in the State that are at or below the 25th percentile for academic performance of schools in the State.

(b) PERFORMANCE.—The State shall determine the academic performance of a school under this section based on such criteria as the State may consider to be appropriate.

SEC. 6. SCHOLARSHIPS.

(a) IN GENERAL.—

(1) SCHOLARSHIP AWARDS.—With funds awarded under this Act, each State awarded a grant under this Act shall provide scholarships to the parents of eligible children, in accordance with subsections (b) and (c). The State shall ensure that the scholarships may be redeemed for elementary or secondary education for the children at any of a broad variety of public and private schools, including religious schools, in the State.

(2) SCHOLARSHIP AMOUNT.—The amount of each scholarship shall be \$2000 per year.

(3) TAX EXEMPTION.—Scholarships awarded under this Act shall not be considered income of the parents for Federal income tax purposes or for determining eligibility for any other Federal program.

(b) ELIGIBLE CHILDREN.—To be eligible to receive a scholarship under this Act, a child shall be—

(1) a child who is enrolled in a public elementary school or secondary school that is an eligible school; and

(2) a member of a family with a family income that is not more than 200 percent of the poverty line.

(C) AWARD RULES.—

(1) PRIORITY.—In providing scholarships under this Act, the State shall provide scholarships for eligible children through a lottery system administered for all eligible schools in the State by the State educational agency.

(2) CONTINUING ELIGIBILITY.—Each State receiving a grant under this Act to carry out an educational choice program shall provide a scholarship in each year of the program to each child who received a scholarship during the previous year of the program, unless—

(A) the child no longer resides in the area served by an eligible school;

(B) the child no longer attends school;

(C) the child's family income exceeds, by 20 percent or more, 200 percent of the poverty line; or

(D) the child is expelled or convicted of a felony, including felonious drug possession, possession of a weapon on school grounds, or a violent act against an other student or a member of the school's faculty.

SEC. 7. USES OF FUNDS.

Any scholarship awarded under this Act for a year shall be used—

(1) first, for—

(A) the payment of tuition and fees at the school selected by the parents of the child for whom the scholarship was provided; and

(B) the reasonable costs of the child's transportation to the school, if the school is not the school to which the child would be assigned in the absence of a program under this Act;

(2) second, if the parents so choose, to obtain supplementary academic services for the child, at a cost of not more than \$500, from any provider chosen by the parents, that the State determines is capable of providing such services and has an appropriate refund policy; and

(3) finally, for educational programs that help the eligible child achieve high levels of academic excellence in the school attended by the eligible child, if the eligible child chooses to attend a public school.

SEC. 8. STATE REQUIREMENT.

A State that receives a grant under this Act shall allow lawfully operating public and private elementary schools and secondary schools, including religious schools, if any, serving the area involved to participate in the program.

SEC. 9. EFFECT OF PROGRAMS.

(a) TITLE I.—Notwithstanding any other provision of law, if a local educational agency in the State would, in the absence of an educational choice program that is funded under this Act, provide services to a participating eligible child under part A of title I of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 6311 et seq.), the State shall ensure the provision of such services to such child.

(b) INDIVIDUALS WITH DISABILITIES.—Nothing in this Act shall be construed to affect the requirements of part B of the Individuals with Disabilities Education Act (20 U.S.C. 1411 et seq.).

(c) AID.—

(1) IN GENERAL.—Scholarships under this Act shall be considered to aid families, not institutions. For purposes of determining Federal assistance under Federal law, a parent's expenditure of scholarship funds under this Act at a school or for supplementary academic services shall not constitute Federal financial aid or assistance to that school or to the provider of supplementary academic services.

(2) SUPPLEMENTARY ACADEMIC SERVICES.—

(A) IN GENERAL.—Notwithstanding paragraph (1), a school or provider of supplementary academic services that receives scholarship funds under this Act shall, as a

condition of participation under this Act, comply with the provisions of title VI of the Civil Rights Act of 1964 (42 U.S.C. 2000d et seq.) and section 504 of the Rehabilitation Act of 1973 (29 U.S.C. 794).

(B) REGULATIONS.—The Secretary shall promulgate regulations to implement the provisions of subparagraph (A), taking into account the purposes of this Act and the nature, variety, and missions of schools and providers that may participate in providing services to children under this Act.

(d) OTHER FEDERAL FUNDS.—No Federal, State, or local agency may, in any year, take into account Federal funds provided to a State or to the parents of any child under this Act in determining whether to provide any other funds from Federal, State, or local resources, or in determining the amount of such assistance, to such State or to a school attended by such child.

(e) NO DISCRETION.—Nothing in this Act shall be construed to authorize the Secretary to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school participating in a program under this Act.

SEC. 10. EVALUATION.

The Comptroller General of the United States shall conduct an evaluation of the program authorized by this Act. Such evaluation shall, at a minimum—

(1) assess the implementation of educational choice programs assisted under this Act and their effect on participants, schools, and communities in the school districts served, including parental involvement in, and satisfaction with, the program and their children's education;

(2) compare the educational achievement of participating eligible children with the educational achievement of similar non-participating children before, during, and after the program; and

(3) compare—

(A) the educational achievement of eligible children who use scholarships to attend schools other than the schools the children would attend in the absence of the program; with

(B) the educational achievement of children who attend the schools the children would attend in the absence of the program.

SEC. 11. ENFORCEMENT.

(a) REGULATIONS.—The Secretary shall promulgate regulations to enforce the provisions of this Act.

(b) PRIVATE CAUSE.—No provision or requirement of this Act shall be enforced through a private cause of action.

SEC. 12. FUNDING.

The Committee on Finance and the Committee on Appropriations of the Senate and the Committee on Ways and Means and the Committee on Appropriations of the House of Representatives shall identify wasteful spending (including loopholes to revenue raising tax provisions) by the Federal Government as a means of providing funding for this Act. Not later than 60 days after the date of enactment of this Act, the committees referred to in the preceding sentence shall jointly prepare and submit to the Majority and Minority Leaders of the Senate and the Speaker and Minority Leader of the House of Representatives, a report concerning the spending (and loopholes) identified under such sentence.

SEC. 13. DEFINITIONS.

In this Act:

(1) CHARTER SCHOOL.—The term "charter school" has the meaning given the term in section 10310 of the Elementary and Secondary Education Act of 1965 (as redesignated in section 3(g) of Public Law 105-278; 112 Stat. 2687).

(2) ELEMENTARY SCHOOL; LOCAL EDUCATIONAL AGENCY; PARENT; SECONDARY SCHOOL; STATE EDUCATIONAL AGENCY.—The terms "elementary school", "local educational agency", "parent", "secondary school", and "State educational agency" have the meanings given the terms in section 14101 of the Elementary and Secondary Education Act of 1965 (20 U.S.C. 8801).

(3) POVERTY LINE.—The term "poverty line" means the poverty line (as defined by the Office of Management and Budget, and revised annually in accordance with section 673(2) of the Community Services Block Grant Act (42 U.S.C. 9902(2))) applicable to a family of the size involved.

(4) SECRETARY.—The term "Secretary" means the Secretary of Education.

(5) STATE.—The term "State" means each of the 50 States.

By Mr. McCAIN (for himself, Mr. BROWNBACK, and Mr. JEFFORDS):

S. 718. A bill to direct the National Institute of Standards and Technology to establish a program to support research and training in methods of detecting the use of performance-enhancing drugs by athletes, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. McCAIN. Mr. President, I am joined by my colleagues, Senators BROWNBACK and JEFFORDS, today in introducing the Amateur Sports Integrity Act. This bill does two things: it amends the Ted Stevens Olympic and Amateur Sports Act to make it illegal to gamble on Olympic, college, and high school sports, and it authorizes appropriations for the National Institute of Standards and Technology to fund the detection and prevention of athletic performance-enhancing drugs.

This bill implements a recommendation made by the congressionally created National Gambling Impact Study Commission. In the summary of its comprehensive report to Congress dated June 1999, the Commission noted that "There is growing concern regarding increasing levels of sports wagering by adolescents in high school and by young adults on college campuses. A 1996 study sponsored by the National Collegiate Athletic Association found that of the over 200 student athletes surveyed in Division I basketball and football programs, 25.5 percent admitted betting on college sports events while in school."

In its report, the NGISC recommended that betting on collegiate and amateur athletic events that is currently legal be banned altogether. The bill that we are introducing today does just that. Just as the use of performance enhancing drugs threatens the integrity of amateur sports, so does gambling. Betting on amateur athletics invites public speculation as to their legitimacy and transforms student athletes into objects to be bet upon. Adding unwarranted pressure from corrupting influences to the pressures that these intensely competitive young people already feel is unacceptable. Congress must act to close the loophole that currently allows one state to serve as a national clearinghouse for betting on our youth.

Let me make one thing clear: Although the Amateur Sports Integrity Act bans legal gambling on amateur athletics, I expect that it also will reduce a substantial amount of illegal gambling as well. The relationship between legal and illegal gambling was addressed by the NGISC, which observed that “legal sports wagering—especially the publication in the media of Las Vegas and offshore-generated point spreads fuels a much larger amount of illegal sports wagering.” I won’t pretend, however, that closing the one-state loophole on legal gambling on amateur sports will put an end to illegal gambling on these athletes and competitions. For this reason, I say to my colleagues who are backing a bill that has the support of the gaming industry and that provides additional resources to combat illegal gambling—I agree with the intent of your legislation and appreciate your recognition that gambling on amateur athletics is a problem that must be addressed at the federal level. That bill, however, while perhaps acceptable as a complement, is not acceptable as an alternative to the Amateur Sports Integrity Act.

Mr. President, in its report the NGISC recommended that all students should be warned of the dangers of gambling, from the time they are in elementary school to when they finish college. As the Commission concluded, the loophole that currently encourages gambling by, and on, these young people, should be closed. The bill we are introducing today codifies the NGISC recommendation, and further ensures the integrity of amateur sports by addressing athlete doping. I urge my colleagues to support its swift passage.

Mr. BROWNBACK. Mr. President, I am pleased to reintroduce today with Senator MCCAIN, the Amateur Sports Integrity Act. This legislation combats performance enhancing drugs use by athletes, as well as the corruptive influence of legal gambling on high school, college, and amateur sports. I would like to thank my colleague for his continued interest in and leadership on this issue. I look forward to winning an up or down vote on this bill this Congress.

The Amatuer Sports Integrity Act serves two purposes. First, it combats the use of performance enhancing drugs by athletes through the creation a new grant program to be administered by the National Institute of Science and Technology. This program will support research on the use of performance-enhancing drugs, and methods of detecting their use. Quite simply, Mr. President, we need to find out who’s cheating and how they’re doing it so we can disqualify their dishonorable efforts to compete. The Act will achieve this goal.

Our legislation will also ban the continued and unseemly practice of legal wagering on high school, college, and amateur sports at the expense of the achievements of our nation’s student

and amateur athletes. This bill closes the loophole in the Professional and Amateur Sports Protection Act that allows legal sports betting in Nevada to negatively impact student athletics in other states.

This bill is supported by the National Collegiate Athletic Association, which represents more than 1000 colleges and universities nationwide. In addition, numerous coaches among the college ranks support this effort, and I can think of no better advocate then the coaches who spend time day in and day out with the athletes and prized sporting institutions negatively affected by legal sports gambling.

My continuing efforts on this issue are in direct response to the recommendation made by the National Gambling Impact Study Commission (NGISC), which in 1999 concluded a two-year study on the impact of legalized gambling in our country. The Commission’s recommendation called for a complete ban on all legalized gambling on amateur sports.

The Commission in its report recognized the potential harm of legalized gambling by stating that sports gambling “can serve as a gateway behavior for adolescent gamblers, and can devastate individuals and careers.” This Amateur Sports Integrity Act will serve notice that betting on college games or amateur athletics is not only inappropriate but can result in these significant social costs.

Legislation addressing illegal gambling has been introduced in the House and Senate by members of the Nevada delegation. I would like to take a moment to commend my colleagues, Senators REID and ENSIGN, for recognizing that the social consequences of gambling for the public must be addressed. I agree with the Nevada delegation that we should be vigilant in our efforts to increase our knowledge regarding illegal gambling activities, and find ways to help law enforcement combat such activities. As a member of the Senate Judiciary Committee to which that bill has been referred, I look forward to working with the Nevada delegation to improve the bill and, ultimately, support its passage.

However, we must also address the fact that legal gambling has a real and telling impact on high school, college, and amateur athletics and the public, and in fact facilitates illegal gambling activity. If there are any doubts, just ask Kevin Pendergast who orchestrated the basketball point-shaving scandal at Northwestern University. He had stated that he never would have been able to pull off his scheme if it weren’t for the ability to lay a large amount of money on the Las Vegas sports books.

The frequency of point shaving scandals over the last decade, and the tie-in to the Vegas sports books of the episodes at Northwestern and Arizona State is a clear indication that legal gambling on college sports stretches beyond Nevada, impacting the integrity of other state’s sporting events.

The now familiar opposition to this bill on the theory of states rights simply does not hold water, and I categorically reject the notion that Kansas college athletics should be jeopardized so the casinos in Vegas can rake in some additional gambling revenues.

Mr. President, I encourage my colleagues to cosponsor the Amateur Sports Integrity Act and I look forward to a vote before the full Senate.

By Mr. WELLSTONE (for himself, Mr. KERRY, Mrs. CLINTON, and Ms. CANTWELL):

S. 719. A bill to amend Federal election law to provide for clean elections funded by clean money; to the Committee on Rules and Administration.

Mr. WELLSTONE. Mr. President, the Senate this week took a historic step toward fairer elections. I was proud to join a solid majority of my colleagues in voting for the McCain-Feingold bill. However, passage of that bill is not the end of the reform debate, but hopefully merely a beginning.

It is clear to me that we need to go still further to reform our elections comprehensively, and for that reason I rise today along with Senators KERRY, CLINTON and CANTWELL to re-introduce “Clean Money, Clean Elections” campaign finance reform legislation.

Debates about campaign finance reform should be debates about who is at the table and how to level the playing field. Looking back at the two weeks of debate on McCain-Feingold from this perspective highlights the importance of and also the severe limitations of the bill. I say importance of the bill, because if you believe that reform of our federal elections is essential for the reasons I believe, restoring the centrality of one person, one vote, then you need to get soft money out of the system since it allows too much political power to flow from too few. I say severe limitations of the bill because even if we ban soft money and sham issue ads, we will still have too much money in American politics. And, the wealthy investors will still have an all too prominent role in our elections.

Fundamentally, we need to go beyond legislation that merely seeks to patch a badly broken system. The McCain-Feingold legislation seeks to stop a leak here, and block a loophole there. It does not eliminate private, special interest money flowing to candidates and parties. The Clean Money, Clean Elections legislation that I am reintroducing today will fix this problem—it will reduce the costs of campaigns and provide public funds to eliminate the dependence on wealthy investors entirely. Hence the Clean Money, Clean Elections legislation will truly level the playing field for all candidates and ensure fair elections.

Now that the Senate will finally go on record in favor of the modest reform that McCain-Feingold represents, I believe the time is right to begin the fight for fundamental reform: public financing of elections.

The Clean Money, Clean Elections bill is the “gold standard” of true campaign finance reform, against which any more modest legislation ought to be assessed. The conceptual approach it embodies, replacing special interest money in our current system with clean money, is being adopted by state legislatures and in referenda across the country.

In Maine, for example, there was broad participation in the Clean Money, Clean Elections program during the last election with 116 out of 352 general election candidates both Republicans and Democrats participating. In Maine, Arizona and Vermont, Clean Money, Clean Elections reduced the influence of special interest money and provided a level playing field by offering qualified candidates a limited and equal amount of public funds. The earliest indications from Maine’s first election under the Clean Elections law do inspire hope. Far more candidates than expected stepped forward to seek Clean Elections financing, and all but one succeeded in qualifying. Their comments about the process tell us we are on the right track. Some of their comments are for example: “Without Clean Elections I couldn’t even think about running for office. I just couldn’t afford it.” said Shlomit Auciello, democrat challenger; “The main reason I did it was that this is what people want.” Chester Chapman, Republican challenger; “I spent a lot of kitchen table time explaining the system to people. Once they knew what it was they really liked it. They like that it means no soft money and no PAC money will be used. I want to work for the people of Maine and I don’t want to be beholden to anyone else.” Glenn Cummings, Democrat challenger; “It will definitely change some things. For one thing I will have about half the amount of money I raised last time but much more time to talk with people which is a good thing.” Gabrielle Carbonear; and “We have an obligation to put into practice the system that was approved by voters in 1996. Maine is in the lead in this area. It will only work if it is used, and it is important for incumbents to embrace it. Also, the Clean Election Act is making it easier to recruit candidates to run for office.” Rick Bennet, Republic incumbent, Assistant Senate Minority Leader and a candidate for reelection.

When asked, 60 percent of Americans say they think that reforming the way campaigns are financed should be a high priority on our National agenda. There is no question in my mind that these people are right, reforming the way campaigns are financed should be, must be, a high priority.

Many people believe our political system is corrupted by special interest money. I agree with them. It is not a matter of individual corruption. I think it is probably extremely rare that a particular contribution causes a member to cast a particular vote. But the special interest money is always

there, and I believe that we do suffer under what I have repeatedly called a systemic corruption. Unfortunately, this is no longer a shocking announcement, even if it is a shocking fact. Money does shape what is considered do-able and realistic here in Washington. It does buy access. We have both the appearance and the reality of systemic corruption. And we must act. Here in the Senate, we must push forward this spring on tough, comprehensive reform.

I wonder if anyone would bother to argue that our budget debates are unaffected by the connection of big special-interest money to politics? The budget cuts proposed most deeply affect those who are least well off, while the tax cuts proposed mostly go to the wealthy. That is well-documented. The tax breaks we offer benefit not only the most affluent as a group, but numerous very narrow wealthy special interests. Does anyone wonder why we retain massive subsidies and tax expenditures for oil and pharmaceutical companies? What about tobacco? Are they curious why we promote a health care system dominated by insurance companies? Or why we promote a version of “free trade” which disregards the need for fair labor and environmental standards, for democracy and human rights, and for lifting the standard of living of American workers, as well as workers in the countries we trade with? How is it that we pass major legislation that directly promotes the concentration of ownership and power in the telecommunications industry, in the agriculture and food business, and in banking and securities? For the American people, how this happens, I think, is no mystery.

I think most citizens believe there is a connection between big special interest money and outcomes in American politics. People realize what is “on the table” or what is considered realistic here in Washington often has much to do with the flow of money to parties and to candidates. We must act to change this.

We must act to change this because too many people have lost faith in the system. People are turning away from the political process. They are surrendering what belongs most exclusively to them, their right to be heard on the issues that affect them, simply because they don’t believe their voices will carry over the sound of all that cash. The degree of distrust, dissatisfaction, and outright hostility expressed by the American people when asked about the political process overwhelms me.

We must act on comprehensive campaign finance reform. We must act to restore Americans’ trust in our political process. We must act to renew their hope in the capacity of our political system to respond to our society’s most basic problems and challenges. We must act to provide a channel for the anger that many Americans feel about the current system, and acknowledge the grassroots reform move-

ment that’s been building for years. These are our duties, and we must act to move the reform debate forward.

As Members of Congress, most pressing for us should be the question of why so many people no longer trust the political process, especially here in Congress, and what we can do to restore that trust. Polls and studies continue to show a profound distrust of Congress, and of our process. Many Americans see the system as inherently corrupt, and they despair of making any real changes because they figure special interests have the system permanently rigged.

Too many Americans believe that a small but wealthy and powerful elite controls the levers of government through a political process which rewards big donors, a system in which you have to pay to play. Why do you think corporate welfare has barely been nicked, but welfare for the poor and needy in this country has been gutted? The not-so-invisible hand of corporate PACs and well-heeled lobbyists, and huge corporate soft money contributions can be seen most openly here.

Too many Americans see our failures: to alleviate the harsh poverty that characterizes the lives of far too many of our inner-city residents; to reduce the widening gulf between rich and poor; to combat homelessness, drug addiction, decaying infrastructure, rising health care costs, and an unequal system of education.

And they want to know why we can’t, or won’t, act to address these problems head-on. Americans understand that without real reform, attempts to restructure our health care system, create jobs and rebuild our cities, protect our environment, make our tax system fairer and more progressive, fashion and energy policy that relies more on conservation and renewable sources, and solve other pressing problems will remain frustrated by the pressures of special interests and big-money politics.

In thinking about reform legislation, I start with the premise that political democracy has several basic requirements: First, free and fair elections. It is hard to argue plausibly that we have them now. That’s why people stay home on election day, why they don’t participate in the process. Incumbents outspend challengers 8 or 10-1, and special interests buy access to Congress itself, all of which warps and distorts the democratic process.

Second, the consent of the people. The people of this country, not special interest big money, should be the source of all political power. Government must remain the domain of the general citizenry, not a narrow elite.

Third, political equality. Everyone must have equal opportunity to participate in the process of government. This means that the values and preferences of all citizens, not just those who can get our attention by waving large campaign contributions in front

of us, must be considered in the political debate. One person, one vote—no more and no less—the most fundamental of democratic principles.

Each of these principles is undermined by our current system, funded largely through huge private contributions. Contributions that come with their own price tag attached—greater access and special consideration when push comes to shove. It's time for real reform.

Which is why I stand here today, reintroducing the "Clean Money, Clean Elections" legislation that we introduced during the last Congress. We have tightened and strengthened some of the nuts and bolts of the legislation, but it is much the same bill that it was when we first introduced it: simple and sweeping, fundamental campaign finance reform.

Money has always played a role in American politics and campaign spending is not a new problem, but it has exploded during the 1990s. In the 1993-94 election cycle, the national political parties raised \$101.6 million dollars in soft money contributions. By the 1997-98 election cycle that figure was up to \$224.4 million dollars in soft money. In the 1999-2000 election cycle that figure more than doubled to more than \$487.5 million.

However, we must not forget that nearly 80 percent of the money spent on elections during the last cycle was hard money. All together, over \$2.2 billion in hard money was raised by federal candidates and parties during the 2000 elections, a figure that dwarfs party soft money. Unfortunately, under McCain-Feingold, even more hard money will pour into our elections.

Of all the money given to Congressional candidates, almost none represented the millions of Americans who are poor, or parents of public school children, or victimized by toxic dumping or agri-chemical contamination, or who are small bank depositors and borrowers, or people dependent on public housing, transportation, libraries, and hospitals. It is clear who is represented under the current system and who is shut out.

During the last election, only 4 out of every 10,000 Americans made a contribution greater than \$200. Only 232,000 Americans gave contributions of \$1000 or more to federal candidates—one ninth of one percent of the voting age population. By raising the hard money limits in McCain-Feingold, the Senate voted to increase the amount of special interest money in politics and entrench candidates' dependence on a narrow, political, elite made up of wealthy individuals. This was step backward and it makes Clean Money reform all the more necessary.

The bill I am introducing today strikes directly at the heart of the crisis in the current system of campaign finance: the only way for candidates of ordinary means to run for office and win is to raise vast sums of money

from special interests, who in turn expect access and influence on public policy. Real campaign finance reform needs to restore a level playing field, open up federal candidacies to all citizens, end the perpetual money chase for Members of Congress, and limit the influence of special interest groups. This legislation does all of these things by offering: The strictest curbs on special-interest money and influence. The "Clean Money, Clean Elections" legislation bans completely the use of "soft money" to influence elections, discourages electioneering efforts masquerading as non-electoral "issue ads," provides additional funding to clean money candidates targeted by independent expenditures, and most importantly, allows candidates to reject private contributions if they agree to participate in the clean money system of financing. The greatest reduction in the cost of campaigns. Because it eliminates the need for fundraising expenses and provides a substantial amount of free and discounted TV and/or radio time for Federal candidates, this legislation allows candidates to spend far less than ever before on their campaigns. The most competitive and fair election financing. By providing limited but equal funding for qualified candidates, and additional funding for clean money candidates if they are outspent by non-participating opponents, this legislation allows qualified individuals to run for office on a financially level playing field, regardless of their economic status or access to larger contributors. Right now, the system is wired for incumbents because they are connected to the connected. The big players, the heavy hitters, tend to be attracted to incumbents, because that is where the power lies. This bill would allow all citizens to compete equally in the Federal election process. And an end to the money chase, shorter elections, and stronger enforcement.

"Clean Money, Clean Elections" campaign finance reform frees candidates and elected officials from the burden of continuous fundraising and thus allows public officials to spend their time on their real duties. In effect, it also shortens the length of campaigns, when the public is bombarded with broadcast ads and mass mailings, by limiting the period of time during which candidates receive their funding. Moreover it strengthens the enforcement and disclosure requirements in Federal campaigns.

What I am proposing are fundamental changes, necessary changes if we hope to ever regain the public's confidence in the political process. This legislation is both simple to understand and sweeping in scope. As a voluntary system this bill is constitutional, and it effectively provides a level playing field for all candidates who are able to demonstrate a substantial base of popular support. "Clean Money, Clean Elections" strengthens American democracy by returning political power to the ballot box and by

blocking special interests' ability to skew the system through large campaign contributions.

Most importantly, this legislation attacks the root cause of a system founded on private special interest money, curing the disease rather than treating the symptoms. The issue is no longer one of tightening already existing campaign financing laws, no longer a question of what's legal and what's illegal. The real problem is that most of what's wrong with the current system is perfectly legal. Big money special interests know how to get around the letter of the law as it is now written. This current system of funding congressional campaigns is inherently anti-democratic and unfair. It creates untenable conflicts of interests and screens out many good candidates. By favoring the deep pockets of special interest groups, it tilts the playing field in a way that sidelines the vast majority of Americans. This legislation takes special interest out of the election process and replaces it with the public interest, returning our political process to the hallowed principle of one person, one vote.

This week the Senate took an excellent, but limited, step forward. A complete overhaul of the financing of elections is required to fully restore the public confidence in our democracy. I believe the Clean Money approach is what is needed to get the job done.

By Mr. HUTCHINSON (for himself, Ms. MIKULSKI, Mr. WARNER, Mr. ENZI, Mr. BINGAMAN, Mr. ROBERTS, Mr. FRIST, and Ms. COLLINS):

S. 721. A bill to amend the Public Health Service Act to establish a Nurse Corps and recruitment and retention strategies to address the nursing shortage, and for other purposes; to the Committee on Health, Education, Labor, and Pension.

Mr. HUTCHINSON. Mr. President, today, I am pleased to introduce the Nurse Employment and Education Development—or NEED Act—critical legislation to address the current and impending nursing shortages in our country. I am joined by Senators MIKULSKI, WARNER, ENZI, BINGAMAN, ROBERTS, FRIST and COLLINS.

This year, the first order of business of the Aging Subcommittee, of which I am Chairman, was to hold a hearing on the nursing shortage and its impact on our health care delivery system. Recent nursing statistics paint a grim picture for the future of the nursing workforce, when millions of Baby Boomers will retire and place an unprecedented strain on the health care system. By the year 2020, it is projected that nursing needs will be unmet by at least 20 percent.

This is in large part due to a shrinking pipeline. The average age of Registered Nurses is 43.3 years. Nurses under age 30 comprise less than 10 percent of today's nurse workforce. Minorities, including men, remain a minuscule percentage of the workforce.

The cumulative effect of all this is that nurses and nurse faculty are retiring or leaving the profession at a rapid rate, and only a small number of nurses and nurse educators are taking their place.

In my home state of Arkansas, 153 eligible nursing students were turned away in 1999 because of the lack of faculty to teach them. In the meantime, over 750 nursing vacancies have been reported by Arkansas hospitals, and I know that this trend is being experienced by many more health care providers across the state. What is happening in Arkansas is becoming a major issue across the country.

The NEED Act builds on the programs currently in the Nurse Education Act and adds several new, innovative approaches to alleviate the nursing shortage. In the area of recruitment, the NEED Act establishes a Nurse Corps, which is essential to attracting able individuals into the nurse workforce to fill current and future health needs. In particular, the NEED Act expands the existing nurse loan repayment program under the Nurse Education Act and by adding scholarships for which nursing students can qualify in exchange for at least 2 years of service in a critical nurse shortage area or in a variety of health care facilities determined to have a shortage in nursing. In addition, the NEED Act adds nursing homes, home health agencies, public health departments and nurse management health centers to the list of eligible entities to fulfill this service requirement.

Changing the image of nursing and promoting workforce diversity is another key recruiting factor to get people, especially young people, interested in nursing careers. The NEED Act provides funding for multi-media campaigns at the federal and state level to reach out to individuals to encourage them to consider nursing as they make career choices.

The NEED Act also provides grants for community partnerships to develop innovative nurse recruiting and retention strategies tailored to a particular community, and authorizes additional funding for workforce diversity grants already provided for under the Nurse Education Act.

In order to strengthen the existing workforce, the NEED Act provides grant funding for: career ladder programs to facilitate educational advancement for individuals with existing nursing degrees or health care training; long-term care training for nurses who will inevitably be dealing with an older patient population; and nursing internships and residencies to meet the current demand for nurses with specialty training, be it in the ER or the labor and delivery room.

Finally, the NEED Act provides for a fast-track faculty development program, which seeks to encourage master's and doctoral students to rapidly complete their studies through loans and scholarships. We must realize that getting people into the pipeline will

mean very little if we do not have the teachers to teach them. Individuals receiving financial assistance through the fast-track faculty program must agree to teach at an accredited school of nursing in exchange for this assistance.

This is a bipartisan issue and it is becoming a nationwide concern. I hope that we can work together to successfully secure passage of the NEED Act and other meaningful solutions.

I ask unanimous consent that the text of the Nurse Employment and Education Development (NEED Act) be printed in the RECORD.

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

S. 721

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 "Nursing Employment and Education Development Act" or the "NEED Act".

SEC. 2. AMENDMENTS TO THE PUBLIC HEALTH SERVICE ACT.

(a) **NURSE CORPS LOAN REPAYMENT PROGRAM.**—Section 846 of the Public Health Service Act (42 U.S.C. 297n) is amended by—

(1) in subsection (a)(3), by inserting "in a skilled nursing facility, in a home health agency, in a public health department, in a nurse-managed health center," after "in a public hospital,"; and

(2) in subsection (g), by striking "\$5,000,000" and all that follows to the period and inserting "\$10,000,000 for fiscal year 2002 and \$15,000,000 in 2003".

(b) **GRANT PROGRAMS.**—Title VIII of the Public Health Service Act (42 U.S.C. 296 et seq.) is amended by adding at the end the following:

PART H—NURSE CORPS SCHOLARSHIP PROGRAM

SEC. 851. NURSE CORPS SCHOLARSHIP PROGRAM.

"(a) **PROGRAM AUTHORIZED.**—The Secretary shall establish a Nurse Corps Scholarship program (referred to in this section as the 'program') to provide scholarships to individuals seeking nursing education in exchange for service from such individuals in a critical nursing shortage area upon completion of such education.

"(b) **PURPOSE.**—The purpose of the program is to assure that—

"(1) an adequate supply of nurses, at all preparation levels up to the doctoral level, are available to meet the nursing needs in critical nursing shortage areas;

"(2) an adequate supply of nurse educators are available to meet the nursing education needs of the Nation; and

"(3) preference will be given to the preparation of minority nurses and individuals who demonstrate greatest financial need for nursing and nurse faculty scholarships.

"(c) **CRITICAL NURSING SHORTAGE AREA.**—

"(1) **IN GENERAL.**—The term 'critical nursing shortage area' means—

"(A) an urban or rural area that the Secretary determines is experiencing a nursing shortage;

"(B) a population that the Secretary determines has such a shortage; or

"(C) a medical facility or other public or private facility that the Secretary determines has a shortage.

"(2) **FACTORS TO CONSIDER.**—In making a determination regarding a critical nursing shortage area, the Secretary shall the cri-

teria in section 846 for not more than 12 months, and after such period, the following:

"(A) The ratio of available nurses to the number of individuals in the area or population group.

"(B) The demonstrated need of a medical facility or other public health facility in the area.

"(C) The presence of innovative retention strategies utilized by eligible facilities.

"(d) **ELIGIBILITY.**—To be eligible for the program an individual shall—

"(1) be accepted for enrollment, or be enrolled, as a full- or part-time student in an accredited nursing program; and

"(2) submit an application for the program; and

"(3) submit a written contract, at the time of submitting the application, accepting payment of a scholarship in exchange for providing the required service in a critical nursing shortage area.

"(e) **PREFERENCE.**—In selecting individuals to participate in the program, the Secretary shall give priority to any application submitted by an individual—

"(1) who has characteristics that increase the probability that the individual will continue to serve in a critical nursing shortage area after the period of obligated service is complete;

"(2) who has an interest in a practice area of nursing, including teaching nursing, that has unmet needs; and

"(3) who is from a disadvantaged background or demonstrates the greatest financial need.

"(f) **APPLICATION.**—The Secretary shall create an application form for any individual desiring to participate in the program, and include in such form—

"(1) a summary of the rights and liabilities of an individual whose application is approved (and whose contract is accepted) by the Secretary;

"(2) information respecting meeting a service obligation through private practice under an agreement; and

"(3) any other information that the individual needs to understand the program, including a statement of all factors considered in approving applications for the program.

"(g) **CONTRACT.**—

"(1) **IN GENERAL.**—The Secretary shall prepare a written contract for the program that shall be provided to any individual desiring to participate in the program at the time that an application is provided to such individual.

"(2) **CONTENT.**—The contract described in paragraph (1) shall be an agreement between the Secretary and individual that states that, subject to paragraph (3)—

"(A) the Secretary agrees to—

"(i) provide the individual with a scholarship in each such school year or years for a period of years (not to exceed 4 school years) determined by the individual, during which period the individual is pursuing a course of study; and

"(ii) accept the individual into the Corps (or for equivalent service as otherwise provided in this section); and

"(B) the individual agrees to—

"(i) accept provision of such a scholarship to the individual;

"(ii) maintain enrollment in a course of study until the individual completes the course of study;

"(iii) while enrolled in such course of study, maintain an acceptable level of academic standing (as determined under regulations of the Secretary by the educational institution offering such course of study); and

"(iv) serve for required period of service equal to—

“(I) 1 year for each school year for which the individual was provided a scholarship under the program, or

“(II) 2 years,

whichever is greater, as a provider of nursing services in a critical nursing shortage area to which he or she is assigned by the Secretary as a member of the program, or as otherwise provided in this section.

“(3) LIMITATION.—The contract described in paragraph (1) shall contain a provision that any financial obligation of the United States arising out of a contract entered into under this section and any obligation of the individual which is conditioned thereon, is contingent upon funds being appropriated for scholarships under this section.

“(h) PAYMENT.—

“(1) IN GENERAL.—A scholarship provided to a student for a school year under a written contract under the program shall consist of—

“(A) payment to, or (in accordance with paragraph (2)) on behalf of, the student of the amount of—

“(i) the tuition of the student in such school year; and

“(ii) all other reasonable educational expenses, including fees, books, and laboratory expenses, incurred by the student in such school year; and

“(B) payment to the student of a stipend of \$400 per month (adjusted in accordance with paragraph (3)) for each month the student is enrolled.

“(2) CONTRACT.—The Secretary may contract with an educational institution, in which a participant in the program is enrolled, for the payment to the educational institution of the amounts of tuition and other reasonable educational expenses described in paragraph (1)(A).

“(3) MONTHLY STIPEND.—The amount of the monthly stipend, specified in paragraph (1)(B) and as previously adjusted (if at all) in accordance with this paragraph, shall be increased by the Secretary as the Secretary determines to be reasonable.

“(i) BREACH OF AGREEMENT.—

“(1) IN GENERAL.—Subject to paragraph (2), if an individual participates in the program under this section and agrees to provide health services for a period of time in consideration for receipt of an award of Federal funds for education as a nurse, the following applies:

“(A) FAILURE REGARDING EDUCATION.—The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual—

“(i) fails to maintain an acceptable level of academic standing in the nursing program (as indicated by the program in accordance with requirements established by the Secretary);

“(ii) is dismissed from the nursing program for disciplinary reasons; or

“(iii) voluntarily terminates the nursing program.

“(B) FAILURE REGARDING SERVICE.—The individual is liable to the Federal Government for the amount of such award (including amounts provided for expenses related to such attendance), and for interest on such amount at the maximum legal prevailing rate, if the individual fails to provide health services in accordance with the program for the required time period.

“(2) WAIVER OR SUSPENSION OF LIABILITY.—The Secretary shall waive liability under paragraph (1) if compliance by the individual with the agreement involved is impossible, or would involve extreme hardship to the individual, and if enforcement of the agree-

ments with respect to the individual or facility would be unconscionable.

“(j) INFORMATION OF THE PROGRAM.—The Secretary shall distribute material regarding the program to junior and senior high schools, community colleges, universities, and schools of nursing. The Secretary shall encourage such schools to disseminate such material to the students of such schools.

“(k) SERVICE INFORMATION.—The Secretary shall provide to an individual who has participated in the program and is nearing the conclusion of his or her service obligation, information regarding other opportunities for nursing in critical nursing shortage areas.

“(l) REPORT.—Not later than 18 months after the first loan cycle, and annually thereafter, the Secretary shall prepare and submit to Congress a report describing the program, including statements regarding—

“(1) the number of enrollees, scholarship, and grant recipients by year of study;

“(2) the number of graduates;

“(3) the amount of scholarship payments made for each of tuition, stipends, and other expenses;

“(4) which educational institutions the scholar attended;

“(5) the number and placement location of the scholars;

“(6) the default rate and actions required;

“(7) the amount of outstanding default funds;

“(8) to the extent that can be determined, the reason for the default;

“(9) the demographics of the individuals participating in the scholarship program; and

“(10) recommendations for future modifications of the scholarship program.

“(m) AUTHORIZATION OF APPROPRIATIONS.—

There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002 and \$15,000,000 for fiscal years 2003 and 2004.

PART I—NURSE RECRUITMENT

SEC. 855. PUBLIC AWARENESS AND EDUCATION CAMPAIGN.

“(a) NATIONAL CAMPAIGN.—

“(1) IN GENERAL.—The Secretary shall develop and administer a comprehensive national multi-media public education campaign to enhance the image of the nursing profession, promote diversity in the workforce, encourage individuals to enter the nursing profession, and encourage career development for individuals in the nursing profession.

“(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection, \$5,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

“(b) STATE CAMPAIGNS.—

“(1) IN GENERAL.—The Secretary shall award grants to eligible entities to establish the multi-media campaigns described in subsection (a) at a State level.

“(2) DEFINITIONS.—

“(A) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a professional State nursing association, State health care provider association, school of nursing, and any other entity that provides similar services or serves a like function.

“(B) STATE HEALTH CARE PROVIDER ASSOCIATION.—The term ‘State health care provider association’ means a professional association of hospitals, nursing homes, home health care agencies, hospices, consortia of said associations, or other such entities deemed eligible by the Secretary.

“(3) LIMITATION.—An eligible entity that receives a grant under this subsection shall not use funds received through such grant to advertise particular employment opportuni-

ties or recruit members or affiliates of such entity.

“(4) APPLICATION.—Each eligible entity that desires a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(5) EQUITABLE BROADCASTING.—The campaigns described in paragraph (1) shall be broadcast in such a manner as to inform diverse populations throughout the State of nursing opportunities, including rural populations.

“(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$5,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

SEC. 856. AREA HEALTH EDUCATION CENTERS PROGRAM.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to schools of nursing to expand the operation of area health education centers under section 751 to work in communities to develop models of excellence for school nurses, public health nurses, perinatal outreach nurses, and other community-based nurses, or to expand any junior and senior high school mentoring programs to include a nurse mentoring program.

“(b) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$5,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

SEC. 857. COMMUNITY NURSE OUTREACH GRANTS.

“(a) PROGRAM AUTHORIZED.—The Secretary, acting through the Director of the Office of Rural Health Policy (of the Health Resources and Services Administration) shall award grants to community-based partnerships to establish programs to recruit and retain nurses.

“(b) COMMUNITY-BASED PARTNERSHIPS.—The term ‘community-based partnerships’ means a health care provider and a community partner, such as a school, nursing program, faith-based organization, university, community college, public health department, State health care provider association, professional State nursing association, hospice care program or other entity deemed eligible by the Secretary, that forms a partnership with not less than 2 other entities in the community to develop a network to recruit and retain nurses in the community.

“(c) PRIORITY.—In awarding grants under subsection (a), the Secretary shall give priority to—

“(1) community-based partnerships seeking to recruit and retain nurses in rural communities and medically underserved urban communities, and other communities experiencing a nursing shortage; and

“(2) community-based partnerships seeking to address such needs as dependent care, transportation, or others as deemed appropriate by the Secretary.

“(d) APPLICATION.—A community-based partnership seeking a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

SEC. 858. EDUCATIONAL ASSISTANCE IN NURSING REGARDING INDIVIDUALS FROM DIVERSE OR DISADVANTAGED BACKGROUNDS.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to assist individuals from disadvantaged backgrounds to pursue nursing education opportunities and nursing career positions.

“(b) ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ has the same meaning given such term in section 801(1).

“(c) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use funds received under such grant to increase nursing education opportunities for individuals from disadvantaged backgrounds, including by providing student scholarships, stipends, pre-entry preparation, and retention activities.

“(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

PART J—STRENGTHENING THE NURSE WORKFORCE**SEC. 861. GRANTS FOR CAREER LADDER PROGRAMS.**

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to develop programs that aid and encourage individuals in nursing programs to pursue additional nursing education and training.

“(b) DEFINITIONS.—

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a school of nursing or a health care facility, or a partnership of such school and facility.

“(2) HEALTH CARE FACILITY.—The term ‘health care facility’ means a hospital, nursing home, home health care agency, hospice, federally qualified health center, federally qualified community health center, rural health clinic, or public health clinic.

“(c) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use such funds received through such grant to—

“(1) provide career counseling to individuals seeking to advance within the nursing profession;

“(2) promote career mobility for nursing personnel by providing training in a variety of settings and specialty training; and

“(3) develop programs to facilitate educational advancement for individuals with existing degrees or health care training.

“(d) APPLICATION.—An eligible entity seeking a grant under subsection (a) shall submit an application to the Secretary at such time, in such a manner, and containing such information as the Secretary may reasonably require.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

SEC. 862. GRANTS FOR NURSE TRAINING.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to encourage individuals to enter the nursing profession with a focus on providing long-term care.

“(b)(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a school of nursing or a health care facility, or a partnership of such school and facility.

“(2) HEALTH CARE FACILITY.—The term ‘health care facility’ means a hospital, nursing home, home health care agency, hospice, federally qualified health center, federally qualified community health center, rural health clinic, or public health clinic.

“(c) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall

use such funds received through such grant to—

“(1) provide education and training to individuals who will provide long-term care; and

“(2) expand the enrollment in nursing programs, especially programs that focus on training individuals in the provision of long-term care.

“(d) APPLICATION.—An eligible entity seeking a grant under subsection (a) shall submit an application to the Secretary at such time, in such a manner, and containing such information as the Secretary may reasonably require.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

SEC. 863. GRANTS FOR INTERNSHIP AND RESIDENCY PROGRAMS.

“(a) PROGRAM AUTHORIZED.—The Secretary shall award grants to an eligible entity to develop internship and residency programs that encourage mentoring and the development of specialties.

“(b) DEFINITIONS.—

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a health care facility, or a partnership of a school of nursing and health care facility.

“(2) HEALTH CARE FACILITY.—The term ‘health care facility’ means a hospital, nursing home, home health care agency, hospice, federally qualified health center, federally qualified community health center, rural health clinic, or public health clinic.

“(c) USE OF FUNDS.—An eligible entity that receives a grant under subsection (a) shall use such funds received through such grant to—

“(1) develop internship and residency programs and curriculum and training programs for graduates of a nursing program;

“(2) provide funding for faculty and mentors; and

“(3) provide funding for nurses participating in internship and residency programs on both a full-time and part-time basis.

“(d) APPLICATION.—An eligible entity seeking a grant under subsection (a) shall submit an application to the Secretary at such time, in such a manner, and containing such information as the Secretary may reasonably require.

“(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for fiscal years 2003 and 2004.

PART K—NURSE FACULTY DEVELOPMENT**SEC. 865. FAST-TRACK NURSING FACULTY LOAN PROGRAM.****“(a) PROGRAM AUTHORIZED.—**

“(1) IN GENERAL.—The Secretary is authorized to enter into an agreement for the establishment and operation of a student loan fund with any public or nonprofit private school of nursing to aid masters or doctoral level students.

“(2) LIMITATION.—Assistance provided under paragraph (1) for a part-time masters degree program shall be provided for not more than 6 years and for a part-time doctoral degree program for not more than 7 years.

“(b) AGREEMENT.—Each agreement entered into under this section shall—

“(1) provide for the establishment of a student loan fund by the school;

“(2) provide for the deposit in the fund of Federal contributions, additional amounts received from other sources, collections of principal and interest on loans made from the fund, and any other earnings of the fund;

“(3) provide that the fund shall only be used for loans to students of the school in ac-

cordance with the agreement and for costs of collection of such loans and interest thereon; and

“(4) provide that the loan shall only be used to meet the costs of projects that help individuals seek a masters degree or a doctoral degree.

“(c) LIMITATIONS.—The total of the loans for any academic year made by schools of nursing from loan funds established pursuant to agreements under this section may not exceed \$35,000 in the case of any student. In the granting of such loans, a school shall give preference to persons with exceptional financial need.

“(d) TERMS AND CONDITIONS OF LOANS.—Loans from any student loan fund by any school shall be made on such terms and conditions as the school may determine, subject to limitations the Secretary may prescribe (by regulation or in the agreement with the school) to prevent the impairment of the capital of such fund while enabling the student to complete his course of study, except that—

“(1) such a loan may be made only to a student who—

“(A) is in financial need of the amount of the loan to pursue a full- or part-time course of study at the school to obtain a masters degree with a concentration in education or a doctoral degree; and

“(B) is capable, in the opinion of the school, of maintaining good standing in such course of study;

“(2) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the 10-year period which begins 9 months after the student ceases to pursue a full- or part-time course of study at a school of nursing, excluding from such 10-year period all—

“(A) periods (up to 3 years) of—

“(i) active duty performed by the borrower as a member of a uniformed service; or

“(ii) service as a volunteer under the Peace Corps Act; and

“(B) periods (up to 10 years) during which the borrower is pursuing a full-time or half-time course of study in advanced nursing education at a school of nursing;

“(3) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that the borrower has become permanently and totally disabled;

“(4) such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable, at the rate of 5 percent per annum;

“(5) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by the borrower would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

“(6) no note or other evidence of any such loan may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program, such note or other evidence of a loan may be transferred to such other school;

“(7) any student receiving a loan shall agree to teach at an accredited school of nursing for each year of assistance after the masters or doctoral degree has been obtained; and

“(8) pursuant to uniform criteria established by the Secretary, the repayment period established under paragraph (2) for any student borrower who during the repayment period failed to make consecutive payments

and who, during the last 12 months of the repayment period, has made at least 12 consecutive payments may be extended for a period not to exceed 10 years.

“(e) CANCELED LOAN.—Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

“(f) PAYMENTS.—Any loan for any year by a school from a student loan fund established pursuant to an agreement under this section shall be made in such installments as the Secretary determines, and, upon notice to the Secretary by the school that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of the loans shall be withheld, as may be appropriate.

“(g) CHARGES.—Subject to regulations of the Secretary and in accordance with this section, a school shall assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this section for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (d)(2), for any failure to file timely and satisfactory evidence of such entitlement. No such charge may be made if the payment of such installment or the filing of such evidence is made within 60 days after the date on which such installment or filing is due. The amount of any such charge may not exceed an amount equal to 6 percent of the amount of such installment. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

“(h) REPAYMENT.—Upon application by a person who received and is under an obligation to repay, any loan made under this section, the Secretary may repay (without liability to the applicant) all or a part of such loan, and any interest or portion outstanding, if the applicant—

“(1) failed to complete the nursing studies with respect to which such loan was made;

“(2) is in exceptionally needy circumstances; and

“(3) has not resumed, or cannot reasonably be expected to resume, such nursing studies within 2 years following the date upon which the applicant terminated the studies with respect to which such loan was made.

“(i) APPLICATIONS.—The Secretary shall from time to time set dates by which schools of nursing must file applications for Federal capital contributions.

“(j) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002 and \$15,000,000 for fiscal years 2003 and 2004.

SEC. 866. STIPEND AND SCHOLARSHIP PROGRAM.

“(a) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary shall establish a scholarship and stipend program to encourage individuals to seek a masters degree or a doctoral degree at a school of nursing.

“(2) LIMITATION.—Assistance provided under paragraph (1) for a part-time masters degree program shall be provided for not more than 6 years and for a part-time doctoral degree program not more than 7 years.

“(b) ELIGIBILITY.—To be eligible to receive a scholarship or stipend under this section, an individual shall—

“(1) submit an application to the Secretary at such time, in such manner, and con-

taining such information as the Secretary may reasonably require;

“(2) enter into an agreement with the Secretary to accept the scholarship in consideration for remaining enrolled in a nursing school and teaching at an accredited school of nursing for 1 year for each year of assistance with a course load determined by the school of nursing where the teaching will take place.

“(c) APPLICATION.—The Secretary shall disseminate application forms to individuals and in such forms, include—

“(1) a summary of the rights and liabilities of an individual whose application is approved by the Secretary; and

“(2) information respecting meeting the service obligation described in subsection (b)(2).

“(d) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$10,000,000 for fiscal year 2002 and \$15,000,000 for fiscal years 2003 and 2004.

PART L—NATIONAL COMMISSION ON NURSING CRISIS

SEC. 871. NATIONAL COMMISSION ON NURSING CRISIS.

“(a) IN GENERAL.—There is established a commission known as the National Commission on the Nursing Crisis (referred to in this section as the ‘Commission’).

“(b) DUTIES.—The Commission shall meet at least four times and shall study and make recommendations to the appropriate committees of Congress regarding—

“(1) agency initiatives and legislative actions that are necessary to address the nursing shortage in the short and long term;

“(2) nurse training, nurse recruitment, retention of nurses, workplace issues for nurses, funding for nursing programs in this Act and the Social Security Act, and infrastructure issues;

“(3) the facilitation of career advancement within the nursing profession;

“(4) attracting middle and high school students into nursing careers;

“(5) nurse education issues; and

“(6) the effectiveness of current nursing recruitment and retention programs, and what changes might be needed.

“(c) MEMBERSHIP.—Not later than 3 months after the date of enactment of this section, the Comptroller General shall appoint members of the Commission (taking into account rural and urban areas, geographic diversity, and the diversity of the patient population within such areas) which shall be composed of 19 members of whom—

“(1) at least ½ of such members shall be nurses and nursing assistants with different levels of education, and a significant portion of such shall be currently practicing as nurses; and

“(2) the other portion of such members shall be—

“(A) representatives of schools of nursing;

“(B) nursing students;

“(C) representatives of primary and secondary schools;

“(D) representatives of the Departments of Health and Human Services and Education;

“(E) representatives of public health departments;

“(F) representatives of employers and facilities, such as hospitals, long term care facilities, and home health agencies;

“(G) patients and representatives of patients;

“(H) representatives of professional nursing associations;

“(I) representatives of health plans or health insurance issuers;

“(J) union representatives who are nurses; and

“(K) representatives of other health care provider groups.

“(d) CHAIRPERSON.—The Secretary shall serve as the chairperson of the Commission.

“(e) SUBCOMMITTEES.—The Chairperson shall have the authority to create subcommittees as the Chairperson determines is necessary.

“(f) STAFF.—The Secretary shall provide any staff that the Commission shall require.

“(g) QUORUM.—Nine members of the Commission shall constitute a quorum.

“(h) VACANCIES.—Any vacancy in the Commission shall not affect the powers of the Commission, but shall be filled in the same manner as the original appointment and shall be made not later than 30 days after the date on which the Commission is given notice of such vacancy.

“(i) COMPENSATION.—Members of the Commission shall receive no additional compensation by reason of their service to the Commission. Each member shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

“(j) REPORT.—Not later than 15 months after the date of enactment of this section, the Commission shall prepare and submit to Congress and the Secretary, a report that makes the recommendations described in subsection (b) and reports on any best practices that such Commission determines.

“(k) SUNSET.—This section shall be effective for 15 months from the date of enactment of this section.

“(l) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$500,000 for fiscal year 2002.”.

Mr. FRIST. Mr. President, we are in the midst of a nursing workforce shortage. Not only are fewer people entering and staying in the nursing profession, but we are losing nurses at a time of growing need. Today, nurses are needed in a greater number of settings, such as nursing homes, extended care facilities, community and public health settings, nursing education, and ambulatory care settings. Nationally, health care providers, ranging from hospitals and nursing homes to home health agencies and public health departments are struggling to find qualified nurses to provide safe, efficient quality care for their patients.

Though we have faced nursing shortages in the past, this shortage is particularly troublesome because it reflects two trends that are occurring simultaneously: (1) a shortage of people entering the profession and (2) the retirement of nurses who have been working in the profession for many years. Over the past 5 years, enrollment in entry-level nursing programs has declined by 20%, mirroring the declining awareness of the nursing profession among high school graduates. Consequently, nurses under the age of 30 represent only 10% of the current workforce; and by 2010, 40% of the nursing workforce will be over the age of 50 and nearing retirement. If these trends are not reversed, we stand to lose vast numbers of nurses at the very time that they will be needed to care for the millions of baby boomers reach retirement age.

Further, greater efforts must be made to recruit more men and minorities to this noble profession. Currently, only 10% of the registered nurses in the United States are from racial or ethnic minority backgrounds, even though these individuals comprise 28% of the total United States population. In 2000, only 5.9% of the registered nurses were men. We must work to promote diversity in the workforce, not only to increase the number of individuals within the profession but also to promote culturally competent and relevant care.

Even if nursing schools could recruit more students to deal with the shortage, many schools could not accommodate higher enrollments because of faculty shortages. There are nearly 400 faculty vacancies at nursing schools in this country. And, an even greater faculty shortage looms in the next 10-15 years as many current nursing faculty approach retirement and fewer nursing students pursue academic careers.

Therefore, I am pleased to join Senator HUTCHINSON in introducing the Nursing Employment and Education Development (NEED) Act to expand current programs addressing the increasing number of settings which rely on nurses to provide care, to attract young people to the nursing profession, and to promote career mobility. The NEED Act complements legislation that I am developing as Chairman of the Subcommittee on Public Health—the reauthorization of the National Health Service Corps (NHSC). The NHSC, a program designed to address the geographic maldistribution of health professionals, cannot be the only solution sought to deal with our nursing shortage. Initiatives like the NEED Act are also a critical component of a comprehensive strategy to address this growing problem.

Specifically, the NEED Act will develop a national Nurse Corps Program that will allow nurses to receive scholarships and loan repayment assistance for agreeing to serve at least two years in nursing homes, home health agencies, public health departments, health centers, public hospitals, or rural health clinics. This program expansion more accurately address the number of settings affected by the nursing shortage and allows for stronger recruitment efforts for disadvantaged students.

The bill will also help to attract young people to the profession by funding a multi-media, public campaign to enhance the image of the nursing profession, promote diversity in the workforce, and encourage career development for those already in the profession. The NEED Act further promotes community involvement by providing community outreach grants to providers and community partners to develop and implement creative strategies for nurse recruitment and retention. The bill also expands the Area Health Education Centers program to enhance recruitment and retention of nurses in rural areas.

The NEED Act promotes career mobility by expanding career ladder programs and encouraging individuals to pursue advanced education through available scholarships and stipends. The bill also authorizes a Fast-Track Nursing Faculty Scholarships and Loan Program—a program providing scholarships, loans, and monthly stipends to college graduates and master's students to allow full-time study and faster completion of doctoral studies. To assist nursing schools in preparing those students, the NEED Act provides needed funding for long-term care training and for internship or residency programs to encourage mentoring and the development of subspecialists.

The NEED Act will help assure a strong and vibrant nursing workforce, allowing us to avoid the harmful effects of a long-term nursing shortage. I appreciate Senator HUTCHINSON's work on this issue, and I am pleased to join him to day to introduce a bill that represents an important and thoughtful response to this pressing issue.

Ms. MIKULSKI. Mr. President, I rise to join with my colleague, Senator TIM HUTCHINSON, today to introduce the Nursing Employment and Education Development or "NEED" Act. This bill is sorely needed, because we have a nursing shortage. In Maryland, 15% of the nursing jobs are vacant. Last year, it took an average of 68 days to fill a nurse vacancy, and we need about 1,600 more full-time nurses to fill those vacancies. There were 2,000 fewer nurses in Maryland in 1999 than there were in 1998. The shortage exists across the United States, and will get worse in the future. Nationwide, we will need 1.7 million nurses by the year 2020, but only about 600,000 will be available.

We depend on nurses every day to care for millions of Americans, whether in a hospital, nursing home, health center, hospice, or through home health. They are the backbone of our health care system. If we don't effectively address the crisis in nursing, those hospitals, nursing homes and clinics will soon be on life support.

This bill is a downpayment. It doesn't address the fact that nurses are underpaid, overworked, and under-valued, but it does focus on education. The NEED Act seeks to help bring men and women into the nursing profession, and help them advance within it. The bill does this under five major approaches:

Nurse Corps: Creates a Nurse Corps Scholarship Program, which provides scholarships in exchange for at least 2 years of service in a critical nurse shortage area, authorizes increased funding for the nursing education loan repayment program.

Nurse Recruitment and Retention:

Creates a public awareness and education campaign, to be carried out on the state and national level, to enhance the image of nursing, promote diversity in the nursing workforce, and encourage people to enter the nursing profession, enables Area Health Education Centers (AHECs) to expand their junior and senior high school mentoring pro-

grams for nurses and develop "models of excellence" for community-based nurses, creates networks between health care facilities and community organizations that will recruit and retain nurses in the community.

Nurse Training: Creates "career ladder" programs that will encourage nurses and nursing students to pursue additional education and training and advance within the profession, encourages students to enter the nursing profession with a focus on long-term care develops internship and residency programs that encourage mentoring and the development of specialties such as labor and delivery and emergency room nursing.

Nursing Faculty Development: Provides scholarships and loans for graduate-level education in nursing, to help ensure that we have enough teachers at our nursing schools.

National Commission on the Nursing Crisis: Creates a National Commission on the Nursing Crisis, modeled after the Maryland Commission on the Crisis in Nursing, which will study and make recommendations to Congress within 1 year on how to address the nursing shortage in the short and long term.

This bill is about nursing education, but it's also about empowerment. We can empower people to have a better life and go into a career to save lives.

The bill will empower the single mom who has been working in a dead-end retail job to forge a better life for herself and her family. It will help her get a scholarship to help pay for tuition, books, and lab fees, and by funding child care programs to help her balance work and family.

The bill empower the nurse who has a baccalaureate degree, but wants to get a Master's degree so she can teach nursing at a community college. It will help her get loans, scholarships, and living stipends to pursue that degree.

This bill also will fund partnerships between schools and health care providers to inspire the next generation of nurses. For example, a 12-year old boy or girl in Suitland, Maryland who is interested in nursing, could like up with a "buddy" or mentor at the local hospital. That mentor could help the student with science homework, or even let the student "shadow" the mentor at work.

It is important that we add these programs to the federal law books. But as a member of the Appropriations Committee, I know how important it is that we fund them and our existing programs in the federal checkbook. That's why I was disturbed to read in the newspaper yesterday that President Bush plans to cut funding for education and training programs for doctors, nurses, pharmacists, and other health professionals from \$353 million to just \$140 million. That's a cut of \$213 million! Such a move would be penny-wise and pound-foolish.

President Bush wants to slow the growth of federal spending, but he can't slow the growth of illness, or of our aging population. He adds money for community health centers, which I support. But who will staff them? Without nurses, more community health centers are a hollow opportunity. He adds more money for medical research at the National Institutes of Health, which I support. But he

doesn't fund the programs that will train the pharmacists who will dispense the medicines that come from that medical research, or a real Medicare prescription drug benefit so that seniors can afford them. Again, this is a hollow opportunity. I urge the President to reconsider, and the Congress to reject his approach.

I hope to work with my colleagues on both sides of the aisle to enhance opportunity for nurses and recruit new nurses into the profession by enacting this bill into law this year. Thank you.

By Mr. FRIST (for himself, Mr. REED, and Mr. LUGAR):

S. 722. A bill to amend the Communications Act of 1934 to prohibit telemarketers from interfering with the caller identification service of any person to whom a telephone solicitation is made, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. FRIST. 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. 722

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 "Telemarketer Identification Act of 2001".

SEC. 2. PROHIBITION ON INTERFERENCE WITH CALLER IDENTIFICATION SERVICES.

(a) IN GENERAL.—Section 227 of the Communications Act of 1934 (47 U.S.C. 227) is amended—

(1) by redesignating subsections (e) and (f) as subsections (f) and (g), respectively; and

(2) by inserting after subsection (d) the following new subsection (e):

"(e) PROHIBITION ON INTERFERENCE WITH CALLER IDENTIFICATION SERVICES.—

"(1) IN GENERAL.—It shall be unlawful for any person or entity within the United States, in making any commercial telephone solicitation, to interfere with or circumvent the ability of a caller identification service to access or provide to the recipient of the call the information about the call (as required under the regulations issued under paragraph (2)) that such service is capable of providing.

"(2) REGULATIONS.—Not later than 18 months after the date of the enactment of the Telemarketer Identification Act of 2001, the Commission shall prescribe regulations to implement this subsection. The regulations shall—

"(A) require any person or entity making a commercial telephone solicitation to make such solicitation in a manner such that a recipient of such solicitation having a caller identification service capable of providing such information will be provided by such service with—

"(i) the name of the person or entity on whose behalf such solicitation is being made, or the name of the person or entity making the solicitation; and

"(ii) a valid and working telephone number at which the person or entity making such solicitation or the person or entity on whose behalf such solicitation was made may be reached during regular business hours for the purpose of requesting that the recipient of such solicitation be placed on the do-not-call

list required under section 64.1200 of the Commission's regulations (47 CFR 64.1200) to be maintained by the person making such solicitation; and

"(B) provide that any person or entity who receives a request from a person to be placed on such do-not-call list may not use such person's name and telephone number for any other telemarketing purpose (including transfer or sale to any other entity for telemarketing use) other than enforcement of such list.

"(3) PRIVATE RIGHT OF ACTION.—A person or entity may, if otherwise permitted by the laws or rules of court of a State, bring in an appropriate court of that State—

"(A) an action based on a violation of this subsection or the regulations prescribed under this subsection to enjoin such violation;

"(B) an action to recover for actual monetary loss from such a violation, or to receive \$500 in damages for each such violation, whichever is greater; or

"(C) both such actions.

If the court finds that the defendant willfully or knowingly violated this subsection or the regulations prescribed under this subsection, the court may, in its discretion, increase the amount of the award to an amount equal to not more than 3 times the amount available under subparagraph (B).

"(4) DEFINITIONS.—In this subsection:

"(A) CALLER IDENTIFICATION SERVICE.—The term 'caller identification service' means any service or device designed to provide the user of the service or device with the telephone number of an incoming telephone call.

"(B) TELEPHONE CALL.—The term 'telephone call' means any telephone call or other transmission which is made to or received at a telephone number of any type of telephone service. Such term includes calls made by an automatic telephone dialing system, an integrated services digital network, and a commercial mobile radio source."

"(b) DELAYED EFFECTIVE DATE.—

(1) IN GENERAL.—The regulations prescribed by the Federal Communications Commission under subsection (e) of section 227 of the Communications Act of 1934, as added by subsection (a), shall take effect on the date that is two years after the date of the enactment of this Act.

(2) ADDITIONAL DELAY FOR GOOD CAUSE SHOWN.—The Commission may grant a waiver from compliance with the regulations referred to in paragraph (1) for a period of not more than 24 months upon application (made at such time, in such form, and containing such information as the Commission may require), and after notice to the public and an opportunity for comment, to any person who demonstrates to the satisfaction of the Commission that—

(A) it will comply with the regulations before the expiration of the period of time for which the waiver is requested;

(B) without the requested waiver, timely compliance with the regulations would be technically infeasible because of technical problems associated with the telecommunications equipment used by the applicant; and

(C) replacement or upgrading of the telecommunications equipment used by the applicant in order to comply with the regulations in a timely manner without the waiver—

(i) would impose an unduly onerous financial burden on the applicant;

(ii) is not feasible because the equipment, software, or technical assistance necessary for the replacement or upgrade is not available; or

(iii) cannot be completed before the effective date of the regulations.

SEC. 3. EFFECT ON STATE LAW AND STATE ACTIONS.

(a) EFFECT ON STATE LAW.—Subsection (f)(1) of section 227 of the Communications Act of 1934 (47 U.S.C. 227), as redesignated by section 2 of this Act, is further amended—

(1) in subparagraph (C), by striking "or" at the end;

(2) in subparagraph (D), by striking the period and inserting ";; or"; and

(3) by adding at the end the following new subparagraph:

"(E) interfering with or circumventing caller identification services."

(b) ACTIONS BY STATES.—The first sentence of subsection (g)(1) of such section 227, as so redesignated, is further amended by inserting after "this section," the following: "or has engaged or is engaging in a pattern or practice of interfering with or circumventing caller identification services of residents of that State in violation of subsection (e) or the regulations prescribed under such subsection."

By Mr. SPECTER (for himself, Mr. HARKIN, Mr. THURMOND, Mr. CHAFEE, Mr. SMITH of Oregon, Mr. HOLLINGS, Mr. REID, Mrs. MURRAY, Mrs. CLINTON, Mr. CORZINE, Mrs. FEINSTEIN, Mr. KERRY, and Mr. INOUYE):

S. 723. A bill to amend the Public Health Service Act to provide for human embryonic stem cell generation and research; to the Committee on Health, Education, Labor, and Pensions.

Mr. SPECTER. Mr. President, I have sought recognition today to introduce the "Stem Cell Research Act of 2001." As chairman of the Senate appropriations subcommittee that funds medical research, my distinguished colleague, Senator TOM HARKIN and I convened a series of seven hearings to learn more about an exciting medical discovery and the promise it holds. The source of this new hope is what scientists call "stem cells." These are living cells which, in their earliest stages, have the ability to transform into any type of cell in the human body. If the scientists are correct, a stem cell implanted in a heart, for example, would become a healthy heart cell; if the same stem cell were implanted in a liver, it would grow into a healthy liver cell. It is this remarkable adaptability that leads scientists to believe that one day, stem cells could be transplanted to any part of the body to replace tissue that has been damaged by disease, injury or aging.

A team of researchers also found that human embryonic stem cells that were injected into the spinal cords of monkeys stricken with Lou Gehrig's disease showed promising signs of movement. These early research findings indicate that stem cells hold hope for countless patients with cancer, Parkinson's, heart disease, Alzheimer's and spinal cord injury, just to name a few. These cells could become a veritable fountain of youth.

What had been delaying the advancement of this new line of research is a provision in the Labor-HHS appropriations bill that prohibits research on

human embryos. In early 1999, the Department of Health and Human Services ruled that Federal researchers could conduct research on stem cell lines derived from private sources. I applaud the HHS ruling and encourage the NIH to review, on an expedited basis, the compliance applications they recently received. However, we have a duty to accelerate medical research by allowing researchers to utilize Federal funds to derive their own stem cells.

Human embryonic stem cell research holds such potential for millions of Americans who are sick and in pain that we believe it is wrong for us to prevent or delay our world-class scientists from building on the progress that has been made.

Our legislation creates one narrow and specific source for Federal researchers to obtain embryos for use in stem cell research: embryos which would otherwise be discarded from in-vitro fertilization clinics, with the expressed consent of the donating families. In addition, a provision is included which requires that all Federally-funded research must adhere to strict procedural and ethical guidelines to ensure that such research is conducted in an ethical, sound manner. It is important to note that as it stands today, embryonic stem cell research in the private sector is not subject to Federal monitoring or ethical requirements.

I am pleased that my colleagues, Senators THURMOND, CHAFEE, G. SMITH, HOLLINGS, REID, MURRAY, CLINTON, CORZINE, FEINSTEIN, KERRY, and INOUYE have joined me and Senator HARKIN as original cosponsors of this vital legislative effort. I urge all of my colleagues to join us in supporting this important legislation that will give many Americans the promise to treat diseases that today are incurable.

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. 723

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 "Stem Cell Research Act of 2001".

SEC. 2. HUMAN EMBRYONIC STEM CELL GENERATION AND RESEARCH.

Part H of the Title IV of the Public Health Service Act (42 U.S.C. 289 et seq.) is amended by inserting after section 498B the following:

"SEC. 498C. HUMAN EMBRYONIC STEM CELL GENERATION AND RESEARCH.

"(a) IN GENERAL.—Notwithstanding any other provision of law, the Secretary may only conduct, support, or fund research on human embryos for the purpose of generating embryonic stem cells and utilizing stem cells that have been derived from embryos in accordance with this section.

"(b) SOURCES OF EMBRYONIC STEM CELLS.—For purposes of carrying out research under subsection (a), the human embryonic stem cells involved shall be derived only from embryos that have been donated from in-vitro fertilization clinics after compliance with the following:

"(1) Prior to the consideration of embryo donation and through consultation with the progenitors, it is determined that the embryos will never be implanted in a woman and would otherwise be discarded.

"(2) The embryos are donated with the written informed consent of the progenitors.

"(c) RESTRICTIONS.—

"(1) IN GENERAL.—The following restriction shall apply with respect to human embryonic stem cell research conducted or supported under subsection (a):

"(A) The research involved shall not result in the creation of human embryos.

"(B) The research involved shall not result in the reproductive cloning of a human being.

"(2) PROHIBITION.—

"(A) IN GENERAL.—It shall be unlawful for any person receiving Federal funds to knowingly acquire, receive, or otherwise transfer any human embryos for valuable consideration if the acquisition, receipt, or transfer affects interstate commerce.

"(B) DEFINITION.—In subparagraph (A), the term 'valuable consideration' does not include reasonable payments associated with transportation, transplantation, processing, preservation, quality control, or storage.

"(d) GUIDELINES.—The Secretary, in conjunction with the Director of the National Institutes of Health, shall issue guidelines that expand on the rules governing human embryonic stem cell research (as in effect on the date of enactment of this section) to include rules that govern the derivation of stem cells from donated embryos under this section.

"(e) REPORTING REQUIREMENTS.—The Secretary shall annually prepare and submit to the appropriate committees of Congress a report describing the activities carried out under this section during the preceding fiscal year, and including a description of whether and to what extent research under subsection (a) has been conducted in accordance with this section."

Mr. HARKIN. Mr. President, I am pleased to join my distinguished colleague, Senator SPECTER, on the introduction of the "Stem Cell Research Act of 2001." I want to commend Senator SPECTER for having the leadership and foresight to introduce legislation which will broaden the ability of federally-funded scientists to pursue stem cell research, under certain, limited conditions.

From enabling the development of cell and tissue transplantation, to improving and accelerating pharmaceutical research and development, to increasing our understanding of human development and cancer biology, the potential benefits of stem cell research are truly awe-inspiring.

Stem cells hold hope for countless patients through potentially lifesaving therapies for Parkinson's, Alzheimer's, stroke, heart disease and diabetes. Also exciting is the possibility that researchers may be able to alter stem cells genetically so they would avoid attack by the patient's immune system.

Currently, for example, researchers are conducting groundbreaking research on the devastating condition commonly known as "Lou Gehrig's disease." They are injecting stem cells into the spinal cords of monkeys in an attempt to treat the disease. And they are reporting very promising early results.

But the potential benefits of this study and others could be delayed or even denied to patients without a healthy partnership between the private sector and the federal government.

While market interest in stem cell technology is strong, and private companies will continue to fund this research, the government has an important role to play in supporting the basic and applied science that underpins these technologies. The problem is that early, basic science is always going to be underfunded by the private sector because this type of research does not get products onto the market quickly enough. The only way to ensure that this research is conducted is to allow the NIH to support it.

The Department of Health and Human Services ruled last year that under the current ban on human embryo research, federally-funded scientists can conduct stem cell research if they use cell lines derived from private sources. Unfortunately, the current administration has placed this ruling under review. We are anxiously awaiting the outcome of this review.

In the meantime, I am pleased to join my colleagues in stating my strong support for stem cell research. There is broad agreement, across party lines, that this research is important, it could save lives, and it should not be halted.

In its report, "Ethical Issues in Human Stem Cell Research," the National Bioethics Advisory Commission (NBAC) concludes that stem cell research should be allowed to go forward with federal support, as long as researchers were limited to only two sources of stem cells: fetal tissue and embryos resulting from infertility treatments. And they recommend that federal support to be contingent on an open system of oversight and review.

NBAC also arrived at the important conclusion that it is ethically acceptable for the federal government to finance research that both derives cell lines from embryos and that uses those cell lines. Their report states, "Relying on cell lines that might be derived exclusively by a subset of privately funded researchers who are interested in this area could severely limit scientific and clinical progress."

The Commission goes on to say that "scientists who conduct basic research and are interested in fundamental cellular processes are likely to make elemental discoveries about the nature of ES [embryonic stem] cells as they derive them in the laboratory."

NBAC's report presents reasonable guidelines for federal policy. Our bill bans human embryo research, but allows federally-funded scientists to derive human pluripotent stem cells from human embryos if those embryos are obtained from IVF clinics, if the donor has provided informed consent and the embryo was no longer needed for fertility treatments. The American Society of Cell Biology estimates that

100,000 human embryos are currently frozen in IVF clinics, in excess of their clinical need.

In addition, our language requires HHS and NIH to develop procedural guidelines to make sure that stem cell research is conducted in an ethical, sound manner. As it stands today, stem cell research in the private sector is not subject to federal monitoring or ethical requirements.

Mr. President, stem cell research holds such hope, such potential for millions of Americans who are sick and in pain, it is morally wrong for us to prevent or delay our world-class scientists from building on the progress that has been made.

As long as this research is conducted in an ethically validated manner, it should be allowed to go forward, and it should receive federal support. That is why Senator SPECTER and I have joined together on legislation that will allow our nation's top scientists to pursue critical cures and therapies for the diseases and chronic conditions which strike too many Americans. I urge my Senate colleagues to join us in supporting this bill.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 66—EX-PRESSING THE SENSE OF THE SENATE REGARDING THE RELEASE OF TWENTY-FOUR UNITED STATES MILITARY PERSONNEL CURRENTLY BEING DETAINED BY THE PEOPLE'S REPUBLIC OF CHINA

Mr. THOMAS (for himself, Mr. KERRY, Mr. WARNER, Mrs. FEINSTEIN, Mr. MURKOWSKI, Mr. BIDEN, Mr. LUGAR, Mr. SMITH of Oregon, Mrs. CLINTON, Mr. BROWNBACK, Mr. BAUCUS, Mr. ROBERTS, Mr. NELSON of Florida, Mr. LIEBERMAN, Mr. KENNEDY, Mr. DODD, Mr. TORRICELLI, Mr. CORZINE, Mr. McCONNELL, Mr. LEVIN, Mrs. BOXER, Mr. WELLSTONE, Mr. DASCHLE, Mr. ROCKEFELLER, Mrs. CARNAHAN, Mr. CONRAD, Mrs. MURRAY, Mr. THURMOND, Mr. CRAPO, Mr. DORGAN, Mr. BAYH, Mr. CAMPBELL, Ms. CANTWELL, Ms. COLLINS, Mr. EDWARDS, Mr. KOHL, Mr. HUTCHINSON, Mr. FITZGERALD, Mr. INOUE, Mr. JOHNSON, and Ms. SNOWE) submitted the following resolution; which was referred to the Committee on Foreign Relations:

S. RES. 66

Whereas, at 9:15 a.m. local time on April 1, 2001, a collision occurred between a United States military EP-3E Aries II reconnaissance aircraft and one of two F-8 jet fighters from the People's Liberation Army-Air Force of the People's Republic of China sent to intercept it;

Whereas both countries agree that the collision occurred in international airspace over the South China Sea near the Chinese island province of Hainan;

Whereas due to the damage incurred in the unfortunate accidental collision, the F-8 and its pilot were lost at sea and the EP-3E was required to make a "Mayday" distress call

on the internationally recognized emergency radio frequency;

Whereas because of the resultant structural damage to the EP-3E aircraft it effectuated an emergency landing at a military airbase at Lingshui, Hainan;

Whereas upon landing the twenty-four United States military personnel aboard the EP-3E were removed from the aircraft by Chinese military personnel and detained in an undisclosed location, notwithstanding the fact that the crew of an aircraft forced to land on foreign soil in an emergency is considered under international norms to have sovereign immunity;

Whereas Chinese authorities unnecessarily prevented United States military and consular officials from meeting with the crew members until April 3, 2001, then permitting only a short, supervised visit, and has, to date, denied further visits;

Whereas in contravention of international norms Chinese officials have boarded the aircraft and may have removed portions of the equipment therefrom;

Whereas international law recognizes both the right of the crew of an aircraft in distress to land safely on foreign soil and the inviolable sovereignty of an aircraft in distress that has landed on foreign soil;

Whereas international law recognizes the right of a nation which has had an aircraft land in distress on foreign soil to have its citizens and aircraft returned safely and without undue delay; and

Whereas President Bush has requested that the People's Republic of China arrange the "prompt and safe return of the crew and the return of the aircraft without further damage[] or tampering," and has noted that a failure by Chinese authorities to do so would be "inconsistent with standard diplomatic practice;"

Now, therefore, be it

Resolved by the Senate, that:

(1) the Senate expresses its regret at the damage and loss of life occasioned by the accidental collision of the two aircraft;

(2) it is the sense of the Senate that the government of the People's Republic of China should:

(a) immediately release the crew members of the EP-3E into the custody of United States military or consular officials, and allow them to leave the country; and

(b) return the EP-3E aircraft and all its equipment to the possession of the United States, without any further boarding or inspection, or removal of equipment; and

(3) the Senate fully supports the continuing efforts of the President to ensure the safe return of the crew and the aircraft.

SENATE RESOLUTION 67—COM-MENDING THE BLUE DEVILS OF DUKE UNIVERSITY FOR WINNING THE 2001 NATIONAL COLLEGIATE ATHLETIC ASSOCIATION MEN'S BASKETBALL CHAMPIONSHIP

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

S. RES. 67

Whereas the 2000-2001 Duke University Blue Devils' men's basketball team (referred to in this resolution as the "Duke Blue Devils") had a spectacular season;

Whereas the Duke Blue Devils finished the regular season with a 26-4 record, claiming a record 5 straight finishes in first place during the Atlantic Coast Conference regular season;

Whereas the Duke Blue Devils won the 2001 Atlantic Coast Conference Tournament

Championship, winning the championship of that tournament for the third year in a row;

Whereas the Duke Blue Devils are the first men's basketball team to be a number 1 seed in the National Collegiate Athletic Association's Men's Basketball Tournament during 4 consecutive seasons since that association began seeding teams in 1979;

Whereas the Duke Blue Devils amassed the most wins, 133, in a 4-year period of any National Collegiate Athletic Association men's basketball team in history;

Whereas Shane Battier received the 2001 Naismith Award as men's college basketball Player of the Year;

Whereas Coach Mike Krzyzewski has taken the Duke Blue Devils to 7 national championship games in 16 years;

Whereas Coach Krzyzewski led the Duke Blue Devils to the team's third national championship;

Whereas the Duke Blue Devils are a fine example of academic and athletic dedication and success;

Whereas the team's success during the 2000-2001 season was truly a team accomplishment; and

Whereas the Duke Blue Devils won the 2001 National Collegiate Athletic Association Men's Basketball Championship: Now, therefore, be it

Resolved, That the Senate commends the Blue Devils of Duke University for winning the 2001 National Collegiate Athletic Association Men's Basketball Championship.

AMENDMENTS SUBMITTED AND PROPOSED

SA 192. Mr. DOMENICI submitted an amendment intended to be proposed to amendment SA 170 proposed by Mr. DOMENICI to the concurrent resolution (H. Con. Res. 83) establishing the congressional budget for the United States Government for fiscal year 2002, revising the congressional budget for the United States Government for fiscal year 2001, and setting forth appropriate budgetary levels for each of fiscal years 2003 through 2011; which was ordered to lie on the table.

SA 193. Mr. DOMENICI submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 194. Mr. DOMENICI submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 195. Mr. DOMENICI submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 196. Mr. DORGAN submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 197. Mr. DORGAN submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 198. Mr. DORGAN submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 199. Mr. CLELAND (for himself, Mr. JEFFORDS, Mr. LEVIN, Mr. SARBANES, Mr. LIEBERMAN, and Mr. TORRICELLI) submitted an amendment intended to be proposed by him to the concurrent resolution H. Con. Res. 83, supra; which was ordered to lie on the table.

SA 200. Mr. BREAUX (for himself, Mr. NELSON, of Nebraska, Ms. LANDRIEU, Mrs. CARNAHAN, Mr. CHAFEE, Mrs. LINCOLN, Mr. BAYH, Mr. TORRICELLI, and Mr. JEFFORDS) submitted an amendment intended to be proposed by him to the concurrent resolution H.