S. 170

At the request of Mr. REID, the name of the Senator from Hawaii (Mr. AKAKA) was added as a cosponsor of S. 170, a bill to amend title 10, United States Code, to permit retired members of the Armed Forces who have a service-connected disability to receive both military retired pay by reason of their years of military service and disability compensation from the Department of Veterans Affairs for their disability.

S. 237

At the request of Mr. HUTCHINSON, the names of the Senator from Tennessee (Mr. THOMPSON) and the Senator from Nebraska (Mr. HAGEL) were added as cosponsors of S. 237, a bill to amend the Internal Revenue Code of 1986 to repeal the 1993 income tax increase on Social Security benefits.

S. 247

At the request of Mr. HARKIN, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 247, a bill to provide for the protection of children from tobacco.

S. 270

At the request of Mr. BINGAMAN, the name of the Senator from Michigan (Ms. STABENOW) was added as a cosponsor of S. 270, a bill to amend title XVIII of the Social Security Act to provide a transitional adjustment for certain sole community hospitals in order to limit any decline in payment under the prospective payment system for hospital outpatient department services.

S. 367

At the request of Mrs. BOXER, the name of the Senator from Maryland (Mr. SARBANES) was added as a cosponsor of S. 367, a bill to prohibit the application of certain restrictive eligibility requirements to foreign nongovernmental organizations with respect to the provision of assistance under part I of the Foreign Assistance Act of 1961.

S. 403

At the request of Mr. COCHRAN, the names of the Senator from Maryland (Mr. SARBANES), the Senator from Iowa (Mr. GRASSLEY), the Senator from South Dakota (Mr. JOHNSON), and the Senator from New Mexico (Mr. DOMENICI) were added as cosponsors of S. 403, a bill to improve the National Writing Project.

S. 413

At the request of Mr. COCHRAN, the names of the Senator from Idaho (Mr. CRAPO), the Senator from Michigan (Mr. LEVIN), and the Senator from Wyoming (Mr. THOMAS) were added as a cosponsors of S. 413, a bill to amend part F of title X of the Elementary and Secondary Education Act of 1965 to improve and refocus civic education, and for other purposes.

S. 466

At the request of Mr. HAGEL, the name of the Senator from Wyoming (Mr. ENZI) was added as a cosponsor of S. 466, a bill to amend the Individuals with Disabilities Education Act to fully fund 40 percent of the average per pupil expenditure for programs under part B of such Act.

S. 515

At the request of Mr. DOMENICI, the name of the Senator from Indiana (Mr. LUGAR) was added as a cosponsor of S. 515, a bill to amend the Internal Revenue Code of 1986 to establish a permanent tax incentive for research and development, and for other purposes.

S. 525

At the request of Mr. GRAHAM, the name of the Senator from Pennsylvania (Mr. SPECTER) was added as a cosponsor of S. 525, a bill to expand trade benefits to certain Andean countries, and for other purposes.

S. 540

At the request of Mr. DEWINE, the name of the Senator from Minnesota (Mr. DAYTON) was added as a cosponsor of S. 540, a bill to amend the Internal Revenue Code of 1986 to allow as a deduction in determining adjusted gross income the deduction for expenses in connection with services as a member of a reserve component of the Armed Forces of the United States, to allow employers a credit against income tax with respect to employees who participate in the military reserve components, and to allow a comparable credit for participating reserve component self-employed individuals, and for other purposes.

S. 543

At the request of Mr. DOMENICI, the name of the Senator from Wyoming (Mr. THOMAS) was added as a cosponsor of 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. 549

At the request of Mr. CRAPO, the name of the Senator from New Hampshire (Mr. SMITH, of New Hampshire) was added as a cosponsor of S. 549, a bill to ensure the availability of spectrum to amateur radio operators.

S. 580

At the request of Mr. HUTCHINSON, the names of the Senator from Georgia (Mr. MILLER) and the Senator from Hawaii (Mr. INOUYE) were added as a cosponsors of S. 580, a bill to expedite the construction of the World War II memorial in the District of Columbia.

S. 587

At the request of Mr. CONRAD, the name of the Senator from Arkansas (Mrs. LINCOLN) was added as a cosponsor of S. 587, a bill to amend the Public Health Service Act and title XVIII of the Social Security Act to sustain access to vital emergency medical services in rural areas.

S. 697

At the request of Mr. BAUCUS, the name of the Senator from Michigan (Mr. LEVIN) was added as a cosponsor of S. 697, a bill to modernize the financing of the railroad retirement system and to provide enhanced benefits to employees and beneficiaries.

S. 767

At the request of Mr. REED, the name of the Senator from Delaware (Mr. BIDEN) was added as a cosponsor of S. 767, a bill to extend the Brady background checks to gun shows, and for other purposes.

S.J. RES. 7

At the request of Mr. HATCH, the names of the Senator from New Hampshire (Mr. GREGG) and the Senator from Arizona (Mr. KYL) were added as a cosponsors of S.J. Res. 7, a joint resolution proposing an amendment to the Constitution of the United States authorizing Congress to prohibit the physical desecration of the flag of the United States.

S. RES. 16

At the request of Mr. THURMOND, the name of the Senator from Nevada (Mr. ENSIGN) was added as a cosponsor of S. Res. 16, a resolution designating August 16, 2001, as ''National Airborne Day.''

S. RES. 19

At the request of Mr. SPECTER, the name of the Senator from Oregon (Mr. SMITH, of Oregon) was added as a cosponsor of S. Res. 19, a resolution to express the sense of the Senate that the Federal investment in biomedical research should be increased by $3,400,000,000 in fiscal year 2002.

S. RES. 63

At the request of Mr. CAMPBELL, the names of the Senator from South Dakota (Mr. DASCHLE) and the Senator from New Jersey (Mr. CORZINE) were added as a cosponsors of S. Res. 63, a resolution commemorating and acknowledging the dedication and sacrifice made by the men and women who have lost their lives while serving as law enforcement officers.

S. RES. 68

At the request of Mr. JOHNSON, the name of the Senator from Nebraska (Mr. NELSON, of Nebraska) was added as a cosponsor of S. Res. 68, a resolution designating September 6, 2001 as ''National Crazy Horse Day.''

S. CON. RES. 28

At the request of Ms. SNOWE, the names of the Senator from Illinois (Mr. DURBIN) and the Senator from Pennsylvania (Mr. SPECTER) were added as a cosponsors of S. Con. Res. 28, a concurrent resolution calling for a United States effort to end restrictions on the freedoms and human rights of the enclaved people in the occupied area of Cyprus.

S. CON. RES. 33

At the request of Mr. GREGG, the name of the Senator from Idaho (Mr. CRAIG) was added as a cosponsor of S. Con. Res. 33, a concurrent resolution supporting a National Charter Schools Week.

## STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. HAGEL (for himself, Mr. KENNEDY, Mr. SCHUMER, Mrs.

CLINTON, Mr. DURBIN, Mr. REID, and Mr. KERRY):

S. 778. A bill to expand the class of beneficiaries who may apply for adjustment of status under section 245(i) of the Immigration and Nationality Act by extending the deadline for classification petition and labor certification filings; to the Committee on the Judiciary.

Mr. KENNEDY. Mr. President, it's a privilege to join Senator HAGEL, Senator SCHUMER, and Senator CLINTON in introducing legislation to extend section 245(i), a vital provision of U.S. immigration law, which enables persons who are eligible for green cards to adjust their status in the U.S., rather than have to return to their country of origin to do so. Last year, Congress made a major effort to bring greater fairness to the nation's immigration laws. The Legal Immigration Family Equity Act was a sensible compromise worked out on a bipartisan basis to deal with many of the injustices that have been so harmful and so unfair to so many immigrant families in recent years. Included in the legislation was a partial restoration of 245(i).

Under last year's legislation, however, immigrants are required to file their petition by April 30th to qualify for 245(i). This fast-approaching deadline is causing fear and confusion around the country. Eligible immigrants are struggling to file their petitions by April 30th, but little time remains. Across the country, we hear that many qualified persons will not be able to file their petitions by this deadline, because not enough attorneys and legal service organizations are available to handle their cases.

The legislation we are introducing will extend the deadline to April 30, 2002, and provide needed and well-deserved relief to members of our immigrant communities. Spouses, children, parents and siblings of permanent residents and U.S. citizens will be able to adjust their status in the U.S., and avoid needless separation from their loved ones. Similarly, businesses will be able to retain valued employees. In addition, the INS will receive millions of dollars in additional revenues, at no cost to taxpayers.

Extending the section 245(i) deadline is pro-family and pro-business, and it is also good economic policy and good immigration policy. It is consistent with the goal of legislation to reunite immigrant families.

Representatives PETER KING and CHARLES RANGEL have introduced similar legislation in the House. Congress needs to act quickly to pass this important legislation. I hope that our Republic and Democratic colleagues will join us in supporting this needed extension.

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By Mr. INOUYE:

S. 779. A bill to amend the Internal Revenue Code of 1986 to treat certain hospital support organizations as qualified organizations for purposes of section 514(c)(9); to the Committee on Finance.

Mr. INOUYE. Mr. President, I rise to introduce legislation that would extend to qualified hospital support organizations the debt-financed property rules that currently apply to tax-exempt education institutions and pension funds. This measure is of great importance to the 18,000 inpatients and the more then 200,000 outpatients who receive health care services from the Queen's Health System of Hawaii. Currently, Federal tax laws that were enacted in 1969 stand between the wishes of Queen Emma Kaleleonalani who, in 1885, bequeathed land to the Queen Emma Foundation to support the Queen's Health System, and the citizens of Hawaii who depend on the Queen's Health System for health care services.

The foundation is a nonprofit, tax-exempt, public charity. Its purpose is to support and improve health care services in Hawaii by committing funds generated by foundation-owned properties to the Queen's Medical Center, an accredited teaching hospital in Honolulu that maintains an emergency room open to all, regardless of ability to pay, and that admits Medicare and Medicaid patients. The foundation and the medical center are members of the Queen's Health Systems, which also operates Molokai General Hospital, a small community hospital on the island of Molokai. Additionally, Queen's operates clinics on various islands, provides home health care services, supports nursing programs at Hawaiian colleges and universities, operates a medical library, holds health fairs, and provides other educational services for the benefit of the Hawaiian community.

Presently, the funds that enable the foundation to support these services are generated by Foundation-owned properties that were bequeathed more than 100 years ago by Queen Emma. Most of the foundation's land is now encumbered by long-term, fixed-rent commercial and industrial ground leases. The returns from these ground leases are extremely low, and under their terms, the foundation is unable to increase rents to keep pace with the appreciation of land values in Hawaii. The foundation would like to increase its cash flow by buying out the current leases and re-leasing the land at existing market rates. The foundation would also like to upgrade the improvements on its lands to further enhance their revenue-generating potential. However, current debt-financed property rules under the unrelated business income tax would subject the revenues earned by the foundation from its improved properties to income tax, significantly reducing the funds available to the foundation to meet its obligation to provide quality health care services to the citizens of Hawaii.

Colleges, universities, and pension funds are currently exempt from the debt-financed property rules. The foundation seeks the same treatment that presently applies to educational institutions and pension funds. 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. 779

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

**SECTION 1. TREATMENT OF CERTAIN HOSPITAL SUPPORT ORGANIZATIONS AS QUALIFIED ORGANIZATIONS FOR PURPOSES OF DETERMINING ACQUISITION INDEBTEDNESS.**

(a) IN GENERAL.—Subparagraph (C) of section 514(c)(9) of the Internal Revenue Code of 1986 (relating to real property acquired by a qualifed organization) is amended by striking ''or'' at the end of clause (ii), by striking the period at the end of clause (iii) and inserting ''; or'', and by adding at the end the following new clause:

''(iv) a qualified hospital support organization (as defined in subparagraph (I)).''.

(b) QUALIFIED HOSPITAL SUPPORT ORGANIZATIONS.—Paragraph (9) of section 514(c) of the Internal Revenue Code of 1986 is amended by adding at the end the following new subparagraph:

''(I) QUALIFIED HOSPITAL SUPPORT ORGANIZATIONS.—For purposes of subparagraph (C)(iv), the term 'qualified hospital support organization' means, with respect to any eligible indebtedness (including any qualified refinancing of such eligible indebtedness), a support organization (as defined in section 509(a)(3)) which supports a hospital described in section 119(d)(4)(B) and with respect to which—

''(i) more than half of its assets (by value) at any time since its organization—

''(I) were acquired, directly or indirectly, by gift or devise, and

''(II) consisted of real property, and

''(ii) the fair market value of the organization's real estate acquired, directly or indirectly, by gift or devise, exceeded 10 percent of the fair market value of all investment assets held by the organization immediately prior to the time that the eligible indebtedness was incurred.

For purposes of this subparagraph, the term 'eligible indebtedness' means indebtedness secured by real property acquired by the organization, directly or indirectly, by gift or devise, the proceeds of which are used exclusively to acquire any leasehold interest in such real property or for improvements on, or repairs to, such real property. A determination under clauses (i) and (ii) of this subparagraph shall be made each time such an eligible indebtedness (or the qualified refinancing of such an eligible indebtedness) is incurred. For purposes of this subparagraph, a refinancing of such an eligible indebtedness shall be considered qualified if such refinancing does not exceed the amount of the refinanced eligible indebtedness immediately before the refinancing.''.

(c) EFFECTIVE DATE.—The amendments made by this section shall apply to indebtedness incurred on or after the date of the enactment of this Act.

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By Mr. INHOFE:

S. 780. A bill to amend the Internal Revenue Code of 1986 to allow individuals who do not itemize their deductions a deduction for a portion of their charitable contributions, and for other purposes; to the Committee on Finance.

Mr. INHOFE. Mr. President, I rise today to introduce legislation that

would create a new era in charitable giving across America. My bill, the Neighbor to Neighbor Act, includes provisions that would allow tax-free distribution of IRA accounts for charitable purposes, and give nonitemizers the same deduction that itemizers enjoy. It would also allow the deduction for charitable gifts of long-term capital gain property to be subject to an annual limit of 50 percent of adjusted gross income instead of the current 30 percent limitation. It would increase the carryover period for charitable deductions from five years to ten years; and it would exclude a charitable deduction from the three percent reduction rule. My bill would allow a taxpayer to deduct charitable contributions up until April 15th, and finally, the Neighbor to Neighbor Act would repeal the current two percent excise tax on private foundations.

My bill would greatly simplify one of the most complex provisions in the tax code. The tax code should reward the generosity of good-hearted Americans, it should not penalize those who choose to give to those in need.

IRA account owners would be permitted to make distributions from their IRAs directly to charities, either outright, or in exchange for a charitable gift annuity, a charitable reminder trust, or pooled income fund in the Neighbor to Neighbor Act. According to the Employer Benefit Research Institute, there are currently more than one trillion dollars in IRA accounts and five trillion dollars in defined contribution accounts, which can be rolled into IRA accounts.

I have numerous examples, totaling hundreds of millions of dollars, from people who have wanted to donate their excess IRA assets to charity, but were unable to because of the current tax penalties For example, the ability to rollover an IRA to charity would mean literally millions of dollars for Boston College. Syracuse University lost a 1.5 million-dollar gift because the donor could not rollover his IRA into a charitable remainder trust.

A 71-year-old male donor with a 1.3 million IRA wanted to make a life income gift to a major public university in Texas. He wanted to receive annual income payments that would help ensure the care of his wife, who is in the early stages of Alzheimer's. Given the tax consequences of such a gift under current law, the donor has not been able to make the charitable contribution.

The husband of a hospital volunteer at a medical center in Tennessee would like to establish a charitable trust to benefit cancer research in honor of his last wife. He wants to use retirement plan assets of 1.8 million to establish this cancer research fund, to provide himself with annual payments for retirement income, and to reduce the tax burden on his heirs, would be greater for IRA assets than other appreciated securities. He has been advised against such a gift because of tax disincentives under current law.

These are just a few examples of how the current law levies significant taxes and presents serious disincentives to charitable gifts of these assets. Under current, law, any IRA withdrawal is fully taxable as ordinary income in the year in which it occurs. A donor who withdraws IRA assets in order to make a charitable gift is subject to tax on the entire amount withdrawn. Under very best of circumstances, this amount might be offset by a charitable deduction, but even then there are significant limitations.

My bill, which allows the tax-free distribution of individual IRA accounts for charitable purposes, is good public policy. Although IRA assets were originally intended as a supplement to retirement income, withdrawal is now allowed, under certain circumstances, to assist in financing a home or a college education. It is equally appropriate for public policy to allow financially successful individuals, who have reached a point where IRA and other tax-deferred retirement assets are not needed for retirement, to use those assets, not for personal benefit, but to support charities that better the lives of others.

The Neighbor to Neighbor Act would also allow donors who make charitable contributions, but do not itemize their federal income tax deductions, to be entitled to a ''direct'' charitable contribution deduction. Since three out of four taxpayers do not itemize, the charitable deduction is not available to most taxpayers. A report by Price Waterhouse Coopers estimates that the deduction for nonitemizers would translate into 11 million more donors, and could increase giving by as much as 14.6 billion dollars in one year.

The deduction also does not provide an equal treatment for all donors, and it encourages fundraising efforts to focus on a small group of potential donors. By expanding the charitable contribution deduction for nonitemizers, the playing field would be level for all donors, and would lessen the role of government and the political process in charitable giving.

People should not face disincentives that burden charitable giving. My bill would allow the deduction for gifts of long-term capital gain property to public charities to be subject to an annual limit of 50 percent of adjusted gross income instead of the current 30 percent limitation. In addition, the carryover period for charitable deductions that cannot be fully used in a given tax year, due to the applicable percentage limitation, would be increased from the current five year to 10 years.

The current percentage limitations on the deductibility of charitable contributions of long-term capital gain property to public charities, coupled with the reduction in the tax rates applicable to realized, long-term capital gains, are having a chilling effect on immediate charitable giving, the former reduces the incentive to make relatively large gifts of capital assets in the current year if the donor's contribution base is relatively small, compared to the value of the gift that could be made.

For example, just since last June, at Embry-Riddle Aeronautical University, four individuals have indicated an interest in giving amounts ranging from one to three million dollars. These individuals have not yet given because of the tax disincentives of the 30 percent rule; they can only deduct charitable contributions up to 30 percent of their adjusted gross income.

By increasing the income tax charitable deduction reduction percentage for contributions of long-term capital gain property to public charities from 30 percent to 50 percent of the donor's contribution base, gifts of highly-appreciated assets will be put on par with gifts of cash, and the tax law will again boost private philanthropy in America.

The Neighbor to Neighbor Act would also allow a taxpayer to deduct, for the current year, charitable contributions made up to the time for filing the taxpayer's federal income tax return for that tax year. Currently, taxpayers may contribute to their IRAs up until April 15th and still receive a deduction. Charitable donations should have the same tax treatment.

Finally, this bill would repeal the excise tax imposed on the investment income of private foundations. Private foundations are section 501(c)(3) charities that fund the work of a full range of charitable activities across the country. They are often founded by individuals or families, and their income stream comes primarily, if not entirely, from earnings on their investments.

Repeal of the excise tax would have the effect of increasing charitable contributions by hundreds of millions of dollars every year. This is because private foundations are required, annually, to pay out five percent of their assets in charitable distributions, and since the excise tax counts as a credit toward the distribution requirement, repeal would require an increase in charitable distributions by an equal amount.

The excise tax was originally enacted in 1969 as an ''audit fee,'' intended to offset the cost of IRS oversight of private foundations. But today, the tax collects far more than the IRS needs to conduct audits. In 1999, the excise tax produced 500 million dollars in revenue. And this year, the budget of all exempt-organization activities at the IRS is only 59 million dollars. Moreover, audits of private foundations fell from 1,200 in 1990 to 191 in 1999. This ''audit fee'' is not being used for its intended purpose.

The wayward use of these revenues is a good reason to repeal the tax, but not as important as the work we increasingly call on charities to perform. With the focus of the President and the Congress on charitable giving, I believe passage of the Neighbor to Neighbor Act would be one of the most effective steps we could take.

If we hope that charities will join state and federal government efforts to provide services for disadvantaged people and otherwise address important societal needs, then Congress should enhance the tax incentives that encourage voluntary philanthropy. Private foundations, like public charities, are publicly supported to the extent that they receive tax preferences. The provisions of the Neighbor to Neighbor Act are reasonable, efficient steps that will help charities address our common challenges; challenges we increasingly call on individuals and the private sector to take.

In an article for The Journal of Gift Planning, President Bush stated, ''I believe that the government's highest calling is often simply to do no harm—to instead be an enabler, a catalyst that creates a climate that allows America's nonprofits to flourish. A government that serves those who are serving their brothers and sisters. A government that rallies the armies of compassion to heal our nation's ills, one heart and one act of kindness at a time.'' I believe that the Neighbor to Neighbor Act does just that, and I urge my colleagues to join me in support of this legislation.

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By Mr. AKAKA (for himself and Mr. JEFFORDS):

S. 781. A bill to amend section 3702 of title 38, United States Code, to extend the authority for housing loans for members of the Selected Reserve; to the Committee on Veterans' Affairs.

Mr. AKAKA. Mr. President, I rise today to introduce legislation along with Senator JEFFORDS that would extend the authority of the Department of Veterans Affairs Home Loan Guaranty Program for members of the Selected Reserve.

I am proud to be the author of the original legislation enacted in 1992 to extend eligibility for the VA Home Loan Guaranty Program to National Guard and Reserve members. Tens of thousands of dedicated reservists who served for at least six years, and continue to serve or have received an honorable discharge, have been able to fulfill their dream of home ownership through this program. The participation of Guard and Reserve members not only benefits these service members, but also stabilizes the financial viability of the program since this group has had a lower default rate than most other program participants. Furthermore, the program serves as an important recruiting incentive for the National Guard and Reserve.

In the 106th Congress, Senator JEFFORDS and I introduced legislation which resulted in the authorization for the program being extended through September 30, 2007. While this was a step in the right direction, using the benefit for a recruiting incentive will no longer be possible since the authority expires in six years and reservists are required to serve for at least six years before they qualify for VA-guaranteed loans. In order to continue using this program as a recruiting incentive for a few more years, I am introducing legislation along with Senator JEFFORDS that would extend the authority for the program through September 30, 2015.

The VA Home Loan Guaranty Program is an important component of a benefits package which makes Guard and Reserve service more attractive to qualified individuals. This is of particular importance during a time when the civilian sector is competing for the same pool of limited applicants, as well as when our military needs are becoming increasingly technical, demanding only the most intelligent, motivated, and competent individuals. An extension of the authority will assist the National Guard and Reserve with their recruitment efforts.

I urge my colleagues to support this measure which would recognize the vital contributions of National Guard and Reserve members to our country, as well as ensure that VA-guaranteed housing loans can continue to be used as a recruiting incentive.

I 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. 781

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

**SECTION 1. EXTENSION OF AUTHORITY FOR HOUSING LOANS FOR MEMBERS OF THE SELECTED RESERVE.**

Section 3702(a)(2)(E) of title 38, United States Code, is amended by striking ''September 30, 2007'' and inserting ''September 30, 2015''.

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By Mr. INOUYE:

S. 782. A bill to amend title III of the Americans with Disabilities Act of 1990 to require, as a precondition to commencing a civil action with respect to a place of public accommodation or a commercial facility, that an opportunity be provided to correct alleged violations, and for other purposes; to the Committee on Health, Education, Labor, and Pensions.

Mr. INOUYE. Mr. President, I rise today to introduce the Americans with Disabilities Act, ADA, Notification Act. This bill would amend the ADA by including a notice requirement for violations of the ADA before a court could assume jurisdiction over the dispute. This would allow businesses the opportunity to bring properties into compliance without having to face costly litigation.

The ADA currently does not contain a notice requirement, but allows plaintiffs to sue owners of non-compliant businesses immediately. While the public accommodations provisions in Title III of the ADA do not allow plaintiffs to collect damages for violations of any of its access standards, they do permit lawyers to collect attorneys fees. The lack of a notice requirement has encouraged a number of lawyers to sue businesses over infractions that are inexpensive to remedy, but for which the businesses must pay costly plaintiffs' attorneys' fees and expenses.

I believe this legislation is a reasonable means to ensure that businesses will be given notice of violations of the ADA and the opportunity to comply with the ADA before costly litigation is begun. This would foster greater compliance with the ADA by allowing businesses to expend their resources on making their properties more accessible to the disabled, rather than on attorneys' fees.

Please be assured that I simply want to close a loophole in the ADA that unscrupulous lawyers have exploited. I do not suggest or approve of any changes to the ADA that would weaken its substantive requirements for reasonable accommodation to persons with disabilities. We must ensure that the progress begun more than a decade ago continues as we work to make public accommodations more accessible to everyone.

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By Mr. LEAHY (for himself, Mr. KENNEDY, Mr. FEINGOLD, Mrs. MURRAY, Mr. JOHNSON, Mr. SCHUMER, and Mr. HARKIN):

S. 783. A bill to enhance the rights of victims in the criminal justice system, and for other purposes; to the Committee on the Judiciary.

Mr. LEAHY. Mr. President, this past Sunday marked the beginning of National Crime Victims' Rights Week. We set this week aside each year to focus attention on the needs and rights of crime victims. I am pleased to take this opportunity to introduce legislation with my good friend from Massachusetts, Senator KENNEDY, and our cosponsors, Senators FEINGOLD, MURRAY, JOHNSON, SCHUMER and HARKIN. Our bill, the Crime Victims Assistance Act of 2001, represents the next step in our continuing efforts to afford dignity and recognition to victims of crime.

My involvement with crime victims began more than three decades ago when I served as State's Attorney in Chittenden County, VT, and witnessed first-hand the devastation of crime. I have worked ever since to ensure that the criminal justice system is one that respects the rights and dignity of victims of crime, rather than one that presents additional ordeals for those already victimized.

I am proud that Congress has been a significant part of the solution to provide victims with greater rights and assistance. Over the past two decades, Congress has passed several bills to this end. These bills have included: the Victims Witness Protection Act of 1982; the Victims of Crime Act of 1984; the Victims' Bill of Rights of 1990; the Victims' Rights and Restitution Act of 1990; the Violence Against Women Act of 1994; the Mandatory Victims Restitution Act of 1996; the Victim Rights Clarification Act of 1997; the Victims with Disabilities Awareness Act of 1998;

and the Victims of Trafficking and Violence Protection Act of 2000.

The legislation that we introduce today, the Crime Victims Assistance Act of 2001, builds upon this progress. It provides for comprehensive reform of the Federal law to establish enhanced rights and protections for victims of Federal crime. Among other things, our bill provides crime victims with the right to consult with the prosecution prior to detention hearings and the entry of plea agreements, and generally requires the courts to give greater consideration to the views and interests of the victim at all stages of the criminal justice process. Responding to concerns raised by victims of the Oklahoma City bombing, the bill provides standing for the prosecutor and the victim to assert the right of the victim to attend and observe the trial.

Assuring that victims are provided their statutorily guaranteed rights is a critical concern for all those involved in the administration of justice. Our bill would establish an administrative authority in the Department of Justice to receive and investigate victims' claims of unlawful or inappropriate action on the part of criminal justice and victims' service providers. Department of Justice employees who fail to comply with the law pertaining to the treatment of crime victims could face disciplinary sanctions, including suspension or termination of employment.

In addition to these improvements to the Federal system, the bill proposes several programs to help States provide better assistance for victims of State crimes. These programs would improve compliance with State victim's rights laws, promote the development of state-of-the-art notification systems to keep victims informed of case developments and important dates on a timely and efficient basis, and encourage further experimentation with the community-based restorative justice model in the juvenile court setting.

Finally, the Crime Victims Assistance Act would make several significant amendments to the Victims of Crime Act, VOCA, and improve the manner in which the Crime Victims Fund is managed and preserved. Most significantly, the bill would eliminate the cap on VOCA spending, which has prevented more than $700 million in Fund deposits from reaching victims and supporting essential services.

Congress has capped spending from the Fund for the last two fiscal years, and President Bush has proposed a third cap for fiscal year 2002. These limits on VOCA spending have created a growing sense of confusion and unease by many of those concerned about the future of the Fund.

We should not be imposing artificial caps on VOCA spending while substantial unmet needs continue to exist. The Crime Victims Assistance Act replaces the cap with a formulaic approach, which would ensure stability and protection of Fund assets, while allowing more money to go out to the States for victim compensation and assistance.

These are all matters that can be considered and enacted this year with a simple majority of both Houses of Congress. They need not overcome the delay and higher standards necessitated by proposing to amend the Constitution. They need not wait the hammering out of implementing legislation before making a difference in the lives of crime victims.

The Judiciary Committee has held several hearings over the last five years on a proposed constitutional amendment regarding crime victims. Unfortunately, the Committee has devoted not a minute to consideration of legislative initiatives like the Crime Victims Assistance Act, which Senator KENNEDY and I first introduced in the 105th Congress, to assist crime victims and better protect their rights. Like many other deserving initiatives, it has taken a back seat to the constitutional amendment debate that continues.

I regret that we have not done more for victims this year, or during the last few years. I have on several occasions noted my concern that we not dissipate the progress we could be making by focusing exclusively on efforts to amend the Constitution. Regretfully, I must note that the pace of victims legislation has slowed noticeably and many opportunities for progress have been squandered. One notable exception was the Victims of Trafficking and Violence Protection Act of 2000, which included a Leahy-Feinstein amendment dealing with support for victims of international terrorism. Senator FEINSTEIN cares deeply about the rights of victims, and I am pleased that we could work together on some practical, pragmatic improvements to our federal crime victims' laws.

I look forward to continuing to work with the Administration, victims groups, prosecutors, judges and other interested parties on how we can most effectively enhance the rights of victims of crime. Congress and State legislatures have become more sensitive to crime victims rights over the past 20 years and we have a golden opportunity to make additional, significant progress this year to provide the greater voice and rights that crime victims deserve.

I would like to acknowledge several individuals and organizations that have been extremely helpful with regards to the legislation that we are introducing today: Dan Eddy, National Association of Crime Victim Compensation Boards; Steve Derene, Wisconsin Department of Justice Office of Crime Victims Services; Susan Howley, National Center for Victims of Crime; and John Stein, National Organization for Victim Assistance. I would also like to thank Kathryn M. Turman, the Acting Director for the Office for Victims of Crime, and Heather Cartwright and Carolyn Hightower of that office, for their work on this project.

While we have greatly improved our crime victims assistance programs and made advances in recognizing crime victims rights, we still have more to do. That is why it is my hope that Democrats and Republicans, supporters and opponents of a constitutional amendment on this issue, will join in advancing this important legislation through Congress. We can make a difference in the lives of crime victims right now, and I hope Congress will make it a top priority and pass the Crime Victims Assistance Act before the end of the year.

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

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

S. 783

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

**SECTION 1. SHORT TITLE; TABLE OF CONTENTS.**

(a) SHORT TITLE.—This Act may be cited as the ''Crime Victims Assistance Act of 2001''.

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



**TITLE I—VICTIM RIGHTS IN THE FEDERAL SYSTEM**

**SEC. 101. RIGHT TO CONSULT CONCERNING DETENTION.**

(a) RIGHT TO CONSULT CONCERNING DETENTION.—Section 503(c) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10607(c)) is amended by striking paragraph (2) and inserting the following:

''(2) A responsible official shall—

''(A) arrange for a victim to receive reasonable protection from a suspected offender and persons acting in concert with or at the behest of the suspected offender; and

''(B) consult with a victim prior to a detention hearing to obtain information that can

be presented to the court on the issue of any threat the suspected offender may pose to the safety of the victim.''.

(b) COURT CONSIDERATION OF THE VIEWS OF VICTIMS.—Chapter 207 of title 18, United States Code, is amended—

(1) in section 3142—

(A) in subsection (g)—

(i) in paragraph (3), by striking ''and'' at the end;

(ii) by redesignating paragraph (4) as paragraph (5); and

(iii) by inserting after paragraph (3) the following:

''(4) the views of the victim; and''; and

(B) by adding at the end the following:

''(k) VIEWS OF THE VICTIM.—During a hearing under subsection (f), the judicial officer shall inquire of the attorney for the Government if the victim has been consulted on the issue of detention and the views of such victim, if any.''.

(2) in section 3156(a)—

(A) in paragraph (4), by striking ''and'' at the end;

(B) in paragraph (5), by striking the period at the end and inserting ''; and''; and

(C) by adding at the end the following:

''(6) the term ''victim'' includes all persons defined as victims in section 503(e)(2) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10607(e)(2)).''.

**SEC. 102. RIGHT TO A SPEEDY TRIAL.**

Section 3161(h)(8)(B) of title 18, United States Code, is amended by adding at the end the following:

''(v) The interests of the victim (as defined in section 10607(e)(2) of title 42, United States Code) in the prompt and appropriate disposition of the case, free from unreasonable delay.''.

**SEC. 103. RIGHT TO CONSULT CONCERNING PLEA.**

(a) RIGHT TO CONSULT CONCERNING PLEA.—Section 503(c) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10607(c)) is amended—

(1) by redesignating paragraphs (4) through (8) as paragraphs (5) through (9), respectively; and

(2) by inserting after paragraph (3) the following:

''(4) A responsible official shall make reasonable efforts to notify a victim of, and consider the views of a victim about, any proposed or contemplated plea agreement. In determining what is reasonable, the responsible official should consider factors relevant to the wisdom and practicality of giving notice and considering views in the context of the particular case, including—

''(A) the impact on public safety and risks to personal safety;

''(B) the number of victims;

''(C) the need for confidentiality, including whether the proposed plea involves confidential information or conditions;

''(D) whether time is of the essence in negotiating or entering a proposed plea; and

''(E) whether the victim is a possible witness in the case and the effect that relaying any information may have upon the right of the defendant to a fair trial.''.

(b) COURT CONSIDERATION OF THE VIEWS OF VICTIMS.—Rule 11 of the Federal Rules of Criminal Procedure is amended—

(1) by redesignating subdivisions (g) and (h) as subdivisions (h) and (i), respectively; and

(2) by inserting after subdivision (f) the following:

''(g) VIEWS OF THE VICTIM.—Notwithstanding the acceptance of a plea of guilty, the court should not enter a judgment upon such plea without making inquiry of the attorney for the Government if the victim (as defined in section 503(e)(2) of the Victims' Rights and Restitution Act of 1990) has been consulted on the issue of the plea and the views of such victim, if any.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsection (b) shall become effective as provided in paragraph (3).

(2) ACTION BY JUDICIAL CONFERENCE.—

(A) RECOMMENDATIONS.—Not later than 180 days after the date of enactment of this Act, the Judicial Conference of the United States shall submit to Congress a report containing recommendations for amending the Federal Rules of Criminal Procedure to provide enhanced opportunities for victims to be heard on the issue of whether or not the court should accept a plea of guilty or nolo contendere.

(B) INAPPLICABILITY OF OTHER LAW.—Chapter 131 of title 28, United States Code, does not apply to any recommendation made by the Judicial Conference of the United States under this paragraph.

(3) CONGRESSIONAL ACTION.—Except as otherwise provided by law, if the Judicial Conference of the United States—

(A) submits a report in accordance with paragraph (2) containing recommendations described in that paragraph, and those recommendations are the same as the amendments made by subsection (b), then the amendments made by subsection (b) shall become effective 30 days after the date on which the recommendations are submitted to Congress under paragraph (2);

(B) submits a report in accordance with paragraph (2) containing recommendations described in that paragraph, and those recommendations are different in any respect from the amendments made by subsection (b), the recommendations made pursuant to paragraph (2) shall become effective 180 days after the date on which the recommendations are submitted to Congress under paragraph (2), unless an Act of Congress is passed overturning the recommendations; and

(C) fails to comply with paragraph (2), the amendments made by subsection (b) shall become effective 360 days after the date of enactment of this Act.

(4) APPLICATION.—Any amendment made pursuant to this section (including any amendment made pursuant to the recommendations of the Judicial Conference of the United States under paragraph (2)) shall apply in any proceeding commenced on or after the effective date of the amendment.

**SEC. 104. ENHANCED PARTICIPATORY RIGHTS AT TRIAL.**

(a) AMENDMENTS TO VICTIM RIGHTS CLARIFICATION ACT.—Section 3510 of title 18, United States Code, is amended—

(1) by redesignating subsection (c) as subsection (e); and

(2) by inserting after subsection (b) the following:

''(c) APPLICATION TO TELEVISED PROCEEDINGS.—This section applies to any victim viewing proceedings pursuant to section 235 of the Antiterrorism and Effective Death Penalty Act of 1996 (42 U.S.C. 10608), or any rule issued thereunder.

''(d) STANDING.—

''(1) IN GENERAL.—At the request of any victim of an offense, the attorney for the Government may assert the right of the victim under this section to attend and observe the trial.

''(2) VICTIM STANDING.—If the attorney for the Government declines to assert the right of a victim under this section, then the victim has standing to assert such right.

''(3) APPELLATE REVIEW.—An adverse ruling on a motion or request by an attorney for the Government or a victim under this subsection may be appealed or petitioned under the rules governing appellate actions, provided that no appeal or petition shall constitute grounds for delaying a criminal proceeding.''.

(b) AMENDMENT TO VICTIMS' RIGHTS AND RESTITUTION ACT OF 1990.— Section 502(b) of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10606(b)) is amended—

(1) by striking paragraph (4) and inserting the following:

''(4) The right to be present at all public court proceedings related to the offense, unless the court determines that testimony by the victim at trial would be materially affected if the victim heard the testimony of other witnesses.''; and

(2) in paragraph (5), by striking ''attorney'' and inserting ''the attorney''.

**SEC. 105. ENHANCED PARTICIPATORY RIGHTS AT SENTENCING.**

(a) VIEWS OF THE VICTIM.—Section 3553(a) of title 18, United States Code, is amended—

(1) in paragraph (6), by striking ''and'' at the end;

(2) by redesignating paragraph (7) as paragraph (8); and

(3) by inserting after paragraph (6) the following:

''(7) the impact of the crime upon any victim of the offense as reflected in any victim impact statement and the views of any victim of the offense concerning punishment, if such statement or views are presented to the court; and''.

(b) ENHANCED RIGHT TO BE HEARD CONCERNING SENTENCE.—Rule 32 of the Federal Rules of Criminal Procedure is amended—

(1) in subdivision (c)(3)(E), by striking ''if the sentence is to be imposed for a crime of violence or sexual abuse,''; and

(2) by amending subdivision (f) to read as follows:

''(f) DEFINITION. For purposes of this rule, 'victim' means any individual against whom an offense has been committed for which a sentence is to be imposed, but the right of allocution under subdivision (c)(3)(E) may be exercised instead by—

''(1) a parent or legal guardian if the victim is below the age of eighteen years or incompetent; or

''(2) one or more family members or relatives designated by the court if the victim is deceased or incapacitated;

if such person or persons are present at the sentencing hearing, regardless of whether the victim is present.''.

(c) EFFECTIVE DATE.—

(1) IN GENERAL.—The amendments made by subsection (b) shall become effective as provided in paragraph (3).

(2) ACTION BY JUDICIAL CONFERENCE.—

(A) RECOMMENDATIONS.—Not later than 180 days after the date of enactment of this Act, the Judicial Conference of the United States shall submit to Congress a report containing recommendations for amending the Federal Rules of Criminal Procedure to provide enhanced opportunities for victims to participate during the presentencing and sentencing phase of the criminal process.

(B) INAPPLICABILITY OF OTHER LAW.—Chapter 131 of title 28, United States Code, does not apply to any recommendation made by the Judicial Conference of the United States under this paragraph.

(3) CONGRESSIONAL ACTION.—Except as otherwise provided by law, if the Judicial Conference of the United States—

(A) submits a report in accordance with paragraph (2) containing recommendations described in that paragraph, and those recommendations are the same as the amendments made by subsection (b), then the amendments made by subsection (b) shall become effective 30 days after the date on which the recommendations are submitted to Congress under paragraph (2);

(B) submits a report in accordance with paragraph (2) containing recommendations

described in that paragraph, and those recommendations are different in any respect from the amendments made by subsection (b), the recommendations made pursuant to paragraph (2) shall become effective 180 days after the date on which the recommendations are submitted to Congress under paragraph (2), unless an Act of Congress is passed overturning the recommendations; and

(C) fails to comply with paragraph (2), the amendments made by subsection (b) shall become effective 360 days after the date of enactment of this Act.

(4) APPLICATION.—Any amendment made pursuant to this section (including any amendment made pursuant to the recommendations of the Judicial Conference of the United States under paragraph (2)) shall apply in any proceeding commenced on or after the effective date of the amendment.

**SEC. 106. RIGHT TO NOTICE CONCERNING SENTENCE ADJUSTMENT.**

Paragraph (6) of section 503(c) of the Victims' Rights and Restitution Act of 1990, as redesignated by section 103 of this Act, is amended by striking subparagraph (A) and inserting:

''(A) the scheduling of a parole hearing or a hearing on modification of probation or supervised release for the offender;''.

**SEC. 107. RIGHT TO NOTICE CONCERNING DISCHARGE FROM PSYCHIATRIC FACILITY.**

Paragraph (6) of section 503(c) of the Victims' Rights and Restitution Act of 1990, as redesignated by section 103 of this Act, is amended by striking subparagraph (B) and inserting:

''(B) the escape, work release, furlough, discharge or conditional discharge, or any other form of release from custody of the offender, including an offender who was found not guilty by reason of insanity;''.

**SEC. 108. RIGHT TO NOTICE CONCERNING EXECUTIVE CLEMENCY.**

(a) NOTICE.—Paragraph (6) of section 503(c) of the Victims' Rights and Restitution Act of 1990, as redesignated by section 103 of this Act, is amended—

(1) by redesignating subparagraph (C) as subparagraph (D); and

(2) by inserting after subparagraph (B) the following:

''(C) the grant of executive clemency, including any pardon, reprieve, commutation of sentence, or remission of fine, to the offender; and''.

(b) REPORTING REQUIREMENT.—The Attorney General shall submit biannually to the Committees on the Judiciary of the House of Representatives and the Senate a report on executive clemency matters or cases delegated for review or investigation to the Attorney General by the President, including for each year—

(1) the number of petitions so delegated;

(2) the number of reports submitted to the President;

(3) the number of petitions for executive clemency granted and the number denied;

(4) the name of each person whose petition for executive clemency was granted or denied and the offenses of conviction of that person for which executive clemency was granted or denied; and

(5) with respect to any person granted executive clemency, the date that any victim of an offense that was the subject of that grant of executive clemency was notified, pursuant to Department of Justice regulations, of a petition for executive clemency, and whether such victim submitted a statement concerning the petition.

**SEC. 109. PROCEDURES TO PROMOTE COMPLIANCE.**

(a) REGULATIONS.—Not later than 1 year after the date of enactment of this Act, the Attorney General of the United States shall promulgate regulations to enforce the rights of victims of crime described in section 502 of the Victims' Rights and Restitution Act of 1990 (42 U.S.C. 10606) and to ensure compliance by responsible officials with the obligations described in section 503 of that Act (42 U.S.C. 10607).

(b) CONTENTS.—The regulations promulgated under subsection (a) shall—

(1) establish an administrative authority within the Department of Justice to receive and investigate complaints relating to the provision or violation of the rights of a crime victim;

(2) require a course of training for employees and offices of the Department of Justice that fail to comply with provisions of Federal law pertaining to the treatment of victims of crime, and otherwise assist such employees and offices in responding more effectively to the needs of victims;

(3) contain disciplinary sanctions, including suspension or termination from employment, for employees of the Department of Justice who willfully or wantonly fail to comply with provisions of Federal law pertaining to the treatment of victims of crime; and

(4) provide that the Attorney General, or the designee of the Attorney General, shall be the final arbiter of the complaint, and that there shall be no judicial review of the final decision of the Attorney General by a complainant.

## TITLE II—VICTIM ASSISTANCE INITIATIVES

**SEC. 201. PILOT PROGRAMS TO ENFORCE COMPLIANCE WITH STATE CRIME VICTIM'S RIGHTS LAWS.**

(a) DEFINITIONS.—In this section:

(1) COMPLIANCE AUTHORITY.—The term ''compliance authority'' means one of the compliance authorities established and operated under a program under subsection (b) to enforce the rights of victims of crime.

(2) DIRECTOR.—The term ''Director'' means the Director of the Office for Victims of Crime.

(3) OFFICE.—The term ''Office'' means the Office for Victims of Crime.

(b) PILOT PROGRAMS.—

(1) IN GENERAL.—Not later than 12 months after the date of enactment of this Act, the Attorney General, acting through the Director, shall establish and carry out a program to provide for pilot programs in 5 States to establish and operate compliance authorities to enforce the rights of victims of crime.

(2) AGREEMENTS.—

(A) IN GENERAL.—The Attorney General, acting through the Director, shall enter into an agreement with a State to conduct a pilot program referred to in paragraph (1), which agreement shall provide for a grant to assist the State in carrying out the pilot program.

(B) CONTENTS OF AGREEMENT.—The agreement referred to in subparagraph (A) shall specify that—

(i) the compliance authority shall be established and operated in accordance with this section; and

(ii) except with respect to meeting applicable requirements of this section concerning carrying out the duties of a compliance authority under this section (including the applicable reporting duties under subsection (f) and the terms of the agreement), a compliance authority shall operate independently of the Office.

(C) NO AUTHORITY OVER DAILY OPERATIONS.—The Office shall have no supervisory or decisionmaking authority over the day-to-day operations of a compliance authority.

(c) OBJECTIVES.—

(1) MISSION.—The mission of a compliance authority established and operated under a pilot program under this section shall be to promote compliance and effective enforcement of State laws regarding the rights of victims of crime.

(2) DUTIES.—A compliance authority established and operated under a pilot program under this section shall—

(A) receive and investigate complaints relating to the provision or violation of the rights of a crime victim; and

(B) issue findings following such investigations.

(3) OTHER DUTIES.—A compliance authority established and operated under a pilot program under this section may—

(A) pursue legal actions to define or enforce the rights of victims;

(B) review procedures established by public agencies and private organizations that provide services to victims, and evaluate the delivery of services to victims by such agencies and organizations;

(C) coordinate and cooperate with other public agencies and private organizations concerned with the implementation, monitoring, and enforcement of the rights of victims and enter into cooperative agreements with such agencies and organizations for the furtherance of the rights of victims;

(D) ensure a centralized location for victim services information;

(E) recommend changes in State policies concerning victims, including changes in the system for providing victim services;

(F) provide public education, legislative advocacy, and development of proposals for systemic reform; and

(G) advertise to advise the public of its services, purposes, and procedures.

(d) ELIGIBILITY.—To be eligible to receive a grant under this section, a State shall submit an application to the Director which includes assurances that—

(1) the State has provided legal rights to victims of crime at the adult and juvenile levels;

(2) a compliance authority that receives funds under this section will include a role for—

(A) representatives of criminal justice agencies, crime victim service organizations, and the educational community;

(B) a medical professional whose work includes work in a hospital emergency room; and

(C) a therapist whose work includes treatment of crime victims; and

(3) Federal funds received under this section will be used to supplement, and not to supplant, non-Federal funds that would otherwise be available to enforce the rights of victims of crime.

(e) PREFERENCE.—In awarding grants under this section, the Attorney General shall give preference to a State that provides legal standing to prosecutors and victims of crime to assert the rights of victims of crime.

(f) OVERSIGHT.—

(1) TECHNICAL ASSISTANCE.—The Director may provide technical assistance and training to a State that receives a grant under this section to achieve the purposes of this section.

(2) ANNUAL REPORT.—Each State that receives a grant under this section shall submit to the Director, for each year in which funds from a grant received under this section are expended, a report that contains—

(A) a summary of the activities carried out under the grant and an assessment of the effectiveness of such activities in promoting compliance and effective implementation of the laws of that State regarding the rights of victims of crime;

(B) a strategic plan for the year following the year covered under subparagraph (A); and

(C) such other information as the Director may require.

(g) REVIEW OF PROGRAM EFFECTIVENESS.—

(1) IN GENERAL.—The Director of the National Institute for Justice shall conduct an evaluation of the pilot programs carried out under this section to determine the effectiveness of the compliance authorities that are the subject of the pilot programs in carrying out the mission and duties described in subsection (c).

(2) REPORT.—Not later than 5 years after the date of enactment of this Act, the Director of the National Institute of Justice shall submit to the Committee on the Judiciary of the House of Representatives and the Committee on the Judiciary of the Senate a written report on the results of the evaluation required by paragraph (1).

(h) GRANT PERIOD.—A grant under this section shall be made for a period not longer than 4 years, but may be renewed for a period not to exceed 2 years on such terms as the Director may require.

(i) AUTHORIZATION OF APPROPRIATIONS.—

(1) IN GENERAL.—There are authorized to be appropriated to carry out this section, to remain available until expended, $8,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal years 2003, 2004, and 2005.

(2) EVALUATIONS.—Up to 5 percent of the amount authorized to be appropriated under paragraph (1) in any fiscal year may be used for administrative expenses incurred in conducting the evaluations and preparing the report required by subsection (g).

**SEC. 202. INCREASED RESOURCES TO DEVELOP STATE-OF-THE-ART SYSTEMS FOR NOTIFYING CRIME VICTIMS OF IMPORTANT DATES AND DEVELOPMENTS.**

The Victims of Crime Act of 1984 is amended by inserting after section 1404C the following:

**"SEC. 1404D. VICTIM NOTIFICATION GRANTS.**

''(a) IN GENERAL.—The Director may make grants as provided in section 1404(c)(1)(A) to State, tribal, and local prosecutors' offices, law enforcement agencies, courts, jails, and correctional institutions, and to qualified private entities, to develop and implement state-of-the-art systems for notifying victims of crime of important dates and developments relating to the criminal proceedings at issue on a timely and efficient basis.

''(b) INTEGRATION OF SYSTEMS.—Systems developed and implemented under this section may be integrated with existing case management systems operated by the recipient of the grant.

''(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, in addition to funds made available by section 1402(d)(4)(C)—

''(1) $10,000,000 for fiscal year 2002;

''(2) $5,000,000 for fiscal year 2003; and

''(3) $5,000,000 for fiscal year 2004.

''(d) FALSE CLAIMS ACT.—Notwithstanding any other provision of law, amounts collected pursuant to sections 3729 through 3731 of title 31, United States Code (commonly known as the 'False Claims Act'), may be used for grants under this section.''.

**SEC. 203. RESTORATIVE JUSTICE GRANTS.**

The Victims of Crime Act of 1984 is amended by inserting after section 1404D, as added by section 202 of this Act, the following:

**"SEC. 1404E. RESTORATIVE JUSTICE GRANTS.**

''(a) IN GENERAL.—The Director may make grants as provided in section 1404(c)(1)(A) of this title to States, units of local government, tribal governments, and qualified private entities for the development and implementation of community-based restorative justice programs in juvenile justice systems.

''(b) COMMUNITY-BASED RESTORATIVE JUSTICE PROGRAM.—In this section, the term 'community-based restorative justice program' means a program based upon principles of restorative justice and a concern for maintaining offenders safely in the community.

''(c) MISSION.—The mission of a program developed and implemented under a grant under this section shall be to—

''(1) protect the community through processes in which individual victims, offenders, and the community are all active participants;

''(2) ensure accountability of the offenders to their victims and community; and

''(3) equip offenders with the skills needed to live responsibly and productively.

''(d) VOLUNTARY PROGRAMS.—A program funded under this section shall be fully voluntary for both victims and offenders.

''(e) REPORT.—The Office for Victims of Crime shall conduct a study and report to Congress not later than 3 years after the date of enactment of this Act on the effectiveness of programs that receive grants under this section.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, in addition to funds made available by section 1402(d)(4)(C) of this title, $4,000,000 for each of fiscal years 2002, 2003, and 2004.

''(g) FALSE CLAIMS ACT.—Notwithstanding any other provision of law, amounts collected pursuant to sections 3729 through 3731 of title 31, United States Code (commonly known as the 'False Claims Act'), may be used for grants under this section.''.

**SEC. 204. FUNDING FOR FEDERAL VICTIM ASSISTANCE PERSONNEL.**

(a) IN GENERAL.—There are authorized to be appropriated such sums as may be necessary to enable the Attorney General, through the Director of the Office for Victims of Crime, to retain 400 full-time or full-time equivalent employees to serve as victim witness coordinators and victim witness advocates in Federal law enforcement agencies.

(b) VICTIMS ASSISTANCE.—Employees retained pursuant to this section shall provide assistance to victims of criminal offenses investigated or prosecuted by a Federal law enforcement agency and otherwise improve services for the benefit of crime victims in the Federal system.

(c) ALLOCATION OF EMPLOYEES.—Full-time and full-time equivalent employees retained pursuant to this section shall be assigned by the Director of the Office for Victims of Crime, as needed, in Federal law enforcement agencies, including—

(1) 170 to the United States Attorneys Offices; and

(2) 120 to the Federal Bureau of Investigation in field offices in Indian country (as defined in section 1151 of title 18, United States Code) and other field offices that handle investigations involving large numbers of victims, and in the Headquarters Divisions.

## TITLE III—VICTIMS OF CRIME ACT AMENDMENTS

**SEC. 301. CRIME VICTIMS FUND.**

(a) DEPOSIT OF GIFTS IN THE FUND.—Section 1402(b) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(b)) is amended—

(1) in paragraph (3), by striking ''and'' at the end;

(2) in paragraph (4), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(5) any gifts, bequests, or donations to the Fund from private entities or individuals.''.

(b) FORMULA FOR FUND DISTRIBUTIONS.—Section 1402(c) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(c)) is amended—

(1) in the second sentence—

(A) by striking ''made available for obligation by Congress'' and inserting ''obligated''; and

(B) by inserting ''in reserve'' after ''shall remain''; and

(2) by adding at the end the following: ''Subject to the availability of money in the Fund, the Director shall make available pursuant to this Act, not less than 90 percent nor more than 110 percent of the total amount of funds made available for obligation in the previous fiscal year.''.

(c) FUNDING FOR VICTIM ASSISTANCE PERSONNEL.—Section 1402(d) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)) is repealed.

(d) ALLOCATION OF FUNDS FOR COSTS AND GRANTS.—Section 1402(d)(4) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(4)) is amended—

(1) in subparagraph (A), by striking ''48.5'' and inserting ''47.5'';

(2) in subparagraph (B), by striking ''48.5'' and inserting ''47.5''; and

(3) in subparagraph (C), by striking ''3'' and inserting ''5''.

(e) ANTITERRORISM EMERGENCY RESERVE.—Section 1402(d)(5) of the Victims of Crime Act of 1984 (42 U.S.C. 10601(d)(5)) is amended to read as follows:

''(4)(A) Notwithstanding subsection (c), the Director may set aside up to $50,000,000 from the amounts remaining in the Fund as an antiterrorism emergency reserve fund. The Director may replenish any amounts expended in subsequent fiscal years by setting aside up to 5 percent of the amounts remaining in the Fund in any fiscal year.

''(B) The antiterrorism emergency reserve referred to in subparagraph (A) may be used for supplemental grants under section 1404B (42 U.S.C. 10603b) and to provide compensation to victims of international terrorism under section 1404C (42 U.S.C. 10603c).''.

**SEC. 302. CRIME VICTIM COMPENSATION.**

(a) ALLOCATION OF FUNDS FOR COMPENSATION AND ASSISTANCE.—Section 1403(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(a)) is amended—

(1) in each of paragraphs (1) and (2), by striking ''40'' and inserting ''60''; and

(2) in paragraph (3), by striking ''5'' and inserting ''10''.

(b) RELATIONSHIP OF CRIME VICTIM COMPENSATION TO MEANS-TESTED FEDERAL BENEFIT PROGRAMS.—Section 1403 of the Victims of Crime Act of 1984 (42 U.S.C. 10602) is amended by striking subsection (c) and inserting the following:

''(c) EXCLUSION FROM INCOME, RESOURCES, AND ASSETS FOR PURPOSES OF MEANS TESTS.—Notwithstanding any other law, for the purpose of any maximum allowed income, resource, or asset eligibility requirement in any Federal, State, or local government program using Federal funds that provides medical or other assistance (or payment or reimbursement of the cost of such assistance), any amount of crime victim compensation that the applicant receives through a crime victim compensation program under this section shall not be included in the income, resources, or assets of the applicant, nor shall that amount reduce the amount of the assistance available to the applicant from Federal, State, or local government programs using Federal funds, unless the total amount of assistance that the applicant receives from all such programs is sufficient to fully compensate the applicant for losses suffered as a result of the crime.''.

(c) CONFORMING AMENDMENT.—Section 1403(d)(4) of the Victims of Crime Act of 1984 (42 U.S.C. 10602(d)(4)) is amended by inserting ''the United States Virgin Islands,'' after ''the Commonwealth of Puerto Rico,''.

**SEC. 303. CRIME VICTIM ASSISTANCE.**

(a) ASSISTANCE FOR VICTIMS IN THE DISTRICT OF COLUMBIA, PUERTO RICO, AND OTHER TERRITORIES AND POSSESSIONS.—Section

1404(a) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(a)) is amended by adding at the end the following:

''(6) An agency of the Federal Government performing local law enforcement functions in and on behalf of the District of Columbia, the Commonwealth of Puerto Rico, the United States Virgin Islands, or any other territory or possession of the United States may qualify as an eligible crime victim assistance program for the purpose of grants under this subsection, or for the purpose of grants under subsection (c)(1).''.

(b) PROHIBITION ON DISCRIMINATION AGAINST CERTAIN VICTIMS.—Section 1404(b)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(b)(1)) is amended—

(1) in subparagraph (D), by striking ''and'' at the end;

(2) in subparagraph (E), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(F) does not discriminate against victims because they oppose the death penalty or disagree with the way the State is prosecuting the criminal case.''.

(c) ADMINISTRATIVE COSTS FOR CRIME VICTIM ASSISTANCE.—Section 1404(b)(3) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(b)(3)) is amended by striking ''5'' and inserting ''10''.

(d) GRANTS FOR PROGRAM EVALUATION AND COMPLIANCE EFFORTS.—Section 1404(c)(1)(A) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(1)(A)) is amended by inserting '', program evaluation, compliance efforts,'' after ''demonstration projects''.

(e) FELLOWSHIPS AND CLINICAL INTERNSHIPS.—Section 1404(c)(3) of the Victims of Crime Act of 1984 (42 U.S.C. 10603(c)(3)) is amended—

(1) in subparagraph (C), by striking ''and'' at the end;

(2) in subparagraph (D), by striking the period at the end and inserting ''; and''; and

(3) by adding at the end the following:

''(E) use funds made available to the Director under this subsection—

''(i) for fellowships and clinical internships; and

''(ii) to carry out programs of training and special workshops for the presentation and dissemination of information resulting from demonstrations, surveys, and special projects.''.

**SEC. 304. VICTIMS OF TERRORISM.**

(a) ASSISTANCE TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404B(a)(1) of the Victims of Crime Act of 1984 (42 U.S.C. 10603b(a)(1)) is amended by striking ''who are not persons eligible for compensation under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986''.

(b) COMPENSATION TO VICTIMS OF INTERNATIONAL TERRORISM.—Section 1404C(b) of the Victims of Crime of 1984 (42 U.S.C. 10603c(b)) is amended by adding at the end the following: ''The amount of compensation awarded to a victim under this subsection shall be reduced by any amount that the victim received in connection with the same act of international terrorism under title VIII of the Omnibus Diplomatic Security and Antiterrorism Act of 1986.''.

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CRIME VICTIMS ASSISTANCE ACT OF 2001—SECTION-BY-SECTION SUMMARY

OVERVIEW

The Crime Victims Assistance Act of 2001 represents an important step in Congress's continuing efforts to provide assistance and afford respect to victims of crime. The bill would accomplish three major goals. First, it would provide enhanced rights and protections for victims of federal crimes. Second, it would assist victims of State crimes through grant programs designed to promote compliance with State victim's rights laws. Third, it would make several significant amendments to the Victims of Crime Act and improve the manner in which the Crime Victims Fund is managed and preserved.

TITLE I—VICTIM RIGHTS IN THE FEDERAL SYSTEM

Sec. 101. Right to consult concerning detention. Requires the government to consult with victim prior to a detention hearing to obtain information that can be presented to the court on the issue of any threat the suspected offender may pose to the victim. Requires the court to make inquiry during a detention hearing concerning the views of the victim, and to consider such views in determining whether the suspected offender should be detained.

Sec. 102. Right to a speedy trial. Requires the court to consider the interests of the victim in the prompt and appropriate disposition of the case, free from unreasonable delay.

Sec. 103. Right to consult concerning plea. Requires the government to make reasonable efforts to notify the victim of, and consider the victim's views about, any proposed or contemplated plea agreement. Requires the court, prior to entering judgment on a plea, to make inquiry concerning the views of the victim on the issue of the plea.

Sec. 104. Enhanced participatory rights at trial. Provides standing for the prosecutor and the victim to assert the right of the victim to attend and observe the trial. Extends the Victim Rights Clarification Act to apply to televised proceedings. Amends the Victims' Rights and Restitution Act of 1990 to strengthen the right of crime victims to be present at court proceedings, including trials.

Sec. 105. Enhanced participatory rights at sentencing. Requires the probation officer to include as part of the presentence report any victim impact statement submitted by a victim. Extends to all victims the right to make a statement or present information in relation to the sentence. Requires the court to consider the victim's views concerning punishment, if such views are presented to the court, before imposing sentence.

Sec. 106. Right to notice concerning sentence adjustment. Requires the government to provide the victim the earliest possible notice of the scheduling of a hearing on modification of probation or supervised release for the offender.

Sec. 107. Right to notice concerning discharge from psychiatric facility. Requires the government to provide the victim the earliest possible notice of the discharge or conditional discharge from a psychiatric facility of an offender who was found not guilty by reason of insanity.

Sec. 108. Right to notice concerning executive clemency. Requires the government to provide the victim the earliest possible notice of the grant of executive clemency to the offender. Requires the Attorney General to report to Congress concerning executive clemency matters delegated for review or investigation to the Attorney General.

Sec. 109. Procedures to promote compliance. Establishes an administrative system for enforcing the rights of crime victims in the federal system.

TITLE II—VICTIM ASSISTANCE INITIATIVES

Sec. 201. Pilot programs to enforce compliance with victim's rights laws. Authorizes the establishment of pilot programs in five States to establish and operate compliance authorities to promote compliance and effective enforcement of State laws regarding the rights of victims of crime. Compliance authorities would receive and investigate complaints relating to the provision or violation of a crime victim's rights, and issue findings following such investigations. Authorizes appropriations to make grants for these pilot programs.

Sec. 202. Increased resources to develop state-of-the-art systems for notifying crime victims of important dates and developments. Authorizes appropriations for grants to develop and implement crime victim notification systems.

Sec. 203. Restorative justice grants. Authorizes appropriations for grants to develop and implement community-based restorative justice programs in juvenile court settings.

Sec. 204. Funding for federal victim assistance personnel. Authorizes appropriations to retain 400 full-time or full-time equivalent employees to serve as victim witness coordinators and victim witness advocates in Federal law enforcement agencies. These positions are currently funded with money from the Crime Victims Fund.

TITLE III—VICTIMS OF CRIME ACT AMENDMENTS

Sec. 301. Crime Victims Fund. Replaces the annual cap on the Fund with a formula that ensures stability in the amounts distributed to the States, while preserving the amounts remaining in the Fund for use in future years. Discontinues the practice of using Fund money to pay for victim assistance positions in certain federal agencies; these positions would now be funded through direct appropriations under section 204. Increases the portion of the Fund that shall be available to OVC for discretionary victim assistance grants and for assistance to victims of federal crime. Permits OVC to retain a maximum of $50 million in an antiterrorism emergency reserve that can be replenished with up to 5 percent of the amounts retained in the Fund after the annual Fund distribution.

Sec. 302. Crime victim compensation. Increases from 40 to 60 percent the minimum threshold for the annual grant to State crime victim compensation programs. Clarifies that a payment of compensation to a victim shall not reduce the amount of assistance available to that victim under other government programs.

Sec. 303. Crime victim assistance. Authorizes States to give VOCA funds to U.S. Attorney's Offices in jurisdictions where the U.S. Attorney is the local prosecutor. Prohibits State crime victim assistance programs that receive VOCA grants from discriminating against victims because they oppose the death penalty or disagree with the way the State is prosecuting the criminal case. Authorizes OVC to make grants to eligible crime victim assistance programs for program evaluation and compliance efforts. Allows OVC to use funds for fellowships and clinical internships and to carry out training programs.

Sec. 304. Victims of Terrorism. Technical amendment to section 2003 of the Trafficking Victims Protection Act of 2000 (PL 106–386), which inadvertently reversed the existing exclusion under VOCA of individuals eligible for other federal compensation under the Omnibus Diplomatic Security and Antiterrorism Act of 1986 (ODSA). The exclusion of individuals eligible for compensation under ODSA should have been applied to section 1404C of VOCA, which covers direct compensation to victims of international terrorism, and not to section 1404B, which covers assistance to victims of terrorism.

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By Mr. MURKOWSKI:

S. 784. A bill to amend the Internal Revenue Code of 1986 to increase the limitation on capital losses any individual may deduct against ordinary income, and to allow individuals a 3-year capital loss carryback and unlimited

carryovers; to the Committee on Finance.

Mr. MURKOWSKI. Mr. President, I am today introducing legislation that would soften the blow that many investors have felt as the stock market has declined. My bill would raise the capital loss limit that can be applied against ordinary income. Currently, the limit is $3,000. Under my proposal, the limit would rise to $20,000. Moreover, my legislation allows individual taxpayers to carryback capital losses three years to offset prior capital gains.

This bill reflects the reality of what has happened to many millions of investors. In the past year, more than $4.5 trillion of wealth has been wiped out as our economy has slowed and the markets have declined. For many investors, when they file their taxes next year, they are going to find that if they have no offsetting gains they are only going to be allowed to write off $3,000 of their loss. Of course, they can carry forward that loss. But for an investor who has net capital losses of $20,000 this year he or she will not be able to completely write off that investment loss until 2007, assuming no future capital gains. With $40,000 of losses, it would take until 2014 to write off those losses.

The capital loss/ordinary income limit has been in place since 1976. It seems to me that with 25 years of inflation, that $3,000 limit is far too low. Moreover, I have always believed that if we want to encourage investors to take financial risks investing in new frontier technologies, we should cushion the financial blow when the venture does not succeed. The best way to do that is to allow them to write off a greater portion of their loss immediately.

The bill also allows individuals the opportunity to carry back losses in the same fashion that is allowed to corporations. If their capital losses exceed their capital gains they would be able to carry those losses back three years to offset capital gains incurred in prior years. While I recognize that this may create some complexity for taxpayers since it would require the filing of amended returns, I believe it is an appropriate and fair way to deal with capital losses. If a corporation can take advantage of this benefit, it seems only fair to give that same benefit to individuals.

I would certainly like to see the capital gains rate lowered. But as one Wall Street executive recently was quoted: ''The last time I looked, you had to have gains for this to make any difference.'' I certainly think the proposal I have offered would certainly make a difference to many millions of taxpayers who have suffered grievous losses in the market this year.

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

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

S. 784

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

**SECTION 1. TREATMENT OF CAPITAL LOSSES OF TAXPAYERS OTHER THAN CORPORATIONS.**

(a) INCREASE IN LIMITATION ON LOSSES ALLOWABLE AGAINST ORDINARY INCOME.—Section 1211(b)(1) of the Internal Revenue Code of 1986 (relating to limitation on capital losses of taxpayers other than corporations) is amended—

(1) by striking ''$3,000'' and inserting ''$20,000'', and

(2) by striking ''$1,500'' and inserting ''$10,000''.

(b) CARRYBACK AND CARRYOVERS OF CAPITAL LOSSES.—Section 1212(b)(1) of the Internal Revenue Code of 1986 (relating to capital loss carrybacks and carryovers of taxpayers other than corporations) is amended to read as follows:

''(1) CARRYBACKS AND CARRYOVERS.—

''(A) IN GENERAL.—If a taxpayer other than a corporation has a net capital loss for any taxable year (the 'loss year')—

''(i) the excess of the net short-term capital loss over the net long-term capital gain for the loss year shall be a capital loss carryback to each of the 3 taxable years preceding the loss year and a capital loss carryover to each taxable year succeeding the loss year, and shall be treated as a short-term capital loss in each such taxable year, and

''(ii) the excess of the net long-term capital loss over the net short-term capital gain for the loss year shall be a capital loss carryback to each of the 3 taxable years preceding the loss year and a capital loss carryover to each taxable year succeeding the loss year, and shall be treated as a long-term capital loss in each of such taxable years.

''(B) AMOUNT CARRIED TO EACH TAXABLE YEAR.—The entire amount of the loss which may be carried to another taxable year under subparagraph (A) shall be carried to the earliest of the taxable years to which the loss may be carried. The portion of such loss which may be carried to any other taxable year shall be the excess (if any) of such loss over the portion of such loss which, after application of subparagraph (C), was allowed as a carryback or carryover to any prior taxable year.

''(C) AMOUNT WHICH MAY BE USED.—An amount shall be allowed as a carryback or carryover from a loss year to another taxable year only to the extent—

''(i) such amount does not exceed the excess (if any) of—

''(I) the sum of the losses from the sale or exchange of capital assets in such other taxable year plus losses carried under this paragraph to such other taxable year from taxable years prior to such loss year, over

''(II) gains from such sales or exchanges in such other taxable year, and

''(ii) the allowance of such carryback or carryover does not increase or produce a net operating loss (as defined in section 172(c)) for such other taxable year.''

(c) CONFORMING AMENDMENTS.—

(1) Section 1212(b)(2)(A) of the Internal Revenue Code of 1986 is amended by striking ''subparagraph (A) or (B) of paragraph (1)'' and inserting ''clause (i) or (ii) of paragraph (1)(A)''.

(2) Section 1212 of such Code is amended by striking subsection (c).

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to capital losses arising in taxable years beginning after December 31, 2000.

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By Mr. GREGG:

S. 787. A bill to prohibit the importation of diamonds from countries that have not become signatories to an international agreement establishing a certification system for exports and imports of rough diamonds or that have not unilaterally implemented a certification system meeting the standards set forth herein; to the Committee on Finance

Mr. GREGG. Mr. President, the purpose of the Conflict Diamonds Act of 2001 is to eliminate the illegal diamond trade that has fueled violent conflicts in the African nations of Sierra Leone, Liberia, Congo, Angola, Ivory Coast, and Burkina Faso. The sale of illicit diamonds has allowed criminal gangs like the Revolutionary United Front in Sierra Leone to buy arms and supplies in an effort to expand their influence. In the process, they have inflicted unspeakable pain, including torture and amputation, on the innocent people they encounter.

The Conflict Diamonds Act of 2001 bans the importation into the United States of diamonds from countries that fail to observe an effective diamond control system. Under this legislation, no diamond that has ever been in the possession of the RUF or any other rebel group will be allowed to enter the United States. This includes diamonds that pass through another country for cutting or setting. The Conflict Diamonds Act of 2001 authorizes the President of the United States to ban the importation of diamonds and diamond jewelry from countries if he believes that shipments from those countries violate the legislation's intent. Those who knowingly violate the import ban would be subject to criminal and civil penalties under existing U.S. Customs law. The Customs Service would be authorized to seize illicit shipments. The import ban would take effect six months after enactment, regardless of the status of negotiations for an international agreement.

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. 787

*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 ''Conflict Diamonds Act of 2001.

**TITLE I—PROHIBITION ON IMPORTATION OF CONFLICT DIAMONDS**

**SEC. 101. FINDINGS.**

The Congress finds that—

(1) The use of funds from illegitimate diamond trade to support conflicts in Africa has had devastating effects on the peoples of the regions involved in those conflicts;

(2) U.N. Security Council Resolution 1173 of June 12, 1998 requires the United States and all other U.N. members to take the necessary measures to prohibit the direct or indirect importation from Angola to their territory of all diamonds that are not controlled through the Certificate of Origin regime of the Government of Unity and National Reconciliation (GURN);

(3) U.N. Security Council Resolution 1306 of July 5, 2000 requires the United States and all other U.N. members to take the necessary measures to prohibit the direct or indirect importation of all rough diamonds from Sierra Leone into their territory that are not controlled by the Government of Sierra Leone through its Certificate of Origin regime;

(4) U.N. Security Council Resolution 1344 of March 8, 2001 requires the United States and all other U.N. members to take the necessary measures to prevent the direct or indirect import of all rough diamonds from Liberia, whether or not such diamonds originated in Liberia;

(5) Effective compliance with U.N. Security Council Resolutions 1173, 1306, and 1344 is necessary to eliminate trade in conflict diamonds;

(6) Although the President of the United States has issued Executive Orders to implement Resolution 1173 and Resolution 1306, additional measures are needed to ensure compliance with, and prevent circumvention of, those resolutions;

(7) Further measures are needed to prevent rough diamonds originating in other rebel-controlled conflict areas from entering the global stream of commerce in which legitimate diamonds are sold;

(8) The resolution of the United Nations General Assembly approved on December 1, 2000 provides important guidance on devising effective and pragmatic measures to address the problem of conflict diamonds; and,

(9) Since legitimate diamond trade is of great economic importance to developing countries in Africa, no law should be enacted, nor regulation or other measure implemented, that would impede legitimate diamond trade or diminish confidence in the integrity of the legitimate diamond industry.

**SEC. 102. DEFINITIONS.**

(a) The term ''diamond'' means a natural mineral consisting of essentially pure carbon crystallized in the isometric system with a hardness of 10 on the Mohs scale, a specific gravity of approximately 3.52, and a refractive index of 2.42.

(b) The term ''rough diamond'' means a diamond that is unworked or simply sawn, cleaved or bruted, as described in Harmonized Tariff Schedule of the United States subheading 7102.31.0000.

(c) The term ''conflict diamond'' means a diamond that has at any time been in the possession of any person belonging to or associated with armed insurgents, rebel forces, or any other movement using violence against civilians or internationally recognized governments.

**SEC. 103. RESTRICTIONS ON THE IMPORTATION OF DIAMONDS.**

(a) No person may enter into the customs territory of the United States or aid or abet an attempt to enter any diamond, including any diamond set in jewelry, that has been mined in, or mined and set in, and exported directly from, the Republic of Sierra Leone, the Republic of Angola, or the Republic of Liberia except for a diamond or a diamond set in jewelry:

(1) the country of origin of which has been certified as the Republic of Sierra Leone by the internationally recognized government of that country, in accordance with United Nations Security Council Resolution 1306 of July 5, 2000; or

(2) the country of origin of which has been certified as the Republic of Angola by the internationally recognized government of that country, in accordance with United Nations Security Council Resolution 1173 of June 12, 1998.

(b) No person may enter into the customs territory of the United States or aid or abet an attempt to enter any diamond directly from a country that: is subject to a United Nations Security Council resolution similar to those identified in subsection (a) or that is not a signatory to an international agreement that establishes a certification system for exports and imports of rough diamonds, that has not unilaterally implemented such a system, or that is not a ''cooperating country'' as defined in subsection (c) of section 105 of this Act.

**SEC. 104. PROHIBITION OF OTHER IMPORTS TO PREVENT CIRCUMVENTION OF U.N. RESOLUTIONS.**

The President of the United States is authorized to prohibit the importation of diamonds or diamond jewelry exported from any country except for rough diamonds whose country of origin has been certified as either the Republic of Angola or the Republic of Sierra Leone under the Certificate of Origin regimes described in section 103 (a) (1) or (2), if there are reasonable grounds to believe that such prohibition is necessary to carry out U.N. Security Council Resolution 1173, 1306, or 1344, or any other Resolution banning the exportation or importation of conflict diamonds.

**SEC. 105. IMPLEMENTING MEASURES.**

(a) The Secretary of the Treasury of the United States is authorized to make such rules and regulations as may be necessary to carry out the provisions of this Act. The public will be notified and given an opportunity of at least 30 days to comment on all proposed rules and regulations before they take effect.

(b) These regulations will provide that an importer is entitled to rely on the country of origin marking that is required under 19 U.S.C. §1304. However, nothing in this Act shall be construed to override an importer's duty to exercise reasonable care.

(c) No later than six months after the date of enactment of this Act, the Secretary of the Treasury will issue a list of countries that are signatories to the international agreement described in Title II, have unilaterally implemented a certification system containing the elements described in subsection (b) of section 203, or are found to be ''cooperating'' countries as defined in this subsection. The Secretary of the Treasury will revise and update this list as necessary. For purposes of this subsection, the Secretary of the Treasury will find that a country is ''cooperating'' if it is acting in good faith to establish and enforce a unilateral certification system meeting the standards described in subsection (b) of section 203 or taking action to ensure that it is not facilitating trade in conflict diamonds. The Secretary of the Treasury, in consultation with appropriate agencies, shall develop and publish criteria that will be used to evaluate whether a country will be deemed a cooperating country. These criteria will be subject to public notice and comment before adoption in final form.

(d) The Secretary of the Treasury may extend cooperating country status for more than six months after the initial designation, but shall provide to Congress an explanation of the reasons for why such an extension is necessary.

(e) The President of the United States shall ensure that implementation of and compliance with Title I of this Act is monitored by appropriate agencies or by an independent body.

**SEC. 106. PENALTIES FOR NON-COMPLIANCE.**

(a) CIVIL AND CRIMINAL PENALTIES.—Any person who enters or introduces into the commerce of the United States, attempts to enter or introduce, or aids or abets an attempt to enter or introduce, merchandise in violation of Title I of this Act or the implementing regulations for Title I will be subject to civil and criminal penalties in effect under the customs laws of the United States, as set forth in Title 19 of the United States Code. The same administrative procedures and defenses that apply under Title 19 of the United States Code will apply to penalties that are sought to be assessed under this subsection.

(b) SEIZURE.—If the Customs Service has reasonable cause to believe that a person has violated the provisions of subsection (a) of this section and that seizure is essential to prevent the introduction of merchandise into the customs territory of the United States whose importation is prohibited by Title I of this Act, then such merchandise may be seized. Within a reasonable time after any such seizure is made, the Customs Service will issue to the person concerned a written statement containing the reasons for the seizure. A person may seek relief from seizure under the procedures and standards prescribed in 19 U.S.C. §1618 and the Customs Service regulations that implement that provision.

(c) COURT OF INTERNATIONAL TRADE PROCEEDINGS.—

(1) JURISDICTION.—Section 1582 of Title 28, United States Code, is amended by amending paragraph (1) to read as follows:

''(1) to recover a civil penalty under section 592, 593A, 641(b)(6), 641(d)(2)(A), 704(i)(2), or 734(i)(2) of the Tariff Act of 1930.

(2) STANDARD OF REVIEW.—Notwithstanding any other provision of law, in any proceeding commenced by the United States in the Court of International Trade for the recovery of any monetary penalty under this section, all issues, including the amount of any penalty, shall be tried de novo.

(d) PROCEEDS FROM FINES AND SEIZED GOODS.—The proceeds derived from penalties and seizures under Title I of this Act will, in addition to amounts otherwise available for such purposes, be available only for programs to assist the victims of conflicts involving illicitly traded diamonds.

**SEC. 107. REPORT TO CONGRESS.**

The President of the United States will report to Congress no later than 180 days after enactment of this Act and annually thereafter on the implementing measures taken to carry out the provisions of this Title and their effectiveness in stopping imports of conflict diamonds into the United States.

## TITLE II—NEGOTIATION OF AN INTERNATIONAL AGREEMENT TO ELIMINATE TRADE IN CONFLICT DIAMONDS

**SEC. 201. FINDINGS.**

The Congress finds that—

(1) The most effective and desirable means of eliminating international trade in conflict diamonds is through international cooperative efforts involving governments, the private sector, civil society, and appropriate international organizations;

(2) The initiatives of the world diamond industry, as reflected in the Resolution of the World Federation of Diamond Bourses and the International Diamond Manufacturers Association in Antwerp on July 19, 2000, as well as the efforts of the South African-led Working Group on African Diamonds and the World Diamond Council in developing proposals for a global certification system for rough diamonds, are important efforts at international cooperation and may provide effective mechanisms that could be incorporated in an international agreement to eliminate trade in conflict diamonds;

(3) Eliminating imports of rough diamonds from countries where conflict diamonds are mined, transshipped, or subsequently shipped into countries where cutting and polishing occur is the most effective way to eliminate trade in conflict diamonds;

**SEC. 202. SENSE OF CONGRESS—NEGOTIATION OF INTERNATIONAL AGREEMENT.**

It is the sense of the Congress that the President should engage in negotiations on and seek to conclude an international agreement to eliminate trade in conflict diamonds as soon as possible. The system implementing this agreement shall be transparent and subject to independent verification and monitoring. Participants in such an agreement should include all countries that either export or import diamonds or diamond jewelry.

**SEC. 203. OVERALL NEGOTIATING OBJECTIVE OF THE UNITED STATES AND ESSENTIAL ELEMENTS OF AN INTERNATIONAL AGREEMENT.**

(a) The overall negotiating objective of the United States is to establish an effective global certification system covering the major exporting and importing countries of rough diamonds that will eliminate trade in conflict diamonds.

(b) The elements of an effective global certification system for rough diamonds that the United States should seek in its negotiations are as follows:

(1) Rough diamonds, when exported from the country in which they were extracted, must be sealed in a secure, transparent container or bag by appropriate government officials of that country;

(2) The sealed container described in paragraph (1) must include a fully visible government document certifying the country of extraction and recording a unique export registration number and the total carat weight of the rough diamonds enclosed;

(3) A database containing information described in paragraph (2) must be established for rough diamond exports in each exporting country, including countries engaged in the re-export of rough diamonds;

(4) No country may allow importation of rough diamonds unless they are sealed in a secure, transparent container that includes a fully visible document that states a unique export registration number for such container and the total carat weight of the rough diamonds enclosed. The legitimacy of such document must be verified by electronic or other reliable means with the database maintained in the country of export.

(5) Provisions shall be made for physical inspection of sealed containers of rough diamonds by appropriate authorities.

(6) Diamonds may be freely imported and exported from a country that implements and enforces a rough diamond certification system that contains the elements specified in paragraphs (1) through (5), or a system that is its functional equivalent, provided that the country of extraction need only be specified when rough diamonds are exported from such country and need not be specified when rough diamonds are exported from a country that implements and enforces such a rough diamond certification system.

**SEC. 204. CONSULTATIONS WITH CONGRESS.**

The President of the United States shall consult periodically with Congress in developing and negotiating proposals for an international agreement as described in sections 202 and 203.

**SEC. 205. REPORT TO CONGRESS.**

The President of the United States will provide a written report to Congress no later than 180 days after enactment of this Act and annually thereafter on the progress made towards concluding an international agreement and the progress of the signatories to that agreement in implementing it, including which countries are not implementing it and the effects of their actions on trade in conflict diamonds. Each report shall also describe any technological advances that permit determining a diamond's origin, marking a diamond, and tracking it.

**SEC. 206. IMPLEMENTING LEGISLATION.**

The President of the United States will submit to Congress a draft bill implementing the provisions of any agreement that is negotiated no later than 60 calendar days after entering into that agreement.

**SEC. 207. EFFECTIVE DATE.**

Title I will apply with respect to articles entered, or withdrawn from warehouse for consumption, six months after the date of enactment of this Act. Title II will take effect on the date of enactment of this Act.

**TITLE III—OTHER PROVISIONS**

**SEC. 301. AUTHORIZATION OF APPROPRIATIONS.**

Such sums as may be necessary are hereby authorized to be appropriated to implement the provisions of this Act, including such sums as are necessary to assist the governments of Sierra Leone and Angola to establish and maintain a diamond certification system.

**SEC. 302. SEVERABILITY.**

If any provision of this Act or the application of such provision to any person or circumstance is held invalid, it is the intent of Congress that the remainder of this Act and application of such provision to other persons or circumstances will not be affected thereby.

**SEC. 303. GAO REPORT.**

The General Accounting Office shall report to Congress on the effectiveness of this Act no later than three years after the date of enactment of this Act.

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By Mr. HUTCHINSON (for himself and Mr. WARNER):

S. 789. A bill to amend title 37, United States Code, to establish an education savings plan to encourage reenlistments and extensions of service by members of the Armed Forces in critical specialties, and for other purposes; to the Committee on Armed Services.

Mr. HUTCHINSON. Mr. President, today I am introducing a bill that will provide military personnel the ability to provide for the education of their spouses and children in return for their commitment to continue to serve in the armed forces.

The purpose of this bill is to promote retention of members of the armed forces in critical specialties by establishing a bonus savings plan that will provide significant resources for meeting the expenses encountered by service members in providing for the education of members of their families.

I met with the Senior Enlisted Advisors of the four armed services and the Coast Guard. These Senior Enlisted Advisors are the top enlisted person in their respective services. Their job is to advise the Service Chief on matters pertaining to enlisted personnel. These experienced senior leaders are among the most significant resources available to the generals and admirals, and those of us here in Congress, as we seek answers to questions on recruiting, retention, and quality of life. These enlisted leaders know first-hand and fully understand the life, the demands on and concerns of enlisted personnel in their services.

In my meeting with the Senior Enlisted Advisors, I sought their insight on what factors enlisted service members consider when making that critical decision as to whether to continue their active service or leave the military. I found myself talking to the very people who have faced the stress of these decisions; who have sat with their spouses and families and discussed whether to stay in the military or leave and seek a career outside the military. They were very frank and candid in their discussions.

One thing I learned is that, like many of us, enlisted service members share the goal of giving their children better opportunities than they had. To a person, the Senior Enlisted Advisors said that being able to provide educational opportunities for their families is an important goal and would be a powerful retention tool.

My bill will provide enlisted service members in critical specialties, who agree to serve a six-year term, resources that can be applied to cover the expenses of higher education for their families. Let me explain how this will work.

Service members, officers or enlisted, in critical specialties, who reenlist or extend their service commitment for six years will receive United States Savings Bonds that can be redeemed to cover educational expenses. When these Savings Bonds are redeemed to cover educational costs, the income, under the current tax code, is tax exempt. My bill does not modify the tax code. My proposal will take advantage of current tax law as it pertains to United States Savings Bonds used for educational purposes.

Military personnel who have less than three years of service when they reenlist or extend their commitment will receive Savings Bonds with a face value of $5,000. For those service members who have between three and nine years of service when they reenlist or extend their commitment will receive Savings Bonds with a face value of $15,000. Those members with more than nine years of service who reenlist or extend their commitment will receive Savings Bonds with a face value of $30,000.

A Service Member who reenlists at the two-year point and receives $5,000 in Savings Bonds subsequently reenlists at the end of his six-year commitment—now with eight years of service—would receive an additional $10,000 in Savings Bonds, for a total of $15,000. This service member could reenlist again at the conclusion of the second six-year term,—now in his 14th year—and would receive an additional $15,000 for a career total of $30,000 in United States Savings Bonds that can be used for educational purposes. All tax free.

My bill will provide military personnel the capability to provide for the education of their spouses and children while investing in America.

I am introducing this bill today to enhance the benefits President Bush announced at Fort Stewart, Georgia, on Monday. The President announced that his budget will include $5.7 billion in additional benefits for military personnel; $1.4 billion to increase military

pay and allowances; $3.9 billion for military health care; and $0.4 billion for improvements to military housing. These increases are much needed and the announcement was enthusiastically received by the men and women at Fort Stewart, Georgia who know the sacrifices they are required to make in service of their country. My bill enhances President Bush's initiatives by providing educational opportunities that are unavailable today to the children of military personnel. I will hold hearings later this year in the Armed Services Committee to further develop each of these initiatives.

My bill furthers the educational opportunities for military families, increases military readiness by retaining the highly-trained and experienced military personnel we need to continue to be the preeminent military force in the world, and accomplished these lofty goals by investing in America. I urge my colleagues to examine my bill and join Senator WARNER and I as cosponsors of this important initiative.

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. 789

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

**SECTION 1. PURPOSE.**

It is the purpose of this Act to promote the retention of members of the Armed Forces in critical specialties by establishing a bonus savings plan that provides significant resources for meeting the expenses encountered by the members in providing for the education of the members of their families and other contingencies.

**SEC. 2. EDUCATION SAVINGS PLAN FOR REENLISTMENTS AND EXTENSIONS OF SERVICE IN CRITICAL SPECIALTIES.**

(a) ESTABLISHMENT OF SAVINGS PLAN.—(1) Chapter 5 of title 37, United States Code, is amended by adding at the end the following new section:

**''§ 323. Incentive bonus: savings plan for education expenses and other contingencies**

''(a) BENEFIT AND ELIGIBILITY.—The Secretary concerned shall purchase United States savings bonds under this section for a member of the armed forces who is eligible as follows:

''(1) A member who, before completing three years of service on active duty, enters into a commitment to perform qualifying service.

''(2) A member who, after completing three years of service on active duty but not more than nine years of service on active duty, enters into a commitment to perform qualifying service.

''(3) A member who, after completing nine years of service on active duty, enters into a commitment to perform qualifying service.

''(b) QUALIFYING SERVICE.—For the purposes of this section, qualifying service is service on active duty in a specialty designated by the Secretary concerned as critical to meet requirements (whether such specialty is designated as critical to meet wartime or peacetime requirements) for a period that—

''(1) is not less than six years; and

''(2) does not include any part of a period for which the member is obligated to serve on active duty under an enlistment or other agreement for which a benefit has previously been paid under this section.

''(c) FORMS OF COMMITMENT TO ADDITIONAL SERVICE.—For the purposes of this section, a commitment means—

''(1) in the case of an enlisted member, a reenlistment; and

''(2) in the case of a commissioned officer, an agreement entered into with the Secretary concerned.

''(d) AMOUNTS OF BONDS.—The total of the face amounts of the United States savings bonds purchased for a member under this section for a commitment shall be as follows:

''(1) In the case of a purchase for a member under paragraph (1) of subsection (a), $5,000.

''(2) In the case of a purchase for a member under paragraph (2) of subsection (a), the amount equal to the excess of $15,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

''(3) In the case of a purchase for a member under paragraph (3) of subsection (a), the amount equal to the excess of $30,000 over the total of the face amounts of any United States savings bonds previously purchased for the member under this section.

''(e) TOTAL AMOUNT OF BENEFIT.—The total amount of the benefit payable for a member when United States savings bonds are purchased for the member under this section by reason of a commitment by that member shall be the sum of—

''(1) the purchase price of the United States savings bonds; and

''(2) the amounts that would be deducted and withheld for the payment of individual income taxes if the total amount computed under this subsection for that commitment were paid to the member as a bonus.

''(f) AMOUNT WITHHELD FOR TAXES.—The total amount payable for a member under subsection (e)(2) for a commitment by that member shall be withheld, credited, and otherwise treated in the same manner as amounts deducted and withheld from the basic pay of the member.

''(g) REPAYMENT FOR FAILURE TO COMPLETE OBLIGATED SERVICE.—(1) If a person fails to complete the qualifying service for which the person is obligated under a commitment for which a benefit has been paid under this section, the person shall refund to the United States the amount that bears the same ratio to the total amount paid for the person (as computed under subsection (e)) for that particular commitment as the uncompleted part of the period of qualifying service bears to the total period of the qualifying service for which obligated.

''(2) Subject to paragraph (3), an obligation to reimburse the United States imposed under paragraph (1) is for all purposes a debt owed to the United States.

''(3) The Secretary concerned may waive, in whole or in part, a refund required under paragraph (1) if the Secretary concerned determines that recovery would be against equity and good conscience or would be contrary to the best interests of the United States.

''(4) A discharge in bankruptcy under title 11 that is entered less than five years after the termination of an enlistment or other agreement under this section does not discharge the person signing such reenlistment or other agreement from a debt arising under the reenlistment or agreement, respectively, or this subsection.

''(h) RELATIONSHIP TO OTHER SPECIAL PAYS.—The benefit provided under this section is in addition to any other bonus or incentive or special pay that is paid or payable to a member under any other provision of this chapter for any portion of the same qualifying service.

''(i) REGULATIONS.—This section shall be administered under regulations prescribed by the Secretary of Defense for the armed forces under his jurisdiction and by the Secretary of Transportation for the Coast Guard when the Coast Guard is not operating as a service in the Navy.''.

(2) The table of sections at the beginning of such chapter is amended by adding at the end the following new item:

''323. Incentive bonus: savings plan for education and other contingencies.''.

(b) EFFECTIVE DATE.—Section 323 of title 37, United States Code (as added by subsection (a)), shall take effect on October 1, 2001, and shall apply with respect to reenlistments and other agreements for qualifying service (described in that section) that are entered into on or after that date.

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By Mr. THURMOND:

S. 791. A bill to amend the Federal rules of Criminal Procedure; to the Committee on the Judiciary.

Mr. THURMOND. Mr. President, I rise today to introduce the Video Teleconferencing Improvements Act. This bill will expand the use of video teleconferencing in criminal court matters, and promote a safer and more efficient federal court system.

The federal courtroom, just like all society, is benefiting from constant advances in technology today. Video teleconferencing is one example of this movement. It allows proceedings to operate more efficiently and at lower costs, while maintaining many of the benefits of communicating in person.

The use of video teleconferencing is becoming increasingly common in federal district and appellate courts for various proceedings, such as prisoner civil rights complaints and certain appellate matters. The state courts are also benefiting from video technology in many ways, including for pretrial criminal proceedings. However, in federal court, the use of this technology in criminal matters is almost nonexistent because the federal rules apparently require the defendant's physical presence in court.

This legislation would amend the Federal Rules of Criminal Procedure to allow the judge to hold pretrial proceedings, including the defendant's arraignment and initial appearance, through video teleconferencing. It would also allow for the sentencing to occur in this manner in special, limited circumstances.

Today, some districts have extremely high volumes of criminal cases that they must process. This is especially true in the Border States, where the number of immigrants who are caught crossing the Mexican Border or committing crimes in the United States has skyrocketed and continues to rise. This creates a great burden and expense on the Marshals Service, which must transport the prisoners, often for very long distances from the holding facility to a far away courthouse. This type of transportation in creases the possibility for escape and can create a security risk for law enforcement, court personnel, and the public.

Pretrial proceedings are often very short and routine. If they can be conducted through video, the inmates can stay at the secure facility, greatly decreasing risk and costs. If Marshals could spend less time on other duties, such as apprehending dangerous fugitives from justice. Moreover, this process would help the courts efficiently manage their increasing caseloads.

Similarly, I believe that video teleconferencing could be very important for sentencing defendants in certain limited circumstances. This is especially true when there is a safety or security risk in transporting the prisoner to the courthouse.

For example, in an ongoing case in South Carolina, a dangerous repeat offender was sentenced to a long prison term at the maximum security federal prison in Florence, Colorado. However, the court of appeals required that he be sentenced again. The Federal Bureau of Prisons considered him a danger to transport. He had a long history of psychiatric problems and violent behavior, including repeatedly assaulting prison guards and other inmates. In this case, he had even threatened the sentencing judge and the Assistant U.S. Attorney. Rather than transporting the prisoner back to South Carolina, the judge resentenced him by video teleconferencing. However, the case is now on appeal, and there is legal precedent not allowing this practice. In my view, there is simply no reason why a judge should be prohibited from sentencing by video in these circumstances.

This legislation is not an attempt to eliminate criminal defendants from appearing in person before the judge. Defendants would still be in court for all phases of the trial, which this bill would not effect. In fact, criminal trials must be conducted in person because the accused has the constitutional right to confront the witnesses against him. Further, even with these changes, the judge would maintain the authority to hold any pretrial or sentencing proceeding in person if he wished. This bill would simply give him the authority to conduct certain routine matters, other than the trial, through video teleconferencing.

The Rules Committee of the Judicial Conference has been considering this video technology for some time, and recently proposed some of the specific changes that are included in this legislation. I hope they will provide judges discretion to conduct pretrial proceedings by video teleconference, and go even further than the formal proposals that they have considered to date.

My legislation will help eliminate legal impediments to the reasonable use of video teleconferencing and help courts take advantage of new technology. These reforms are needed today.

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. 791

*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 ''Video Teleconferencing Improvements Act of 2001''.

**SEC. 2. AUTHORIZATION OF VIDEO TELECONFERENCING FOR THE INITIAL APPEARANCE.**

Rule 5 of the Federal Rules of Criminal Procedure is amended by adding at the end the following:

''(d) VIDEO TELECONFERENCING.—Video teleconferencing may be used to conduct an appearance under this rule.''.

**SEC. 3. AUTHORIZATION OF VIDEO TELECONFERENCING FOR THE ARRAIGNMENT.**

Rule 10 of the Federal Rules of Criminal Procedure is amended—

(1) by striking ''Arraignment'' and inserting ''(a) IN GENERAL.—Arraignment''; and

(2) by adding at the end the following:

''(b) VIDEO TELECONFERENCING.—Video teleconferencing may be used to arraign a defendant.''.

**SEC. 4. AUTHORIZATION OF VIDEO TELECONFERENCING FOR CERTAIN PROCEEDINGS.**

Rule 43 of the Federal Rules of Criminal Procedure is amended—

(1) in subsection (a), by striking ''The'' and inserting ''Except as otherwise provided in this rule, Rule 5, or Rule 10, the'';

(2) in subsection (c)—

(A) in paragraph (3), by striking ''or'' at the end;

(B) in paragraph (4), by striking the period at the end and inserting ''; or''; and

(C) by adding at the end the following:

''(5) when—

''(A) the proceeding is the sentencing hearing; and

''(B)(i) the defendant, in writing, waives the right to be present in court; or

''(ii) the court finds, for good cause shown in exceptional circumstances and upon appropriate safeguards, that communication with a defendant (who is not physically present before the court) by video teleconferencing is an adequate substitute for the physical presence of the defendant.''.

**SEC. 5. EFFECTIVE DATE.**

This Act, and the amendments made by this Act, shall apply to a criminal complaint filed after the date of enactment of this Act.

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By Mr. LIEBERMAN (for himself, Mr. KOHL, Mrs. CLINTON, and Mr. BYRD):

S. 792. A bill to prohibit the targeted marketing to minors of adult-rated media as an unfair or deceptive practice, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mr. LIEBERMAN. Mr. President, I rise today to join with Senators KOHL, CLINTON, and BYRD today in introducing legislation to stop the entertainment industry from deceptively marketing adult-rated material to children, legislation that hopefully will make the hard job of raising kids in today's culture a little easier for America's parents.

As my colleagues may recall, Federal Trade Commission released a groundbreaking report last fall documenting the seriousness of this problem. Specifically, the FTC found that the movie, music, and video game industries had been routinely and aggressively targeting the sale of heavily-violent, adult-rated products to children. Some companies were going so far as to conduct focus groups for R-rated slasher films with 9- and 10-year olds and to pass out promotional materials for other violent R-rated movies at Campfire Girl meetings and Boys and Girls Clubs.

This report engendered a lot of outrage, and with good reason. These industries were making a mockery of the ratings systems that they had created and promoted. They were also making an end run around America's parents, in effect cutting out the middle mom and dad to target violent, harmful materials directly to children. The report also generated a number of promises from the offending industries to change their ways and strengthen their self-regulatory programs.

This week, the FTC released a follow-up report to evaluate how well the entertainment industry has done in keeping its promises, and there was some encouraging news. The FTC found in their snapshot survey that the movie and video game industries had made real progress in limiting their advertising in popular teen venues and in providing more rating information in their marketing.

Other independent analyses show similarly encouraging results. Ad revenues for R-rated films on MTV are apparently declining. Disney, Warner Brothers, and Fox have pledged not to market R-rated movies to children. And several other studios have decided against making or distributing heavily-violent movies that were once regularly targeted at kids.

I appreciate these steps, which may well result in reduced revenues for some of these companies, and which show that our government can work on behalf of parents to prod the entertainment industry to draw some lines to protect our children without approaching censorship.

But much as I appreciate this progress, I cannot really give a full-blow hooray for Hollywood, because the FTC report makes clear that this problem has not been solved. Some video game makers and movie studios, including those that have pledged not to unfairly target kids, are still advertising adult-rated products in places popular with young teens. And the leading music companies and their trade group, the RIAA, have sadly been MIA, doing little if anything to respond to the FTC report and curb the marketing of obscenity-laced records to kids.

I am also concerned about the future. The FTC rightly recommended that the lasting solution to this problem is responsible self-regulation, specifically, uniform policies adopted by the entertainment industry prohibiting the targeting of adult-rated material to children and meaningful sanctions to enforce those standards. Unfortunately,

to date only the video game industry has agreed, and commendably so, to meet this recommendation and truly police themselves. That means there is no permanent mechanism of accountability for the movie and music industries, no ongoing norm or standard that says it is wrong to market adult-rated material to children. And I fear that the competitive pressures in these markets are so intense that they will once again lead companies to do exactly that once the scrutiny goes away.

That is why I feel we must go forward with a legislative response. The bill we are introducing today would provide a narrowly-tailored shield to help protect our children from this kind of unfair and unhealthy targeting. It would treat the marketing of adult-rated movies, music recordings, and video games to children like any other deceptive act that harms consumers, and give the FTC the same authority it has under the current false and deceptive advertising laws to bring actions against companies that engage in deceptive practices. In particular, it would give the FTC the authority to penalize companies that violate this provision with civil fines of up to $11,000 per offense.

Some will claim this is censorship. But the truth is we're not empowering the FTC to regulate content in any way or even to make judgments about what products are appropriate for children. We are simply saying that if you voluntarily label a product as being unsuitable for kids, and then turn around and market it in a way that directly contradicts that rating, you should be held accountable, just like any other company that misleads consumers. That's not censorship, that's common sense.

The bottom line here is that the First Amendment is not a license to deceive. And this legislation translates that important principle into policy. It says to the people who run the entertainment industry that they cannot have it both ways. They cannot label their products for adults and target them to kids. And they cannot continue to undermine their ratings and undercut the authority of parents.

I ask my colleagues today on both sides of the aisle for their support on this bill and the ongoing effort to help protect their children from harmful media messages. I thank the chair, and ask unanimous consent that my statement and bill be included in the RECORD.

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

S. 792

*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 ''Media Marketing Accountability Act of 2001''.

**SEC. 2. FINDINGS.**

Congress makes the following findings:

(1) Children have easy access to a variety of media and entertainment options without leaving their own homes. The vast majority of homes with children have a VCR, a CD player, and either a video game console or a personal computer.

(2) Children, and especially teenagers, spend a large amount of time listening to music, seeing movies, and playing video games. Specifically:

(A) Children ages 8 through 13 spend approximately 3 hours per week in a movie theater, on average. In addition, 62 percent of children ages 9 through 17 spent an average of 52 minutes per day watching video tapes.

(B) 82 percent of children play video games, and do so for 33 minutes per day, on average.

(C) Children ages 14 through 18 listen to music approximately 2½ hours per day on average.

(3) Teenagers spend tens of millions of dollars annually on movies, music, and video games, making them a highly valuable demographic group to the producers and distributors of entertainment products.

(4) Media violence can be harmful to children. Most scholarly studies on the impact of media violence find a high correlation between exposure to violent content and aggressive or violent behavior. Additional studies find a high correlation between exposure to violent content and a desensitization to and acceptance of violence in society.

(5) On September 11, 2000, the Federal Trade Commission reported that companies in the music, movie, and video game industries routinely target children under age 17 in the advertisement of adult-rated products. Specifically:

(A) The Commission found that 80 percent of the R-rated movies studied had been targeted to children. In addition, marketing plans for 64 percent of the R-rated movies studied explicitly mentioned children under age 17 as part of the target audience.

(B) The Commission found that all marketing plans for music recordings with explicit content labels either explicitly mentioned children under age 17 as part of the target audience or called for ad placement in media that would reach a majority or substantial percentage of children under age 17.

(C) The Commission found that 70 percent of Mature-rated video games studied were targeted to children under age 17, and 51 percent explicitly mentioned children under age 17 as part of the target audience. Additionally, the Commission found that 91 percent of the video game manufacturers studied had at one time expressly identified children under age 17 as the core, primary, or secondary audience of an M-rated game.

(6) To correct this problem, the Commission called on these industries to adopt voluntary, uniform policies expressly prohibiting these practices and to enforce these policies with real sanctions for violations.

(7) To date, as the Commission noted in a follow-up report released on April 24, 2001, only the video game industry has agreed to adopt such a marketing code. The Commission also noted that, despite some encouraging changes in behavior since the release of the Commission's original report in 2000, a number of companies in all three industries have nevertheless continued to market adult-rated products in venues popular with children.

(8) Because the entertainment industry continues to target its advertising of adult-rated products to children, there is need for narrowly targeted legislation to prohibit, as a false and deceptive trade practice, the targeting of children in the advertisement and other marketing of products rated for adults, and to authorize the Federal Trade Commission to stop these practices.

**TITLE I—TARGETED MARKETING OF ADULT-RATED MEDIA TO CHILDREN**

**SEC. 101. PROHIBITION ON TARGETED MARKETING TO MINORS OF ADULT-RATED MEDIA AS UNFAIR OR DECEPTIVE PRACTICE.**

(a) IN GENERAL.—The targeted advertising or other marketing to minors of an adult-rated motion picture, music recording, or electronic game, in or affecting commerce, shall be treated as a deceptive act or practice within the meaning of section 5 of the Federal Trade Commission Act (15 U.S.C. 45), and is hereby declared unlawful.

(b) TREATMENT AS TARGETED ADVERTISING OR MARKETING TO MINORS.—For purposes of this section, the advertising or other marketing of an adult-rated motion picture, music recording, or electronic game shall be treated as targeted advertising or other marketing of such product to minors if—

(1) the advertising or marketing—

(A) is intentionally directed to minors; or

(B) is presented to an audience of which a substantial proportion is minors; or

(2) the Commission determines that the advertising or marketing is otherwise directed or targeted to minors.

**SEC. 102. SAFE HARBOR.**

(a) IN GENERAL.—The advertising or other marketing to minors of an adult-rated motion picture, music recording, or electronic game shall not be treated as targeted advertising or other marketing to minors, for purposes of section 101, if the producer or distributor responsible for the advertising or marketing adheres to a voluntary self-regulatory system with respect to such product that satisfies the criteria under subsection (b) and is subject to the sanctions referred to in subsection (b)(3).

(b) CRITERIA.—The Federal Trade Commission shall, by rule, establish the criteria referred to in subsection (a). Under such criteria, a voluntary self-regulatory system shall include the following elements:

(1) An age-based rating or labeling system for the product in question.

(2) For all products that are rated or labeled as adult-rated under such system—

(A) prohibitions on the targeted advertising or other marketing to minors of such products; and

(B) other policies to restrict, to the extent feasible, the sale, rental, or viewing to or by minors of such products.

(3) Procedures, including sanctions for noncomplying producers and distributors, meeting such requirements as the Commission includes in such criteria in order to assure compliance with the prohibitions and other policies referred to in paragraph (2).

**SEC. 103. REGULATIONS.**

(a) IN GENERAL.—The Federal Trade Commission shall prescribe rules that define with specificity the acts or practices that are deceptive acts or practices under section 101.

(b) IN PARTICULAR.—The rules under subsection (a)—

(1) shall specify criteria for determining whether or not an audience is comprised of a substantial proportion of minors for purposes of section 101(b)(1)(B); and

(2) may include requirements for the purpose of preventing acts or practices that are deceptive acts or practices under section 101.

**SEC. 104. MATTERS RELATING TO REGULATIONS.**

(a) IN GENERAL.—The Federal Trade Commission shall prescribe rules under sections 102 and 103 in accordance with the provisions of section 553 of title 5, United States Code.

(b) TIME LIMIT.—The Commission shall prescribe the regulations required under sections 102 and 103(b)(1) not later than 12 months after the date of the enactment of this Act.

**SEC. 105. ENFORCEMENT.**

(a) IN GENERAL.—This title shall be enforced by the Federal Trade Commission

under the provisions of the Federal Trade Commission Act (15 U.S.C. 41 et seq.).

(b) ACTIONS BY COMMISSION.—

(1) IN GENERAL.—The Commission shall prevent any person from violating section 101, or a rule of the Commission under section 103, in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of the Federal Trade Commission Act were incorporated into and made a part of this title.

(2) PARTICULAR RULES.—A rule prescribed under section 103(b)(1) shall be treated as a rule prescribed under section 18(a)(1)(B) of the Federal Trade Commission Act (15 U.S.C. 57a(a)(1)(B)), and any violation of a rule prescribed under such section 103 shall be treated as a violation of a rule respecting unfair or deceptive acts or practices under section 5 of the Federal Trade Commission Act (15 U.S.C. 45).

(3) RIGHTS AND LIABILITIES OF PARTIES.—Any person or entity that violates section 101, or a rule of the Commission under section 103, shall be subject to the penalties, and entitled to the privileges and immunities, provided in the Federal Trade Commission Act in the same manner, by the same means, and with the same jurisdiction, powers, and duties as though all applicable terms and provisions of that Act were incorporated into and made a part of this title.

(c) EFFECT ON OTHER LAWS.—Nothing in this title shall be construed to limit the authority of the Commission under any other provision of law.

**SEC. 106. DEFINITIONS.**

In this title:

(1) ADULT-RATED.—The term ''adult-rated'', in the case of a motion picture, music recording, or electronic game, means a rating or label voluntarily assigned by the producer or distributor of such product, including a rating or label assigned pursuant to an industry-wide rating or labeling system, which rating or label—

(A) indicates or signifies that—

(i) such product is or may be appropriate or suitable only for adults; or

(ii) access to such product by minors should be restricted; or

(B) in the case of a music recording, advises or signifies that such product may contain explicit content, including strong language or expressions of violence, sex, or substance abuse.

(2) MINOR.—The term ''minor'' means an individual below the age established under the rating or labeling system in question to be an appropriate audience for adult-oriented material, but in no event includes an individual 17 years of age or older. If no specific age is so established under the rating or labeling system in question, the term means an individual less than 17 years of age.

(3) ADULT.—The term ''adult'' means an individual who is no longer a minor.

(4) ELECTRONIC GAME.—The term ''electronic game'' means any interactive entertainment software, including any computer game, video game, or on-line game, sold or rented on any tangible medium or by any electronic or on-line medium by which the right to play a specified interactive-entertainment-software product is purchased.

(5) MOTION PICTURE.—The term ''motion picture'' means any theatrical motion picture shown in a commercial theater or sold or rented by videotape, digital recording, or other tangible medium or by any electronic or on-line medium by which the right to play an individual theatrical motion picture is purchased, except that such term shall not include anything shown on broadcast television or cable television.

(6) MUSIC RECORDING.—The term ''music recording'' means any recording of music sold or rented on compact disk, tape cassette, vinyl record, music video, or other tangible medium or by any electronic or on-line medium by which the right to hear a specified work of music is purchased, except that such term shall not include anything shown on broadcast television or cable television.

**SEC. 107. EFFECTIVE DATE.**

This title shall take effect 90 days after the date of the enactment of this Act.

## TITLE II—OTHER MATTERS

**SEC. 201. STUDY OF MARKETING PRACTICES OF ENTERTAINMENT INDUSTRIES REGARDING ADULT-RATED MATERIALS.**

(a) IN GENERAL.—The Federal Trade Commission shall conduct a study of the advertising and other marketing practices of the motion picture industry, music recording industry, and electronic game industry regarding adult-rated motion pictures, music recordings, and electronic games.

(b) MATTERS TO BE STUDIED.—In conducting the study under subsection (a), the Commission may examine—

(1) whether and to what extent the industries referred to in that subsection direct to minors the advertising and marketing of adult-rated materials, including—

(A) whether such materials are advertised or promoted in media outlets in which minors are present in substantial numbers or comprise a substantial percentage of the audience; and

(B) whether such industries use other marketing practices designed to attract minors to such materials;

(2) whether and to what extent retail merchants, movie theaters, or others who engage in the sale or rental for a fee of products of such industries—

(A) have policies to restrict the sale, rental, or viewing to or by minors of adult-rated materials; and

(B) have procedures to ensure compliance with such policies;

(3) whether and to what extent such industries require, monitor, or encourage the enforcement of their voluntary rating or labeling systems by industry members, retail merchants, movie theaters, or others who engage in the sale or rental for a fee of the products of such industries;

(4) whether and to what extent such industries engage in activities to educate the public in the existence, use, or efficacy of their voluntary rating or labeling systems; and

(5) whether and to what extent the policies and procedures referred to in paragraph (2), any activities referred to in paragraphs (3) and (4), and any other activities of such industries are effective in restricting the access of minors to adult-rated materials.

(c) FACTORS IN DETERMINATION.—In determining whether the products of an industry are adult-rated for purposes of subsection (b), the Commission shall use the voluntary industry rating or labeling system of the industry, both as in effect on the date of the enactment of this Act and as modified after that date.

(d) AUTHORITIES.—In conducting the study under subsection (a), the Commission may use its authority under section 6(b) of the Federal Trade Commission Act (15 U.S.C. 46(b)) to require the filing of reports or answers in writing to specific questions, as well as to obtain information, oral testimony, documentary material, or tangible things.

(e) REPORTS.—

(1) REQUIREMENT.—The Commission shall submit to Congress and the public two reports on the study under subsection (a), as follows:

(A) An initial report, not later than two years after the date of the enactment of this Act.

(B) A final report, not later than six years after that date.

(2) ELEMENTS.—Each report under paragraph (1) shall include—

(A) a description of the study conducted under subsection (a) during the period covered by the report;

(B) any findings and recommendations of the Commission arising out of the study as of the end of that period; and

(C) the identification of the particular producers and distributors, if any, engaged in advertising or other marketing practices relevant to such findings and recommendations.

(f) DEFINITIONS.—In this section, the terms ''adult-rated'', ''electronic game'', ''motion picture'', ''music recording'', and ''minor'' have the meanings given those terms in section 106.

**SEC. 202. SEPARABILITY.**

If any provision of this Act, or the application of such provision to any person, partnership, corporation, or circumstance, is held invalid, the remainder of this Act, and the application of such provision to any other person, partnership, corporation, or circumstance, shall not be affected thereby.

Mr. KOHL. Mr. President, I rise today with my colleague Senator LIEBERMAN to introduce the Media Marketing Accountability Act of 2001. For too long, the entertainment industry has drawn a bullseye on our children's backs, targeting them with violent video games, movies and music. Media violence has a clear and dangerous effect on our children, and it must be curbed.

Last fall's Federal Trade Commission report confirmed some of our worst fears. It found that more than 70 percent of movie, video game and music companies aggressively marketed their violent, adult-rated products to children. And while this week's report showed some meaningful progress, the ''snapshot'' it took didn't exactly reveal a pretty picture. Last fall, Senator LIEBERMAN and I pledged not to sit by idly. Today we're here to make good on our promise.

This legislation is simple. It targets the worst behavior. The entertainment industry won't be able to speak out of both sides of their mouths anymore, saying that a product is harmful to children, but then luring them into the theaters or stores to see it or buy it. This bill gives the Federal Trade Commission the authority it needs to go after the bad actors who try to mislead our families and our children.

Let me be a little more specific about what the bill does. This legislation gives the FTC the authority to prosecute entertainment companies for deceptive trade practices if they target adult-rated entertainment to children. This legislation doesn't create a whole new structure of rules and punishments; it simply adds this bad behavior by entertainment companies to a list of misconduct that the FTC already has the power to punish.

But the bill also rewards companies for good behavior. It includes a safe harbor which shields companies from prosecution if they already abide by a self-regulatory system that includes an age-based rating system, prohibits the marketing of adult rated material to children, and punishes for non-compliance. Finally, the legislation calls for

two additional studies by the FTC over the next six years.

Let me give you a concrete example of the type of behavior this bill aims to prohibit. Last fall's report uncovered a film industry practice of including young children in the test groups for R-rated films. Studios asked ten-year-olds to explain what they like about a violent, R-rated movie, and then the studio used the feedback to tailor their advertising campaign to lure youngsters into the theaters. We all agree this behavior is just plain wrong, and it is this kind of behavior that our legislation will penalize.

Our bill does not touch the content produced by the industry, it simply targets specific, egregious behavior. After all, no one is saying that the entertainment industry doesn't produce high-quality and important products. But we all agree that not every product is appropriate for children, and the Federal Government has a legitimate interest in protecting children, a vulnerable audience, from being targeted with violent and vulgar content that the industry itself has identified as inappropriate. Our narrowly tailored legislation will help protect children and families from this kind of deception.

Finally, our bill should not discourage the entertainment industry from rating its products. To begin with, companies that are already regulating themselves effectively will qualify for protection under our safe harbor. The industry's threat to alter or eliminate their rating systems is as irresponsible to families as the behavior we're trying to prohibit with this measure. But beyond that, enactment of this legislation would not translate to constant legal action against the entertainment industry. The Federal Trade Commission would only prosecute those companies who have clearly and flagrantly targeted children with adult-rated material. As long as companies advertise their adult-rated products to a logical target audience, they should have no concern about this legislation.

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By Mrs. BOXER (for herself, Mr. REID, Mr. LIEBERMAN, Mrs. CLINTON, Mr. CORZINE, Mr. KENNEDY, and Mr. WELLSTONE):

S. 796. A bill to amend the Safe Drinking Water Act to ensure that drinking water consumers are informed about the risks posed by arsenic in drinking water, to the Committee on Environment and Public Works.

Mrs. BOXER. Mr. President, we have had the same 50 parts per billion standard for arsenic in our drinking water since 1942. Since then, study after study has confirmed that this level of arsenic in our drinking water is unsafe. After decades of review, a final drinking water standard was finally set to go into effect in March of this year. The new standard would have required no more than 10 parts per billion arsenic in drinking water.

Unfortunately, the Bush Administration stopped this new rule from going into effect. This decision was a major blow to public health in this country. Arsenic causes lung cancer, skin cancer, and bladder cancer. We know that if you drink water at the current standard for arsenic you have a 1 in 100 chance of getting cancer. The Bush Administration has decided that we can wait, despite mountains of scientific evidence on the serious health threat posed by arsenic. By suspending the new arsenic standard, the President is preventing communities from getting started on the upgrades they need to make to their drinking water systems. This is unacceptable, and I am a cosponsor of legislation that would restore the 10 parts per billion standard.

Another consequence of the Bush Administration's decision to suspend the new rule for arsenic has received less attention but is also very important. The suspended rule contained provisions on the public's right to know what level of arsenic is in its drinking water and what the possible health effects may be. The suspended rule requires notice to consumers containing very specific information on the health risks posed by arsenic. This notice would have been required at 5 parts per billion. This is less than the maximum level permitted in drinking water, but is necessary because there is still a risk posed by arsenic at this level.

I believe that the public has a right to know if there is an environmental threat in their community. If the public is fully informed about environmental threats, they may have the opportunity to avoid them. So, today I am introducing the ''Community Right to Know Arsenic Risk Act.''

My bill would restore the requirements in the suspended rule on the public's right to know. It would ensure that notice is given at the 5 parts per billion level.

The level of arsenic found in drinking water in many communities poses a serious risk to public health. I am especially concerned about the most vulnerable members of the community, including children, the elderly, and AIDS or cancer patients, to name a few. I am committed to full disclosure to consumers of both the levels of arsenic in drinking water and the possible health effects. Drinking water that may meet federal standards still may pose health risks that should be known to the consumer. This is certainly the case with arsenic. The consumer should have the right to choose alternative water sources or to seek tighter standards. This is a minimum requirement. I encourage my colleagues to co-sponsor this legislation and I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 796

*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 ''Community Right-to-Know Arsenic Risk Act''.

**SEC. 2. NOTICE CONCERNING RISKS POSED BY ARSENIC IN DRINKING WATER.**

Part F of the Safe Drinking Water Act (42 U.S.C. 300j–21 et seq.) is amended by adding at the end the following:

**''SEC. 1466. NOTICE CONCERNING RISKS POSED BY ARSENIC IN DRINKING WATER.**

''(a) IN GENERAL.—A consumer confidence report prepared by a community water system under section 141.154 of title 40, Code of Federal Regulations (or a successor regulation), shall include a short educational statement concerning arsenic that—

''(1) uses language such as the following: 'While your drinking water meets EPA's standard for arsenic, it does contain arsenic. EPA's standard is based not only on the possible health effects of arsenic, but also on the costs of removing arsenic from drinking water. EPA continues to research the health effects of arsenic ingestion, which is a mineral known to cause cancer in humans at high concentrations and is linked to other health effects such as skin damage and circulatory problems.'; or

''(2) uses substantially similar language developed by the community water system in consultation with the State agency having jurisdiction over safe drinking water matters.

''(b) APPLICABILITY.—Subsection (a) applies to any community water system that—

''(1) is required to prepare and deliver consumer confidence reports under subpart O of title 40, Code of Federal Regulations (or a successor regulation); and

''(2)(A) with respect to a report required to be delivered under that subpart not later than July 1, 2001, detects arsenic in the drinking water provided by the community water system at a level that is above 0.025 milligrams per liter but below the maximum contaminant level; and

''(B) with respect to a report required to be delivered under that subpart after July 1, 2001, detects arsenic in the drinking water provided by the community water system at a level that is above 0.005 milligrams per liter but that is equal to or below the maximum contaminant level.''.

## STATEMENTS ON SUBMITTED RESOLUTIONS

### SENATE RESOLUTION 76—CONGRATULATING THE EAGLES OF BOSTON COLLEGE FOR WINNING THE 2001 MEN'S ICE HOCKEY CHAMPIONSHIP.

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

S. RES. 76

Whereas the Boston College Eagles men's ice hockey team had a remarkable season, concluding by defeating the tenacious Fighting Sioux of the University of North Dakota 3–2 in overtime.

Whereas the victory by the Boston College Eagles marked the first national championship in ice hockey for Boston College since 1949;

Whereas the championship victory concluded a brilliant season for Boston College in which the team compiled a record of 33 wins, eight loses, and two ties;

Whereas the winning overtime goal for Boston College by Krys Kolanos produced the victory;

Whereas coach Jerry York, who grew up in Watertown, Massachusetts and starred on the 1967 Boston College team, deserves great