S. 999

At the request of Mr. BINGAMAN, the name of the Senator from North Dakota (Mr. DORGAN) was added as a cosponsor of S. 999, a bill to amend title 10, United States Code, to provide for a Korea Defense Service Medal to be issued to members of the Armed Forces who participated in operations in Korea after the end of the Korean War.

S. RES. 16

At the request of Mr. THURMOND, the names of the Senator from New Mexico (Mr. DOMENICI), the Senator from Illinois (Mr. DURBIN), and the Senator from Arkansas (Mrs. LINCOLN) were added as cosponsors of S. Res. 16, a resolution designating August 16, 2001, as ''National Airborne Day.''

S. RES. 71

At the request of Mr. HARKIN, the names of the Senator from Connecticut (Mr. LIEBERMAN), the Senator from Massachusetts (Mr. KENNEDY), and the Senator from Massachusetts (Mr. KERRY) were added as cosponsors of S. Res. 71, a resolution expressing the sense of the Senate regarding the need to preserve six day mail delivery.

S. CON. RES. 28

At the request of Ms. SNOWE, the name of the Senator from California (Mrs. BOXER) was added as a cosponsor 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. 43

At the request of Mr. LEVIN, the name of the Senator from Nevada (Mr. REID) was added as a cosponsor of S. Con. Res. 43, a concurrent resolution expressing the sense of the Senate regarding the Republic of Korea's ongoing practice of limiting United States motor vehicles access to its domestic market.

AMENDMENT NO. 461

At the request of Mr. ENZI, his name was added as a cosponsor of amendment No. 461.

At the request of Mr. BAUCUS, his name was added as a cosponsor of amendment No. 461, supra.

AMENDMENT NO. 518

At the request of Ms. LANDRIEU, her name was added as a cosponsor of amendment No. 518.

At the request of Mr. ENSIGN, his name was added as a cosponsor of amendment No. 518, supra.

At the request of Mr. BREAUX, his name was added as a cosponsor of amendment No. 518, supra.

AMENDMENT NO. 630

At the request of Mr. ENZI, his name was added as a cosponsor of amendment No. 630.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Mr. BUNNING (for himself and Mr. HARKIN):

S. 1014. A bill to amend the Social Security Act to enhance privacy protections for individuals, to prevent fraudulent misuse of the Social Security account number, and for other purposes; to the Committee on Finance.

Mr. BUNNING. Mr. President, I rise today to re-introduce legislation that is designed to protect the privacy of all Americans from identity theft caused by theft or abuse of an individual's Social Security number, SSN.

Identity theft is the fastest growing financial crime in the Nation, affecting an estimated 500,000 to 700,000 people annually. Allegations of fraudulent Social Security number use for identity theft increased from 62,000 in 1999 to over 90,000 in 2000—this is a 50 percent increase in just one year.

It's no wonder why, in Wall Street Journal poll last year, respondents ranked privacy as their number one concern in the 21st century, ahead of wars, terrorism, and environmental disasters.

All to often, the first clue someone has that their identity has been stolen comes when retail stores, banks, or credit card companies send letters wanting payment on bad checks or overdue bills that the individual hadn't written or knew nothing about.

More than 75 percent of the time identity theft cases that take place are ''true name'' fraud. That is when someone uses your social security number to open new accounts in your name. The common criminal can apply for credit cards, buy a car, obtain personal, business, auto, or real estate loans, do just about anything in your name and you may not even know about it for months or even years. Across the country there are people who can tell you about losing their life savings or having their credit history damaged, simply because someone had obtained their Social Security number and fraudulently assumed their identity.

This bill prohibits the sale of Social Security numbers by the private sector, Federal, State and local government agencies. This bill strengthens existing criminal penalties for enforcement of Social Security number violations to include those by government employees. It amends the Fair Credit Reporting Act to include Social Security number as part of the information protected under the law, enhances law enforcement authority of the Office of Inspector General, and allows Federal courts to order defendants to make restitution to the Social Security trust funds.

This bill would also prohibit the display of Social Security numbers on drivers licenses, motor vehicles registration, and other related identification records, like the official Senate ID Card.

This new legislation reflects a small number of fair and appropriate modifications, including the following: Since the Federal Trade Commission does not have jurisdiction over financial institutions, our bill would now authorize the U.S. Attorney General to issue regulations restricting the sale and purchase of Social Security numbers in the private sector; similar to our provisions affecting the public sector, we make explicit our intent that the prohibition of sale, purchase, or display of Social Security numbers in the private sector would not apply if Social Security numbers are needed to enforce child support obligations; to help prevent other individuals from suffering the same tragic fate as Amy Boyer, we include a new provision that prohibits a person from obtaining or using another person's Social Security number in order to locate that individual with the intent to physically injure or harm the individual or use their identity for an illegal purpose; and we have clarified the provision that would prohibit businesses from denying services to individuals an exception for those businesses that are required by Federal law to submit the individual's Social Security number to the Federal Government.

I think that it is high time that we get back to the original purpose of the social security number. Social Security numbers were designed to be used to track workers and their earnings so that their benefits could be accurately calculated when a worker retires—nothing else.

I urge my colleagues to cosponsor this very important piece of legislation.

By Mr. LEVIN (for himself, Ms. STABENOW, and Mr. DURBIN):

S. 1015. A bill to require the Secretary of Transportation to issue regulations to address safety concerns and to minimize delays for motorists at railroad grade crossings; to the Committee on Commerce, Science, and Transportation.

Mr. LEVIN. Mr. President, today I am pleased to introduce the Railroad Crossing Delay Reduction Act with Senator STABENOW and Senator DURBIN. This legislation requires the Secretary of Transportation to issue regulations within one year to address the safety concerns that arise when trains block traffic at railroad crossings.

Sixteen States and many more municipalities have passed statutes and ordinances limiting the amount of time a train is allowed to stop at and thus block a railroad grade crossing. There are specific safety reasons for limiting the time roadways can be blocked by trains. However, the U.S. District Court for the Eastern District of Michigan struck down a Michigan statute regulating the length of time that a train may block a roadway, opening up the safety issues that my bill will address. The ordinance in question prohibited trains from obstructing free passage of any street for longer than five minutes in order to minimize safety problems within communities.

The court concluded that the ordinance was preempted by the Federal Railway Safety Act, FRSA. Unfortunately, there is no Federal regulation

addressing the length of time a train may block a grade crossing. That means the State of Michigan and all of its political subdivisions are now without the authority to provide this regulation and have no other remedy. They are urging the passage of Federal legislation to regulate the length of time a train may block a roadway in the interest of public health and safety. They are calling for Federal action to give them relief from the 45 minutes or more that trains are currently sitting in railway crossings and blocking their roadways.

Believe it or not, trains actually stop in the middle of intersections for 45 minutes or longer at a time. I have been given examples of trains in Michigan that have sat for hours at crossings. You can imagine the ramifications of major intersections being completely blocked for so long.

This nationwide problem is amplified in Southeast Michigan because of the number of rail lines in the region. For example, this lack of regulation is causing a lot of problems for some of the older municipalities in Michigan as train tracks literally cris-cross their cities. For instance, in Trenton, MI, there is an entire neighborhood that is bordered on one side by water on two sides by train tracks, forming a triangle. If two trains block the tracks at the same time, which has happened, the residents are literally trapped. Worse than the residents being trapped is the fact that ambulances, police and fire trucks are trapped out of town, or delayed in getting to their emergency destinations.

Unless we take action and require the FRA to act, communities with rail crossings are vulnerable. The problems range from the problem of traffic congestion and delays to the literal inability of emergency vehicles to get in or out of a community. Many Michigan cities have railroad crossings at a number of important intersections that, when closed by trains, severely limits their ability to provide emergency service to its residents. Medical emergency crews in Michigan have specifically complained to me that they face the daily problem of trains blocking road traffic. They tell me this has the potential to put in jeopardy their patients best chance of recovery. As we all understand, time is of the essence in emergency situations.

Trains blocking railroad crossings also pose a threat for pedestrians and children who may be tempted to crawl under or between rail cars during long waits in order get to or from school. Vehicles may also be tempted to speed around a train before it gets to the crossing in order to avoid long delays. Both situations unnecessarily put lives in danger.

Michigan businesses have also complained to me that trains have blocked important roads for extensive periods of time during plant shift changes. This has resulted in unnecessary lost wages and lost production when employees cannot get to work.

Dozens of Michigan's towns and cities have pleaded for Federal action to resolve this intolerable situation and have even passed resolutions in support of this legislation. They include: Charter Township of Huron, City of Lincoln Park, City of Plymouth, City of Riverview, City of Rockwood, City of Southgate, City of Trenton, City of Westland, to name only a few. Our community leaders believe it is essential to the public health, safety and welfare of the residents of their cities that blocked crossings be kept to a reasonable minimum, so that emergency vehicles may have ready access to their citizens.

The legislation I am introducing today will give the Federal Railroad Administration the push it needs to enact much needed regulations to address this safety problem.

My bill would simply require the Secretary of Transportation to issue regulations addressing these safety concerns. It is a reasonable approach with nothing controversial or complicated about it. Congressman DINGELL has sponsored an identical bill in the House.

We need to stop the delays and remove potentially dangerous situations by minimizing how long trains can stop at grade crossings. Its time to address this lingering safety concern and reduce the risk to motorists, pedestrians, and citizens at large. This is a very simple bill that aims to stop the abuse of trains unnecessarily blocking railroad crossings. It simply directs the FRA, the agency tasked with overseeing railroad safety, to take action in this area. I hope this legislation will be enacted quickly.

The Railroad Crossing Delay Reduction Act has the support of local mayors, fire and police departments and emergency organizations. There is currently no Federal limit to how long trains can sit and block railroad crossings. This bill would require that one be instituted, in the name of the public's safety.

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. 1015

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 ''Railroad Crossing Delay Reduction Act''.

SEC. 2. REGULATIONS.

Not later than one year after the date of enactment of this Act, the Secretary of Transportation shall issue regulations regarding trains that block traffic at railroad grade crossings to address safety concerns and to minimize delays encountered by motorists that are caused by such trains.

Ms. STABENOW. Mr. President, I am proud to join my colleague from Michigan, Senator LEVIN, in introducing the ''Railroad Crossing Delay Reduction Act of 2001.''

Trains needlessly blocking traffic at railroad grade crossings is a longstanding nationwide problem, that puts lives and property at grave risk. When trains unnecessarily block vital intersections, it can cost police, firefighters and emergency medical workers, critical minutes when responding to an emergency situation. They also increase train-automobile accidents, because many motorists dangerously speed through railroad crossing intersections, in an attempt to avoid being delayed for an extended period by an oncoming train. Train blockage also prevents pedestrians, often young children on the way to and from neighborhood schools, from crossing a railroad intersection resulting in pedestrians climbing through trains to reach the other side.

Across the country, there are reports that fire trucks, ambulances, and police vehicles have been unnecessarily delayed at train crossings. The loss of a few minutes in an emergency situation can mean the difference between life and death. A fire in a home or business can double in size every 20 seconds, and a person suffering from a heart attack can die after only six minutes without oxygen. In my home State of Michigan, fire and EMS units in Delta Township were blocked by a train for a few extra minutes as a boy burned to death on the other side of the railroad crossing.

Last year, a Federal judge in Michigan struck down a State law limiting the amount of time a train can block a crossing on the grounds that it was a Federal issue and involved interstate commerce under the Commerce Clause of the U.S. Constitution. Over 30 communities in Michigan alone have passed resolutions asking for Congress to act on this important safety issue.

The ''Railroad Crossing Delay Reduction Act of 2001'' addresses this important national problem by requiring the Department of Transportation to issue regulations to address these serious safety concerns with respect to trains blocking traffic at railroad grade crossings, and to minimize delays to automobile traffic resulting from these blockages. I urge my Senate colleagues to support this legislation and help address this critical railroad safety issue.

By Mr. BINGAMAN (for himself, Mr. LUGAR, Mr. MCCAIN, Mr. CORZINE, and Mrs. LINCOLN):

S. 1016. A bill to amend titles XIX and XXI of the Social Security Act to improve the health benefits coverage of infants and children under the medicaid and State children's health insurance program, and for other purposes; to the Committee on Finance.

Mr. BINGAMAN. Mr. President, I rise today to introduce bipartisan legislation with Senators LUGAR, MCCAIN, CORZINE, and LINCOLN. This legislation is entitled the ''Start Healthy, Stay Healthy Act of 2001.'' The purpose of the legislation is to significantly reduce the number of uninsured children

and pregnant women by improving outreach to and enrollment of children and by expanding coverage to pregnant women through Medicaid and CHIP.

An estimated 11 million children under age 19 were without health insurance in 1999, including 129,000 in New Mexico, representing 15 percent of all children in the United States and 22 percent of children in New Mexico. Unfortunately, due to variety of factors, including the lack of knowledge by families about CHIP and bureaucratic barriers to coverage such as lengthy and complex applications, an estimated 6.7 million of our Nation's uninsured children are eligible for but unenrolled in either Medicaid or CHIP.

In addition, an estimated 4.3 million, or 32 percent, of mothers below 200 percent of poverty are uninsured. According to the March of Dimes, ''Over 95 percent of all uninsured pregnant women could be covered through a combination of aggressive Medicaid outreach, maximizing coverage for young women through [CHIP], and expanding CHIP to cover income-eligible pregnant women regardless of age.''

It is a travesty that our Nation ranks 25th in infant mortality and 21st in maternal mortality in the world, which is the worst among developed nations. Our legislation would address the problems related to these issues.

Giving children a healthy start: The legislation provides States with an enhanced Medicaid matching rate to ensure that children eligible for Medicaid or CHIP leave the hospital insured and remain so through the first year of life. The legislation provides States with the option to further extend coverage to pregnant women through Medicaid and CHIP to reduce infant and maternal mortality and low birthweight babies.

Helping children stay healthy: The legislation provides States with an enhanced Medicaid matching rate to reduce the barriers to care for children to keep them healthy throughout their childhood. And, the legislation provides States with the option to increase CHIP eligibility from 200 percent of federal poverty level to 250 percent and to extend coverage to children through age 20.

As an example of an imposed barrier to health coverage, as of March of this year, eight States continued to impose an asset test on children and their families prior to receiving Medicaid coverage. This results in a rather burdensome and complicated application in each of these States. For example, in Colorado, the Denver Department of Human Services received 15,330 application for Medicaid and 3,700 were denied for having an asset, such as a car, in 1999. As the Denver Post pointed out, ''Acquire an asset more than $1,500, such as a car, and you've traded in health insurance for your children.''

In addition to creating a high percentage of denials, the imposition of an assets test significantly complicates the Medicaid or CHIP enrollment applications. For example, some States require reporting on everything from whether anyone in the household has any resource such as a checking account, life insurance, burial insurance, a saving account, or any personal items above a certain amount to documenting things such as work income, alimony, child support, interest from savings, CD's, etc. over a period of time, including several months in the past.

This can be a nightmare for some families. In Colorado, of the families that do attempt to fill out the Medicaid or CHIP application, it is estimated that 37 percent of all families are denied coverage because the application is incomplete. In Texas, Medicaid applicants can face a 17-page application, up to 14 forms and up to 20 verifications of those forms.

As a story in last Friday's Washington Post entitled ''Health Coverage for Kids Low-Cost but Little Used,'' it was noted that about 100 students from Yale Medical School, likely some of our Nation's best and brightest, filled out applications forms as part of their training to enroll families and that not one was able to complete the form adequately. If Yale Medical School students cannot fill out the forms properly, is it any wonder that families across the country are having a difficult time with the bureaucratic paperwork?

Fortunately, New Mexico eliminated its assets test a few years ago in an effort to simplify its Medicaid application and make it easier for families to apply. According to a recent report by the Kaiser Family Foundation, States that have eliminated the asset test from Medicaid have been able to streamline the eligibility determination process, adopt automated eligibility determination systems, improve the productivity of eligibility workers, establish Medicaid's identity as a health insurance program distinct from welfare, make the enrollment process for families friendlier and more accessible, and achieve Medicaid administrative cost savings.

In addition, the State of Texas has enacted legislation in recent days that seeks to simplify its enrollment process.

And yet, there are also reports from other States such as Kentucky and Idaho that are moving to impose additional bureaucratic barriers to coverage.

As the Denver Rocky Mountain News writes, ''The logic of erecting such paperwork obstacles escapes us. Government doesn't have to offer insurance to the children of the working poor, but having made the decision to do so, it's hardly fair then to smother the program beneath layers of red tape.''

There are also problems related to the poor coordination between government agencies that are supposed to serve low-income families.

My good friend, Senator LUGAR, recognized this very point and successfully passed language in the ''Agricultural Risk Protection Act of 2000'' to improve the coordination between the school lunch program and both Medicaid and CHIP. His language makes it easier to disclose information from the school lunch program application to Medicaid and CHIP agencies. Since children that qualify for the school lunch program are almost certainly eligible for either Medicaid or CHIP, this simple but important language is already having an important impact on the enrollment of children into Medicaid or CHIP.

According to a report by Covering Kids, the Albuquerque Public Schools have successfully worked to improve coordination between Medicaid and the school lunch program. As the report reads, ''The team's record of success shows that a well-designed process and dedicated staff can make [Medicaid enrollment] work. In August and September of 2000, Albuquerque Public Schools determined 386 children to be presumptively eligible for health coverage. Of these, 371 were enrolled and only 15 were denied. That's a 96 percent acceptance rate. And the numbers are growing.''

This coordination between Medicaid and the school lunch program is being replicated across the country as a result of Senator LUGAR's language. However, we still have a number of problems with regard to coordination between Medicaid and CHIP across the states that this bill seeks to address.

Why is this important? Why should we make additional efforts to reduce the number of uninsured children? According to the American College of Physicians—American Society of Internal Medicine, uninsured children, compared to the insured, are: up to 6 times more likely to have gone without needed medical, dental or other health care; 2 times more likely to have gone without a physician visit during the previous year; up to 4 times more likely to have delayed seeking medical care; up to 10 times less likely to have a regular source of medical care; 1.7 times less likely to receive medical treatment for asthma; and, up to 30 percent less likely to receive medical attention for any injury.

This is equally true of expanded coverage to children and pregnant women in government health programs. In fact, one study has ''estimated that the 15 percent rise in the number of children eligible for Medicaid between 1984 and 1992 decreased child mortality by 5 percent.'' This expansion of coverage for children occurred, I would add, during the Reagan and Bush Administrations, so this is clearly a bipartisan issue that deserves further bipartisan action.

We, as a Nation, should be doing much better by our children. It should be unacceptable to all of us that the United States ranks 25th in infant mortality and 21st in maternal mortality in the world.

Therefore, in addition to seeking to improve health insurance coverage

among children, the bill builds off legislation sponsored in the last Congress by Senator LINCOLN entitled the ''Improved Maternal and Children's Health Coverage Act'' and makes an important change to CHIP to allow pregnant women to be covered. Thus, the first two words of our bill, ''Start Healthy.''

Throughout our Nation's history, there has been long-standing Federal policy linking programs for pregnant women and infants, including Medicaid, WIC, and the Maternal Child Health Block Grant. CHIP, unfortunately, failed to provide coverage to pregnant women beyond the age of 18. As a result, it is more likely that children eligible for CHIP are not covered from the moment of birth, and therefore, miss those first critical months of life until their CHIP application is processed. They are also more likely not to have had prenatal care.

By expanding coverage to pregnant women in the Children's Health Insurance Program, this legislation recognizes the importance of prenatal care to the health and development of a child. As Dr. Alan Waxman of the University of New Mexico School of Medicine notes, ''Prenatal care is an important factor in the prevention of birth defects and the prevention of prematurity, the most common causes of infant death and disability. Babies born to women with no prenatal care or late prenatal care are nearly twice as likely to [be] low birthweight or very low birthweight as infants born to women who received early prenatal care.''

Unfortunately, according to a recent report by the Centers for Disease Control and Prevention, New Mexico ranked worst in the nation in the percentage of mothers receiving late or no prenatal care last year. The result is often quite costly, both in terms of the health of the mother and child but also in terms of long-term expenses since the result can be chronic, lifelong health problems.

In fact, according to the Agency for Healthcare Research and Quality, ''four of the top 10 most expensive conditions in the hospital are related to care of infants with complications (respiratory distress, prematurity, heart defects, and lack of oxygen).'' As a result, in addition to reduced infant mortality and morbidity, the provision to expand coverage of pregnant women and prenatal care can be cost effective.

The Start Healthy, Stay Healthy Act also eliminates the unintended Federal incentives through CHIP that covers pregnant women only through the age of 18 and cut off that coverage once the women turn 19 years of age. Should the government tell women that they are more likely to receive prenatal care coverage only if they become pregnant as a teenager?

I certainly think not, and certainly it is unlikely there is a single Senator that would think it wise to send such a message. This legislation corrects this unfortunate and unintentional policy by allowing pregnant women to be covered through CHIP regardless of age.

And finally, this legislation imposes no Federal mandates on States to achieve these goals. Rather, through financial incentives, States that adopt ''best practices'' and less cumbersome enrollment processes for children would be rewarded.

The budget resolution contains $28 billion over 10 years to reduce the number of uninsured in this country. Although the Congress passed CHIP in 1997, 11 million children remain uninsured. It is time we finish the job of ensuring that we, as the President says, ''leave no child behind.''

This bipartisan legislation has already received the endorsement of the following organizations: the March of Dimes, the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, the American Academy of Family Physicians, the American Academy of Pediatric Dentistry, the American Academy of Child and Adolescent Psychiatry, the National Association of Community Health Centers, the American Hospital Association, the National Association of Children's Hospitals, the Federation of American Health Systems, the National Association of Public Hospitals and Health Systems, Catholic Health Association, Premier, Family Voices, the Association of Maternal and Child Health Programs, the National Health Law Program, the National Association of Social Workers, Every Child By Two, and the United Cerebral Palsy Associations. I urge its passage as soon as possible.

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

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

S. 1016

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 ''Start Healthy, Stay Healthy Act of 2001''.

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

TITLE I—START HEALTHY

SEC. 101. ENHANCED FEDERAL MEDICAID MATCH FOR STATES THAT OPT TO CONTINUOUSLY ENROLL INFANTS DURING THE FIRST YEAR OF LIFE WITHOUT REGARD TO THE MOTHER'S ELIGIBILITY STATUS.

(a) STATE OPTION.—Section 1902(e)(4) of the Social Security Act (42 U.S.C. 1396a(e)(4)) is amended by adding at the end the following new sentence: ''A State may elect (through a State plan amendment) to apply the first sentence of this paragraph without regard to the requirements that the child remain a member of the woman's household and the woman remains (or would remain if pregnant) eligible for medical assistance.''.

(b) ENHANCED FMAP.—The first sentence of section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended—

(1) by inserting ''(A)'' after ''only''; and

(2) by inserting '', or (B) on the basis of a State election made under the third sentence of section 1902(e)(4)'' before the period.

(c) EFFECTIVE DATE.—The amendments made by this section apply to medical assistance provided on or after October 1, 2001.

SEC. 102. OPTIONAL COVERAGE OF LOW-INCOME, UNINSURED PREGNANT WOMEN UNDER A STATE CHILD HEALTH PLAN.

(a) IN GENERAL.—Title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.) is amended by adding at the end the following new section:

''SEC. 2111. OPTIONAL COVERAGE OF LOW-INCOME, UNINSURED PREGNANT WOMEN.

''(a) OPTIONAL COVERAGE.—Notwithstanding any other provision of this title, a State child health plan (whether implemented under this title or title XIX) may provide for coverage of pregnancy-related assistance for targeted low-income pregnant women in accordance with this section, but only if the State has established an income eligibility level under section 1902(l)(2)(A) for women described in section 1902(l)(1)(A) that is 185 percent of the income official poverty line.

''(b) DEFINITIONS.—For purposes of this section:

''(1) PREGNANCY-RELATED ASSISTANCE.—The term 'pregnancy-related assistance' has the meaning given the term child health assistance in section 2110(a) as if any reference to targeted low-income children were a reference to targeted low-income pregnant women, except that the assistance shall be limited to services related to pregnancy (which include prenatal, delivery, and postpartum services) and to other conditions that may complicate pregnancy.

''(2) TARGETED LOW-INCOME PREGNANT WOMAN.—The term 'targeted low-income pregnant woman' has the meaning given the term targeted low-income child in section 2110(b) as if any reference to a child were deemed a reference to a woman during pregnancy and through the end of the month in which the 60-day period (beginning on the last day of her pregnancy) ends.

''(c) REFERENCES TO TERMS AND SPECIAL RULES.—In the case of, and with respect to, a State providing for coverage of pregnancy-related assistance to targeted low-income pregnant women under subsection (a), the following special rules apply:

''(1) Any reference in this title (other than subsection (b)) to a targeted low income child is deemed to include a reference to a targeted low-income pregnant woman.

''(2) Any such reference to child health assistance with respect to such women is deemed a reference to pregnancy-related assistance.

''(3) Any such reference to a child is deemed a reference to a woman during pregnancy and the period described in subsection (b)(2).

''(4) The medicaid applicable income level is deemed a reference to the income level established under section 1902(l)(2)(A).

''(5) Subsection (a) of section 2103 (relating to required scope of health insurance coverage) shall not apply insofar as a State limits coverage to services described in subsection (b)(1) and the reference to such section in section 2105(a)(1) is deemed not to require, in such case, compliance with the requirements of section 2103(a).

''(6) There shall be no exclusion of benefits for services described in subsection (b)(1) based on any pre-existing condition and no waiting period (including any waiting period imposed to carry out section 2102(b)(3)(C)) shall apply.

''(d) NO IMPACT ON ALLOTMENTS.—Nothing in this section shall be construed as affecting the amount of any initial allotment provided to a State under section 2104(b).

''(e) APPLICATION OF FUNDING RESTRICTIONS.—The coverage under this section (and the funding of such coverage) is subject to the restrictions of section 2105(c).

''(f) AUTOMATIC ENROLLMENT FOR CHILDREN BORN TO WOMEN RECEIVING PREGNANCY-RELATED ASSISTANCE.—Notwithstanding any other provision of this title or title XIX, if a child is born to a targeted low-income pregnant woman who was receiving pregnancy-related assistance under this section on the date of the children's birth, the child shall be deemed to have applied for child health assistance under the State child health plan and to have been found eligible for such assistance under such plan (or, in the case of a State that provides such assistance through the provision of medical assistance under a plan under title XIX, to have applied for medical assistance under such title and to have been found eligible for such assistance under such title) on the date of such birth and to remain eligible for such assistance until the child attains 1 year of age. During the period in which a child is deemed under the preceding sentence to be eligible for child health or medical assistance, the child health or medical assistance eligibility identification number of the mother shall also serve as the identification number of the child, and all claims shall be submitted and paid under such number (unless the State issues a separate identification number for the child before such period expires).''.

(b) STATE OPTION TO USE ENHANCED FMAP AND SCHIP ALLOTMENT FOR COVERAGE OF ADDITIONAL PREGNANT WOMEN UNDER THE MEDICAID PROGRAM.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended—

(A) in the fourth sentence of subsection (b), by inserting ''and in the case of a State plan that meets the condition described in subsections (u)(1) and (u)(4)(A), with respect to expenditures described in subsection (u)(4)(B) for the State for a fiscal year'' after ''for a fiscal year,''; and

(B) in subsection (u)—

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

(ii) by inserting after paragraph (3) the following new paragraph:

''(4)(A) The condition described in this subparagraph for a State plan is that the plan has established an income level under section 1902(l)(2)(A) with respect to individuals described in section 1902(l)(1)(A) that is 185 percent of the income official poverty line.

''(B) For purposes of subsection (b), the expenditures described in this paragraph are expenditures for medical assistance for women described in section 1902(l)(1)(A) whose income exceeds the income level established for such women under section 1902(l)(2)(A)(i) as of the date of the enactment of this paragraph but does not exceed 185 percent of the income official poverty line.''.

(c) NO WAITING PERIODS OR COST-SHARING.—

(1) NO WAITING PERIOD.—Section 2102(b)(1)(B) of the Social Security Act (42 U.S.C. 1397bb(b)(1)(B)) is amended—

(A) by striking '', and'' at the end of clause (i) and inserting a semicolon;

(B) by striking the period at the end of clause (ii) and inserting ''; and''; and

(C) by adding at the end the following new clause:

''(iii) may not apply a waiting period (including a waiting period to carry out paragraph (3)(C)) in the case of a targeted low-income pregnant woman, if the State provides for coverage of pregnancy-related assistance for such women in accordance with section 2111.''.

(2) NO COST-SHARING FOR PREGNANCY-RELATED BENEFITS.—Section 2103(e)(2) of such Act (42 U.S.C. 1397cc(e)(2)) is amended—

(A) in the heading, by inserting ''AND PREGNANCY-RELATED SERVICES'' after ''PREVENTIVE SERVICES''; and

(B) by inserting before the period at the end the following: ''or for pregnancy-related services, if the State provides for coverage of pregnancy-related assistance for targeted low-income pregnant women in accordance section 2111''.

(d) PRESUMPTIVE ELIGIBILITY.—

(1) IN GENERAL.—Section 1920A(b)(3)(A)(i)(III) of the Social Security Act (42 U.S.C. 1396r–1a(b)(3)(A)(i)(III)) is amended by inserting ''a child care resource and referral agency,'' after ''a State or tribal child support enforcement agency,''.

(2) APPLICATION TO PRESUMPTIVE ELIGIBILITY FOR PREGNANT WOMEN UNDER MEDICAID.—Section 1920(b) of the Social Security Act (42 U.S.C. 1396r–1(b)) is amended by adding at the end after and below paragraph (2) the following flush sentence:

''The term 'qualified provider' includes a qualified entity as defined in section 1920A(b)(3).''.

(3) APPLICATION UNDER TITLE XXI.—

(A) IN GENERAL.—Section 2107(e)(1)(D) of the Social Security Act (42 U.S.C. 1397gg(e)(1)) is amended to read as follows:

''(D) Sections 1920 and 1920A (relating to presumptive eligibility).''.

(B) EXCEPTION FROM LIMITATION ON ADMINISTRATIVE EXPENSES.—Section 2105(c)(2) of the Social Security Act (42 U.S.C. 1397ee(c)(2)) is amended by adding at the end the following new subparagraph:

''(C) EXCEPTION FOR PRESUMPTIVE ELIGIBILITY EXPENDITURES.—The limitation under subparagraph (A) on expenditures shall not apply to expenditures attributable to the application of section 1920 or 1920A (pursuant to section 2107(e)(1)(D)), regardless of whether the child or pregnant woman is determined to be ineligible for the program under this title or title XIX.''.

(e) PROGRAM COORDINATION WITH THE MATERNAL AND CHILD HEALTH PROGRAM (TITLE V).—

(1) IN GENERAL.—Section 2102(b)(3) of the Social Security Act (42 U.S.C. 1397bb(b)(3)) is amended—

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

(B) in subparagraph (E), by striking the period and inserting ''; and''; and

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

''(F) that operations and activities under this title are developed and implemented in consultation and coordination with the program operated by the State under title V in areas including outreach and enrollment, benefits and services, service delivery standards, public health and social service agency relationships, and quality assurance and data reporting.''.

(2) CONFORMING MEDICAID AMENDMENT.—Section 1902(a)(11) of such Act (42 U.S.C. 1396a(a)(11)) is amended—

(A) by striking ''and'' before ''(C)''; and

(B) by inserting before the semicolon at the end the following: '', and (D) provide that operations and activities under this title are developed and implemented in consultation and coordination with the program operated by the State under title V in areas including outreach and enrollment, benefits and services, service delivery standards, public health and social service agency relationships, and quality assurance and data reporting''.

(3) EFFECTIVE DATE.—The amendments made by this subsection take effect on January 1, 2002.

(f) APPLICATION OF ANNUAL AGGREGATE COST-SHARING LIMIT.—Section 2103(e)(3)(B) of the Social Security Act (42 U.S.C. 1397cc(e)(3)(B)) is amended by adding at the end the following new sentence: ''In the case of a targeted low-income pregnant woman provided coverage under section 2111, or the parents of a targeted low-income child provided coverage under this title under an 1115 waiver or otherwise, the limitation on total annual aggregate cost-sharing described in the preceding sentence shall be applied to the entire family of such woman or parents.''.

(g) EFFECTIVE DATE.—Except as provided in subsection (e), the amendments made by this section take effect on the date of the enactment of this Act and apply to expenditures incurred on or after that date.

SEC. 103. INCREASE IN SCHIP INCOME ELIGIBILITY.

(a) DEFINITION OF LOW-INCOME CHILD.—Section 2110(c)(4) of the Social Security Act (42 U.S.C. 42 U.S.C. 1397jj(c)(4)) is amended by striking ''200'' and inserting ''250''.

(b) EFFECTIVE DATE.—The amendment made by subsection (a) applies to child health assistance provided, and allotments determined under section 2104 of the Social Security Act (42 U.S.C. 1397dd), for fiscal years beginning with fiscal year 2002.

TITLE II—STAY HEALTHY

SEC. 201. ENHANCED FEDERAL MEDICAID MATCH FOR INCREASED EXPENDITURES FOR MEDICAL ASSISTANCE FOR CHILDREN.

(a) ENHANCED FMAP.—Section 1905(b) of the Social Security Act (42 U.S.C. 1396d(b)) is amended by adding at the end the following new sentence: ''Notwithstanding the first sentence of this subsection, in the case of a State plan that meets at least 7 of the conditions described in subsection (x)(1) (as determined by the Secretary in consultation with States (including the State agencies responsible for the administration of this title and title V), beneficiaries under this title, providers of services under this title, and advocates for children), with respect to expenditures described in subsection (x)(2) for the State for a fiscal year, the Federal medical assistance percentage is equal to the percentage determined for the State under subsection (x)(3).''.

(b) CONDITIONS AND EXPENDITURES DESCRIBED.—Section 1905 of the Social Security Act (42 U.S.C. 1396d) is amended by adding at the end the following new subsection:

''(x)(1) For purposes of subsection (b), the conditions described in this subsection are the following:

''(A) HIGHEST SCHIP INCOME ELIGIBILITY.—The State has a State child health plan under title XXI which (whether implemented under such title or under this title) has the highest income eligibility standard permitted under title XXI as of January 1, 2001, does not limit the acceptance of applications, and provides benefits to all children in

the State who apply for and meet eligibility standards.

''(B) UNIFORM, SIMPLIFIED APPLICATION FORM.—With respect to children under age 19 (or such higher age as the State has elected under section 1902(l)(1)(D)) who are eligible for medical assistance under section 1902(a)(10)(A), the State uses the same uniform, simplified application form (including, if applicable, permitting application other than in person) for purposes of establishing eligibility for benefits under this title and also under title XXI.

''(C) COORDINATED ENROLLMENT PROCESS.—The State has an enrollment process that is coordinated with that under title XXI so that a family need only interact with a single agency in order to determine whether a child is eligible for benefits under this title or title XXI, and that allows for the transfer of enrollment, without a gap in coverage, for a child whose income eligibility status changes but who remains eligible for benefits under either title.

''(D) SAME VERIFICATION AND REDETERMINATION POLICIES; AUTOMATIC REASSESSMENT OF ELIGIBILITY.—With respect to children under age 19 (or such higher age as the State has elected under section 1902(l)(1)(D)) who are eligible for medical assistance under section 1902(a)(10)(A), the State provides for initial eligibility determinations and redeterminations of eligibility using the same verification policies (including with respect to face-to-face interviews), forms, and frequency as the State uses for such purposes under title XXI, and, as part of such redeterminations, provides for the automatic reassessment of the eligibility of such children for assistance under this title and title XXI.

''(E) NO ASSET TEST.—The State does not impose an asset test for eligibility under section 1902(l) or title XXI with respect to children.

''(F) 12-MONTH CONTINUOUS ENROLLMENT.—The State has elected the option of continuing enrollment under section 1902(e)(12) and has elected a 12-month period under subparagraph (A) of such section.

''(G) COMPLIANCE WITH OUTSTATIONING REQUIREMENT.—The State is providing for the receipt and initial processing of applications of children for medical assistance under this title at facilities defined as disproportionate share hospitals under section 1923(a)(1)(A) and Federally-qualified health centers described in subsection (l)(2)(B) of this section consistent with the requirements of section 1902(a)(55).

''(H) NO WAITING PERIOD LONGER THAN 6 MONTHS.—The State does not impose a waiting period for children who meet eligibility standards to qualify for assistance under such plan that exceeds 6 months (and may impose a shorter period or no period) for purposes of complying with regulations promulgated under title XXI to ensure that the insurance provided under the State child health plan under such title does not substitute for coverage under group health plans.

''(I) SUFFICIENT PROVIDER PAYMENT RATES.—The State demonstrates that it is meeting the requirements of section 1902(a)(30)(A) through payment rates sufficient to enlist enough providers so that care and pediatric, obstetrical, gynecologic, and dental services are available under the plan at least to the extent that such care and services are available to the general population in the geographic area.

''(2)(A) For purposes of subsection (b), the expenditures described in this paragraph are expenditures for medical assistance for children described in subparagraph (B) for a fiscal year, but only to the extent that such expenditures exceed the base expenditure amount, as defined in subparagraph (C).

''(B) For purposes of subparagraph (A), the children described in this subparagraph are—

''(i) individuals who are under 19 years of age (or such higher age as the State may have elected under section 1902(l)(1)(D)) who are eligible and enrolled for medical assistance under this title; and

''(ii) individuals who—

''(I) would be described in clause (i) but for having family income that exceeds the highest income eligibility level applicable to such individuals under the State plan; and

''(II) would be considered disabled under section 1614(a)(3)(C) (determined without regard to the reference to age in that section but for having earnings or deemed income or resources (as determined under title XVI for children) that exceed the requirements for receipt of supplemental security income benefits.

''(C) For purposes of subparagraph (A), the term 'base expenditure amount' means the total expenditures for medical assistance for children described in subparagraph (B) for fiscal year 1996.

''(3) For purposes of subsection (b), the Federal medical assistance percentage with respect to expenditures described in paragraph (2) for a fiscal year is equal to the following:

''(A) In the case of a State that meets 7 of the conditions described in paragraph (1), the Federal medical assistance percentage (as defined in the first sentence of subsection (b)) for the State increased by a number of percentage points equal to 50 percent of the number of percentage points by which (1) such Federal medical assistance percentage for the State is less than (2) the enhanced FMAP for the State described in section 2105(b).

''(B) In the case of a State that meets 8 of the conditions described in paragraph (1), the Federal medical assistance percentage (as so defined) for the State increased by a number of percentage points equal to 75 percent of the number of percentage points by which (1) such Federal medical assistance percentage for the State is less than (2) the enhanced FMAP for the State (as so described).

''(C) In the case of a State that meets all of the conditions described in paragraph (1), the enhanced FMAP (as so described).''.

(c) COLLECTION OF DATA.—The Secretary of Health and Human Services shall modify such data collection and reporting requirements under title XIX of the Social Security Act as are necessary to determine the expenditures and base expenditure amount described in section 1905(x)(2) of that Act (as added by subsection (b)), particularly with respect to expenditures and the base expenditure amount related to children described in section 1905(x)(2)(B)(ii) of that Act.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) apply to medical assistance provided on or after October 1, 2001.

SEC. 202. INCREASE IN SCHIP APPROPRIATIONS.

Section 2104(a) of the Social Security Act (42 U.S.C. 1397dd(a)) is amended by striking paragraphs (5) through (9) and inserting the following:

''(5) for fiscal year 2002, $3,500,000,000;

''(6) for fiscal year 2003, $4,000,000,000;

''(7) for fiscal year 2004, $4,300,000,000;

''(8) for fiscal year 2005, $4,500,000,000;

''(9) for fiscal year 2006, $4,500,000,000; and''.

SEC. 203. OPTIONAL COVERAGE OF CHILDREN THROUGH AGE 20 UNDER THE MEDICAID PROGRAM AND SCHIP.

(a) MEDICAID.—

(1) IN GENERAL.—Section 1902(l)(1)(D) of the Social Security Act (42 U.S.C. 1396a(l)(1)(D)) is amended by inserting ''(or, at the election of a State, 20 or 21 years of age)'' after ''19 years of age''.

(2) CONFORMING AMENDMENTS.—

(A) Section 1902(e)(3)(A) of such Act (42 U.S.C. 1396a(e)(3)(A)) is amended by inserting ''(or 1 year less than the age the State has elected under subsection (l)(1)(D))'' after ''18 years of age''.

(B) Section 1902(e)(12) of such Act (42 U.S.C. 1396a(e)(12)) is amended by inserting ''or such higher age as the State has elected under subsection (l)(1)(D)'' after ''19 years of age''.

(C) Section 1920A(b)(1) of such Act (42 U.S.C. 1396r–1a(b)(1)) is amended by inserting ''or such higher age as the State has elected under section 1902(l)(1)(D)'' after ''19 years of age''.

(D) Section 1928(h)(1) of such Act (42 U.S.C. 1396s(h)(1)) is amended by inserting ''or 1 year less than the age the State has elected under section 1902(l)(1)(D)'' before the period at the end.

(E) Section 1932(a)(2)(A) of such Act (42 U.S.C. 1396u–2(a)(2)(A)) is amended by inserting ''(or such higher age as the State has elected under section 1902(l)(1)(D))'' after ''19 years of age''.

(b) TITLE XXI.—Section 2110(c)(1) of such Act (42 U.S.C. 1397jj(c)(1)) is amended by inserting ''(or such higher age as the State has elected under section 1902(l)(1)(D))''.

(c) EFFECTIVE DATE.—The amendments made by this section take effect on October 1, 2001, and apply to medical assistance and child health assistance provided on or after such date.

FACT SHEET—START HEALTHY, STAY HEALTHY ACT OF 2001

Sens. Jeff Bingaman (D–NM), Richard Lugar (R–IN), John McCain (R–AZ), Jon Corzine (D–NJ), and Blanche Lincoln (D–AR) introduced the ''Start Healthy, Stay Healthy Act of 2001'' on June 12, 2001. The legislation would significantly reduce the number of uninsured children and pregnant women by improving outreach to and enrollment of children and by expanding coverage to pregnant women through Medicaid and the State Children's Health Insurance Program (CHIP).

An estimated 11 million children under age 19 were without health insurance in 1999, representing 15% of all children in the United States. Due to a variety of factors, including governmental barriers to coverage, such as bureaucratic ''red tape,'' and the lack of knowledge of families about CHIP, an estimated 6.7 million of our nation's uninsured children are eligible for but are unenrolled in either Medicaid or CHIP.

In addition, an estimated 4.3 million, or 32%, of mothers below 200% of poverty are uninsured. According to the March of Dimes, ''Over 95 percent of all uninsured pregnant women could be covered through a combination of aggressive Medicaid outreach, maximizing coverage for young women through [CHIP], and expanding CHIP to cover income-eligible pregnant women regardless of age.''

The legislation would reduce the number of uninsured children and pregnant women by:

Start healthy

Providing states with an enhanced Medicaid matching rate to ensure that children eligible for Medicaid or CHIP leave the hospital insured and remain so through the first year of life.

Providing states with the option to further extend coverage to pregnant women through Medicaid and CHIP to reduce infant and maternal mortality and low birthweight babies.

Stay healthy

Providing states with an enhanced Medicaid matching rate to reduce the barriers to care for children to keep them healthy throughout their childhood.

Providing states with the option to increase CHIP eligibility from 200% of federal poverty level to 250% and to extend coverage to children through age 20.

As a result of these provisions, the legislation would achieve the following additional objectives:

Reduces Infant and Maternal Mortality: The United States ranks 25th in infant mortality and 21st in maternal mortality, the worst among developed nations. Studies with respect to the previous expansions of Medicaid coverage to pregnant women and children during the Reagan and Bush Administrations indicate those expansions reduced infant mortality and improved child health (GAO, ''Insurance and Health Care Access,'' November 1997). By reducing the number of uninsured children and pregnant women in this country, the legislation would also reduce infant and maternal mortality as well.

Eliminates Bureaucratic Barriers to Coverage and Promotes Best Practices by States: Building on the successful enactment of Senator LUGAR's amendment to the ''Agricultural Risk Protection Act of 2000'' to make it easier to disclose information from the school lunch program application to Medicaid and CHIP agencies, this legislation seeks to further improve coordination between Medicaid, CHIP, and the Maternal and Child Health (MCH) Block Grant in order to expand health insurance coverage to eligible but unenrolled children. The bill also provides states financial incentives to remove bureaucratic barriers to health insurance coverage in Medicaid and CHIP for children. These provisions reward states for ''best practices'' and also eliminates the negative incentive for states to enroll children improperly in CHIP (with the higher matching rate, higher cost sharing, and reduced benefits) rather than Medicaid (with a lower matching rate, reduced cost sharing, and increased benefits).

Addresses the ''CHIP Dip'': There is a ''dip'' in federal funding, known as the ''CHIP dip'' in fiscal years 2002 through 2006 that states have complained will cause them to limit their CHIP programs out of fear of not having enough funding in those years. The bill addresses that problem by raising CHIP funding levels in fiscal years FY 2002 through 2006.

Eliminates Unintended Federal Incentives Regarding Teenage Pregnant Women: Current federal law allows pregnant women to receive coverage through CHIP through age 18—creating a perverse federal incentive of covering only teenage pregnant women and cutting off that coverage once they turn 19 years of age. This legislation would eliminate this problem by allowing states to cover pregnant women through CHIP, regardless of age. This also eliminates the unfortunate separation between pregnant women and infants that has been created through CHIP, which has been contrary to long-standing federal policy through programs such as Medicaid, WIC, MCH, etc.

Imposes No Mandates on States: This legislation imposes no mandates on states. However, states would, just as we have done in the Temporary Assistance for Needy Families (TANF), be provided financial incentives and accountability for the additional money this legislation provides in return for reducing governmental barriers to coverage for children and pregnant women.

Remains Within the Budget Framework: The budget provides for $28 billion over 10 yeas for the purpose of reducing the number of uninsured. This proposal will meet those budgetary limits.

This bipartisan legislation has received the endorsement of the following organizations: the March of Dimes, the American Academy of Pediatrics, the American College of Obstetricians and Gynecologists, the American Academy of the Family Physicians, the American Academy of Pediatric Dentistry, the American Academy of Child and Adolescent Psychiatry, the National Association of Community Health Centers, the American Hospital Association, the National Association of Children's Hospitals, the Federation of American Health Systems, the National Association of Public Hospitals and Health Systems, Catholic Health Association, Premier, Family Voices, the Association of Maternal and Child Health Programs, the National Health Law Program, the National Association of Social Workers, Every Child by Two, and the United Cerebral Palsy Associations.

LEGISLATIVE SUMMARY

This legislation is split into two titles:

Title I: Start healthy

Provides states through Medicaid with the CHIP enhanced matching rate if they choose the option to continuously enroll infants from birth through the first year of life, as allowed under current law, regardless of the woman's status during that year.

Provides states with an option to further cover pregnant women through Medicaid and CHIP (above 185% of poverty up to the full CHIP eligibility levels) in order to reduce infant mortality and the delivery of low birthweight babies.

Title II: Stay healthy

Provides states through Medicaid with the CHIP enhanced matching rate for children above a certain base expenditure level such as a state's spending on children in 1996) if they choose to meet the following conditions: States must expand coverage to children up to the full extent that is allowed under CHIP (to 200% of poverty or 50 percentage points above where the coverage levels were prior to passage of Title XXI); adoption of a simplified, joint mail-in application; adoption of application procedures (e.g., verification and face-to-face interview requirements) that are no more extensive, onerous, or burdensome in Medicaid than in CHIP, elimination of assets test; adoption of 12-month continuous enrollment; adoption of procedures that simplify the redetermination/coverage renewal process by allowing families to establish their child's continuing eligibility by mail and, in states with separate CHIP programs, by establishing effective procedures that allow children to be transferred between Medicaid and the separate program without a new application a gap in coverage when a child's eligibility status changes; compliance with the OBRA–89 outstationed workers requirement, which provide for outstationed eligibility workers in Medicaid DSH hospitals and community health centers, impose waiting periods no longer than 6 months for children seeking to enroll in CHIP (ensure flexibility for states to impose shorter periods, if at all); and demonstrate that the State has adopted payments rates sufficient to enlist enough providers so that care and pediatric, obstetrical/gynecologic and dental services are available at least to the extent such care and services are available to the general population in the geographic area.

States meeting these conditions would receive the full enhanced CHIP matching rate. If a state meets 8 of these conditions, it would receive 75% of the difference between the regular Medicaid matching rate and the CHIP enhanced matching rate. If a state meets 7 of the conditions, it would receive 50% of the difference.

Expand CHIP eligibility to 250% of poverty for children and pregnant women.

Expand CHIP eligibility up to age 21 (adding 19 and 20 year-olds).

The legislation also increases the CHIP allotments in FY 2002 to $3.5 billion, in FY 2003 to $4 billion, in FY 2004 to $4.3 billion in FY 2005 to $4.5 billion, and in FY 2006 to $4.5 billion.

By Mr. DODD (for himself, Mr. CHAFEE, Mr. LEAHY, Mr. LUGAR, Mr. ROBERTS, Mr. BAUCUS, Mr. LEVIN, Mrs. BOXER, Mr. JEFFORDS, Mr. KENNEDY, Mr. AKAKA, Mr. WELLSTONE, Mr. DORGAN, Mr. BINGAMAN, Mr. DURBIN and Mr. HAGEL):

S. 1017. A bill to provide the people of Cuba with access to food and medicines from the United States, to ease restrictions on travel to Cuba, to provide scholarships for certain Cuban nationals, and for other purposes; to the Committee on Foreign Relations.

Mr. DODD. Mr. President, last year 26 Senators cosponsored legislation to help the Cuban people and American farmers and businesses by allowing sales of food and medicine to Cuba. Later, with passage of the FY2001 Agriculture Appropriations Bill, the 106th Congress approved the issuance one year licenses for the sale of food and medicine to Cuba, but placed restrictions on the financing of these sales. This was a beginning, and now we need to expand on this small success by continuing to move forward in constructing bridges to the Cuban people.

Toward that end, I am today joined by a bipartisan group of my colleagues in introducing the Bridges to the Cuban People Act, an expanded version of the legislation that was passed last year. Among those joining as original cosponsors are Senators CHAFEE, LEAHY, LUGAR, ROBERTS, BAUCUS, LEVIN, BOXER, JEFFORDS, KENNEDY, AKAKA, WELLSTONE, DORGAN, BINGAMAN, and DURBIN. This bill comprehensively updates U.S. policy toward Cuba by increasing humanitarian trade between Cuba and the United States, increasing our people-to-people contacts, and enhancing the flexibility of the President with respect to our foreign policy towards Cuba. I would like to take a few moments to outline the various sections of this bill, and to explain to my colleagues the reasons why enactment of this legislation is so vital.

First, let me be clear. This new legislation will not end the embargo on Cuba. Rather, this bill creates specific exceptions to the embargo that will allow American farmers and businesses to sell food, medicine, and agricultural equipment to Cuba without the burden of securing annual licenses and will allow our farmers and businesses to use American banks and American financing to conduct these sales. Both of these changes, along with the lifting of shipping restrictions, are designed to allow sales to move forward in a way that is less burdensome to American farmers and businesses. Additionally, this bill would mandate that the President submit a report to Congress each year describing the number and types of sales to Cuba so that we will have some official record of these sales.

The Building Bridges to the Cuban People Act would also lift the embargo on the exports of goods or services intended for the exclusive use of children. No embargo should include children as its victims, and this provision would allow us to give special attention to children in Cuba.

This bill also modernizes our approach to Cuba's medical exports. Cuba is currently involved in the development of some medicines that are not available in the United States, such as the Meningitis B vaccine, but that could save American lives. This legislation would allow Cuba, with the approval of the Secretary of Health and Human Services, to export to the United States medicines for which there is a medical need in the United States, provided the medicine is not currently being manufactured in our country. In this way we can build on the strong tradition of medical research in Cuba and encourage the free exchange of ideas and experiments between scholars.

In addition, this bill will lift restrictions on travel to Cuba. Cuba does not now pose a threat to individual Americans, and it is time to permit our citizens to exercise their constitutional right to travel to Cuba. Surely we do not ban travel to Cuba out of concern for the safety of Americans who might visit the island Nation. Today Americans are free to travel to Iran, the Sudan, Burma, Yugoslavia, and North Korea, but not to Cuba. This is a mistake. American influence, through person-to-person and cultural exchanges, was one of the prime factors in the evolution of our hemisphere from a hemisphere ruled predominantly by authoritarian and military regimes to one where democracy is the rule. Our current policy toward Cuba limits the United States from using our most potent weapon in our effort to combat totalitarianism, and that is our own people. They are some of the best ambassadors we have ever sent anywhere, and the free exchange of ideas between Americans and the Cuban people is one of the best ways to encourage democracy and build bridges between the American and Cuban people.

Another provision in this new legislation would allow us to reach out to Cuban students. Under this legislation, scholarships would be provided for Cubans who would like to pursue graduate study in the United States in the areas of public health, public policy, economics, law, or other fields of social science. Throughout our history, educational and cultural exchanges have proven to be valuable tools that lead to understanding and friendship. This scholarship program is a concrete example of the true people-to-people dialogue we should be trying to foster with Cuba.

Nor does this legislation ignore the struggle of the Cuban-American population in the United States. Cuban-Americans here have always had the ability to send money to their families in Cuba, but the government imposes restrictions on the total amount of money that can be sent. This legislation would lift these limitations so that Americans would be free to provide whatever assistance they wished to their loved ones.

And, finally, this bill would modernize the way our policies toward Cuba are codified. At the present time, the President has the authority to waive Title III of the Helms/Burton Act. This legislation would extend the President's authority so that he could also waive Title I, Title II, and Title IV of the Helms/Burton Act, at his discretion. When Helms/Burton was enacted it contained a provision that codified all existing Cuban embargo Executive Orders and regulations, but did not provide for presidential waivers. This lack of waivers severely ties the hands of the Administration if a decision is made to make changes in our policy towards Cuba. The President should have the tools he needs to conduct and modify our foreign policy, and this legislation would give the President the flexibility to shape our relationship with Cuba in a more positive way.

In conclusion, I believe that this bill will streamline our Cuban policy so that it deals with the realities of the modern age, addresses the needs of our American farmers, patients, and children, while imposing the fewest restrictions on American citizens who wish to have contact with the people of Cuba. The people of Cuba are not our enemy. Our government's quarrel is with Fidel Castro, and our policies should reflect that reality. Without doubt, the Castro regime has denied rights to its citizens, but in our efforts to isolate him, we have built walls that are hampering our goal of bringing democracy to the Cuban people. As a measure that tears down those walls and replaces them with bridges, this legislation is a good starting point for a serious debate about how we can change U.S. policy in order to foster a peaceful transition to democracy on the island of Cuba while alleviating the hardship that our current policy has caused for the 11 million people who reside there. I hope to hold hearings in the near future and will be discussing with the committee leadership dates for the markup of this important legislation. Congressmen SERRANO, LEACH and more than eighty of their House colleagues have introduced a companion bill in the House today as well. I urge the rest of my colleagues to join us in this endeavor.

Mr. BINGAMAN. Mr. President, I rise today in support of the Bridges to Cuban People Act of 2001. As many of my colleagues know, I have been vocal in my support of legislation that removes sanctions against the Cuban people. I have supported such legislation for several reasons. First, sanctions ultimately hurt the very people we proclaim we are trying to help. It is obvious by now that barriers that either hinder or prohibit the flow of food and medicine to Cuba do not impact the Castro regime, but rather harms innocent men, women, and children. Second, sanctions are counterproductive to our goal of bringing about change in Cuba. There is no empirical evidence whatsoever that our continued efforts to isolate Cuba has brought about any transformation in the way the Castro regime sees or reacts to the world. Finally, sanctions prevent U.S. firms from exporting to Cuba, allow their counterparts in other countries to make sales our firms cannot, and thus harm the U.S. economic interest.

I am convinced engagement on all fronts—social, economic, and political—will make a substantial difference in Cuba, and it is way past time that we begin that process. The bill today represents another dramatic step forward in our policy in this regard. After considerable debate over the years, we are now seeing consensus emerge among my colleagues on this issue, as indicated by the bi-partisan support for this bill. The components of this legislation—the unrestricted sales of food, farm equipment, agricultural commodities and medicine, the removal of restrictions on travel, the authorization of scholarships for Cuban students to study in the United States, among others—are in fact the humanitarian, responsible, and appropriate way to approach Cuba at this time.

Let me emphasize today, as I have in the past, that the elimination of sanctions on Cuba and the creation of new opportunities for the Cuban people does not imply that I, or the Senate as a whole, agree with the policies and politics of the Castro regime. Quite the contrary. I believe the Castro regime to be distinctly out of touch with current trends in the international system and their own people. I personally deplore the Castro regime's oppressive tactics. The lack of freedom and opportunity in that country stands in direct contrast to most of the countries in the Western Hemisphere and throughout the world. Cuba now stands alone in its inability to allow the growth of democracy, to establish the protection of individual rights, and create a semblance of economic security. It is a political system that should be condemned at every opportunity.

But as a practical matter this legislation suggests that we cannot effectively punish authoritarian regimes through their own people. Cuba is ripe for change, and the best way to achieve positive change is to allow Americans to communicate and associate with the Cuban people on an intensive and ongoing basis, to re-establish cultural activities, and to rebuild economic relations. To allow the Cuban system to remain closed does little to assert United States influence over policy in that country and it does absolutely nothing in terms of creating the foundation for much-needed political economic transformation. The spread of democracy comes from interaction, not isolation.

So, I strongly support this bill, and I urge my colleagues to do so as well.

By Mr. LEVIN (for himself, Ms. SNOWE, Mrs. MURRAY, Mr. SCHUMER, Ms. STABENOW, and Ms. CANTWELL):

S. 1018. A bill to provide market loss assistance for apple producers; to the Committee on Agriculture, Nutrition, and Forestry.

Mr. LEVIN. Mr. President, I am today introducing a bill that seeks to provide much needed assistance to our Nation's apple farmers. In the past four years, due to weather related disasters, disease and the dumping of Chinese apple juice concentrate, our Nation's apple producers have lost over $1.4 billion dollars in revenue. This has left many growers on the brink of financial disaster.

In the past three years, Congress has assisted America's farmers by providing substantial assistance to agricultural producers. The U.S. apple industry boasts a long history of self-sufficiency and has long operated without relying upon federally funded farm programs. Last year, Congress, recognized the problems facing apple growers and for the first time ever, provided direct market loss assistance to apple growers.

Even with this aid, a significant percentage of apply growers are expected to go out of the business this year. Without some type of financial relief, the numbers could indeed be staggering. Studies by economists at Michigan State University estimated U.S. apple growers will lose nearly $500 million this year alone. Such losses threaten to devastate the entire U.S. apple industry. The Michigan Farm Bureau states that the number of those leaving the business in some States is running as high as 30 percent. Assistance is desperately needed to help stabilize not only the production sector but entire communities and subsidiary businesses that are dependent on the apple industry, not only in Michigan, but nationwide.

The $250 million in assistance we are proposing will help those who depend on the apple industry for their livelihood, and ensure that American apple growers will be able to provide the United States and the world with a quality product that is second to none.

Mrs. MURRAY. Mr. President, I rise today to express my strong support for legislation to provide $250 million in emergency payments to apple growers. I would like to thank Senators LEVIN and SNOWE for their leadership on this issue.

Rural communities and agricultural producers have not enjoyed America's recent economic prosperity. Around the Nation, nearly all commodity producers are enduring low prices and trade challenges. In Washington State, these problems are compounded by a severe drought, an energy crisis, and fish listings under the Endangered Species Act.

The combined impact is devastating. Apple growers in my State, from Okanogan County to Walla Walla County, are going bankrupt. Many family farmers have given up hope. On land that has produced high quality fruit for generations, farmers are tearing out orchards. Farmer cooperatives and other businesses that have been a part of rural communities for decades have closed up shop. Local governments have seen tax revenue decline. And non-farm businesses have struggled as consumers no longer have the cash to buy their goods and services.

In the 106th Congress, we responded. Last year, I worked with my colleagues to pass a $100 million emergency package for apple growers. In 1999, I worked with the Clinton Administration to end the dumping by Chinese companies of non-frozen apple juice concentrate. And on a host of smaller issues, from fighting pests in abandoned orchards, to securing research funding, to breaking down trade barriers, I worked with the industry and other stakeholders to build a stronger foundation for the future.

We can be proud of what we accomplished. But we still have more to do in the 107th Congress.

If signed into law, this new legislation will provide $250 million in emergency payments to apple growers nation-wide. This emergency legislation will not save every producer. It will give the industry the financial support it needs to get through another year of disastrous prices. It will also give us the time we need to develop long-term solutions as part of the next farm bill for apple and other specialty crop growers.

I urge my colleagues to support this legislation. And I urge the Senate Agriculture Committee and the Senate Appropriations Committee to work with the sponsors of this bill to provide meaningful assistance to all apple growers.

By Mrs. FEINSTEIN:

S. 1019. A bill to provide for monitoring of aircraft air quality, to require air carriers to produce certain mechanical and maintenance records, and for other purposes; to the Committee on Commerce, Science, and Transportation.

Mrs. FEINSTEIN. Mr. President, today I am proud to introduce the Aircraft Clean Air Act of 2001. The bill is designed to encourage airlines to keep records of airplane cabin air quality complaints, as well as complaints of illnesses that may be a result of poor air quality.

Airlines are not required to maintain records of passenger and crewmember complaints regarding cabin air quality, even if the passenger or crewmember reports an illness as a result of poor air quality.

As a result, potentially valuable information is lost to researchers studying cabin air quality.

The Aircraft Clean Air Act allows passengers and crewmembers to submit their complaints directly to the Federal Aviation Administration and requires that the Administration record the complaint and pass it on to the appropriate airline.

The bill requires airlines to maintain records of complaints for ten years.

If a passenger or crewmember requests mechanical or maintenance records with regard to their complaint, and the passenger or crewmember has had a health care professional verify their symptoms, this legislation requires that the airline provide the requested information within 15 days. If the airline does not comply with the request, it is subject to a civil penalty of $1,000 for each day it does not produce the records.

Airlines must be ready to provide maintenance records of all chemicals used in or on the plan, from cleaning solvents to hydraulic fluids.

The traveling public should have access to any chemicals to which they may be exposed.

The Aircraft Clean Air Act addresses another issue, as well: aircraft pressurization.

Planes are currently pressurized to 8,000 feet while in the air. That means that even though the plane is flying at 30,000 feet, the cabin has the same air pressure as it would at 8,000 feet.

Airplane manufacturers arrived at the 8,000 figure in the 1960s when commercial air travel was booming. They agreed on the figure after testing the effects of different pressurizations on young, healthy pilots.

Because oxygen is absorbed into the blood at a much lower rate in high altitudes, there is speculation that some illnesses experienced during flight are a result of the 8,000 feet pressurization. Commonly reported symptoms such as shortness of breath and numbness in the limbs may be a direct result of the high altitude.

The Aircraft Clean Air Act directs the Federal Aviation Administration to sponsor an aeromedical research project to determine what cabin altitude limit should provide enough oxygen to passengers and crew.

The bill allows universities to compete to conduct the study, and the National Academy of Sciences' Committee on Air Quality in Passenger Cabins of Commercial Aircraft to select the winner.

Researchers will examine the oxygen saturation in people of different ages, weights, and body types at 5,000 feet through 8,000 feet. The bill directs researchers to determine which altitude provides enough oxygen to ensure that individuals' health is not adversely affected either in the short-term or long-term.

It is unacceptable that airlines do not maintain records of air quality complaints on their commercial flights. I hope my colleagues will join me in this effort to protect the traveling public and the hardworking men and women who make air travel possible.

By Mr. HARKIN (for himself, Mr. CRAIG, Mr. BINGAMAN, Mrs.

MURRAY, Mr. FEINGOLD, Mr. KOHL, and Mr. LEAHY):

S. 1020. A bill to amend title XVIII of the Social Security Act to improve the provision of items and services provided to Medicare beneficiaries residing in rural areas; to the Committee on Finance.

Mr. HARKIN. Mr. President, I am pleased to be joined today by my colleagues, Senator CRAIG, Senator BINGAMAN, Senator MURRAY, Senator FEINGOLD, and Senator KOHL to introduce the Medicare Fairness in Reimbursement Act of 2001. This legislation addresses the terrible unfairness that exists today in Medicare payment policy.

According to the latest Medicare figures, Medicare payments per beneficiary by State of residence ranged from slightly less than $3,000 to well in excess of $7,000. For example, in Iowa, the average Medicare payment was $2,985, nearly 45 percent less than the national average of $5,364. In Idaho, the average payment is $3,592, only 66 percent of the national average.

This payment inequity is unfair to seniors in Iowa and Idaho, and it is unfair to rural beneficiaries everywhere. The citizens of my home State pay the same Medicare payroll taxes required of every American taxpayer. Yet they get dramatically less in return.

Ironically, rural citizens are not penalized by the Medicare program because they practice inefficient, high cost medicine. The opposite is true. The low payment rates received in rural areas are in large part a result of their historic conservative practice of health care. In the early 1980's rural States' lower-than-average cost were used to justify lower payment rate, and Medicare's payment policies since that time have only widened the gap between low- and high-cost States.

Two years ago I wrote to the Health Care Financing Administration (HCFA) and I asked them a simple question. I asked their actuaries to estimate for me the impact on Medicare's Trust Funds, which at that time were scheduled to go bankrupt in 2015, if average Medicare payments to all states were the same as Iowa's.

I've always thought Iowa's reimbursement level was low. But HCFA's answer surprised even me. The actuaries found that if all States were reimbursed at the same rate as Iowa, Medicare would be solvent for at least 75 years, 60 years beyond their projections.

I'm not suggesting that all States should be brought down to Iowa's level. But there is no question that the long-term solvency of the Medicare program is of serious national concern. And as Congress considers ways to strengthen and modernize the Medicare program, the issue of unfair payment rates needs to be on the table.

The bill we are introducing today, the Medicare Fairness in Reimbursement Act of 2001 sends a clear signal. These historic wrongs must be righted. Before any Medicare reform bill passes Congress, I intend to make sure that rural beneficiaries are guaranteed access to the same quality health care services of their urban counterparts.

Our legislation does the following: requires HCFA to improve the fairness of payments under the original Medicare fee-for-services system by adjusting payments for items and services so that no State is greater than 105 percent above the national average, and no State is below 95 percent of the national average. An estimated 31 States would benefit under these adjustments, based on the Health Care Financing Administration's projections of the 1999 payment data.

Requires HCFA to improve the fairness of payments to rural practitioners who bill under Medicare Part B by narrowing the range of the Geographic Payment Classification Indices, GPCIs. Currently, there are dramatic geographic differences in payments for physician services with little scientific data to support the disparity. Providers in rural areas are under-compensated. This act would restrict the range for each GPCI so that no GPCI is greater than 1.05 or less than .95 of the standard index of 1.00. Practitioners who work in rural areas will benefit from this change in geographic adjusters.

It ensures that beneficiaries are held harmless in both payments and services, ensures budget neutrality, and automatically results in adjustment of Medicare managed care payments to reflect increased equity between rural and urban areas.

This legislation simply ensures basic fairness in our Medicare payment policy. I urge my Senate colleagues, no matter what State you're from, to consider our bill and join us in supporting this commonsense Medicare reform.

By Mr. LUGAR (for himself, Mr. BIDEN, Mr. CHAFEE, Mr. CRAIG, Mr. KERRY, Mr. LEAHY, Mr. LIEBERMAN, Mr. MURKOWSKI, Mr. REED, and Mr. ROBERTS):

S. 1021. A bill to reauthorize the Tropical Forest Conservation Act of 1998 through fiscal year 2004; to the Committee on Foreign Relations.

Mr. LUGAR. Mr. President, Senator BIDEN and I are today introducing a bill to reauthorize appropriations for the Tropical Forest Conservation Act of 1998 for the Fiscal Years 2002, 2003 and 2004. We are joined in this effort by Senators CHAFEE, CRAIG, KERRY, LEAHY, LIEBERMAN, MURKOWSKI, REED and ROBERTS.

The United States has a significant national interest in protecting tropical forests in developing countries. Tropical forests regulate the hydrological cycle on which world agriculture depends. The genetic diversity contained in tropical forests is important for plant breeding. Twenty-five percent of prescription drugs come from tropical forests. Tropical forests also serve as carbon sinks, storing carbon to mitigate the potential effects of the increase in greenhouse gases on the world's climate. Avoiding tropical deforestation is essential to mitigating the threat of climate change.

Worldwide, there is a net loss of thirty million acres of forests every year. The heavy debt burden of many developing countries encourages them to engage in unsustainable exploitation of natural resources in order to generate revenue to service external debt. At the same time, these poor governments tend to have few resources available to set aside and protect key areas.

The Tropical Forest Conservation Act addresses the economic pressures on developing countries through ''debt for nature'' mechanisms that reduce foreign debt while leveraging scarce funds available for international conservation. Specifically, the Act authorizes the President to reduce certain bilateral government debt owed to the United States through three distinct mechanisms: debt buybacks; debt restructuring and reduction; or debt swaps. In return, eligible developing countries with significant tropical forests must establish and place local currencies in tropical forest funds. These funds are managed primarily by local, non-governmental organizations and make grants for projects that are designed to protect or restore tropical forests or to promote their sustainable economic use.

The debt for nature mechanisms in the Act effectively leverage the limited funds available for international conservation. Under the Tropical Forest Conservation Act, the host country places currencies in its tropical forest fund, the value of which typically exceeds the cost to the U.S. Treasury of the debt reduction agreement. Furthermore, because these tropical forest funds have integrity and are broadly supported within the host country, conservation organizations are interested in contributing their own money to them, producing an additional leverage of federal conservation dollars.

Our bill would reauthorize appropriations for the Act for three years, with funding levels of $50 million in Fiscal Year 2002, $75 million in Fiscal year 2003 and $100 million in Fiscal Year 2002.

President Bush has indicated his strong support for the Tropical Forest Conservation Act, which is modeled upon President George Herbert Walker Bush's Enterprise for the Americas program as well as upon the Biden-Lugar Global Environmental Protection Assistance Act of 1989. These programs have helped to foster the development of responsible, community-based conservation organizations that are capable of addressing environmental problems at the local level and ensuring successful program implementation.

The Tropical Forest Conservation Act encourages the repayment of debt owed to the United States government, addresses the cash flow problems of poorer nations, promotes cooperation

between governmental and local conservation organizations and helps to save the world's outstanding tropical forests, which are disappearing at an alarming rate.

It is my understanding that Congressmen ROB PORTMAN and TOM LANTOS are introducing identical legislation in the House of Representatives. Senator BIDEN and I plan to work with our colleagues in the House and Senate toward speedy passage of this three year reauthorization bill.

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

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

S. 1021

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

SECTION 1. AUTHORIZATION OF APPROPRIATIONS TO SUPPORT REDUCTION OF DEBT UNDER THE FOREIGN ASSISTANCE ACT OF 1961 AND TITLE I OF THE AGRICULTURAL TRADE DEVELOPMENT AND ASSISTANCE ACT OF 1954.

(a) REAUTHORIZATION.—Section 806 of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431d) is amended by adding at the end the following new subsection:

''(d) AUTHORIZATION OF APPROPRIATIONS FOR FISCAL YEARS AFTER FISCAL YEAR 2001.—For the cost (as defined in section 502(5) of the Federal Credit Reform Act of 1990) for the reduction of any debt pursuant to this section or section 807, there are authorized to be appropriated to the President the following:

''(1) $50,000,000 for fiscal year 2002.

''(2) $75,000,000 for fiscal year 2003.

''(3) $100,000,000 for fiscal year 2004.''.

(b) CONFORMING AMENDMENT.—Section 808(a)(1)(D) of the Tropical Forest Conservation Act of 1998 (22 U.S.C. 2431f(a)(1)(D)) is amended by striking ''to appropriated under sections 806(a)(2) and 807(a)(2)'' and inserting ''to be appropriated under sections 806(a)(2), 807(a)(2), and 806(d)''.

SUMMARY OF THE TROPICAL FOREST CONSERVATION ACT

The Tropical Forest Conservation Act of 1998 (Public Law 105–214) helps to protect the world's dwindling tropical forests through ''debt for nature swaps.''

The TFCA focuses on tropical forest conservation, using the same principles as the 1989 Global Environmental Protection Act, Biden-Lugar, and former President Bush's Enterprise for the Americas Initiative (EAI). The bill extends eligibility for ''Debt for Nature'' swaps under the EAI to lower and middle income countries in Africa and Asia with globally or regionally outstanding tropical forests. It authorizes appropriations to compensate the Treasury Department for revenues foregone when debts with poorer developing nations are restructured at less than their asset value.

The Tropical Forest Conservation Act of 1998 authorizes the President to reduce certain bilateral government debt owed to the United States under the Foreign Assistance Act of 1981 or Title 1 of the Agricultural Trade Development and Assistance Act of 1954. In exchange, the eligible developing country would place local currencies in a tropical forest fund, which would be used for projects to preserve, restore or maintain its tropical forests. In some instances, debt swaps would occur at no cost to the Federal Treasury since sovereign debt would simply be reduced to its asset value under the Federal Credit Reform Act of 1990. In other instances, poorer nations will be allowed to restructure their debt at an amount somewhat lower than its asset value and Federal appropriations would have to be used to compensate the Treasury for reductions in its anticipated revenue stream. The law also allows private organizations to contribute their funds to help facilitate a debt swap under the terms of the bill.

To qualify for assistance, eligible countries must meet the criteria established by Congress under EAI: the government must be democratically elected, must not support acts of international terrorism, must cooperate on international narcotics control matters, must not violate internationally recognized human rights, and must institute any needed investment reforms.

To ensure accountability, an administrative body is established in the beneficiary country. This body will consist of one or more U.S. Government officials, one or more individuals appointed by the recipient country's government, and representatives of environmental, community development, scientific, academic and forestry organizations of the beneficiary country. It is authorized to make grants for projects which would conserve its outstanding tropical forests. Additionally, the existing Enterprise for Americas Initiative Board is expanded by four new members and oversees both the EAI and the Tropical Forest Conservation Act.

The authorization of appropriations for the 1998 Tropical Forest Conservation Act expires at the end of fiscal year 2002. Legislation will be introduced to extend the authorization of appropriations through fiscal years 2002 at a level of $50,000,000 in FY 2002, $75,000,000 in FY 2003 and $100,000,000 in FY 2004.

Mr. BIDEN. Mr. President, I am pleased to once again join my distinguished colleague from Indiana, Senator LUGAR, in introducing legislation to protect the world's significant tropical forests through ''debt-for-nature'' mechanisms. We have shared a long and fruitful bipartisan relationship on this important issue. I am gratified that we have the bipartisan support of our original cosponsors noted by Senator LUGAR.

Tropical forests are a cornerstone of the global environment. Figuratively speaking, they are the ''lungs'' of our planet, and they can help to regulate and mitigate the process of climate change. They guide global patterns of rainfall on which agriculture and fisheries depend. They harbor pharmaceutical treasures that we are just beginning to explore. They are home our planet's widest diversity of plants and animals.

We have a responsibility, a duty, to be good stewards of these essential resources, and it is in our direct economic interest to see that they flourish.

In 1989, Senator LUGAR and I coauthored the Global Environmental Protection Assistance Act, which was enacted into law as title VII A of the International Finance and Development Act of 1989 (Public Law 101–240, December 19, 1989). That Act authorized US AID to use its funds for Debt for Nature swaps. Under the authority of this Act, US AID has used $95 million of its funds to establish environmental endowments totaling $146 million in Costa Rica, Honduras, Indonesia, Jamaica, Madagascar, Mexico, Panama and the Philippines.

President Bush's Enterprise for the Americas Initiative (EAI), carried forward this linkage between debt reduction and the generation of local funds to protect the environment. The EAI provided $876 million in debt relief and $154 million in local endowments at a federal cost of $90 million in seven countries in Latin America and the Caribbean: Argentina, Bolivia, Chile, Columbia, El Salvador, Jamaica and Uruguay.

The Tropical Forest Conservation Act of 1998 extended the debt for nature mechanism of the EAI to the protection of significant tropical forests in lower and middle income developing countries throughout the world, not just those in Latin America and the Caribbean. Furthermore, the Tropical Forest Conservation Act (TFCA), authorizes the use of two new, no cost ''debt-for-nature'' models, the Buy Back option and Debt Swap option.

The basic premise behind this series of programs has not changed over the years. Many of the world's important tropical forests are found in countries that do not have the resources to protect them. Their own patterns of economic development and their participation in the international economy place irresistible pressures on them to turn these irreplaceable global resources into quick local cash. One of the important contributors to those pressures is too often the debt those countries owe to us. That is one thing we can do something about.

The mechanisms in this bill will allow us to multiply the small dollar cost of writing the debt of those countries off of our books, leveraging substantially more resources to the cause of preserving tropical forests around the world.

I look forward to taking this bill up in the Foreign Relations Committee as soon as possible, and I fully expect it will continue to enjoy the strong support it has had in the past. I also look forward to working with the Administration to provide the funding that the President has called for to implement this program.

By Mr. WARNER:

S. 1022. A bill to amend the Internal Revenue Code of 1986 to allow Federal civilian and military retirees to pay health insurance premiums on a pretax basis and to allow a deduction for TRICARE supplemental premiums; to the Committee on Finance.

Mr. WARNER. Mr. President, today I am pleased to join my colleague in the House of Representatives, Congressman TOM DAVIS, in introducing legislation that will enable Federal and military retirees to take advantage of premium conversion. Premium conversion allows individuals to pay their health insurance premiums with pre-tax dollars.

This tax benefit was extended last year under a Presidential directive to

current Federal employees who participate in the Federal Employees Health Benefits Program, saving an average of over $400 per year on their Federal income taxes. It is a benefit already available to many private sector employees, and State and local government employees.

Although extending this benefit to Federal annuitants has broad support, it requires a legislative change in the tax laws. The legislation I am introducing today will do just that.

The Federal Employees Health Insurance Premium Conversion Act will provide that the same health insurance premium conversion arrangement afforded to employees in the Executive and Judicial branches of the Federal government, be made available to Federal annuitants.

This year, retirees under the Civil Service Retirement System received a 3.5 percent cost of living adjustment, and those who receive an annuity under the Federal Employees Retirement System received a 2.5 percent adjustment.

This increase in benefits is nearly offset by severe increases in FEHB premiums. In 2000, health premiums increased by an average of 9.3 percent. The Office of Personnel Management reports that a similar increase is expected again this year.

I am deeply concerned about increases in Federal Employee Health Benefit premiums in recent years. Health care coverage is provided to over 9 million Federal employees, retirees and their families under FEHBP. Ensuring affordable health care coverage for all Federal employees and their dependents must remain a priority for Congress.

In addition, I am pleased that this bill will also allow uniformed services retiree beneficiaries, their family members and survivors to pay their TRICARE Prime enrollment fees and TRICARE Standard supplemental insurance premiums with pre-tax dollars. TRICARE Standard supplemental insurance premiums paid by active duty personnel are also covered by the legislation which allows for an above the line deduction to benefit active duty personnel and their families.

This is a critical issue to many retirees, especially those living on a fixed income. Extending premium conversion will provide much needed relief from the increasing cost of health care insurance. It will help to ensure that more Federal retirees are able to afford continued coverage under the Federal Employees Health Benefits program.

I encourage my colleagues to support this critical legislation and show their support of these Federal civilian and military retirees for their dedicated service. 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. 1022

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

SECTION 1. PRETAX PAYMENT OF HEALTH INSURANCE PREMIUMS BY FEDERAL CIVILIAN AND MILITARY RETIREES.

(a) IN GENERAL.—Subsection (g) of section 125 of the Internal Revenue Code of 1986 (relating to cafeteria plans) is amended by adding at the end the following new paragraph:

''(5) HEALTH INSURANCE PREMIUMS OF FEDERAL CIVILIAN AND MILITARY RETIREES.—

''(A) FEHBP PREMIUMS.—Nothing in this section shall prevent the benefits of this section from being allowed to an annuitant, as defined in paragraph (3) of section 8901, title 5, United States Code, with respect to a choice between the annuity or compensation referred to such paragraph and benefits under the health benefits program established by chapter 89 of such title 5.

''(B) TRICARE PREMIUMS.—Nothing in this section shall prevent the benefits of this section from being allowed to an individual receiving retired or retainer pay by reason of being a member or former member of the uniformed services of the United States with respect to a choice between such pay and benefits under the health benefits program established by chapter 55 of title 10, United States Code.''

(b) EFFECTIVE DATE.—The amendment made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

SEC. 2. DEDUCTION FOR TRICARE SUPPLEMENTAL PREMIUMS.

(a) IN GENERAL.—Part VII of subchapter B of chapter 1 of the Internal Revenue Code of 1986 (relating to additional itemized deductions for individuals) is amended by redesignating section 223 as section 224 and by inserting after section 222 the following new section:

''SEC. 223. TRICARE SUPPLEMENTAL PREMIUMS OR ENROLLMENT FEES.

''(a) ALLOWANCE OF DEDUCTION.—In the case of an individual, there shall be allowed as a deduction the amounts paid during the taxable year by the taxpayer for insurance purchased as supplemental coverage to the health benefits programs established by chapter 55 of title 10, United States Code, for the taxpayer and the taxpayer's spouse and dependents.

''(b) COORDINATION WITH MEDICAL DEDUCTION.—Any amount allowed as a deduction under subsection (a) shall not be taken into account in computing the amount allowable to the taxpayer as a deduction under section 213(a).''

(b) DEDUCTION ALLOWED WHETHER OR NOT INDIVIDUAL ITEMIZES OTHER DEDUCTIONS.—Subsection (a) of section 62 of such Code is amended by inserting after paragraph (18) the following new paragraph:

''(19) TRICARE SUPPLEMENTAL PREMIUMS OR ENROLLMENT FEES.—The deduction allowed by section 223.''

(c) CLERICAL AMENDMENT.—The table of sections for part VII of subchapter B of chapter 1 of such Code is amended by striking the last item and inserting the following new items:

''Sec. 223. TRICARE supplemental premiums or enrollment fees.

''Sec. 224. Cross reference.''

(d) EFFECTIVE DATE.—The amendments made by this section shall apply to taxable years beginning after the date of the enactment of this Act.

STATEMENTS ON SUBMITTED RESOLUTIONS

SENATE RESOLUTION 109—DESIGNATING THE SECOND SUNDAY IN THE MONTH OF DECEMBER AS ''NATIONAL CHILDREN'S MEMORIAL DAY'' AND THE LAST FRIDAY IN THE MONTH OF APRIL AS ''CHILDREN'S MEMORIAL FLAG DAY''

Mr. REID (for himself, Mr. EDWARDS, Mrs. MURRAY, and Mr. CLELAND) submitted the following resolution; which was referred to the Committee on the Judiciary:

S. RES. 109

Whereas approximately 80,000 infants, children, teenagers, and young adults of families living throughout the United States die each year from myriad causes;

Whereas the death of an infant, child, teenager, or young adult of a family is considered to be 1 of the greatest tragedies that a parent or family will ever endure during a lifetime;

Whereas a supportive environment, empathy, and understanding are considered critical factors in the healing process of a family that is coping with and recovering from the loss of a loved one; and

Whereas April is National Child Abuse Prevention month: Now, therefore, be it

Resolved,

SECTION 1. DESIGNATION OF NATIONAL CHILDREN'S MEMORIAL DAY AND CHILDREN'S MEMORIAL FLAG DAY.

The Senate—

(1) designates the second Sunday in the month of December as ''National Children's Memorial Day'' and the last Friday in the month of April as ''Children's Memorial Flag Day''; and

(2) requests that the President issue a proclamation calling upon the people of the United States to—

(A) observe ''National Children's Memorial Day'' with appropriate ceremonies and activities in remembrance of the many infants, children, teenagers, and young adults of families in the United States who have died; and

(B) fly the Children's Memorial Flag on ''Children's Memorial Flag Day''.

Mr. REID. Mr. President, I rise today to submit a resolution which would designate the second Sunday in December as ''National Children's Memorial Day.'' The resolution would set aside this day to remember all the children who die in the United States each year. While I realize the families of these children deal with the grief of their loss every day, I would like to commemorate the lives of these children with a special day as well.

The Senate has passed a resolution for each of the past three years to designate the second Sunday in December as ''National Children's Memorial Day.'' This year, the resolution I am introducing would establish this day as an annual observance. The parents and family members of the children who have died deserve the comfort of knowing that they will always have a special day set aside to honor the memory of their loved ones.

The death of a child at any age is a shattering experience for a family. I have had many constituents share