

(Mr. BREAUX), the Senator from Idaho (Mr. CRAPO), the Senator from North Carolina (Mr. HELMS), the Senator from Colorado (Mr. CAMPBELL), the Senator from Idaho (Mr. CRAIG), the Senator from North Dakota (Mr. DORGAN), the Senator from Massachusetts (Mr. KENNEDY), the Senator from Massachusetts (Mr. KERRY), the Senator from Maryland (Ms. MIKULSKI), the Senator from Alaska (Mr. MURKOWSKI), the Senator from West Virginia (Mr. ROCKEFELLER), the Senator from Maryland (Mr. SARBANES), and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. Res. 207, a resolution designating March 31, 2002, and March 31, 2003, as "National Civilian Conservation Corps Day."

S. RES. 214

At the request of Mr. SPECTER, the name of the Senator from Florida (Mr. NELSON) was added as a cosponsor of S. Res. 214, a resolution designating March 25, 2002, as "Greek Independence Day: A National Day of Celebration of Greek and American Democracy."

AMENDMENT NO. 2915

At the request of Ms. COLLINS, the name of the Senator from Colorado (Mr. ALLARD) was added as a cosponsor of amendment No. 2915 proposed to S. 565, a bill to establish the Commission on Voting Rights and Procedures to study and make recommendations regarding election technology, voting, and election administration, to establish a grant program under which the Office of Justice Programs and the Civil Rights Division of the Department of Justice shall provide assistance to States and localities in improving election technology and the administration of Federal elections, to require States to meet uniform and non-discriminatory election technology and administration requirements for the 2004 Federal elections, and for other purposes.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS:

S. 1985. A bill to allow Federal securities enforcement actions to be predicated on State securities enforcement actions, to prevent migration of rogue securities brokers between and among financial services industries, and for other purposes; to the Committee on Banking, Housing, and Urban Affairs.

Ms. COLLINS. Mr. President, today I am introducing the Microcap Fraud Prevention Act of 2001. This bill will close loopholes in the enforcement of our securities laws and furnish Federal authorities with the tools they need to combat growing fraud in the microcap securities market. While the Enron debacle has focused attention on the need for tougher and fuller financial disclosure standards to protect small investors, microcap fraud costs investors an estimated \$6 billion every year.

I first introduced this bill in the 106th Congress after extensive exam-

ination by the Senate's Permanent Subcommittee on Investigations, which I chaired. I am pleased that the North American Securities Administrators Association, which is made up of our Nation's State securities regulators, has once again sent me a letter of strong support and has made passage of legislation such as this one of its top legislative priorities.

Today's securities markets are much different than they were even a decade ago. Many more people own securities than ever before. The rise of the Internet has allowed investors greater access to market information and investment advice. Unfortunately, not all of this information and advice has been sound, or even honest.

These problems are exacerbated in the microcap market. Microcap stocks are those of smaller, thinly capitalized companies. Because the individual share prices may be higher than a certain threshold, however, they may avoid regulation as "penny stocks." Because investors typically know little of these companies, their share prices are easier to manipulate due to the small amount of total capital. They are often less regulated than the securities of larger companies and, therefore, they can pose difficult challenges for law enforcement and unique opportunities for dishonest brokers.

It is this combination of a microcap company's low capitalization, making its share price more easily manipulable, and obscurity, along with high-pressure sales tactics, that make microcap stocks so appealing to the more dishonest elements in our securities markets.

Frequently, salesmen will call customers, pitching these investments with high pressure sales tactics. More sophisticated scams involve a practice known as the "pump and dump" where a securities firm that has purchased a large block of a microcap company's stock will market it aggressively and quickly to investors. As a result of the surge in demand, the share's price will rise sharply but temporarily, despite the unchanged fundamentals underlying the stock's price.

After a short time, investors will realize that the company's performance does not merit its new share price. The stock's share price will then plummet, but the firm will by then have unloaded its shares, leaving investors holding the bag. In other cases, however, dishonest brokers and firms simply fail to execute sales orders or otherwise commit garden variety theft masquerading as securities transactions, such as churning or making unsuitable recommendations.

States prosecute these criminals activities with some success and often obtain orders prohibiting further securities activities by bad actors within their jurisdiction. Because such an order ends at a State's borders, however, the defendants can simply pick up, move to a new State, and begin their schemes anew. In contrast, a Fed-

eral order would have effect nationwide. Because Federal law enforcement resources are limited, however, there is only so much it can do, and many smaller time criminals can continue to operate below the federal government's radar screen. My bill would institute several reforms to address these problems.

First, it would allow the SEC to take enforcement actions against brokers and firms on the basis of those already concluded by state agencies. Although States may base their actions on Federal actions, the reverse is not true. As a result, the SEC must duplicate the State's efforts to provide nationwide protection to investors. By allowing the SEC to base disciplinary actions on those concluded by states, the State's disciplinary actions can be given effect nationwide, when appropriate, without the SEC's having to commit significant amounts of additional resources.

Second, the bill would allow the SEC to keep those who commit any type of financial fraud from participating in the microcap market. Currently, the SEC can ban those who commit securities violations. But the SEC should have the power to discipline those who commit other types of financial services offenses as well.

Third, this bill would broaden provisions designed to prevent fraud in the penny stock market. Under current law, the SEC can suspend or bar those who commit fraud in this market. However, brokers so barred can turn around and commit the same types of offenses in the microcap market because their individual share prices might exceed \$5 per share, even though the total capitalization amount is small enough to lend itself to easy manipulation. The penny stock market ban needs to be expanded to the microcap market as well.

Fourth, the statutory officer and director bar would be expanded to cover all publicly traded companies. Currently, this bar only applies to companies that report to the SEC, leaving open the possibility that those who have been barred from serving in these companies could serve in others that are exempt from reporting. Companies involved in microcap schemes are frequently traded over the counter and are not covered by the bar. Under my bill, this bar would extend to all publicly traded companies.

Finally, the bill would allow the SEC to enforce its own orders and court injunctions against repeat offenders directly rather than waiting for the Justice Department to initiate contempt proceedings. Instead the SEC would be able to seek immediate civil penalties for repeat violations without the delay that can occur from the initiation of contempt proceedings.

These are common sense, measured steps that can make a real difference in the level of protection that we provide to investors, many of whom are new to our capital markets. I would urge the Senate to consider and pass the

Microcap Fraud Prevention Act quickly. Mr. President, I ask unanimous consent that the letter of support from the NASAA be printed in the RECORD.

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

NASAA,

Washington, DC, November 15, 2001.

Hon. SUSAN M. COLLINS,
U.S. Senate,
Washington, DC.

DEAR SENATOR COLLINS: On behalf of the membership of North American Securities Administrators Association, Inc. (NASAA), I commend you for recognizing and confronting the problem of fraud in the microcap securities market. We appreciate your efforts to protect the investing public from frauds in low-priced securities, and for your plans to introduce legislation to enhance enforcement efforts in this area.

As you know, several years ago, state securities administrators recognized the problem of fraud in the microcap market. Since then the states have led enforcement efforts and filed numerous actions against microcap firms. There are systematic problems in this area, but they can be addressed effectively if state and federal regulators and policymakers work together on meaningful solutions.

NASAA wholeheartedly supports the intent of The Microcap Fraud Prevention Act of 2001. It would be an important step in combating abuses in the microcap market and maintaining continued public confidence in our markets.

We applaud your leadership in the fight against microcap fraud, and I pledge the support of NASAA's membership to continue to work with you to secure passage of this important legislation.

Sincerely,

JOSEPH P. BORG,
Alabama Securities Director,
NASAA President.

By Mr. BINGAMAN (for himself
and Mr. ROBERTS):

S. 1986. A bill to amend the Intermodal Surface Transportation Efficiency Act of 1991 to identify a route that passes through the States of Texas, New Mexico, Oklahoma, and Kansas as a high priority corridor on the National Highway System; to the Committee on Environment and Public Works.

Mr. BINGAMAN. Mr. President, I rise today to introduce legislation that will enhance the future economic vitality of communities in Otero, Lincoln, Torrance, Guadalupe, and Quay Counties. By improving the transportation infrastructure, I believe this legislation will help attract good jobs to South, Central, and Eastern New Mexico.

The bill we are introducing today designates U.S. Highway 54 from the border with Mexico at El Paso, TX, through New Mexico, and Oklahoma to Wichita, KS, as the Southwest Passage Initiative for the Regional and Interstate Transportation, or the Southwest Passage, corridor. Congress has already included Highway 54 as part of the National Highway System. The bill designates the Southwest Passage as a High Priority Corridor on the National Highway System.

I am honored to have my good friend and colleague, Senator ROBERTS, as a

cosponsor of the bill. Our goal with this designation is to promote the development of this 700-mile route into a full four-lane divided highway. About half of the SPIRIT corridor is in New Mexico and another 200 miles of it are in Kansas.

I continue to believe strongly in the importance of highway infrastructure for economic development in my state. Even in this age of the new economy and high-speed digital communications, roads continue to link our communities together and to carry the commercial goods and products our citizens need. Safe and efficient highways are especially important to citizens in the rural parts of New Mexico.

It is well known that regions with four-lane highways more readily attract out-of-state visitors and new jobs. Truck drivers and the traveling public prefer the safety of a four-lane divided highway.

In New Mexico, US 54 is a fairly level route, bypassing New Mexico's major mountain ranges. The route also traverses some of New Mexico's most dramatic scenery, including one of the State's popular designated Scenic Byways. The Mesalands Scenic Byway is located in Guadalupe, San Miguel and Quay Counties, incorporating the beautiful tablelands known as El Llano Estacado. The SPIRIT corridor also passes through Alamogordo, home of the New Mexico Museum of Space History, and gateway to the stunning White Sands National Monument.

The route of the Southwest Passage starts at Juarez, Chihuahua, Mexico, home of one of the largest concentrations of manufacturing in the border region. As a result of increased trade under NAFTA, commercial border traffic is already increasing at the border crossings in El Paso, TX, and Santa Teresa, NM. In New Mexico, truck traffic from the border has risen to over 1000 per day and is expected to triple in the next twenty years. The SPIRIT corridor is perfectly situated to serve international trade and promote economic development along its entire route. The route provides direct connections to four major Interstate Highways: I-10, I-35, I-40, and I-70. SPIRIT is also the shortest route between Chicago and El Paso, shaving 137 miles off the major alternative.

Though much of US 54 is currently only two lanes, traffic has been rising dramatically along the entire route since NAFTA was implemented. In New Mexico, total daily traffic levels are nearing 10,000 and are projected to rise to 30,000, with trucks making up 35 percent of the total. In Oklahoma, traffic levels are up to 6,500 per day, 40 percent of which are commercial trucks. These traffic statistics clearly reflect the SPIRIT corridor's attraction to commercial and passenger drivers.

New Mexicans recognize the importance of efficient roads to economic development and safety. I have long supported my State's efforts to complete the four-lane upgrade of US 54. The

State Highway and Transportation Department now rates the project a high priority for New Mexico. The four-lane upgrade of the first 56-mile segment from the Texas border to Alamogordo is underway and will be completed in the next year. Two more sections in New Mexico remain to be upgraded: 163 miles from Tularosa, north through Carrizozo, Corona, and Vaughn to Santa Rosa and 50 miles from Tucumcari to the Texas border near Nara Vista in Quay County. The cost to four-lane these two segments is estimated at \$329 million and \$85 million, respectively. I am committed to working to help secure the funding required to complete New Mexico's four-lane upgrade as soon as possible. I am pleased the other States are also moving quickly to four-lane their portion of the route. I hope designating SPIRIT as a High Priority Corridor on the National Highway System will help spur the completion of this project.

Once the SPIRIT corridor is designated, New Mexico will have four high-priority corridors on the National Highway System. The other three are the Ports-to-Plains corridor, the Camino Real Corridor, and the East West Transamerica Corridor. These four trade corridors, as well as our close proximity to the border, strongly underscore the vital role New Mexico plays in our Nation's international transportation network.

The SPIRIT project has broad grassroots support. Most of the cities, counties, and chambers of commerce all the way from Wichita to El Paso have passed resolutions of support for the four-lane upgrade of US 54 along the entire corridor.

I do believe the four-lane upgrade of Highway 54 is vital to the continued economic development for all of the communities along the SPIRIT corridor in New Mexico.

I again thank Senator ROBERTS for cosponsoring the bill, and I hope all Senators will join us in support of this important legislation.

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

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

S. 1986

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

SECTION 1. SOUTHWEST PASSAGE INITIATIVE FOR REGIONAL AND INTERSTATE TRANSPORTATION.

Section 1105(c) of the Intermodal Surface Transportation Efficiency Act of 1991 (105 Stat. 2032) is amended by adding at the end the following:

“(45) The corridor extending from the point on the border between the United States and Mexico in the State of Texas at which United States Route 54 begins, along United States Route 54 through the States of Texas, New Mexico, Oklahoma, and Kansas, and ending in Wichita, Kansas, to be known as the ‘Southwest Passage Initiative for Regional and Interstate Transportation Corridor’ or ‘SPIRIT Corridor’.”.

By Mr. SMITH of New Hampshire (for himself, Mr. FEINGOLD, and Mr. MCCAIN):

S. 1987. A bill to provide for reform of the Corps of Engineers, and for other purposes; to the Committee on Environmental and Public Works.

Mr. SMITH of New Hampshire. Mr. President, together with my friend from Arizona, Mr. MCCAIN, and my friend from Wisconsin, Mr. FEINGOLD, I am introducing the Corps of Engineers Modernization and Improvement Act of 2002. "Corps Reform", as it is frequently billed, has been the subject of much heated debate over the last two years. In fact, the Water Resources Development Act of 2000 included a provision on independent peer review, requested by Senator FEINGOLD.

Since that time, it has become clear to me that we need to aggressively address a broad range of issue endemic in the Corps. That is why I am before you today, introducing this bill. The Corps has been the subject of "the Fleecing of America," too many times. My primary goal is to ensure that Federal taxpayer dollars are spent wisely, on sound investments that are in the national interest. Our bill achieves this goal by addressing the mammoth backlog of projects that plagues the Corps; changing the cost-benefit ratio that a project must meet in order to be economically justified; updating of the Principles and Guidelines; instituting independent review of certain projects; amending some of the cost-share requirements; and limiting the waivers of non-Federal cost-shares often granted to communities.

It has been projected that there is currently a construction backlog of well over \$40 billion in authorized projects, with annual appropriations for the construction account of the civil works mission averaging around \$1.8 billion. As such, the majority of the projects in the backlog will never see a Federal dime. While a great number of these projects are meritorious and deserve funding, others are not in the Corps mission, are no longer economically justified, or violate non-Federal cost-share requirements.

Our bill would require the Corps to provide a list of projects in the backlog, categorizing each project as "active," "deferred," "inactive." There would be a deauthorization mechanism, more stringent than current law, for projects that have never received construction funds, for projects that have been suspended, and for those that don't pass economic muster.

In addition, there are projects "on the books" that are more than 25 years old, which have never received construction funds. These projects should be deauthorized immediately. The Environment and Public Works Committee can authorize a restudy if any of these projects are thought to have modern benefits and meet the requisite standards.

Currently, projects are only required to meet a 1:1 cost-benefit ratio. I find

this appalling. No one would invest in the stock market at such a return. According to the Taxpayers for Common Sense, 36 percent of the 310 major projects authorized since 1986 have been authorized with a benefit-to-cost ratio of less than 1.5. Construction of these projects would cost more than \$7 billion. Especially in these times of war and deficit spending, taxpayers cannot afford, nor should be asked to fund such projects. My bill would require that projects return benefits that are one and a half times the project costs, a vast improvement over current practice.

My friends, do not fear deauthorization. It is a cleansing process, getting the inactive projects off the books will only serve to better the chances of completed funding for those projects that remain.

I would also like to highlight the independent review provision in my bill. WRDA 2000 required the National Academy of Sciences to issue a report making recommendations on the effectiveness of independent peer review. Many will ask, why not wait until the Academy's report is issued before addressing this issue in legislation. I would like to explain to my colleagues, if the Academy makes recommendations that differ from what I have included in this bill, I am open to making refinements as this bill moves through the legislative process. But I wanted to include a provision on independent review to highlight the importance of the issue, as well as my belief that such review will help restore integrity to the Corps and its study processes.

Let me say a word about cost-shares. I think it is important that a non-Federal sponsor partner with the Federal Government in the advancement of Corps of Engineers projects. The landmark WRDA 1986 established most of the modern cost-share formulas. But some of these cost share arrangements could be stronger. For example, the benefits realized by beach replenishment projects are highly localized. The non-Federal interests should thus be responsible for a larger portion of the replenishment costs. I also believe that there should be a financial incentive, in the form of a better cost share, for non-structural flood damage reduction projects. This only seems logical from a financial sense, as well as an environmental standpoint. And as for the costs associated with the Inland Waterways system, IWS, there should be a distinction between those segments of the System that carry most of the traffic and those that are underutilized. Approximately 30 percent of the Operations and Maintenance funds are devoted to segments of the IWS that realize a mere 3 percent of the traffic. My bill attempts to address this issue by reformulating how O&M costs are paid.

I say to my friends, my intention here is not to beat up on the Corps of Engineers. As the ranking Republican on the Senate Environment and Public Works Committee, I have a great deal

of respect for the Chief of Engineers and the Assistant Secretary of the Army for Civil Works. This bill should not be interpreted as a statement on their effectiveness. I merely want to implement mechanisms to make the Agency more fiscally responsible. The taxpayers deserve our attention to this matter.

I realize that many of my distinguished colleagues will oppose our efforts to improve and modernize the Corps of Engineers. I daresay, part of the problem is that any meaningful reform of the Corps will require a reform of the practices of Congress, as well. If your project is meritorious, if it has local support and adheres to cost-sharing requirements and cost-benefit ratio, if your project is in the Corps mission, you need not worry. This bill is about clearing the way for projects that warrant the taxpayers' investment.

As for where we go from here, the Senate Environment and Public Works Committee will hold a hearing on the issue of Corps Reform in the upcoming months. I expect this bill to be part of the debate of the hearing.

Average Americans toil all day long, and some, all night, trying to make meager ends meet. How can I look these Americans in the eye and say, your tax dollars pay to maintain a waterway that sees two barges a year or to replenish the sand on a beach where the median home price is \$1.5 million? Taxpayers' hard-earned money should not be devoted to pouring sand on the beaches of the wealthy. Taxpayer dollars should be spent more wisely than to maintain deadbeat waterways. Particularly during this time of belt-tightening, we should show more fiscal restraint!

I would like to quote another Mr. Smith, that is, Mr. Smith of Maine, who served on the House Committee of Ways and Means in the days before this country was embroiled in Civil War. Mr. Smith, in a Report of the Ways and Means Committee dated February 10, 1836 wisely counseled: "Heedless and useless or unavailable expenditure of the public treasury are alike to be avoided in all legislation." He further noted: "Every Government . . . is susceptible of acquiring habits of lavish expenditure and extravagance in its operations." Every Government "requires constant watching to preserve its own purity." Well, folks, I am here to say, our government's practices are not pure. But there is something that we can do about it.

Corps Reform. It's going to be an uphill battle, but it's a start. I challenge, not just my fiscally conservative friends, but all my colleagues, to put aside their parochial interests for the general good of the taxpayers' hard-earned money.

As we move forward, please understand that I am open to suggestions as to how to improve upon the ideas embodied in this bill. I want to work together with my colleagues to make

this bill as meaningful, responsive, and responsible as possible.

Please join me in advancing this fiscally responsible legislation.

Our bill is supported by taxpayer advocacy groups such as the Taxpayers for Common Sense, National Taxpayers Union, Citizens Against Government Waste, as well as environmental groups, for example, National Wildlife Federation and Environmental Defense. I have some letters of support and ask unanimous consent that they be printed in the RECORD.

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

ENVIRONMENTAL DEFENSE,
March 5, 2002.

Senator BOB SMITH,
Ranking Member, Senate Committee on Environment and Public Works, U.S. Senate, Washington, DC.

DEAR SENATOR SMITH: Environmental Defense strongly supports the Corps of Engineers Modernization and Improvement Act of 2002 and applauds your efforts to restore trust in the Corps' planning process and to focus scarce federal funds on economically and environmentally sound civil works projects.

The Corps has an important role to play in the management of the nation's water resources, including the restoration of ecosystems like the Everglades, Coastal Louisiana, and the Columbia, Snake, Mississippi and Missouri rivers. Unfortunately, scarce federal funds are frequently wasted on projects with few economic benefits and high environmental costs.

We believe the Corps of Engineers Modernization and Improvement Act of 2002 will move to accelerate the construction of nationally critical projects by prioritizing and shrinking the Corps' \$52 million backlog, subjecting questionable projects to greater review, and by asking cost-sharing partners to share a larger portion of project costs. Too many Corps projects have failed to generate predicted benefits—including many segments of the inland waterway system—and too many projects with questionable economic benefits continue to be constructed.

We are aware that powerful special interests will oppose these changes to bring basic fiscal sense to federal funding for water projects. It takes an exceptional degree of principal and courage to take on these interests. We are confident, however, that your leadership on this issue can make a big difference.

We applaud your efforts to restore trust in the Corps' planning process and to focus scarce federal funds on economically and environmentally sound projects.

Sincerely,

SCOTT FABER,
Water Resources Specialist.

TIMOTHY SEARCHINGER,
Senior Attorney.

MARCH 5, 2002.

Senator ROBERT SMITH,
Ranking Member, Environment and Public Works Committee, Dirksen Senate Office Building, Washington, DC.

Senator RUSSELL FEINGOLD,
Hart Senate Office Building, Washington, DC.

Senator JOHN MCCAIN,
Russell Senate Office Building, Washington, DC.

DEAR SENATORS SMITH, FEINGOLD, AND MCCAIN: Taxpayers for Common Sense com-

mends you for introducing the Corps of Engineers Modernization and Improvement Act of 2002.

This legislation could stop more than \$15 billion of wasteful spending at the U.S. Army Corps of Engineers by deauthorizing wasteful and outdated projects, limiting the Corps to only building projects within its mission, requiring greater accountability in its project planning process, and increasing the non-Federal contributions to project costs. With the return of budget deficits the timing and need for this legislation could not be greater.

As early as 1836, Members of Congress started raising questions about cost overruns and mismanagement by the Corps in constructing water projects. Back then, Congressman Francis O. Smith from Maine, Chairman of the House Ways and Means Committee, rebuked the Corps for a host of problems in constructing 25 wasteful projects in the committee report on the Harbors and Rivers Act.

More than 160 years later, Taxpayers for Common Sense and National Wildlife Federation published a report criticizing the Corps for pursuing 25 other projects that would waste more than \$6 billion of federal taxpayer money.

A steady stream of Congressional authorizations of new projects over the last two decades has swelled the Corps' construction backlog to \$52 billion. However, despite a 50% increase in the Corps' construction backlog over the last six years, it would still take the agency more than 25 years to construct all of those projects at current funding levels assuming no new projects were authorized.

The reluctance of many Members of Congress to criticize wasteful spending has created this enormous backlog, leading to a situation where everyone loses because no projects are getting built. A Taxpayers for Common Sense analysis of the backlog found that the typical Corps project was only 24% completed, based upon the median rate of completion. Legitimate projects, like operation and maintenance of high-volume waterways, are suffering at the hands of "mission creep" projects like the \$311 million Grand Prairie Irrigation project in east Arkansas, a project that even the farmers who the Corps identified as the beneficiaries oppose.

Unfortunately, the Corps has not taken measures to alleviate these problems. Instead, last week at Senate Budget Committee hearings, Assistant Secretary of the Army Mike Parker and Lt. Gen. Robert Flowers half-heartedly defended President Bush's FY03 budget request while testifying that the way to reduce the backlog was to give the Corps a raise this year from \$4 billion to \$6.4 billion, a 60% increase over the President's request.

The Corps has become embroiled in several scandals over the manipulated and shoddy evaluation of project studies. In the most infamous case, the Army Inspector General reprimanded three senior Corps officials for "cooking the books" to bias a study of lock expansions on the Upper Mississippi and Illinois Rivers so that the results favored a \$1.2 billion project alternative. In the last two years, five other major Corps projects have been found through independent economic analyses to be unjustified: the \$360 million Delaware River deepening project, the \$188 million Columbia River deepening project, the \$127 million Dallas Floodway Extension project, the \$108 million Oregon Inlet Jetties project, and the \$40 million Chesapeake and Delaware Canal deepening project.

Clearly, the Corps is incapable of producing objective analyses of projects. This is why the independent peer review provisions of your bill are so critical. Taxpayers deserve

better accountability for how their hard earned tax dollars are being spent.

The Corps doesn't need a raise, it just needs a good dose of common sense. Like all taxpayers faced with a tight budget, the Corps must be forced to prioritize and focus on the projects it does best within its mission.

With pursuit of the reforms in this bill, you will be building upon a notable legacy left by President Reagan in 1986. That year, Congress agreed to his landmark cost sharing rules that required local beneficiaries to pay a share of each project. Not only will you be following in Reagan's footsteps, but you are charting a new course for the further of water resources development in America. On behalf of taxpayers, thank you for your leadership on this important matter.

Sincerely,

JOE THEISSEN,
Executive Director.

Mr. FEINGOLD. Mr. President, I rise today to join the Senator from New Hampshire, Mr. SMITH, in introducing the Corps of Engineers Modernization and Improvement Act of 2002. I am very pleased to be working with him on this issue, and admire his dedication to fiscal responsibility as embodied in this measure.

As the Senator from New Hampshire, Mr. SMITH, and I introduce this bill, we realize that Corps Reform is a work in progress. Reforming the Corps of Engineers will be a difficult task for Congress. It involves restoring credibility and accountability to a Federal agency rocked by scandals and constrained by endlessly growing authorizations and a gloomy Federal fiscal picture, and yet an agency that Wisconsin, and many other States across the country, have come to rely upon. From the Great Lakes to the mighty Mississippi, the Corps is involved in providing aids to navigation, environmental remediation, water control and a variety of other services to my state. My office has strong working relationships with the Detroit, Rock Island, and St. Paul District Offices that service Wisconsin, and I want the fiscal and management cloud over the Corps to dissipate so that the Corps can continue to contribute to our environment and our economy.

This legislation evolved from my experience in seeking to offer an amendment to the Water Resources Development Act of 2000 to create independent review of Army Corps of Engineers' projects. In response to my initiative, the bill's managers, which included the Senator from New Hampshire, Mr. SMITH, and the then Chairman, the Senator from Montana, Mr. BAUCUS, adopted an amendment as part of their Manager's Package which should help get the Authorizing Committee, the Environment and Public Works Committee, the additional information it needs to develop and refine legislation on this issue through a study by the National Academy of Sciences, NAS, on peer review.

Earlier this Congress, I introduced the Corps of Engineers Reform Act of 2001, S. 646. The measure the Senator from New Hampshire and I introduce

today includes many provisions that were included in my original bill, and codifies the idea of independent review of the Corps about which we agreed in the 2000 Water Resources bill. It also provides a mechanism to speed up completion of construction for good Corps projects with large public benefits by deauthorizing low priority and economically wasteful projects. The bill put forward bold concepts. It streamlines the existing automatic deauthorization process. Under the bill a project authorized for construction but never started is deauthorized if it is denied appropriations funds towards completion of construction for five straight years. In addition, a project that has begun construction but denied appropriations funds towards completion for three straight years. The bill also preserves Congressional prerogative over setting the Corps' construction priorities by allowing Congress a chance to reauthorize any of these projects before they are automatically deauthorized. This process will be transparently to all interests, because the bill requires the Corps to make an annual list of projects in the construction backlog available to Congress and the public at large via the Internet. The bill also allows a point of order to be raised in the Senate against projects included in legislation for which the Corps has not completed necessary studies determining that a project is economically justified and in the federal interest.

The Senator from New Hampshire and I came to a meeting of the minds on the issue of independent review of Corps projects. But the bill we introduce today is much more than that. It is a comprehensive revision of the project review and authorization procedures at the U.S. Army Corps of Engineers. Our joint goal is to have the Corps to increase transparency and accountability, to ensure fiscal responsibility, and to allow greater stakeholder involvement in their projects. We are committed to that goal, and to seeing Corps Reform enacted as part of this year's Water Resources bill.

I also look forward, to the upcoming hearing process, and stand ready to work with the Senator from New Hampshire in merging the bill we introduce today with S. 646, my bill from earlier this Congress. My bill, S. 646, which is sponsored in the other body by my colleague from Wisconsin, Representative KIND, includes a number of important concepts that are central to environmental protection and that should be part of Corps Reform.

The Corps is required to mitigate the environmental impacts of its projects in a variety of ways, including by avoiding damaging wetlands in the first place and either holding other lands or constructing wetlands elsewhere when it cannot avoid destroying them. The Corps requires private developers to meet this standard when they construct projects as a condition of receiving a federal permit, and I think the federal government should live up

to the same standards. Too often, the Corps does not complete required mitigation and enhances environmental risks. I feel very strongly that mitigation must be completed, that the true costs of mitigation should be accounted for in Corps projects, and that the public should be able to track the progress of mitigation projects. In addition, the concurrent mitigation requirements of S. 646 would actually reduce the total mitigation costs by ensuring the purchase of mitigation lands as soon as possible. I look forward to exploring these ideas with the Senator from New Hampshire as we work to produce a final product.

I feel that this bill is an important step down the road to a reformed Corps of Engineers. This bill establishes a framework to catch mistakes by Corps planners, deter any potential bad behavior by Corps officials to justify questionable projects, end old unjustified projects, and provide planners desperately needed support against the never ending pressure of project boosters. Those boosters, include Congressional interests, which is why I believe that this body needs to champion reform—to end the perception that Corps projects are all pork and no substance.

I wish it were the case, that I could argue that the changes we are proposing today were not needed, but unfortunately, I see that there is need for this bill. I want to make sure that future Corps projects no longer fail to produce predicted benefits, stop costing the taxpayers more than the Corps estimated, do not have unanticipated environmental impacts, and are built in an environmentally compatible way. This bill will help the Corps do a better job which is what the taxpayers and the environment deserve.

By Ms. LANDRIEU:

S. 1988. A bill to authorize the American Battle Monuments Commission to establish in the State of Louisiana a memorial to honor the Buffalo Soldiers; to the Committee on Energy and Natural Resources.

Ms. LANDRIEU. Mr. President, one hundred and thirty five years ago, before the term Homeland Security was even coined, a group of men devoted themselves to securing the frontiers of this Nation. They protected Americans in their homes; they deterred hostile invaders, and they secured the blessings of liberty to the people of this land. Even more remarkable, they secured these blessings for others, while they could not fully enjoy them themselves.

I am referring to the Buffalo Soldiers. These brave men instituted a tradition of professional military service for African Americans that stretches one hundred and thirty five years to our triumphs occurring this very day. African Americans military service is as old as our Nation. There were black soldiers during the revolution, a unit of free black men played a pivotal role in the Battle of New Orleans,

and the exploits of African Americans during the Civil War have been captured in novels and on film. However, it was not until the Army Reorganization Act of 1866 that soldiering and service to country became a realistic option for African Americans seeking to improve their quality of life. In so doing, they raised the bar of freedom, and revealed the injustice of preventing the defenders of democracy from fully participating in it.

The city of New Orleans, and the State of Louisiana have a rich history, and have, over the years given more than their fair share of sons in service to their Nation. Much of this history is commemorated around the city. Yet these great sons of New Orleans remain unacknowledged in their home. For in Louisiana's great military tradition, surely one of its greatest military contributions were the 9th Cavalry Regiment and the 25th Infantry Regiment.

These two forces, recruited and organized in New Orleans, represent half of all the units of buffalo soldiers. The 9th Cavalry alone constituted 10 percent of all the American cavalry. Their list of adversaries reads like a who's who of the Old West, Geronimo, Sitting Bull, Poncho Villa. In movies, when settlers encounter Apaches, the cavalry always comes to the rescue. Yet how many times were the cavalry that rode over the horizon African Americans? Of course, the reality is that the Buffalo Soldiers comprised some of our Nations most capable and loyal troops. Despite suffering the worst deprivations known to any American soldiers of the period, their desertion rates were the lowest in the Army. The 9th Cavalry was awarded 15 Congressional Medals of Honor, including two to native Louisianians First Sergeant Moses Williams and Sergeant Emmanuel Stance.

For these reasons, I am offering legislation that would authorize the creation of a suitable memorial in New Orleans for these gallant soldiers. There is an excellent statue to the Buffalo Soldiers at Fort Leavenworth Kansas. It commemorates the 10th Cavalry Regiment stationed there. However, I believe that these men deserve to be recognized in their home city. Furthermore, it should be in a location where thousands of visitors will have the opportunity to come to appreciate the legacy of the Buffalo Soldiers. I believe that the city of New Orleans is the perfect location.

This Nation has sadly found the need to say thank you to its servicemen and women after the fact on more than one occasion. Unfortunately, this is another. We are fortunate to have living memories of the 9th and 10th Cavalry Regiments today. The regiments were not disbanded until the conclusion of World War Two, where they served with distinction. We should take this opportunity to honor these veterans, and in so doing, honor the principles of liberty, freedom, and democracy for which they fought and sacrificed. They have given so much to their Nation, we

owe them this public expression of gratitude.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 216—TO HONOR MILTON D. STEWART FOR HIS YEARS OF SERVICE IN THE OFFICE OF ADVOCACY OF THE SMALL BUSINESS ADMINISTRATION

Mr. KERRY (for himself, Mr. BOND, Mr. LIEBERMAN, Mr. BURNS, Mr. CLELAND, Mr. BENNETT, Ms. LANDRIEU, Ms. SNOWE, Mr. EDWARDS, Mr. CRAPO, Ms. CANTWELL, Mr. ALLEN, Mr. ENSIGN, Mr. WELLSTONE, Mr. HARKIN, Mr. LEVIN) submitted the following resolution; which was considered and agreed to:

S. RES. 216

Whereas a vibrant and growing small business sector is vital to creating jobs in a dynamic economy;

Whereas reducing unnecessary regulatory burdens on small business promotes economic growth;

Whereas the Office of Advocacy of the Small Business Administration has been a key factor in working to minimize burdens on small business;

Whereas Milton D. Stewart, the first Chief Counsel for Advocacy, provided dynamic leadership in making the Office of Advocacy the effective voice for small business that it is today; and

Whereas Milton D. Stewart will be celebrating his 80th birthday on March 5, 2002: Now, therefore, be it

Resolved, That the Senate—

(1) honors Milton D. Stewart for his many years of service to the small business community of the United States;

(2) thanks Mr. Stewart for his leadership in creating a strong and dynamic Office of Advocacy to help carry on that service in the future; and

(3) instructs the Secretary of the Senate to transmit an enrolled copy of this resolution to Milton D. Stewart.

AMENDMENTS SUBMITTED AND PROPOSED

SA 2979. Mr. MCCAIN (for himself, Mr. HOLLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 2917 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 517) to authorize funding the Department of Energy to enhance its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2979. Mr. MCCAIN (for himself, Mr. HOLLINGS, Mrs. MURRAY, Mr. BINGAMAN, Mr. BREAUX, Mr. SMITH of Oregon, Mr. DOMENICI, Mrs. HUTCHISON, and Mr. WYDEN) submitted an amendment intended to be proposed to amendment SA 2917 submitted by Mr. DASCHLE and intended to be proposed to the bill (S. 517) to authorize funding the Department of Energy to enhance

its mission areas through technology transfer and partnerships for fiscal years 2002 through 2006, and for other purposes; which was ordered to lie on the table; as follows:

At the end of title VII, add the following:

Subtitle C—Pipeline Safety

PART 1—SHORT TITLE: AMENDMENT OF TITLE 49

Sec. 741. Short title: amendment of title 49, United States Code.

PART 2—PIPELINE SAFETY IMPROVEMENT ACT OF 2002

Sec. 761. Implementation of inspector general recommendations.

Sec. 762. NTSB safety recommendations.

Sec. 763. Qualifications of pipeline personnel.

Sec. 764. Pipeline integrity inspection program.

Sec. 765. Enforcement.

Sec. 766. Public education, emergency preparedness, and community right to know.

Sec. 767. Penalties.

Sec. 768. State oversight role.

Sec. 769. Improved data and data availability.

Sec. 770. Research and development.

Sec. 771. Pipeline integrity technical advisory committee.

Sec. 772. Authorization of appropriations.

Sec. 773. Operator assistance in investigations.

Sec. 774. Protection of employees providing pipeline safety information.

Sec. 775. State pipeline safety advisory committees.

Sec. 776. Fines and penalties.

Sec. 777. Study of rights-of-way.

Sec. 778. Study of natural gas reserve.

Sec. 779. Study and report on natural gas pipeline and storage facilities in New England.

PART 3—PIPELINE SECURITY SENSITIVE INFORMATION

Sec. 781. Meeting community right to know without security risks.

Sec. 782. Technical assistance for security of pipeline facilities.

PART 1—SHORT TITLE; AMENDMENT OF TITLE 49

SEC. 741. SHORT TITLE; AMENDMENT OF TITLE 49, UNITED STATES CODE.

(a) **SHORT TITLE.**—This subtitle may be cited as the “Pipeline Safety Improvement Act of 2002”.

(b) **AMENDMENT OF TITLE 49, UNITED STATES CODE.**—Except as otherwise expressly provided, whenever in this subtitle an amendment or repeal is expressed in terms of an amendment to, or a repeal of, a section or other provision, the reference shall be considered to be made to a section or other provision of title 49, United States Code.

PART 2—PIPELINE SAFETY IMPROVEMENT ACT OF 2002

SEC. 761. IMPLEMENTATION OF INSPECTOR GENERAL RECOMMENDATIONS.

(a) **IN GENERAL.**—Except as otherwise required by this subtitle, the Secretary shall implement the safety improvement recommendations provided for in the Department of Transportation Inspector General’s Report (RT-2000-069).

(b) **REPORTS BY THE SECRETARY.**—Not later than 90 days after the date of enactment of this Act, and every 90 days thereafter until each of the recommendations referred to in subsection (a) has been implemented, the Secretary shall transmit to the Committee on Commerce, Science, and Transportation of the Senate and the Committee on Transportation and Infrastructure of the House of

Representatives a report on the specific actions taken to implement such recommendations.

(c) **REPORTS BY THE INSPECTOR GENERAL.**—The Inspector General shall periodically transmit to the Committees referred to in subsection (b) a report assessing the Secretary’s progress in implementing the recommendations referred to in subsection (a) and identifying options for the Secretary to consider in accelerating recommendation implementation.

SEC. 762. NTSB SAFETY RECOMMENDATIONS.

(a) **IN GENERAL.**—The Secretary of Transportation, the Administrator of Research and Special Program Administration, and the Director of the Office of Pipeline Safety shall fully comply with section 1135 of title 49, United States Code, to ensure timely responsiveness to National Transportation Safety Board recommendations about pipeline safety.

(b) **PUBLIC AVAILABILITY.**—The Secretary, Administrator, or Director, respectively, shall make a copy of each recommendation on pipeline safety and response, as described in sections 1135(a) and (b) of title 49, United States Code, available to the public at reasonable cost.

(c) **REPORTS TO CONGRESS.**—The Secretary, Administrator, or Director, respectively, shall submit to the Congress by January 1 of each year a report containing each recommendation on pipeline safety made by the Board during the prior year and a copy of the response to each such recommendation.

SEC. 763. QUALIFICATIONS OF PIPELINE PERSONNEL

(a) **QUALIFICATION PLAN.**—Each pipeline operator shall make available to the Secretary of Transportation, or, in the case of an intrastate pipeline facility operator, the appropriate State regulatory agency, a plan that is designed to enhance the qualifications of pipeline personnel and to reduce the likelihood of accidents and injuries. The plan shall be made available not more than 6 months after the date of enactment of this Act, and the operator shall revise or update the plan as appropriate.

(b) **REQUIREMENTS.**—The enhanced qualification plan shall include, at a minimum, criteria to demonstrate the ability of an individual to safely and properly perform tasks identified under section 60102 of title 49, United States Code. The plan shall also provide for training and periodic reexamination of pipeline personnel qualifications and provide for requalification as appropriate. The Secretary, or, in the case of an intrastate pipeline facility operator, the appropriate State regulatory agency, may review and certify the plans to determine if they are sufficient to provide a safe operating environment and shall periodically review the plans to ensure the continuation of a safe operation. The Secretary may establish minimum standards for pipeline personnel training and evaluation, which may include written examination, oral examination, work performance history review, observation during performance on the job, on the job training, simulations, or other forms of assessment.

(c) **REPORT TO CONGRESS.**—

(1) **IN GENERAL.**—The Secretary shall submit a report to the Congress evaluating the effectiveness of operator qualification and training efforts, including—

(A) actions taken by inspectors;

(B) recommendations made by inspectors for changes to operator qualification and training programs; and

(C) industry and employee organization responses to those actions and recommendations.

(2) **CRITERIA.**—The Secretary may establish criteria for use in evaluating and reporting