

that public officials, community leaders, researchers, professors, and school teachers across the country will take this week to actively promote understanding of biotechnology in their communities and their classrooms.●

#### AMENDMENTS SUBMITTED AND PROPOSED

SA 3132. Mr. MURKOWSKI (for himself, Mr. BREAUX, and Mr. STEVENS) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) 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.

SA 3133. Mr. STEVENS proposed an amendment to amendment SA 3132 proposed by Mr. MURKOWSKI (for himself, Mr. BREAUX, and Mr. STEVENS) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) to the bill (S. 517) supra.

SA 3134. Mr. REID (for Mr. KENNEDY (for himself, Mr. JEFFORDS, Mr. FRIST, Mr. BINGAMAN, Mr. ROBERTS, Mr. HARKIN, Mr. BOND, Mr. DASCHLE, Ms. COLLINS, Mr. WELLSTONE, Mr. ENZI, Mrs. MURRAY, Mr. HUTCHINSON, Ms. MIKULSKI, Mr. DODD, Mr. REED, Mr. EDWARDS, and Mrs. CLINTON)) proposed an amendment to the bill S. 1533, to amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program which will help coordinate services for the uninsured and underinsured, and for other purposes.

#### TEXT OF AMENDMENTS

**SA 3132.** Mr. MURKOWSKI (for himself, Mr. BREAUX, and Mr. STEVENS) proposed an amendment to amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) 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; as follows:

On page 590, after line 14, insert the following:

#### DIVISION H—DOMESTIC ENERGY SECURITY

#### TITLE XIX—AMERICAN HOMELAND ENERGY SECURITY

#### SEC. 1901. SHORT TITLE AND PRESIDENTIAL DETERMINATION.

(a) This title may be cited as the "American Homeland Energy Security Act of 2002".

(b) PRESIDENTIAL NATIONAL ECONOMIC AND SECURITY INTEREST CERTIFICATION TO CONGRESS.—

(1) The provisions of this title, other than this subsection, shall take effect upon a determination by the President and certification by the President to the Senate and the House of Representatives that exploration, development, and production of the oil and gas resources of the Coastal Plain (as defined in section 1902(1) of this title) are in the national economic and security interests of the United States.

(2) The President shall base a determination under paragraph (1) upon the President's judgment of the contribution that production of the oil and gas resources of the Coastal Plain would make in—

(A) meeting the energy requirements of the United States in a time of national emer-

gency, taking into account foreseeable military contingencies in the war on terrorism and international commitments;

(B) reducing dependence on imported foreign oil, including from Iraq and other potentially hostile nations; and

(C) creating new jobs for American men and women.

(3) The determination and certification by the President shall be made in his sole discretion and shall not be reviewable.

#### SEC. 1902. DEFINITIONS.

In this title:

(1) **COASTAL PLAIN.**—The term "Coastal Plain" means that area identified as such in the map entitled "Arctic National Wildlife Refuge", dated August 1980, as referenced in section 1002(b) of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142(b)(1)), comprising approximately 1,549,000 acres, and as legally described in appendix I to part 37 of title 50, Code of Federal Regulations.

(2) **SECRETARY.**—The term "Secretary", except as otherwise provided, means the Secretary of the Interior or the Secretary's designee.

(3) **KAKTOVIK.**—The term "Kaktovik" means the home of the only human residents of the Arctic National Wildlife Refuge.

#### SEC. 1903. LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN.

(a) **IN GENERAL.**—The Secretary shall take such actions as are necessary—

(1) to establish and implement in accordance with this title a competitive oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.) that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain;

(2) to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, and including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this title in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased; and

(3) to consult with the representatives of the City of Kaktovik and the Kaktovik Inupiat Corporation to ensure that the oil and gas exploration, development and production activities authorized by this title are conducted in a manner that recognizes the interests of the city, the corporation, and the residents of Kaktovik, their culture, their traditional subsistence activities, and their use of the resources of the Coastal Plain.

(b) **REPEAL.**—Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) is repealed.

(c) **COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.**—

(1) **COMPATIBILITY.**—For purposes of the National Wildlife Refuge System Administration Act of 1966, the oil and gas leasing program and activities authorized by this section in the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and that no further findings or decisions are required to implement this determination.

(2) **ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IM-**

**PACT STATEMENT.**—The "Final Legislative Environmental Impact Statement" (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 that apply with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title before the conduct of the first lease sale.

(3) **COMPLIANCE WITH NEPA FOR OTHER ACTIONS.**—Before conducting the first lease sale under this title, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 with respect to the actions authorized by this title that are not referred to in paragraph (2). Notwithstanding any other law, the Secretary is not required to identify non-leasing alternative courses of action or to analyze the environmental effects of such courses of action. The Secretary shall only identify a preferred action for such leasing and a single leasing alternative, and analyze the environmental effects and potential mitigation measures for those two alternatives. The identification of the preferred action and related analysis for the first lease sale under this title shall be completed within 18 months after the date of the enactment of this Act. The Secretary shall only consider public comments that specifically address the Secretary's preferred action and that are filed within 20 days after publication of an environmental analysis. Notwithstanding any other law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this title.

(d) **RELATIONSHIP TO STATE AND LOCAL AUTHORITY.**—Nothing in this title shall be considered to expand or limit State and local regulatory authority.

(e) **SPECIAL AREAS.**—

(1) **IN GENERAL.**—The Secretary, after consultation with the State of Alaska, the city of Kaktovik, and the North Slope Borough, may designate up to a total of 45,000 acres of the Coastal Plain as a Special Area if the Secretary determines that the Special Area is of such unique character and interest so as to require special management and regulatory protection. The Secretary shall designate as such a Special Area the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map referred to in section 1902(1).

(2) **MANAGEMENT.**—Each such Special Area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

(3) **EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.**—The Secretary may exclude any Special Area from leasing. If the Secretary leases a Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

(4) **DIRECTIONAL DRILLING.**—Notwithstanding the other provisions of this section, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases located outside the area.

(f) **LIMITATION ON CLOSED AREAS.**—The Secretary's sole authority to close lands within the Coastal Plain to oil and gas leasing and to exploration, development, and production is that set forth in this title.

(g) **REGULATIONS.**—

(1) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to carry out this title, including rules and regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and environment of the Coastal Plain, by no later than 15 months after the date of the enactment of this title.

(2) REVISION OF REGULATIONS.—The Secretary shall periodically review and, if appropriate, revise the rules and regulations issued under subsection (a) to reflect any significant biological, environmental, or engineering data that come to the Secretary's attention.

#### SEC. 1904. LEASE SALES.

(a) IN GENERAL.—Lands may be leased pursuant to this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

(b) PROCEDURES.—The Secretary shall, by regulation, establish procedures for—

(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

(2) the holding of lease sales after such nomination process; and

(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

(c) LEASE SALE BIDS.—Bidding for leases under this title shall be by sealed competitive cash bonus bids.

(d) ACREAGE MINIMUM IN FIRST SALE.—In the first lease sale under this title, the Secretary shall offer for lease those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1), but in no case less than 200,000 acres.

(e) TIMING OF LEASE SALES.—The Secretary shall—

(1) conduct the first lease sale under this title within 22 months after the date of the enactment of this title; and

(2) conduct additional sales so long as sufficient interest in development exists to warrant, in the Secretary's judgment, the conduct of such sales.

#### SEC. 1905. GRANT OF LEASES BY THE SECRETARY.

(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted pursuant to section 1904 any lands to be leased on the Coastal Plain upon payment by the lessee of such bonus as may be accepted by the Secretary.

(b) SUBSEQUENT TRANSFERS.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

#### SEC. 1906. LEASE TERMS AND CONDITIONS.

(a) IN GENERAL.—An oil or gas lease issued pursuant to this title shall—

(1) provide for the payment of a royalty of not less than 12½ percent in amount or value of the production removed or sold from the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife;

(3) require that the lessee of lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands that are adversely affected in connec-

tion with exploration, development, production, or transportation activities conducted under the lease and within the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

(5) provide that the standard of reclamation for lands required to be reclaimed under this title shall be, as nearly as practicable, a condition capable of supporting the uses which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary;

(6) contain terms and conditions relating to protection of fish and wildlife, their habitat, and the environment as required pursuant to section 1903(a)(2);

(7) provide that the lessee, its agents, and its contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State;

(8) prohibit the export of oil produced under the lease, except exports to Israel; and

(9) contain such other provisions as the Secretary determines necessary to ensure compliance with the provisions of this title and the regulations issued under this title.

(b) ENERGY SECURITY OF ISRAEL.—To further the purposes of paragraph (a)(8), the oil supply arrangement between the United States and Israel, as memorialized in a Memorandum of Agreement which entered into force on November 25, 1979, as extended through 2004, and the related Contingency Implementing Arrangements for the Memorandum of Agreement, as extended through 2004, are extended through 2014.

(c) PROJECT LABOR AGREEMENTS.—The Secretary, as a term and condition of each lease under this title and in recognizing the Government's proprietary interest in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under the leases issued pursuant to this title and the special concerns of the parties to such leases, shall require that the lessee and its agents and contractors negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction under the lease.

#### SEC. 1907. COASTAL PLAIN ENVIRONMENTAL PROTECTION.

(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 1903, administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, and the environment;

(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers

for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall also require, with respect to any proposed drilling and related activities, that—

(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, and the environment;

(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this title shall require compliance with all applicable provisions of Federal and State environmental law and shall also require the following:

(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the 'Final Legislative Environmental Impact Statement' (April 1987) on the Coastal Plain.

(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration.

(3) That exploration activities, except for surface geological studies, be limited to the period between approximately November 1 and May 1 each year and that exploration activities shall be supported by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that such exploration activities may occur at other times, if—

(A) the Secretary determines, after affording an opportunity for public comment and review, that special circumstances exist necessitating that exploration activities be conducted at other times of the year; and

(B) the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain. (4) Design safety and construction standards for all pipelines and any access and service roads, that—

(A) minimize, to the maximum extent possible, adverse effects upon the passage of migratory species such as caribou; and

(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

(5) Prohibitions on public access and use on all pipeline access and service roads.

(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from

the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

(9) Consolidation of facility siting.

(10) Appropriate prohibitions or restrictions on use of explosives.

(11) Avoidance, to the extent practicable, of springs, streams, and river system; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

(12) Avoidance or reduction of air traffic-related disturbance to fish and wildlife.

(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law.

(14) Fuel storage and oil spill contingency planning.

(15) Research, monitoring, and reporting requirements.

(16) Field crew environmental briefings.

(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

(18) Compliance with applicable air and water quality standards.

(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

(20) Reasonable stipulations for protection of cultural and archeological resources.

(21) All other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider the following:

(1) The stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement.

(2) The environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations.

(3) The land use stipulations for exploratory drilling on the KIM-ASRC private lands that are set forth in Appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

(f) FACILITY CONSOLIDATION PLANNING.—

(1) IN GENERAL.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

(2) OBJECTIVES.—The plan shall have the following objectives:

(A) Avoiding unnecessary duplication of facilities and activities.

(B) Encouraging consolidation of common facilities and activities.

(C) Locating or confining facilities and activities to areas that will minimize impact

on fish and wildlife, their habitat, and the environment.

(D) Using existing facilities wherever practicable.

(E) Enhancing compatibility between wildlife values and development activities.

#### SEC. 1908. EXPEDITED JUDICIAL REVIEW.

(a) EXCLUSIVE JURISDICTION.—The United States Court of Appeals for the District of Columbia Circuit shall have exclusive jurisdiction to determine—

(1) the validity of any final order or action (including a failure to act) of any federal agency or officer under this title;

(2) the constitutionality of any provision of this title, or any decision made or action taken thereunder; or

(3) the adequacy of any environmental impact statement prepared under the National Environmental Policy Act of 1969 with respect to any action under this title.

(b) DEADLINE FOR FILING CLAIM.—Claims arising under this title may be brought not later than 60 days after the date of the decision or action giving rise to the claim.

(c) EXPEDITED CONSIDERATION.—The United States Court of Appeals for the District of Columbia Circuit shall set any action brought under subsection (a) of this section for expedited consideration.

(d) LIMITATION ON SCOPE OF CERTAIN REVIEW.—Judicial review of a Secretarial decision to conduct a lease sale under this title, including the environmental analysis thereof, shall be limited to whether the Secretary has complied with the terms of this title and shall be based upon the administrative record of that decision. The Secretary's identification of a preferred course of action to enable leasing to proceed and the Secretary's analysis of environmental effects under this title shall be presumed to be correct unless the Court determines that there is no rational basis for the final action of the Secretary.

(e) LIMITATION ON OTHER REVIEW.—Actions of the Secretary with respect to which review could have been obtained under this section shall not be subject to judicial review in any civil or criminal proceeding for enforcement.

#### SEC. 1909. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.

(a) EXEMPTION.—Title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.) shall not apply to the issuance by the Secretary under section 28 of the Mineral Leasing Act (30 U.S.C. 185) of rights-of-way and easements across the Coastal Plain for the transportation of oil and gas.

(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement referred to in subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

(c) REGULATIONS.—The Secretary shall include in regulations under section 1903(g) provisions granting rights-of-way and easements described in subsection (a) of this section.

#### SEC. 1910. CONVEYANCE.

In order to maximize Federal revenues by removing clouds on title to lands and clarifying land ownership patterns within the Coastal Plain, the Secretary, notwithstanding the provisions of section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), shall convey—

(a) to the Kaktovik Inupiat Corporation the surface estate of the lands described in

paragraph 1 of Public Land Order 6959, to the extent necessary to fulfill the Corporation's entitlement under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation effective January 22, 1993; and

(b) to the Arctic Slope Regional Corporation the remaining subsurface estate to which it is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

#### SEC. 1911. COASTAL PLAIN LOCAL GOVERNMENT IMPACT AID ASSISTANCE FUND.

(a) FINANCIAL ASSISTANCE AUTHORIZED.—

(1) IN GENERAL.—The Secretary of the Interior may use amounts available from the Coastal Plain Local Government Impact Aid Assistance Fund established by subsection (d) to provide timely financial assistance to entities that are eligible under paragraph (2) and that are directly affected by the exploration for or production of oil and gas on the Coastal Plain under this title.

(2) ELIGIBLE ENTITIES.—The North Slope Borough, Kaktovik, and other boroughs, municipal subdivisions, villages, and any other community organized under Alaska State law shall be eligible for financial assistance under this section.

(b) USE OF ASSISTANCE.—Financial assistance made available under this section may be used only for—

(1) planning for mitigation of the potential effects of oil and gas exploration and development on environmental, social, cultural, recreational and subsistence values;

(2) implementing mitigation plans and maintaining mitigation projects; and

(3) developing, carrying out, and maintaining projects and programs that provide new or expanded public facilities and services to address needs and problems associated with such effects, including firefighting, police, water, waste treatment, medivac, and medical services.

(c) APPLICATION.—

(1) IN GENERAL.—Any community that is eligible for assistance under this section may submit an application for such assistance to the Secretary of the Interior, in such form and under such procedures as the Secretary of the Interior may prescribe by regulation.

(2) NORTH SLOPE BOROUGH COMMUNITIES.—A community located in the North Slope Borough may apply for assistance under this section either directly to the Secretary or through the North Slope Borough.

(3) APPLICATION ASSISTANCE.—The Secretary of the Interior shall work closely with and assist the North Slope Borough and other communities eligible for assistance under this section in developing and submitting applications for assistance under this section.

(d) ESTABLISHMENT OF FUND.—

(1) IN GENERAL.—A separate account is hereby established in the U.S. Treasury which shall be known as the "Coastal Plain Local Government Impact Aid Assistance Fund".

(2) USE.—Amounts in the fund may be used only for providing financial assistance under this section and shall be available to the Secretary of the Interior without further appropriation and without fiscal year limitation.

(3) DEPOSITS.—Subject to paragraph (4), and in accordance with section 1912(a)(2) of this title, there shall be deposited into the fund amounts received by the United States as revenues derived from bonus bids on leases and lease sales authorized under this title.

(4) INVESTMENT OF BALANCES.—The Secretary of the U.S. Treasury shall invest amounts in the fund in interest bearing government securities.

#### SEC. 1912. REVENUE ALLOCATION.

(a) BONUS BIDS.—Notwithstanding section 1904 of this title, the Mineral Leasing Act (30 U.S.C. 181 et. Seq.), or any other law, of the amount of the adjusted bonus bids from oil and gas leasing and operations authorized under this title—

(1) 50 percent shall be paid to the State of Alaska;

(2) 1 percent shall be deposited into the Coastal Plain Local Government Impact Aid Assistance Fund as authorized under section 1911 of this title; and

(3) The balance of such revenues shall be distributed as follows:

(i) \$10 million shall be available to the Secretary of Energy, without further appropriation and without fiscal year limitation, to fill the Strategic Petroleum Reserve, including terminalling, transportation, power and third party inspections, and to the extent the Secretary of Energy determines that geographic dispersal of the Reserve would enhance its use for national security, the Secretary of Energy shall consider adding Strategic Petroleum Reserves to the West Coast and Hawaii, consistent with current law; and

(ii) the remainder of the balance shall be distributed as follows: 50 percent shall be deposited into the Renewable Energy Technology Investment Fund as provided in this section and 50 percent shall be deposited into the Habitat Conservation and Federal Maintenance and Improvements Backlog Fund.

(b) RENEWABLE ENERGY TECHNOLOGY INVESTMENT FUND.—

(1) ESTABLISHMENT AND AVAILABILITY.—A separate account is hereby established in the U.S. Treasury of the United States which shall be known as the "Renewable Energy Technology Investment Fund".

(2) USE, GENERALLY.—Not to exceed \$80,000,000 of the funds deposited into the Renewable Energy Technology Investment Fund shall be available in each fiscal year to the Secretary of Energy, without further appropriation, to finance research grants, contracts, and cooperative agreements and expenses of direct research by Federal agencies, including the costs of administering and reporting on such a program of research, to improve and demonstrate technology and develop basic science information for development and use of renewable and alternative fuels including wind energy, solar energy, geothermal energy, hydroelectric energy and energy from biomass. Such research may include studies on deployment of such technology including research on how to lower the costs of introduction of such technology and of barriers to entry into the market of such technology.

(3) CONSULTATION AND COORDINATION.—Any specific use of the Renewable Energy Technology Investment Fund shall be determined only after the Secretary of Energy consults and coordinates with the heads of other appropriate Federal agencies.

(4) REPORTS.—Not later than 1 year after the date of the enactment of this Act and on an annual basis thereafter, the Secretary of Energy shall transmit to the Committee on Science of the House of Representatives and the Committee on Energy and Natural Resources of the Senate a report on the use of funds under this section and the impact of and efforts to integrate such uses with other energy research efforts.

(c) HABITAT CONSERVATION AND FEDERAL MAINTENANCE AND IMPROVEMENTS BACKLOG FUND.—

(1) ESTABLISHMENT AND AVAILABILITY.—A separate account is hereby established in the

U.S. Treasury of the United States which shall be known as the "Habitat Conservation and Federal Maintenance and Improvements Backlog Fund".

(2) USE, GENERALLY.—Funds shall be deposited into the Habitat Conservation and Federal Maintenance and Improvements Backlog Fund shall be available to the Secretary of the Interior, without further appropriation and without fiscal year limitation, and may be used by the Secretary of the Interior to finance grants, contracts, cooperative agreements (including Memoranda of Understanding), and programs for direct activities of the Department of the Interior to:

(A) eliminate maintenance and improvement backlogs on Federal lands;

(B) restore and protect uplands, wetlands, and coastal habitat;

(C) provide public access and necessary facilities for visitor accommodations;

(D) restore and improve historic landmarks and property; and

(E) develop urban parks through the Urban Park Recreation and Recovery Program and state and local recreation areas.

(3) CONSULTATION AND COORDINATION.—Any specific use of the Habitat Conservation and Federal Maintenance and Improvements Backlog Fund shall be determined only after the Secretary of the Interior consults and coordinates with the heads of other appropriate Federal agencies.

(4) REPORTS.—Not later than 1 year after the date of the enactment of this Act and on an annual basis thereafter, the Secretary of the Interior shall transmit to the Committee on Resources of the House of Representatives, the Committee on Energy and Natural Resources of the Senate, and the Appropriations Committees of both the House of Representatives and the Senate a report on the use of funds under this section.

(d) RENTS AND ROYALTIES.—Notwithstanding section 1904 of this title, the Mineral Leasing Act (30 U.S.C. 181, et. seq.), or any other law, of the amount of the rents and royalties from oil and gas leasing and operations authorized under this title—

(1) 50 percent shall be paid to the State of Alaska; and

(2) 50 percent shall be deposited into the U.S. Treasury as miscellaneous receipts.

(e) ADJUSTMENTS.—Adjustments to rental and royalty amounts from oil and gas leasing and operations authorized under this title shall be made as necessary for overpayments and refunds from lease revenues received in current or subsequent periods before distribution of such revenues pursuant to this section.

(f) PAYMENTS TO STATE.—Payments to the State of Alaska under this section shall be made quarterly.

#### SEC. 1913. ADDITIONAL WILDERNESS DESIGNATION

Notwithstanding Sections 101(d) and 1326 of the Alaska National Interest Lands Conservation Act, Section 702(3) of the Alaska National Interest Lands Conservation Act (P.L. 96-487) is amended to read as follows:

"(3) Mollie Beattie Wilderness of approximately 9.5 million acres generally depicted on a map entitled "Arctic National Wildlife Refuge" dated April 2002 on file in the Office of the Director of the U.S. Fish and Wildlife Service;"

**SA 3133.** Mr. STEVENS proposed an amendment to amendment SA 3132 proposed by Mr. MURKOWSKI (for himself, Mr. BREAUX, and Mr. STEVENS) to the amendment SA 2917 proposed by Mr. DASCHLE (for himself and Mr. BINGAMAN) 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; as follows:

(a) On page 3, strike all after line 1 and insert the following:

#### "SEC. 1903. LEASING PROGRAM FOR LANDS WITHIN THE COASTAL PLAIN.

"(a) IN GENERAL.—The Secretary shall take such actions as are necessary—

"(1) to establish and implement in accordance with this title a competitive oil and gas leasing program under the Mineral Leasing Act (30 U.S.C. 181 et seq.) that will result in an environmentally sound program for the exploration, development, and production of the oil and gas resources of the Coastal Plain;

"(2) to administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, subsistence resources, and the environment, and including, in furtherance of this goal, by requiring the application of the best commercially available technology for oil and gas exploration, development, and production to all exploration, development, and production operations under this title in a manner that ensures the receipt of fair market value by the public for the mineral resources to be leased; and

"(3) to consult with the representatives of the City of Kaktovik and the Kaktovik Inupiat Corporation to ensure that the oil and gas exploration, development and production activities authorized by this title are conducted in a manner that recognizes the interests of the city, the corporation, and the residents of Kaktovik, their culture, their traditional subsistence activities, and their use of the resources of the Coastal Plain.

"(b) REPEAL.—Section 1003 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3143) is repealed.

"(c) COMPLIANCE WITH REQUIREMENTS UNDER CERTAIN OTHER LAWS.—

"(1) COMPATIBILITY.—For purposes of the National Wildlife Refuge System Administration Act of 1966, the oil and gas leasing program and activities authorized by this section in the Coastal Plain are deemed to be compatible with the purposes for which the Arctic National Wildlife Refuge was established, and that no further findings or decisions are required to implement this determination.

"(2) ADEQUACY OF THE DEPARTMENT OF THE INTERIOR'S LEGISLATIVE ENVIRONMENTAL IMPACT STATEMENT.—The 'Final Legislative Environmental Impact Statement' (April 1987) on the Coastal Plain prepared pursuant to section 1002 of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3142) and section 102(2)(C) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)(C)) is deemed to satisfy the requirements under the National Environmental Policy Act of 1969 that apply with respect to actions authorized to be taken by the Secretary to develop and promulgate the regulations for the establishment of a leasing program authorized by this title before the conduct of the first lease sale.

"(3) COMPLIANCE WITH NEPA FOR OTHER ACTIONS.—Before conducting the first lease sale under this title, the Secretary shall prepare an environmental impact statement under the National Environmental Policy Act of 1969 with respect to the actions authorized by this title that are not referred to in paragraph (2). Notwithstanding any other law, the Secretary is not required to identify non-

leasing alternative courses of action or to analyze the environmental effects of such courses of action. The Secretary shall only identify a preferred action for such leasing and a single leasing alternative, and analyze the environmental effects and potential mitigation measures for those two alternatives. The identification of the preferred action and related analysis for the first lease sale under this title shall be completed within 6 months after the date of the enactment of this Act. The Secretary shall only consider public comments that specifically address the Secretary's preferred action and that are filed within 20 days after publication of an environmental analysis. Notwithstanding any other law, compliance with this paragraph is deemed to satisfy all requirements for the analysis and consideration of the environmental effects of proposed leasing under this title.

“(d) RELATIONSHIP TO STATE AND LOCAL AUTHORITY.—Nothing in this title shall be considered to expand or limit State and local regulatory authority.

“(e) SPECIAL AREAS.—

“(1) IN GENERAL.—The Secretary, after consultation with the State of Alaska, the city of Kaktovik, and the North Slope Borough, may designate up to a total of 45,000 acres of the Coastal Plain as a Special Area if the Secretary determines that the Special Area is of such unique character and interest so as to require special management and regulatory protection. The Secretary shall designate as such a Special Area the Sadlerochit Spring area, comprising approximately 4,000 acres as depicted on the map referred to in section 1902(1).

“(2) MANAGEMENT.—Each such Special Area shall be managed so as to protect and preserve the area's unique and diverse character including its fish, wildlife, and subsistence resource values.

“(3) EXCLUSION FROM LEASING OR SURFACE OCCUPANCY.—The Secretary may exclude any Special Area from leasing. If the Secretary leases a Special Area, or any part thereof, for purposes of oil and gas exploration, development, production, and related activities, there shall be no surface occupancy of the lands comprising the Special Area.

“(4) DIRECTIONAL DRILLING.—Notwithstanding the other provisions of this section, the Secretary may lease all or a portion of a Special Area under terms that permit the use of horizontal drilling technology from sites on leases located outside the area.

“(f) LIMITATION ON CLOSED AREAS.—The Secretary's sole authority to close lands within the Coastal Plain to oil and gas leasing and to exploration, development, and production is that set forth in this title.

“(g) REGULATIONS.—

“(1) IN GENERAL.—The Secretary shall prescribe such regulations as may be necessary to carry out this title, including rules and regulations relating to protection of the fish and wildlife, their habitat, subsistence resources, and environment of the Coastal Plain, by no later than 4 months after the date of the enactment of this title.

“(2) REVISION OF REGULATIONS.—The Secretary shall periodically review and, if appropriate, revise the rules and regulations issued under subsection (a) to reflect any significant biological, environmental, or engineering data that come to the Secretary's attention.

#### “SEC. 1904. LEASE SALES.

“(a) IN GENERAL.—Lands may be leased pursuant to this title to any person qualified to obtain a lease for deposits of oil and gas under the Mineral Leasing Act (30 U.S.C. 181 et seq.).

“(b) PROCEDURES.—The Secretary shall, by regulation, establish procedures for—

“(1) receipt and consideration of sealed nominations for any area in the Coastal Plain for inclusion in, or exclusion (as provided in subsection (c)) from, a lease sale;

“(2) the holding of lease sales after such nomination process; and

“(3) public notice of and comment on designation of areas to be included in, or excluded from, a lease sale.

“(c) LEASE SALE BIDS.—Bidding for leases under this title shall be by sealed competitive cash bonus bids.

“(d) ACREAGE MINIMUM IN FIRST SALE.—In the first lease sale under this title, the Secretary shall offer for lease those tracts the Secretary considers to have the greatest potential for the discovery of hydrocarbons, taking into consideration nominations received pursuant to subsection (b)(1), but in no case less than 200,000 acres.

“(e) TIMING OF LEASE SALES.—The Secretary shall—

“(1) conduct the first lease sale under this title within 8 months after the date of the enactment of this title; and

“(2) conduct additional sales so long as sufficient interest in development exists to warrant, in the Secretary's judgment, the conduct of such sales.

“(f) AUTHORIZATION FOR APPROPRIATIONS.—The Secretary of the Interior is authorized and directed to make available from funds available to the Secretary under Public Law 107-63 under the Bureau of Land Management, “Management of Lands and Resources” such sums as are necessary to carry out the provisions of this section.”

#### “SEC. 1905. GRANT OF LEASES BY THE SECRETARY.

“(a) IN GENERAL.—The Secretary may grant to the highest responsible qualified bidder in a lease sale conducted pursuant to section 1904 any lands to be leased on the Coastal Plain upon payment by the lessee of such bonus as may be accepted by the Secretary.

“(b) SUBSEQUENT TRANSFERS.—No lease issued under this title may be sold, exchanged, assigned, sublet, or otherwise transferred except with the approval of the Secretary. Prior to any such approval the Secretary shall consult with, and give due consideration to the views of, the Attorney General.

#### “SEC. 1906. LEASE TERMS AND CONDITIONS.

“(a) IN GENERAL.—An oil or gas lease issued pursuant to this title shall—

“(1) provide for the payment of a royalty of not less than 12½ percent in amount or value of the production removed or sold from the lease, as determined by the Secretary under the regulations applicable to other Federal oil and gas leases;

“(2) provide that the Secretary may close, on a seasonal basis, portions of the Coastal Plain to exploratory drilling activities as necessary to protect caribou calving areas and other species of fish and wildlife;

“(3) require that the lessee of lands within the Coastal Plain shall be fully responsible and liable for the reclamation of lands within the Coastal Plain and any other Federal lands that are adversely affected in connection with exploration, development, production, or transportation activities conducted under the lease and within the Coastal Plain by the lessee or by any of the subcontractors or agents of the lessee;

“(4) provide that the lessee may not delegate or convey, by contract or otherwise, the reclamation responsibility and liability to another person without the express written approval of the Secretary;

“(5) provide that the standard of reclamation for lands required to be reclaimed under this title shall be, as nearly as practicable, a condition capable of supporting the uses

which the lands were capable of supporting prior to any exploration, development, or production activities, or upon application by the lessee, to a higher or better use as approved by the Secretary;

“(6) contain terms and conditions relating to protection of fish and wildlife, their habitat, and the environment as required pursuant to section 1903(a)(2);

“(7) provide that the lessee, its agents, and its contractors use best efforts to provide a fair share, as determined by the level of obligation previously agreed to in the 1974 agreement implementing section 29 of the Federal Agreement and Grant of Right of Way for the Operation of the Trans-Alaska Pipeline, of employment and contracting for Alaska Natives and Alaska Native Corporations from throughout the State;

“(8) prohibit the export of oil produced under the lease, except exports to Israel; and

“(9) contain such other provisions as the Secretary determines necessary to ensure compliance with the provisions of this title and the regulations issued under this title.

“(b) ENERGY SECURITY OF ISRAEL.—To further the purposes of paragraph (a)(8), the oil supply arrangement between the United States and Israel, as memorialized in a Memorandum of Agreement which entered into force on November 25, 1979, as extended through 2004, and the related Contingency Implementing Arrangements for the Memorandum of Agreement, as extended through 2004, are extended through 2014.

“(c) PROJECT LABOR AGREEMENTS.—The Secretary, as a term and condition of each lease under this title and in recognizing the Government's proprietary interest in labor stability and in the ability of construction labor and management to meet the particular needs and conditions of projects to be developed under the leases issued pursuant to this title and the special concerns of the parties to such leases, shall require that the lessee and its agents and contractors negotiate to obtain a project labor agreement for the employment of laborers and mechanics on production, maintenance, and construction under the lease.

#### “SEC. 1907. COASTAL PLAIN ENVIRONMENTAL PROTECTION.

“(a) NO SIGNIFICANT ADVERSE EFFECT STANDARD TO GOVERN AUTHORIZED COASTAL PLAIN ACTIVITIES.—The Secretary shall, consistent with the requirements of section 1903, administer the provisions of this title through regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other provisions that—

“(1) ensure the oil and gas exploration, development, and production activities on the Coastal Plain will result in no significant adverse effect on fish and wildlife, their habitat, and the environment;

“(2) require the application of the best commercially available technology for oil and gas exploration, development, and production on all new exploration, development, and production operations; and

“(3) ensure that the maximum amount of surface acreage covered by production and support facilities, including airstrips and any areas covered by gravel berms or piers for support of pipelines, does not exceed 2,000 acres on the Coastal Plain.

“(b) SITE-SPECIFIC ASSESSMENT AND MITIGATION.—The Secretary shall also require, with respect to any proposed drilling and related activities, that—

“(1) a site-specific analysis be made of the probable effects, if any, that the drilling or related activities will have on fish and wildlife, their habitat, and the environment;

“(2) a plan be implemented to avoid, minimize, and mitigate (in that order and to the extent practicable) any significant adverse effect identified under paragraph (1); and

“(3) the development of the plan shall occur after consultation with the agency or agencies having jurisdiction over matters mitigated by the plan.

“(c) REGULATIONS TO PROTECT COASTAL PLAIN FISH AND WILDLIFE RESOURCES, SUBSISTENCE USERS, AND THE ENVIRONMENT.—Before implementing the leasing program authorized by this title, the Secretary shall prepare and promulgate regulations, lease terms, conditions, restrictions, prohibitions, stipulations, and other measures designed to ensure that the activities undertaken on the Coastal Plain under this title are conducted in a manner consistent with the purposes and environmental requirements of this title.

“(d) COMPLIANCE WITH FEDERAL AND STATE ENVIRONMENTAL LAWS AND OTHER REQUIREMENTS.—The proposed regulations, lease terms, conditions, restrictions, prohibitions, and stipulations for the leasing program under this title shall require compliance with all applicable provisions of Federal and State environmental law and shall also require the following:

“(1) Standards at least as effective as the safety and environmental mitigation measures set forth in items 1 through 29 at pages 167 through 169 of the ‘Final Legislative Environmental Impact Statement’ (April 1987) on the Coastal Plain.

“(2) Seasonal limitations on exploration, development, and related activities, where necessary, to avoid significant adverse effects during periods of concentrated fish and wildlife breeding, denning, nesting, spawning, and migration.

“(3) That exploration activities, except for surface geological studies, be limited to the period between approximately November 1 and May 1 each year and that exploration activities shall be supported by ice roads, winter trails with adequate snow cover, ice pads, ice airstrips, and air transport methods, except that such exploration activities may occur at other times, if—

“(A) the Secretary determines, after affording an opportunity for public comment and review, that special circumstances exist necessitating that exploration activities be conducted at other times of the year; and

“(B) the Secretary finds that such exploration will have no significant adverse effect on the fish and wildlife, their habitat, and the environment of the Coastal Plain.

“(4) Design safety and construction standards for all pipelines and any access and service roads, that—

“(A) minimize, to the maximum extent possible, adverse effects upon the passage of migratory species such as caribou; and

“(B) minimize adverse effects upon the flow of surface water by requiring the use of culverts, bridges, and other structural devices.

“(5) Prohibitions on public access and use on all pipeline access and service roads.

“(6) Stringent reclamation and rehabilitation requirements, consistent with the standards set forth in this title, requiring the removal from the Coastal Plain of all oil and gas development and production facilities, structures, and equipment upon completion of oil and gas production operations, except that the Secretary may exempt from the requirements of this paragraph those facilities, structures, or equipment that the Secretary determines would assist in the management of the Arctic National Wildlife Refuge and that are donated to the United States for that purpose.

“(7) Appropriate prohibitions or restrictions on access by all modes of transportation.

“(8) Appropriate prohibitions or restrictions on sand and gravel extraction.

“(9) Consolidation of facility siting.

“(10) Appropriate prohibitions or restrictions on use of explosives.

“(11) Avoidance, to the extent practicable, of springs, streams, and river system; the protection of natural surface drainage patterns, wetlands, and riparian habitats; and the regulation of methods or techniques for developing or transporting adequate supplies of water for exploratory drilling.

“(12) Avoidance or reduction of air traffic-related disturbance to fish and wildlife.

“(13) Treatment and disposal of hazardous and toxic wastes, solid wastes, reserve pit fluids, drilling muds and cuttings, and domestic wastewater, including an annual waste management report, a hazardous materials tracking system, and a prohibition on chlorinated solvents, in accordance with applicable Federal and State environmental law.

“(14) Fuel storage and oil spill contingency planning.

“(15) Research, monitoring, and reporting requirements.

“(16) Field crew environmental briefings.

“(17) Avoidance of significant adverse effects upon subsistence hunting, fishing, and trapping by subsistence users.

“(18) Compliance with applicable air and water quality standards.

“(19) Appropriate seasonal and safety zone designations around well sites, within which subsistence hunting and trapping shall be limited.

“(20) Reasonable stipulations for protection of cultural and archeological resources.

“(21) All other protective environmental stipulations, restrictions, terms, and conditions deemed necessary by the Secretary.

“(e) CONSIDERATIONS.—In preparing and promulgating regulations, lease terms, conditions, restrictions, prohibitions, and stipulations under this section, the Secretary shall consider the following:

“(1) The stipulations and conditions that govern the National Petroleum Reserve-Alaska leasing program, as set forth in the 1999 Northeast National Petroleum Reserve-Alaska Final Integrated Activity Plan/Environmental Impact Statement.

“(2) The environmental protection standards that governed the initial Coastal Plain seismic exploration program under parts 37.31 to 37.33 of title 50, Code of Federal Regulations.

“(3) The land use stipulations for exploratory drilling on the KIC-ASRC private lands that are set forth in Appendix 2 of the August 9, 1983, agreement between Arctic Slope Regional Corporation and the United States.

“(f) FACILITY CONSOLIDATION PLANNING.—

“(1) IN GENERAL.—The Secretary shall, after providing for public notice and comment, prepare and update periodically a plan to govern, guide, and direct the siting and construction of facilities for the exploration, development, production, and transportation of Coastal Plain oil and gas resources.

“(2) OBJECTIVES.—The plan shall have the following objectives:

“(A) Avoiding unnecessary duplication of facilities and activities.

“(B) Encouraging consolidation of common facilities and activities.

“(C) Locating or confining facilities and activities to areas that will minimize impact on fish and wildlife, their habitat, and the environment.

“(D) Using existing facilities wherever practicable.

“(E) Enhancing compatibility between wildlife values and development activities.

“SEC. 1908. EXPEDITED REVIEW.

The provisions and limitations in subsections 203(c), “(d) and (e) of Public Law 93-153 shall apply to all actions and decisions

concerning pre-leasing, leasing and development activities authorized in this title.”

“SEC. 1909. RIGHTS-OF-WAY ACROSS THE COASTAL PLAIN.

“(a) EXEMPTION.—Title XI of the Alaska National Interest Lands Conservation Act of 1980 (16 U.S.C. 3161 et seq.) shall not apply to the issuance by the Secretary under section 28 of the Mineral Leasing Act (30 U.S.C. 185) of rights-of-way and easements across the Coastal Plain for the transportation of oil and gas.

“(b) TERMS AND CONDITIONS.—The Secretary shall include in any right-of-way or easement referred to in subsection (a) such terms and conditions as may be necessary to ensure that transportation of oil and gas does not result in a significant adverse effect on the fish and wildlife, subsistence resources, their habitat, and the environment of the Coastal Plain, including requirements that facilities be sited or designed so as to avoid unnecessary duplication of roads and pipelines.

“(c) REGULATIONS.—The Secretary shall include in regulations under section 1903(g) provisions granting rights-of-way and easements described in subsection (a) of this section.

“SEC. 1910. CONVEYANCE.

In order to maximize Federal revenues by removing clouds on title to lands and clarifying land ownership patterns within the Coastal Plain, the Secretary, notwithstanding the provisions of section 1302(h)(2) of the Alaska National Interest Lands Conservation Act (16 U.S.C. 3192(h)(2)), shall convey—

“(a) to the Kaktovik Inupiat Corporation the surface estate of the lands described in paragraph 1 of Public Land Order 6959, to the extent necessary to fulfill the Corporation's entitlement under section 12 of the Alaska Native Claims Settlement Act (43 U.S.C. 1611) in accordance with the terms and conditions of the Agreement between the Department of the Interior, the Fish and Wildlife Service, the Bureau of Land Management, and the Kaktovik Inupiat Corporation effective January 22, 1993; and

“(b) to the Arctic Slope Regional Corporation the remaining subsurface estate to which it is entitled pursuant to the August 9, 1983, agreement between the Arctic Slope Regional Corporation and the United States of America.

“SEC. 1911. COASTAL PLAIN LOCAL GOVERNMENT IMPACT AID ASSISTANCE FUND.

“(a) FINANCIAL ASSISTANCE AUTHORIZED.—

“(1) IN GENERAL.—The Secretary of the Interior may use amounts available from the Coastal Plain Local Government Impact Aid Assistance Fund established by subsection (d) to provide timely financial assistance to entities that are eligible under paragraph (2) and that are directly affected by the exploration for or production of oil and gas on the Coastal Plain under this title.

“(2) ELIGIBLE ENTITIES.—The North Slope Borough, Kaktovik, and other boroughs, municipal subdivisions, villages, and any other community organized under Alaska State law shall be eligible for financial assistance under this section.

“(b) USE OF ASSISTANCE.—Financial assistance made available under this section may be used only for—

“(1) planning for mitigation of the potential effects of oil and gas exploration and development on environmental, social, cultural, recreational and subsistence values;

“(2) implementing mitigation plans and maintaining mitigation projects; and

“(3) developing, carrying out, and maintaining projects and programs that provide new or expanded public facilities and services to address needs and problems associated with such effects, including firefighting,



police, water, waste treatment, medivac, and medical services.

“(c) APPLICATION.—

“(1) IN GENERAL.—Any community that is eligible for assistance under this section may submit an application for such assistance to the Secretary of the Interior, in such form and under such procedures as the Secretary of the Interior may prescribe by regulation.

“(2) NORTH SLOPE BOROUGH COMMUNITIES.—A community located in the North Slope Borough may apply for assistance under this section either directly to the Secretary or through the North Slope Borough.

“(3) APPLICATION ASSISTANCE.—The Secretary of the Interior shall work closely with and assist the North Slope Borough and other communities eligible for assistance under this section in developing and submitting applications for assistance under this section.

“(d) ESTABLISHMENT OF FUND.—

“(1) IN GENERAL.—A separate account is hereby established in the U.S. Treasury which shall be known as the “Coastal Plain Local Government Impact Aid Assistance Fund”.

“(2) USE.—Amounts in the fund may be used only for providing financial assistance under this section and shall be available to the Secretary of the Interior without further appropriation and without fiscal year limitation.

“(3) DEPOSITS.—Subject to paragraph (4), and in accordance with section 1912(a)(2) of this title, there shall be deposited into the fund amounts received by the United States as revenues derived from bonus bids on leases and lease sales authorized under this title.

“(4) INVESTMENT OF BALANCES.—The Secretary of the U.S. Treasury shall invest amounts in the fund in interest bearing government securities.

#### “SEC. 1912. REVENUE ALLOCATION.

“(a) BONUS BIDS.—Notwithstanding section 1904 of this title, the Mineral Leasing Act (30 U.S.C. 181 et. seq.), or any other law, of the amount of the adjusted bonus bids from oil and gas leasing and operations authorized under this title—

“(1) 50 percent shall be paid to the State of Alaska;

“(2) 1 percent shall be deposited into the Coastal Plain Local Government Impact Aid Assistance Fund as authorized under section 1911 of this title; and

“(3) The balance of such revenues shall be distributed as follows:

“(i) \$10 million shall be available to the Secretary of Energy, without further appropriation and without fiscal year limitation, to fill the Strategic Petroleum Reserve, including terminalling, transportation, power and third party inspections, and to the extent the Secretary of Energy determines that geographic dispersal of the Reserve would enhance its use for national security, the Secretary of Energy shall consider adding Strategic Petroleum Reserves to the West Coast and Hawaii, consistent with current law; and

“(ii) the remainder of the balance shall be deposited into the Conservation, Jobs, and Steel Reinvestment Trust Fund as provided in section 1914.

“(b) RENTS AND ROYALTIES.—Notwithstanding section 1904 of this title, the Mineral Leasing Act (30 U.S.C. 181, et. seq.), or any other law, of the amount of the rents and royalties from oil and gas leasing and operations authorized under this title—

“(1) 50 percent shall be paid to the State of Alaska; and

“(2) 50 percent shall be deposited into the Conservation, Jobs, and Steel Reinvestment

Trust Fund, in accordance with the provisions of section 1914, and thereafter into the U.S. Treasury as miscellaneous receipts.

“(c) PAYMENTS TO STATE.—Payments to the State of Alaska under this section shall be transferred on the 15th day of each month as a direct lump sum payment from the Treasury without further appropriation.

#### “SEC. 1913. ADDITIONAL WILDERNESS DESIGNATION.—

Notwithstanding Sections 101(d) and 1326 of the Alaska National Interest Lands Conservation Act, Section 702(3) of the Alaska National Interest Lands Conservation Act (P.L. 96-487) is amended to read as follows:

“(3) Mollie Beattie Wilderness of approximately 9.5 million acres generally depicted on a map entitled “Arctic National Wildlife Refuge” dated April 2002 on file in the Office of the Director of the U.S. Fish and Wildlife Service;.”

#### “1914. CONSERVATION, JOBS, AND STEEL REINVESTMENT TRUST FUND.

“(a) ESTABLISHMENT.—There is hereby established in the Treasury of the United States a separate account which shall be known as the “Conservation, Jobs, and Steel Reinvestment Trust Fund”.

“(b) DEPOSITS.—Deposits described in subsection (g), the bonus bid revenues described in section 1912(a)(3)(ii) from leases authorized or issued under this title, and for 30 years following the production from leases issued under this title fifty percent of the rents, royalties and other payments, as described in section 1912(b)(2), shall be deposited into the Conservation, Jobs, and Steel Reinvestment Trust Fund. Amounts described at subsections (c)(2), (3), (4) and (5) of this section and deposited in such Fund each fiscal year shall be available until expended without further appropriation. Amounts described at subsections (c)(1) and (g) and deposited in such Fund shall be available in accordance with subsection (g).

“(c) USE GENERALLY.—Subject to paragraph (d), of the funds deposited into the Conservation, Jobs, and Steel Reinvestment Trust Fund—

“(1)(A) 57 percent of bonus bids in Fiscal Year 2003;

“(B) 48 percent of bonus bids in Fiscal Year 2005; and

“(C) 90 percent of rents, royalties and payments for the first 30 years of production shall be available for activities described in subsection (g).

“(2)(A) 10 percent of bonus bids in Fiscal Year 2003; and

“(B) 10 percent of bonus bids in Fiscal Year 2005

may be used by the Secretary of the Interior, the Secretary of Agriculture, and the Secretary of Energy to finance grants, contracts, cooperative agreements (including Memoranda of Understanding), and programs for direct activities of the Departments of the Interior, Energy, and Agriculture to—

“(i) eliminate maintenance and improvement backlogs on Federal lands;

“(ii) restore and protect upland and coastal habitat;

“(iii) provide public access and necessary facilities for visitor accommodations;

“(iv) restore and improve historic landmarks and property;

“(v) develop urban parks through the Urban Park Recreation and Recovery Program and state and local recreation areas;

“(vi) support renewable energy programs, expand energy efficiency programs (including the Steel Industry of the Future program), and develop alternative energy sources; and

“(vii) support other related authorized programs within the jurisdiction of the House and Senate Committees on Appropriations.

“(3)(A) 15 percent of bonus bids in Fiscal Year 2003; and

“(B) 15 percent of bonus bids in Fiscal Year 2005

may be used by the Secretary of Commerce to provide grants, loans, and other assistance (including federal loans with deferred or forgivable payments) to modernize the United States steel, heavy equipment, and related manufacturing industries, and to produce the necessary materials and equipment and construct the necessary infrastructure to support such industries, with emphasis on the transportation systems and infrastructure necessary to transport domestic petroleum products, under authorized programs including, but not limited to—

“(i) the Manufacturing Enterprise Program to stimulate manufacturing capacity;

“(ii) the Economic Development Administration;

“(iii) the International Trade Administration; and

“(iv) federal loan guarantees to finance private sector construction of such transportation systems and infrastructure; and

“(v) other related authorized programs within the jurisdiction of the House and Senate Committees on Appropriations to improve or increase manufacturing capacities and capabilities in the United States.

“(4)(A) 10 percent of bonus bids in Fiscal Year 2003; and

“(B) 10 percent in Fiscal Year 2005

may be used by the Secretary of Labor, except as provided under subsection (e), to train American workers to fabricate, construct, operate, and transport materials for systems and infrastructure necessary to transport domestic petroleum products using authorized programs, including but not limited to—

“(i) veterans employment and training programs;

“(ii) dislocated workers program to train unemployed workers;

“(iii) the Mine Safety and Health Administration;

“(iv) the Occupational Safety and Health Administration;

“(v) employment and training administration programs; and

“(vi) other related authorized job training and worker programs within the jurisdiction of the House and Senate Committees on Appropriations.

“(5)(A) \$100 million in Fiscal Year 2003;

“(B) \$50 million in Fiscal Year 2005; and

“(C) 10 percent of the rents, royalties and payments for the first 30 years of production

shall be deposited into the Fund established by section 401 of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231), and shall be available without further appropriation for transfer, as needed, to the Combined Fund identified in section 402(h)(2) of the Surface Mining Control and Reclamation Act of 1977 (30 U.S.C. 1231) to pay the amount of any shortfall in any premium account for any plan year under the Combined Fund.”

In the event bonus bids received exceed the amounts specified in subparagraphs (1)(A) and (B), 2(A) and (B), 3(A) and (B), 4(A) and (B) and 5(A) and (B), 90 percent of such excess funds shall be available for uses as described in paragraph (1), and 10 percent of such excess funds shall be available for use as described in paragraph (5) of this subsection.

“(d) ASSURANCE.—The President, at his discretion, may request that amounts available in any fiscal year under paragraphs (c)(2), (3), and (4) be reallocated among the qualified uses in paragraphs (c)(2), (c)(3), and (c)(4) through appropriations acts.

“(e) MAXIMIZING AMERICAN EMPLOYMENT.—The Secretary of State is authorized to enter

into agreements with foreign countries to allow American workers to enter foreign countries to construct, operate, and maintain projects that will increase production and transportation of domestic energy resources and reduce America's reliance on foreign oil and natural gas.

“(f) SEVERABILITY CLAUSE.—If any provision of this section, including subsections, sentences, clauses, phrases, or individual words, or the application thereof is held invalid, the validity of the remainder of the section and of the application of any such provision, subsection, sentence, clause, phrase, or individual word shall not be affected thereby.”

“(g) ESTABLISHMENT OF STEEL INDUSTRY RETIREE BENEFITS PROTECTION PROGRAM.—The Trade Act of 1974 is amended by adding at the end the following new title:

“TITLE IX—PROTECTION FOR STEEL INDUSTRY RETIREMENT BENEFITS

“SUBTITLE A. Definitions.

“SUBTITLE B. Steel Industry Retiree Benefits Protection Program.

“SUBTITLE C. Conservation Jobs, and Steel Reinvestment Trust Fund.

“SubTitle A—Definitions

“Sec. 901. Definitions.

“SEC. 901. DEFINITIONS.

“(a) TERMS RELATING TO BENEFITS PROGRAM.—For purposes of this title—

“(1) RETIREE BENEFITS PROGRAM.—The term ‘retiree benefits program’ means the Steel Industry Retiree Benefits Protection Program established under this title to provide medical and death benefits to eligible retirees and beneficiaries.

“(2) STEEL RETIREE BENEFITS.—

“(A) IN GENERAL.—The term ‘steel retiree benefits’ means medical, surgical, or hospital benefits, and death benefits, whether furnished through insurance or otherwise, which are provided to retirees and eligible beneficiaries in accordance with an employee benefit plan (within the meaning of section 3(3) of the Employee Retirement Income Security Act of 1974) which—

“(i) is established or maintained by a qualified steel company or an applicable acquiring company, and

“(ii) is in effect on or after January 1, 2000. Such term includes benefits provided under a plan without regard to whether the plan is established or maintained pursuant to a collective bargaining agreement.

“(B) RETIREE.—

“(i) IN GENERAL.—The term ‘retiree’ means an individual who has met any years of service or disability requirements under an employee benefit plan described in subparagraph (A) which are necessary to receive steel retiree benefits under the plan.

“(ii) CERTAIN RETIREES INCLUDED.—An individual shall not fail to be treated as a retiree because the individual—

“(I) retired before January 1, 2000, or

“(II) was not employed at the steelmaking assets of a qualified steel company.

“(b) TERMS RELATING TO STEEL COMPANIES.—For purposes of this title—

“(1) QUALIFIED STEEL COMPANY.—

“(A) IN GENERAL.—The term ‘qualified steel company’ means any person which on January 1, 2000, was engaged in—

“(i) the production or manufacture of a steel mill product,

“(ii) the mining or processing of iron ore or beneficiated iron ore products, or

“(iii) the production of coke for use in a steel mill product.

“(B) TRANSPORTATION.—The term ‘qualified steel company’ includes any person which on January 1, 2000, was engaged in the transportation of any steel mill product solely or principally for another person described in

subparagraph (A), but only if such person and such other person are related persons.

“(C) SUCCESSORS IN INTEREST.—The term ‘qualified steel company’ includes any successor in interest of a person described in subparagraph (A) or (B).

“(2) STEELMAKING ASSETS AND STEEL MILL PRODUCTS.—

“(A) STEELMAKING ASSETS.—The term ‘steelmaking assets’ means any land, building, machinery, equipment, or other fixed assets located in the United States which, at any time on or after January 1, 2000, have been used in the activities described in subparagraph (A) or (B) of paragraph (1).

“(B) STEEL MILL PRODUCT.—The term ‘steel mill product’ means any product defined by the American Iron and Steel Institute as a steel mill product.

“(3) ACQUIRING COMPANY.—The term ‘acquiring company’ means any person which acquired on or after January 1, 2000, steelmaking assets of a qualified steel company with respect to which a qualifying event has occurred.

“(c) OTHER DEFINITIONS.—For purposes of this title—

“(1) RELATED PERSON.—The term ‘related person’ means, with respect to any person, a person who—

“(A) is a member of the same controlled group of corporations (within the meaning of section 52(a)) as such person, or

“(B) is under common control (within the meaning of section 52(b)) with such person.

“(2) SECRETARY.—The term ‘Secretary’ means the Secretary of Commerce.

“(3) TRUST FUND.—The term ‘Trust Fund’ means the Conservation, Jobs, and Steel Reinvestment Trust Fund established under section 1914 of the Energy Policy Act of 2002.

“SubTitle B—Steel Industry Retiree Benefits Protection Program

“I. Establishment.

“II. Relief and assumption of liability, eligibility, and certification.

“III. Program benefits.

“PART I—ESTABLISHMENT

“Sec. 902. Establishment.

“SEC. 902. ESTABLISHMENT.

“There is established a Steel Industry Retiree Benefits Protection program to be administered by the Secretary and the Board of Trustees for the amounts of the Trust Fund described in section 1914(c)(1) of the Energy Policy Act of 2002 and this title in accordance with the provisions of this title for the purpose of providing medical and death benefits to eligible retirees and eligible beneficiaries certified as participants in the program under part II.

“PART II—RELIEF AND ASSUMPTION OF LIABILITY, ELIGIBILITY, AND CERTIFICATION

“Sec. 911. Relief and assumption of liability.

“Sec. 912. Qualifying events.

“Sec. 913. Eligibility and certification of eligibility.

“SEC. 911. RELIEF AND ASSUMPTION OF LIABILITY.

“(a) IN GENERAL.—If—

“(1) the Secretary certifies under section 912 that there was a qualifying event with respect to a qualified steel company,

“(2) the asset transfer requirements of subsection (b) and the contribution requirements of subsection (c) are met with respect to the qualifying event, then the United States shall assume liability, subject to amounts available in the Trust Fund and additional funds made available in appropriations acts, for the provision of steel retiree benefits for each eligible retiree and eligible beneficiary certified for participation in the retiree benefits program under section 913 (and the qualified steel company, any prede-

cessor or successor, and any related person to such company, predecessor, or successor shall be relieved of any liability for the provision of such benefits). The United States shall be treated as satisfying any liability assumed under this subsection if benefits are provided to eligible retirees and eligible beneficiaries under the retiree benefits program provided in part III, and

“(3) the qualified steel company and any acquiring company assumes their respective liability to make any contributions required under subsection(c),

then the United States shall assume liability, subject to amounts available in the Trust Fund and additional funds made available in appropriations acts, for the provision of steel retiree benefits for each eligible retiree and eligible beneficiary certified for participation in the retiree benefits program under section 913 (and the qualified steel company, any predecessor or successor, and any related person to such company, predecessor, or successor shall be relieved of any liability for the provision of such benefits). The United States shall be treated as satisfying any liability assumed under this subsection if benefits are provided to eligible retirees and eligible beneficiaries under the retiree benefits program provided in part III.

“(b) REQUIRED ASSET TRANSFERS.—

“(1) IN GENERAL.—The requirements of this subsection are met if the qualified steel company and any applicable acquiring company transfer to the Trust Fund all assets, as determined in accordance with rules prescribed by the Secretary, which, under the terms of an applicable collective bargaining agreement, were required to be set aside under an employee benefit plan or otherwise for the provision of the steel retiree benefits the liability for which (determined without regard to this subsection) is relieved by operation of subsection (a). The assets required to be transferred shall not include voluntary contributions, including voluntary contributions made pursuant to a voluntary employees beneficiary association trust, which are in excess of the contributions described in the preceding sentence.

“(2) DETERMINATION.—The amount of the assets to be transferred under paragraph (1) shall be determined at the time of the certification under section 912 and shall include interest from the time of the determination to the time of transfer. Such amount shall be reduced by any payments from such assets which are made after the determination by the qualified steel company or applicable acquiring company for the provision of steel retiree benefits for which such assets were set aside and the liability for which (determined without regard to this subsection) is relieved by operation of subsection (a).

“(c) CONTRIBUTION REQUIREMENTS.—

“(1) CONTRIBUTIONS BASED ON OWNERSHIP OF STEELMAKING ASSETS.—

“(A) IN GENERAL.—If there is a qualifying event certified under section 912 with respect to a qualified steel company—

“(i) the qualified steel company shall assume the obligation to pay, and

“(ii) if the qualified steel company transferred on or after January 1, 2000, any of its steelmaking assets, the qualified steel company and any acquiring company acquiring such assets as part of a qualifying event shall assume the obligation to pay,

to the Trust Fund for each of the years in the period beginning on the date of the qualifying event its ratable share of the amount determined under subparagraph (B) with respect to the steelmaking assets owned by such company or person.

“(B) AMOUNT OF LIABILITY.—

“(i) IN GENERAL.—The amount required to be paid under subparagraph (A) for any year



shall be equal to \$6 per ton of products described in section 901(b)(1)(A) attributable to the steelmaking assets which are subject to the qualifying event. If 2 or more persons own steelmaking capacity or assets, the liability under this clause shall be allocated ratably on the basis of their respective ownership interests. The determination under this clause for any year shall be made on the basis of shipments during the calendar year preceding the calendar year in which such year begins. In the event the cost of the program is reduced the amount paid by qualified steel companies per ton of products described in 901(b)(1)(A) shall be reduced by the same percentage.

“(ii) **REDUCTIONS IN LIABILITY.**—The amount of any liability under clause (i) for any year shall be reduced by the amount of any assets transferred to the Trust Fund under subsection (b), reduced by any portion of such amount applied to a liability for any preceding year. If 2 or more persons are liable under subparagraph (A) with respect to any qualifying event, the reduction under clause (i) shall be allocated ratably among such persons on the basis of their respective liabilities or in such other manner as such persons may agree.

“(2) **FASB LIABILITY IN CASE OF CERTAIN QUALIFYING EVENTS.**—

“(A) **IN GENERAL.**—If there is a qualifying event (other than a qualified acquisition) with respect to a qualified steel company, then, subject to the provisions of subparagraphs (C) and (D), the qualified steel company shall be liable for payment to the Trust Fund of the amount determined under subparagraph (B). If a qualified acquisition occurs after another qualifying event, such other qualifying event shall be disregarded for purposes of this paragraph.

“(B) **AMOUNT OF LIABILITY.**—The amount determined under this subparagraph shall be equal to the excess (if any) of—

“(i) the amount determined under the Financial Accounting Standards Board Rule 106 as being equal to the present value of the steel retiree benefits of eligible retirees and beneficiaries of the qualified steel company the liability for which (determined without regard to any modification pursuant to section 1114 of title 11, United States Code) is relieved under subsection (a), over

“(ii) the sum of—

“(i) the value of the assets transferred under subsection (b) with respect to the retirees and beneficiaries, and

“(ii) the present value of any payments (other than payments determined under this subparagraph) to be made under this subsection with respect to steelmaking assets of the qualified steel company.

“(C) **DISCHARGES IN BANKRUPTCY.**—The amount of any liability under subparagraph (B) shall be reduced by the portion of such liability which, in accordance with the provisions of title 11, United States Code, is discharged in any bankruptcy proceeding.

“(D) **NO LIABILITY IF INDUSTRY-WIDE ELECTION MADE.**—If a qualifying event occurs by reason of a qualified election under section 912(d)(2)(B), then—

“(i) any liability that arose under this paragraph for any qualifying event occurring before such election is extinguished (and any payment of such liability shall be refunded from the Trust Fund with interest), and

“(ii) this paragraph shall not apply to the qualifying event occurring by reason of such election or any subsequent qualifying event.

“(3) **JOINT AND SEVERAL LIABILITY.**—Any related person of any person liable for any payment under this subsection shall be jointly and severally liable for the payment.

“(4) **TIME AND MANNER OF PAYMENT.**—The Secretary shall establish the time and manner of any payment required to be made

under this subsection, including the payment of interest.

#### SEC. 912. QUALIFYING EVENTS.

“(a) **IN GENERAL.**—For purposes of this title, the term ‘qualifying event’ means any—

- “(1) qualified acquisition,
- “(2) qualified closing,
- “(3) qualified election, and
- “(4) qualified bankruptcy transfer.

“(b) **QUALIFIED ACQUISITION.**—For purposes of this title, the term ‘qualified acquisition’ means any arms-length transaction or series of related transactions—

“(1) under which a person (whether or not a qualified steel company) acquires by purchase, merger, stock acquisition, or otherwise all or substantially all of the steelmaking assets held by the qualified steel company as of January 1, 2000, and

“(2) which occur on and after January 1, 2000, and before the date which is 2 years after the date of the enactment of this title.

Such term shall not include any acquisition by a related person.

“(c) **QUALIFIED CLOSING.**—For purposes of this title—

“(1) **IN GENERAL.**—The term ‘qualified closing’ means—

“(A) the permanent cessation on or after January 1, 2000, and before January 1, 2004, by a qualified steel company operating under the protection of chapter 11 or 7 of title 11, United States Code, of all activities described in subparagraph (A) or (B) of paragraph (1) of section 901(b), or

“(B) the transfer on or after January 1, 2000, and before January 1, 2004, by a qualified steel company operating under the protection of chapter 11 or 7 of title 11, United States Code, of all or substantially all of its steelmaking assets to 1 or more persons other than related persons in an arms-length transaction or series of related transactions which do not constitute a qualified acquisition.

“(2) **COMPANIES IN IMMINENT DANGER OF CLOSURE.**—A qualified closing of a qualified steel company operating under the protection of chapter 11 or 7 of title 11, United States Code, shall be treated as having occurred if the company—

“(A) meets the acquisition effort requirements of paragraph (3),

“(B) establishes to the satisfaction of the Secretary that—

“(i) it is in imminent danger of becoming a closed company, or

“(ii) in the case of a company operating under protection of chapter 11 of title 11, United States Code, it is unable to reorganize without the relief provided under this title, and

“(C) elects, in such manner as the Secretary prescribes, at any time after the date of the enactment of this title and before the date which is 2 years after the date of the enactment of this title, to avail itself of the relief provided under this title.

“(3) **ACQUISITION EFFORT REQUIREMENTS.**—

“(A) **IN GENERAL.**—The requirements of this paragraph are met by a qualified steel company if—

“(i) the company files with the Secretary within 10 days of the date of the enactment of this title—

“(I) a notice of intent to be acquired, and

“(II) a description of the actions the company will undertake to have its steelmaking assets acquired in a qualified acquisition, and

“(ii) the company at all times after the filing under clause (i) and the date which is 2 years after the date of the enactment of this title (or, if earlier, the date on which the requirement of paragraph (2)(B) is satisfied) makes a continuing, good faith effort to have

its steelmaking assets acquired in a qualified acquisition.

“(B) **GOOD FAITH EFFORT.**—A continuing, good faith effort under subparagraph (A)(ii) shall include—

“(i) the active marketing of a company's steelmaking assets through the retention of an investment banker, the preparation and distribution of offering materials to prospective purchasers, allowing due diligence and investigatory activities by prospective purchasers, the active and good faith consideration of all expressions of interest by prospective purchasers, and any other affirmative action designed to result in a qualified acquisition of a company's steelmaking assets, and

“(ii) a demonstration to the Secretary by the company that no bona fide and fair offer which would have resulted in a qualified acquisition of the company's steelmaking assets has been unreasonably refused.

“(d) **QUALIFIED ELECTION.**—For purposes of this title—

“(1) **IN GENERAL.**—The term ‘qualified election’ means an election by a qualified steel company operating under the protection of chapter 11 or 7 of title 11, United States Code, meeting the acquisition effort requirements of subsection (c)(3) to transfer its obligations for steel retiree benefits to the retiree benefit program. Such an election shall be made not earlier than the date which is 2 years after the date of the enactment of this title, and in such manner as the Secretary may prescribe.

“(2) **INDUSTRY-WIDE ELECTION.**—Notwithstanding paragraph (1), a qualified election shall be treated as having occurred with respect to a qualified steel company (whether or not operating under the protection of chapter 11 or 7 of title 11, United States Code) if—

“(A) the Secretary determines that at least 200,000 eligible retirees and beneficiaries have been certified under section 913 for participation in the retiree benefits program, and

“(B) the qualified steel company elects to avail itself of the relief provided under this title on or after the date of the determination under subparagraph (A).

“(e) **QUALIFIED BANKRUPTCY TRANSFER.**—For purposes of this title, the term ‘qualified bankruptcy transfer’ means any transaction or series of transactions—

“(1) under which the qualified steel company, operating under the protection of chapter 11 or 7 of title 11, United States Code, transfers by any means (including but not limited to a plan of reorganization) its control over at least 30 percent of the production capacity of its steelmaking assets to 1 or more persons which are not related persons of such company,

“(2) which are not part of a qualified acquisition or qualified closing of a qualified steel company, and

“(3) which occur on and after January 1, 2000, and before January 1, 2004.

“(f) **CERTIFICATION.**—

“(1) **IN GENERAL.**—The Secretary shall certify a qualifying event with respect to a qualified steel company if the Secretary determines that the requirements of this title are met with respect to such event and that the asset transfer and contribution requirements of section 911 will be met.

“(2) **TIME FOR DECISION.**—The Secretary shall make any determination under this subsection as soon as possible after a request is filed (and in the case of a request for certification as a qualified acquisition filed at least 60 days before the proposed date of the acquisition, before such proposed date).

“(3) **ELIGIBILITY TO FILE REQUEST.**—A request for certification under this subsection may be made by the qualified steel company

or any labor organization acting on behalf of retirees of such company.

**"SEC. 913. ELIGIBILITY AND CERTIFICATION.**

"(a) RETIREES.—

"(1) IN GENERAL.—Any individual who is a retiree of a qualified steel company with respect to which the Secretary has certified under section 912 that a qualifying event has occurred shall be treated as an eligible retiree for purposes of this title if—

"(A) the individual was receiving steel retiree benefits under an employee benefit plan described in section 901(a)(2)(A) as of the date of the qualifying event, or

"(B) the individual was eligible to receive such benefits on such date but was not receiving such benefits because the plan ceased to provide such benefits.

"(2) CERTAIN INDIVIDUALS INCLUDED.—An individual shall be treated as an eligible retiree under paragraph (1) if the individual—

"(A) was an employee of the qualified steel company before a qualified acquisition,

"(B) became an employee of the acquiring company as a result of the acquisition, and

"(C) voluntarily retires within 3 years of the acquisition.

"(b) BENEFICIARIES.—An individual shall be treated as an eligible beneficiary for purposes of this title if the individual is the spouse, surviving spouse, or dependent of an eligible retiree (or an individual who would have been an eligible retiree but for the individual's death before the date of the qualifying event).

"(c) CERTIFICATION OF ELIGIBLE RETIREES AND BENEFICIARIES.—

"(1) IN GENERAL.—The Board of Trustees shall certify an individual as an eligible retiree or eligible beneficiary if the individual meets the requirements of this section.

"(2) ELIGIBILITY TO FILE REQUEST.—A request for certification under this subsection may be filed by any individual seeking to be certified under this subsection, the qualified steel company, an acquiring company, a labor organization acting on behalf of retirees of such company, or a committee appointed under section 1114 of title 11, United States Code.

"(d) RECORDS.—A qualified steel company, an acquiring company, and any successor in interest shall on and after the date of the enactment of this title maintain and make available to the Secretary and the Board of Trustees, all records, documents, and materials (including computer programs) necessary to make the certifications under this section.

**PART III—PROGRAM BENEFITS**

"Sec. 921. Program benefits.

**"SEC. 921. PROGRAM BENEFITS.**

"(a) GENERAL RULE.—Each eligible retiree and eligible beneficiary who is certified for participation in the retiree benefits program shall be entitled subject only to amounts available in the Trust Fund and additional funds made available in appropriations acts—

"(1) to receive health care benefits coverage described in subsection (b), and

"(2) in the case of an eligible retiree, payment of \$5,000 death benefits coverage to the beneficiary of the retiree upon the retiree's death.

"(b) HEALTH CARE BENEFITS COVERAGE.—

"(1) IN GENERAL.—The Board of Trustees shall establish health care benefits coverage under which eligible retirees and beneficiaries are provided benefits for health care items and services that are substantially the same as the benefits offered as of January 1, 2002, under the Blue Cross/Blue Shield Standard Plan provided under the Federal Employees Health Benefit Program under chapter 89 of title 5, United States Code, to Federal employees and annuitants. In providing the

benefits under such program, the secondary payer provisions and the provisions relating to benefits provided when an individual is eligible for benefits under the medicare program under title XVIII of the Social Security Act that are applicable under such Plan shall apply in the same manner as such provisions apply to Federal employees and annuitants under such Plan.

"(2) CONTRACTING AUTHORITY.—The Board of Trustees shall have the authority to enter into such contracts as are necessary to carry out the provisions of this subsection, including contracts necessary to ensure adequate geographic coverage and cost control. The Board of Trustees may use the authority under this subsection to establish preferred provider organizations or other alternative delivery systems.

"(3) PREMIUMS, DEDUCTIBLES, AND COST SHARING.—The Board of Trustees of the Trust 15 Fund shall establish premiums, deductibles, and cost sharing for eligible retirees and beneficiaries provided health care benefits coverage under paragraph (1) which are substantially the same as those required under the Blue Cross/Blue Shield Standard Plan described in paragraph (1).

"Subtitle C.—Conservation, Jobs, and Steel Reinvestment Trust Fund

**"SEC. 931. CONSERVATION, JOBS AND STEEL REINVESTMENT TRUST FUND.**

"(a) TRANSFERS TO THE CONSERVATION, JOBS AND STEEL REINVESTMENT TRUST FUND.—

"(1) IN GENERAL.—There are appropriated to the Trust Fund established in section 1914 of the Energy Policy Act of 2002 amounts equivalent to—

"(A) tariffs on steel mill products received in the Treasury under title II of this Act,

"(B) amounts received in the Treasury from asset transfers and contributions under section 911,

"(C) amounts credited to the Trust Fund under section 9602(b) of the Internal Revenue Code of 1986,

"(D) the premiums paid by retirees under the program; and

"(E) bonus bids and rents, royalties and payments from the production of oil deposited pursuant to section 1914(b) and (c)(1) of the Energy Policy Act of 2002.

"(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Trust Fund each fiscal year an amount equal to the excess (if any) of—

"(A) expenditures from the amounts in the Trust Fund for the fiscal year, over

"(B) the assets of the Trust Fund for the fiscal year without regard to this paragraph.

"(b) EXPENDITURES.—Amounts in the Trust Fund described in section 1914(c)(1) of the Energy Policy Act of 2002 and this section shall be available only for purposes of making expenditures—

"(1) to meet the obligations of the United States with respect to liability for steel retiree benefits transferred to the United States under this title, and

"(2) incurred by the Secretary and the Board of Trustees in the administration of this title.

"(c) BOARD OF TRUSTEES.—

"(1) IN GENERAL.—Amounts in the Trust Fund described in section 1914(c)(1) of the Energy Policy Act of 2002 and this section and the retiree benefits program shall be administered by a Board of Trustees, consisting of—

"(A) 2 individuals designated by agreement of the 5 qualified steel companies which, as of the date of the enactment of this title—

"(i) are conducting activities described in subparagraph (A) or (B) of section 901(b)(1), and

"(ii) have the largest number of retirees, and

"(B) 2 individuals designated by the United Steelworkers of America in consultation with the Independent Steelworkers Union, and

"(C) 3 individuals designated by individuals designated under subparagraphs (A) and (B).

"(2) DUTIES.—Except for those duties and responsibilities designated to the Secretary, the Board of Trustees shall have the responsibility to administer the amounts in the Trust Fund described in section 1914(c)(1) of the Energy Policy Act of 2002 and this section and the retiree benefits program, including—

"(A) enrolling eligible retirees and beneficiaries under the program,

"(B) procuring the medical services to be provided under the program,

"(C) entering into contracts, leases, or other arrangements necessary for the implementation of the program,

"(D) implementing cost-containment measures under the program,

"(E) collecting revenues and enforcing claims and rights of the program,

"(F) making disbursements as necessary under the program, and

"(G) acquiring and maintaining such records as may be necessary for the administration and implementation of the program.

"(3) REPORT.—The Board of Trustees report to Congress each year on the financial condition and the results of the operations of the retiree benefits program during the preceding fiscal year and on its expected condition and operations during the next 2 fiscal years. Such report shall be printed as a House document of the session of Congress to which the report is made.

"(d) TRANSFER INVESTMENT OF ASSETS.—Sections 9601 and 9602(b) of the Internal Revenue Code of 1986 shall apply to the amounts in the Trust Fund described in section 1914(c)(1) of the Energy Policy Act of 2002 and in this section."

**SA 3134.** Mr. REID (for Mr. KENNEDY (for himself, Mr. JEFFORDS, Mr. FRIST, Mr. BINGAMAN, Mr. ROBERTS, Mr. HARKIN, Mr. BOND, Mr. DASCHLE, Ms. COLLINS, Mr. WELLSTONE, Mr. ENZI, Mrs. MURRAY, Mr. HUTCHINSON, Ms. MIKULSKI, Mr. DODD, Mr. REED, Mr. EDWARDS, and Mrs. CLINTON)) proposed an amendment to the bill S. 1533, to amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes; as follows:

Strike all after the enacting clause and insert the following:

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

(a) SHORT TITLE.—This Act may be cited as the "Health Care Safety Net Amendments of 2001".

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

Sec. 1. Short title; table of contents.

TITLE I—CONSOLIDATED HEALTH CENTER PROGRAM AMENDMENTS

Sec. 101. Health centers.

TITLE II—RURAL HEALTH

Subtitle A—Rural Health Care Services Outreach, Rural Health Network Development, and Small Health Care Provider Quality Improvement Grant Programs

Sec. 201. Grant programs.

Subtitle B—Telehealth Grant Consolidation

Sec. 211. Short title.

Sec. 212. Consolidation and reauthorization of provisions.

Subtitle C—Mental Health Services Telehealth Program and Rural Emergency Medical Service Training and Equipment Assistance Program

Sec. 221. Programs.

Subtitle D—School-Based Health Center Networks

Sec. 231. Networks.

### TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM

Sec. 301. National Health Service Corps.

Sec. 302. Designation of health professional shortage areas.

Sec. 303. Assignment of corps personnel.

Sec. 304. Priorities in assignment of corps personnel.

Sec. 305. Cost-sharing.

Sec. 306. Eligibility for Federal funds.

Sec. 307. Facilitation of effective provision of corps services.

Sec. 308. Authorization of appropriations.

Sec. 309. National Health Service Corps Scholarship Program.

Sec. 310. National Health Service Corps Loan Repayment Program.

Sec. 311. Obligated service.

Sec. 312. Private practice.

Sec. 313. Breach of scholarship contract or loan repayment contract.

Sec. 314. Authorization of appropriations.

Sec. 315. Grants to States for loan repayment programs.

Sec. 316. Demonstration grants to States for community scholarship programs.

Sec. 317. Demonstration project.

### TITLE IV—HEALTHY COMMUNITIES ACCESS PROGRAM ACT

Sec. 401. Purpose.

Sec. 402. Creation of Healthy Communities Access Program.

Sec. 403. Expanding availability of dental services.

### TITLE V—RURAL HEALTH CLINICS

Sec. 501. Exemptions for rural health clinics.

### TITLE VI—STUDY

Sec. 601. Guarantee study.

### TITLE VII—CONFORMING AMENDMENTS

Sec. 701. Conforming amendments.

### TITLE I—CONSOLIDATED HEALTH CENTER PROGRAM AMENDMENTS

#### SEC. 101. HEALTH CENTERS.

Section 330 of the Public Health Service Act (42 U.S.C. 254b) is amended—

(1) in subsection (b)(1)(A)—

(A) in clause (i)(III)(bb), by striking “screening for breast and cervical cancer” and inserting “appropriate cancer screening”;

(B) in clause (ii), by inserting “(including specialty referral when medically indicated)” after “medical services”; and

(C) in clause (iii), by inserting “housing,” after “social.”;

(2) in subsection (b)(2)—

(A) in subparagraph (A)—

(i) in clause (vi), by striking “and”;

(ii) by redesignating clause (vii) as clause (x); and

(iii) by inserting after clause (vi) the following:

“(vii) the detection and alleviation of chemical and pesticide exposures;

“(viii) the promotion of indoor and outdoor air quality;

“(ix) the detection and remediation of lead exposures; and”;

(B) by redesignating subparagraphs (A) and (B) as subparagraphs (D) and (E), respectively;

(C) by inserting before subparagraph (D) (as redesignated by subparagraph (B)) the following:

“(A) behavioral and mental health and substance abuse services;

“(B) recuperative care services;

“(C) public health services;”;

(D) in subparagraph (B)—

(i) in the heading, by striking “COMPREHENSIVE SERVICE DELIVERY” and inserting “MANAGED CARE”;

(ii) in the matter preceding clause (i), by striking “network or plan” and all that follows to the period and inserting “managed care network or plan.”; and

(iii) in the matter following clause (ii), by striking “Any such grant may include” and all that follows through the period; and

(E) by adding at the end the following:

“(C) PRACTICE MANAGEMENT NETWORKS.—The Secretary may make grants to health centers that receive assistance under this section to enable the centers to plan and develop practice management networks that will enable the centers to—

“(i) reduce costs associated with the provision of health care services;

“(ii) improve access to, and availability of, health care services provided to individuals served by the centers;

“(iii) enhance the quality and coordination of health care services; or

“(iv) improve the health status of communities.

“(D) USE OF FUNDS.—The activities for which a grant may be made under subparagraph (B) or (C) may include the purchase or lease of equipment, which may include data and information systems (including paying for the costs of amortizing the principal of, and paying the interest on, loans for equipment), the provision of training and technical assistance related to the provision of health care services on a prepaid basis or under another managed care arrangement, and other activities that promote the development of practice management or managed care networks and plans.”;

(3) in subsection (d)—

(A) by striking the subsection heading and inserting “LOAN GUARANTEE PROGRAM.—”;

(B) in paragraph (1)—

(i) in subparagraph (A), by striking “the principal and interest on loans” and all that follows through the period and inserting “up to 90 percent of the principal and interest on loans made by non-Federal lenders to health centers, funded under this section, for the costs of developing and operating managed care networks or plans described in subsection (c)(1)(B), or practice management networks described in subsection (c)(1)(C).”;

(ii) in subparagraph (B)—

(I) in clause (i), by striking “or”;

(II) in clause (ii), by striking the period and inserting “; or”; and

(III) by adding at the end the following:

“(iii) to refinance an existing loan (as of the date of refinancing) to the center or centers, if the Secretary determines such refinancing will be beneficial to the health center and the Federal Government and will result in more favorable terms.”; and

(iii) by adding at the end the following:

“(D) LOAN GUARANTEES.—Notwithstanding any other provision of law, the following funds shall be made available until expended for loan guarantees under this subsection:

“(i) Funds appropriated for fiscal year 1997 under the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1997, which were made available for loan guarantees for loans to health centers for the costs of developing and operating managed care networks or plans, and which have not been expended.

“(ii) Funds appropriated for fiscal year 1998 under the Departments of Labor, Health and Human Services, and Education, and Related Agencies Appropriations Act, 1998, which were made available for loan guarantees for

loans to health centers under this subsection (as in effect on the day before the date of enactment of the Health Care Safety Net Amendments of 2001), and which have not been expended.

“(E) PROVISION DIRECTLY TO NETWORKS OR PLANS.—At the request of health centers receiving assistance under this section, loan guarantees provided under this paragraph may be made directly to networks or plans that are at least majority controlled and, as applicable, at least majority owned by those health centers.

“(F) FEDERAL CREDIT REFORM.—The requirements of the Federal Credit Reform Act of 1990 (2 U.S.C. 661 et seq.) shall apply with respect to loans refinanced under subparagraph (B)(iii).”;

(C)(i) by striking paragraphs (6) and (7); and

(ii) by redesignating paragraph (8) as paragraph (6);

(4) in subsection (e)—

(A) in paragraph (1)—

(i) in subparagraph (B), by striking “subsection (j)(3)” and inserting “subsection (l)(3)”;

(ii) by adding at the end the following:

“(C) OPERATION OF NETWORKS AND PLANS.—The Secretary may make grants to health centers that receive assistance under this section, or at the request of the health centers, directly to a network or plan (as described in subparagraphs (B) and (C) of subsection (c)(1)) that is at least majority controlled and, as applicable, at least majority owned by such health centers receiving assistance under this section, for the costs associated with the operation of such network or plan, including the purchase or lease of equipment (including the costs of amortizing the principal of, and paying the interest on, loans for equipment).”;

(B) in paragraph (2) by adding at the end the following: “The costs for which a grant may be made under paragraph (1)(C) may include the costs of providing such training.”;

(C) in paragraph (5)—

(i) in subparagraph (A), by inserting “subparagraphs (A) and (B) of” after “any fiscal year under”;

(ii) by redesignating subparagraphs (B) and (C) as subparagraphs (C) and (D), respectively; and

(iii) by inserting after subparagraph (A) the following:

“(B) NETWORKS AND PLANS.—The total amount of grant funds made available for any fiscal year under paragraph (1)(C) and subparagraphs (B) and (C) of subsection (c)(1) to a health center or to a network or plan shall be determined by the Secretary, but may not exceed 2 percent of the total amount appropriated under this section for such fiscal year.”; and

(D) by redesignating paragraphs (4) and (5) as paragraphs (3) and (4), respectively;

(5) in subsection (g)—

(A) in paragraph (2)—

(i) in subparagraph (A), by inserting “and seasonal agricultural worker” after “agricultural worker”; and

(ii) in subparagraph (B), by striking “and members of their families” and inserting “and seasonal agricultural workers, and members of their families.”; and

(B) in paragraph (3)(A), by striking “on a seasonal basis”;

(6) in subsection (h)—

(A) in paragraph (1), by striking “homeless children and children at risk of homelessness” and inserting “homeless children and youth and children and youth at risk of homelessness”;

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

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

“(4) TEMPORARY CONTINUED PROVISION OF SERVICES TO CERTAIN FORMER HOMELESS INDIVIDUALS.—If any grantee under this subsection has provided services described in this section under the grant to a homeless individual, such grantee may, notwithstanding that the individual is no longer homeless as a result of becoming a resident in permanent housing, expend the grant to continue to provide such services to the individual for not more than 12 months.”; and

(C) in paragraph (5)(C) (as redesignated by subparagraph (B)), by striking “and residential treatment” and inserting “, risk reduction, outpatient treatment, residential treatment, and rehabilitation”;

(7) in subsection (j)(3)—

(A) in subparagraph (E)—

(i) in clause (i)—

(I) by striking “(i)” and inserting “(i)(I)”;

(II) by striking “plan; or” and inserting “plan; and”; and

(III) by adding at the end the following:

“(II) has or will have a contractual or other arrangement with the State agency administering the program under title XXI of such Act (42 U.S.C. 1397aa et seq.) with respect to individuals who are State children’s health insurance program beneficiaries; or”; and

(ii) by striking clause (ii) and inserting the following:

“(ii) has made or will make every reasonable effort to enter into arrangements described in subclauses (I) and (II) of clause (i);”; and

(B) in subparagraph (G)—

(i) in clause (ii)(II), by striking “; and” and inserting “;”; and

(ii) by redesignating clause (iii) as clause (iv); and

(iii) by inserting after clause (ii) the following:

“(iii)(I) will assure that no patient will be denied health care services due to an individual’s inability to pay for such services; and

“(II) will assure that any fees or payments required by the center for such services will be reduced or waived to enable the center to fulfill the assurance described in subclause (I); and”; and

(C) in subparagraph (H)—

(i) in clause (ii), by inserting “reviews any internal outreach plans for specific subpopulations served by the center,” after “such services will be provided.”; and

(ii) in the matter following clause (iii), by striking “or (p)” and inserting “or (q)”;

(8)(A) by redesignating subsection (l) as subsection (s) and moving that subsection (s) to the end of the section;

(B) by redesignating subsections (j), (k), and (m) through (q) as subsections (l), (m), and (n) through (r), respectively; and

(C) by inserting after subsection (i) the following:

“(j) ENVIRONMENTAL CONCERNS.—The Secretary may make grants to health centers for the purpose of assisting such centers in identifying and detecting environmental factors and conditions, and providing services, including environmental health services described in subsection (b)(2)(D), to reduce the disease burden related to environmental factors and exposure of populations to such factors, and alleviate environmental conditions that affect the health of individuals and communities served by health centers funded under this section.

“(k) LINGUISTIC ACCESS GRANTS.—

“(1) IN GENERAL.—The Secretary may award grants to eligible health centers with a substantial number of clients with limited English speaking proficiency to provide translation, interpretation, and other such services for such clients with limited English speaking proficiency.

“(2) ELIGIBLE HEALTH CENTER.—In this subsection, the term ‘eligible health center’ means an entity that—

“(A) is a health center as defined under subsection (a); and

“(B) provides health care services for clients for whom English is a second language.

“(3) GRANT AMOUNT.—The amount of a grant awarded to a center under this subsection shall be determined by the Administrator. Such determination of such amount shall be based on the number of clients for whom English is a second language that is served by such center, and larger grant amounts shall be awarded to centers serving larger numbers of such clients.

“(4) USE OF FUNDS.—An eligible health center that receives a grant under this subsection may use funds received through such grant to—

“(A) provide translation, interpretation, and other such services for clients for whom English is a second language, including hiring professional translation and interpretation services; and

“(B) compensate bilingual or multilingual staff for language assistance services provided by the staff for such clients.

“(5) APPLICATION.—An eligible health center desiring a grant under this subsection shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require, including—

“(A) an estimate of the number of clients that the center serves for whom English is a second language;

“(B) the ratio of the number of clients for whom English is a second language to the total number of clients served by the center; and

“(C) a description of any language assistance services that the center proposes to provide to aid clients for whom English is a second language.

“(6) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this subsection, in addition to any funds authorized to be appropriated or appropriated for health centers under any other subsection of this section, \$10,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.”;

(9) by striking subsection (m) (as redesignated by paragraph (9)(B)) and inserting the following:

“(m) TECHNICAL ASSISTANCE.—The Secretary shall establish a program through which the Secretary shall provide technical and other assistance to eligible entities to assist such entities to meet the requirements of subsection (l)(3) in developing plans for, or operating, health centers. Services provided through the program may include necessary technical and nonfinancial assistance, including fiscal and program management assistance, training in fiscal and program management, operational and administrative support, and the provision of information to the entities of the variety of resources available under this title and how those resources can be best used to meet the health needs of the communities served by the entities.”;

(10) in subsection (q) (as redesignated by paragraph (9)(B)), by striking “(j)(3)(G)” and inserting “(l)(3)(G)”;

(11) in subsection (s) (as redesignated by paragraph (9)(A))—

(A) in paragraph (1), by striking “\$802,124,000” and all that follows through the period and inserting “\$1,369,000,000 for fiscal year 2002 and such sums as may be necessary for each of the fiscal years 2003 through 2006.”;

(B) in paragraph (2)—

(i) in subparagraph (A)—

(I) by striking “(j)(3))” and inserting “(l)(3))”; and

(II) by striking “(j)(3)(G)(ii)” and inserting “(l)(3)(H))”; and

(ii) by striking subparagraph (B) and inserting the following:

“(B) DISTRIBUTION OF GRANTS.—For fiscal year 2002 and each of the following fiscal years, the Secretary, in awarding grants under this section, shall ensure that the proportion of the amount made available under each of subsections (g), (h), and (i), relative to the total amount appropriated to carry out this section for that fiscal year, is equal to the proportion of the amount made available under that subsection for fiscal year 2001, relative to the total amount appropriated to carry out this section for fiscal year 2001.”.

## TITLE II—RURAL HEALTH

### Subtitle A—Rural Health Care Services Outreach, Rural Health Network Development, and Small Health Care Provider Quality Improvement Grant Programs

#### SEC. 201. GRANT PROGRAMS.

Section 330A of the Public Health Service Act (42 U.S.C. 254c) is amended to read as follows:

#### “SEC. 330A. RURAL HEALTH CARE SERVICES OUTREACH, RURAL HEALTH NETWORK DEVELOPMENT, AND SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANT PROGRAMS.

“(a) PURPOSE.—The purpose of this section is to provide grants for expanded delivery of health care services in rural areas, for the planning and implementation of integrated health care networks in rural areas, and for the planning and implementation of small health care provider quality improvement activities.

“(b) DEFINITIONS.—

“(1) DIRECTOR.—The term ‘Director’ means the Director specified in subsection (d).

“(2) FEDERALLY QUALIFIED HEALTH CENTER; RURAL HEALTH CLINIC.—The terms ‘Federally qualified health center’ and ‘rural health clinic’ have the meanings given the terms in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)).

“(3) HEALTH PROFESSIONAL SHORTAGE AREA.—The term ‘health professional shortage area’ means a health professional shortage area designated under section 332.

“(4) MEDICALLY UNDERSERVED COMMUNITY.—The term ‘medically underserved community’ has the meaning given the term in section 799B.

“(5) MEDICALLY UNDERSERVED POPULATION.—The term ‘medically underserved population’ has the meaning given the term in section 330(b)(3).

“(c) PROGRAM.—The Secretary shall establish, under section 301, a small health care provider quality improvement grant program.

“(d) ADMINISTRATION.—

“(1) PROGRAMS.—The rural health care services outreach, rural health network development, and small health care provider quality improvement grant programs established under section 301 shall be administered by the Director of the Office of Rural Health Policy of the Health Resources and Services Administration, in consultation with State offices of rural health or other appropriate State government entities.

“(2) GRANTS.—

“(A) IN GENERAL.—In carrying out the programs described in paragraph (1), the Director may award grants under subsections (e), (f), and (g) to expand access to, coordinate, and improve the quality of essential health care services, and enhance the delivery of health care, in rural areas.

“(B) TYPES OF GRANTS.—The Director may award the grants—

“(i) to promote expanded delivery of health care services in rural areas under subsection (e);

“(ii) to provide for the planning and implementation of integrated health care networks in rural areas under subsection (f); and

“(iii) to provide for the planning and implementation of small health care provider quality improvement activities under subsection (g).

“(e) RURAL HEALTH CARE SERVICES OUTREACH GRANTS.—

“(1) GRANTS.—The Director may award grants to eligible entities to promote rural health care services outreach by expanding the delivery of health care services to include new and enhanced services in rural areas. The Director may award the grants for periods of not more than 3 years.

“(2) ELIGIBILITY.—To be eligible to receive a grant under this subsection for a project, an entity—

“(A) shall be a rural public or rural nonprofit private entity;

“(B) shall represent a consortium composed of members—

“(i) that include 3 or more health care providers; and

“(ii) that may be nonprofit or for-profit entities; and

“(C) shall not previously have received a grant under this subsection for the same or a similar project, unless the entity is proposing to expand the scope of the project or the area that will be served through the project.

“(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the project that the eligible entity will carry out using the funds provided under the grant;

“(B) a description of the manner in which the project funded under the grant will meet the health care needs of rural underserved populations in the local community or region to be served;

“(C) a description of how the local community or region to be served will be involved in the development and ongoing operations of the project;

“(D) a plan for sustaining the project after Federal support for the project has ended;

“(E) a description of how the project will be evaluated; and

“(F) other such information as the Secretary determines to be appropriate.

“(f) RURAL HEALTH NETWORK DEVELOPMENT GRANTS.—

“(1) GRANTS.—

“(A) IN GENERAL.—The Director may award rural health network development grants to eligible entities to promote, through planning and implementation, the development of integrated health care networks that have combined the functions of the entities participating in the networks in order to—

“(i) achieve efficiencies;

“(ii) expand access to, coordinate, and improve the quality of essential health care services; and

“(iii) strengthen the rural health care system as a whole.

“(B) GRANT PERIODS.—The Director may award such a rural health network development grant for implementation activities for a period of 3 years. The Director may also award such a rural health network development grant for planning activities for a period of 1 year, to assist in the development of an integrated health care network, if the

proposed participants in the network do not have a history of collaborative efforts and a 3-year grant would be inappropriate.

“(2) ELIGIBILITY.—To be eligible to receive a grant under this subsection, an entity—

“(A) shall be a rural public or rural nonprofit private entity;

“(B) shall represent a network composed of participants—

“(i) that include 3 or more health care providers; and

“(ii) that may be nonprofit or for-profit entities; and

“(C) shall not previously have received a grant under this subsection (other than a grant for planning activities) for the same or a similar project.

“(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the project that the eligible entity will carry out using the funds provided under the grant;

“(B) an explanation of the reasons why Federal assistance is required to carry out the project;

“(C) a description of—

“(i) the history of collaborative activities carried out by the participants in the network;

“(ii) the degree to which the participants are ready to integrate their functions; and

“(iii) how the local community or region to be served will benefit from and be involved in the activities carried out by the network;

“(D) a description of how the local community or region to be served will experience increased access to quality health care services across the continuum of care as a result of the integration activities carried out by the network;

“(E) a plan for sustaining the project after Federal support for the project has ended;

“(F) a description of how the project will be evaluated; and

“(G) other such information as the Secretary determines to be appropriate.

“(g) SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANTS.—

“(1) GRANTS.—The Director may award grants to provide for the planning and implementation of small health care provider quality improvement activities. The Director may award the grants for periods of 1 to 3 years.

“(2) ELIGIBILITY.—To be eligible for a grant under this subsection, an entity—

“(A)(i) shall be a rural public or rural nonprofit private health care provider or provider of health care services, such as a critical access hospital or a rural health clinic; or

“(ii) shall be another rural provider or network of small rural providers identified by the Secretary as a key source of local care; and

“(B) shall not previously have received a grant under this subsection for the same or a similar project.

“(3) APPLICATIONS.—To be eligible to receive a grant under this subsection, an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, such as a hospital association, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

“(A) a description of the project that the eligible entity will carry out using the funds provided under the grant;

“(B) an explanation of the reasons why Federal assistance is required to carry out the project;

“(C) a description of the manner in which the project funded under the grant will assure continuous quality improvement in the provision of services by the entity;

“(D) a description of how the local community or region to be served will experience increased access to quality health care services across the continuum of care as a result of the activities carried out by the entity;

“(E) a plan for sustaining the project after Federal support for the project has ended;

“(F) a description of how the project will be evaluated; and

“(G) other such information as the Secretary determines to be appropriate.

“(4) EXPENDITURES FOR SMALL HEALTH CARE PROVIDER QUALITY IMPROVEMENT GRANTS.—In awarding a grant under this subsection, the Director shall ensure that the funds made available through the grant will be used to provide services to residents of rural areas. The Director shall award not less than 50 percent of the funds made available under this subsection to providers located in and serving rural areas.

“(h) GENERAL REQUIREMENTS.—

“(1) PROHIBITED USES OF FUNDS.—An entity that receives a grant under this section may not use funds provided through the grant—

“(A) to build or acquire real property; or

“(B) for construction, except that such funds may be expended for minor renovations relating to the installation of equipment.

“(2) COORDINATION WITH OTHER AGENCIES.—The Secretary shall coordinate activities carried out under grant programs described in this section, to the extent practicable, with Federal and State agencies and nonprofit organizations that are operating similar grant programs, to maximize the effect of public dollars in funding meritorious proposals.

“(3) PREFERENCE.—In awarding grants under this section, the Secretary shall give preference to entities that—

“(A) are located in health professional shortage areas or medically underserved communities, or serve medically underserved populations; or

“(B) propose to develop projects with a focus on primary care, and wellness and prevention strategies.

“(i) REPORT.—Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the progress and accomplishments of the grant programs described in subsections (e), (f), and (g).

“(j) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$40,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.”

#### Subtitle B—Telehealth Grant Consolidation

##### SEC. 211. SHORT TITLE.

This subtitle may be cited as the “Telehealth Grant Consolidation Act of 2001”.

##### SEC. 212. CONSOLIDATION AND REAUTHORIZATION OF PROVISIONS.

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq) is amended by adding at the end the following:

#### “SEC. 330I. TELEHEALTH NETWORK AND TELEHEALTH RESOURCE CENTERS GRANT PROGRAMS.

“(a) DEFINITIONS.—In this section:

“(1) DIRECTOR; OFFICE.—The terms ‘Director’ and ‘Office’ mean the Director and Office specified in subsection (c).

“(2) **FEDERALLY QUALIFIED HEALTH CENTER AND RURAL HEALTH CLINIC.**—The term ‘Federally qualified health center’ and ‘rural health clinic’ have the meanings given the terms in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)).

“(3) **FRONTIER COMMUNITY.**—The term ‘frontier community’ shall have the meaning given the term in regulations issued under subsection (r).

“(4) **MEDICALLY UNDERSERVED AREA.**—The term ‘medically underserved area’ has the meaning given the term ‘medically underserved community’ in section 799B.

“(5) **MEDICALLY UNDERSERVED POPULATION.**—The term ‘medically underserved population’ has the meaning given the term in section 330(b)(3).

“(6) **TELEHEALTH SERVICES.**—The term ‘telehealth services’ means services provided through telehealth technologies.

“(7) **TELEHEALTH TECHNOLOGIES.**—The term ‘telehealth technologies’ means technologies relating to the use of electronic information, and telecommunications technologies, to support and promote, at a distance, health care, patient and professional health-related education, health administration, and public health.

“(b) **PROGRAMS.**—The Secretary shall establish, under section 301, telehealth network and telehealth resource centers grant programs.

“(c) **ADMINISTRATION.**—

“(1) **ESTABLISHMENT.**—There is established in the Health and Resources and Services Administration an Office for the Advancement of Telehealth. The Office shall be headed by a Director.

“(2) **DUTIES.**—The telehealth network and telehealth resource centers grant programs established under section 301 shall be administered by the Director, in consultation with the State offices of rural health, State offices concerning primary care, or other appropriate State government entities.

“(d) **GRANTS.**—

“(1) **TELEHEALTH NETWORK GRANTS.**—The Director may, in carrying out the telehealth network grant program referred to in subsection (b), award grants to eligible entities for projects to demonstrate how telehealth technologies can be used through telehealth networks in rural areas, frontier communities, and medically underserved areas, and for medically underserved populations, to—

“(A) expand access to, coordinate, and improve the quality of health care services;

“(B) improve and expand the training of health care providers; and

“(C) expand and improve the quality of health information available to health care providers, and patients and their families, for decisionmaking.

“(2) **TELEHEALTH RESOURCE CENTERS GRANTS.**—The Director may, in carrying out the telehealth resource centers grant program referred to in subsection (b), award grants to eligible entities for projects to demonstrate how telehealth technologies can be used in the areas and communities, and for the populations, described in paragraph (1), to establish telehealth resource centers.

“(e) **GRANT PERIODS.**—The Director may award grants under this section for periods of not more than 4 years.

“(f) **ELIGIBLE ENTITIES.**—

“(1) **TELEHEALTH NETWORK GRANTS.**—

“(A) **GRANT RECIPIENT.**—To be eligible to receive a grant under subsection (d)(1), an entity shall be a nonprofit entity.

“(B) **TELEHEALTH NETWORKS.**—

“(i) **IN GENERAL.**—To be eligible to receive a grant under subsection (d)(1), an entity shall demonstrate that the entity will provide services through a telehealth network.

“(ii) **NATURE OF ENTITIES.**—Each entity participating in the telehealth network may be a nonprofit or for-profit entity.

“(iii) **COMPOSITION OF NETWORK.**—The telehealth network shall include at least 2 of the following entities (at least 1 of which shall be a community-based health care provider):

“(I) Community or migrant health centers or other Federally qualified health centers.

“(II) Health care providers, including pharmacists, in private practice.

“(III) Entities operating clinics, including rural health clinics.

“(IV) Local health departments.

“(V) Nonprofit hospitals, including community access hospitals.

“(VI) Other publicly funded health or social service agencies.

“(VII) Long-term care providers.

“(VIII) Providers of health care services in the home.

“(IX) Providers of outpatient mental health services and entities operating outpatient mental health facilities.

“(X) Local or regional emergency health care providers.

“(XI) Institutions of higher education.

“(XII) Entities operating dental clinics.

“(2) **TELEHEALTH RESOURCE CENTERS GRANTS.**—To be eligible to receive a grant under subsection (d)(2), an entity shall be a nonprofit entity.

“(g) **APPLICATIONS.**—To be eligible to receive a grant under subsection (d), an eligible entity, in consultation with the appropriate State office of rural health or another appropriate State entity, shall prepare and submit to the Secretary an application, at such time, in such manner, and containing such information as the Secretary may require, including—

“(1) a description of the project that the eligible entity will carry out using the funds provided under the grant;

“(2) a description of the manner in which the project funded under the grant will meet the health care needs of rural or other populations to be served through the project, or improve the access to services of, and the quality of the services received by, those populations;

“(3) evidence of local support for the project, and a description of how the areas, communities, or populations to be served will be involved in the development and ongoing operations of the project;

“(4) a plan for sustaining the project after Federal support for the project has ended;

“(5) information on the source and amount of non-Federal funds that the entity will provide for the project;

“(6) information demonstrating the long-term viability of the project, and other evidence of institutional commitment of the entity to the project;

“(7) in the case of an application for a project involving a telehealth network, information demonstrating how the project will promote the integration of telehealth technologies into the operations of health care providers, to avoid redundancy, and improve access to and the quality of care; and

“(8) other such information as the Secretary determines to be appropriate.

“(h) **TERMS; CONDITIONS; MAXIMUM AMOUNT OF ASSISTANCE.**—The Secretary shall establish the terms and conditions of each grant program described in subsection (b) and the maximum amount of a grant to be awarded to an individual recipient for each fiscal year under this section. The Secretary shall publish, in a publication of the Health Resources and Services Administration, notice of the application requirements for each grant program described in subsection (b) for each fiscal year.

“(i) **PREFERENCES.**—

“(1) **TELEHEALTH NETWORKS.**—In awarding grants under subsection (d)(1) for projects involving telehealth networks, the Secretary shall give preference to an eligible entity that meets at least 1 of the following requirements:

“(A) **ORGANIZATION.**—The eligible entity is a rural community-based organization or another community-based organization.

“(B) **SERVICES.**—The eligible entity proposes to use Federal funds made available through such a grant to develop plans for, or to establish, telehealth networks that provide mental health, public health, long-term care, home care, preventive, or case management services.

“(C) **COORDINATION.**—The eligible entity demonstrates how the project to be carried out under the grant will be coordinated with other relevant federally funded projects in the areas, communities, and populations to be served through the grant.

“(D) **NETWORK.**—The eligible entity demonstrates that the project involves a telehealth network that includes an entity that—

“(i) provides clinical health care services, or educational services for health care providers and for patients or their families; and

“(ii) is—

“(I) a public school;

“(II) a public library;

“(III) an institution of higher education; or

“(IV) a local government entity.

“(E) **CONNECTIVITY.**—The eligible entity proposes a project that promotes local connectivity within areas, communities, or populations to be served through the project.

“(F) **INTEGRATION.**—The eligible entity demonstrates that health care information has been integrated into the project.

“(2) **TELEHEALTH RESOURCE CENTERS.**—In awarding grants under subsection (d)(2) for projects involving telehealth resource centers, the Secretary shall give preference to an eligible entity that meets at least 1 of the following requirements:

“(A) **PROVISION OF SERVICES.**—The eligible entity has a record of success in the provision of telehealth services to medically underserved areas or medically underserved populations.

“(B) **COLLABORATION AND SHARING OF EXPERTISE.**—The eligible entity has a demonstrated record of collaborating and sharing expertise with providers of telehealth services at the national, regional, State, and local levels.

“(C) **BROAD RANGE OF TELEHEALTH SERVICES.**—The eligible entity has a record of providing a broad range of telehealth services, which may include—

“(i) a variety of clinical specialty services;

“(ii) patient or family education;

“(iii) health care professional education; and

“(iv) rural residency support programs.

“(j) **DISTRIBUTION OF FUNDS.**—

“(1) **IN GENERAL.**—In awarding grants under this section, the Director shall ensure, to the greatest extent possible, that such grants are equitably distributed among the geographical regions of the United States.

“(2) **TELEHEALTH NETWORKS.**—In awarding grants under subsection (d)(1) for a fiscal year, the Director shall ensure that—

“(A) not less than 50 percent of the funds awarded shall be awarded for projects in rural areas; and

“(B) the total amount of funds awarded for such projects for that fiscal year shall be not less than the total amount of funds awarded for such projects for fiscal year 2001 under section 330A (as in effect on the day before the date of enactment of the Health Care Safety Net Amendments of 2001).

“(k) **USE OF FUNDS.**—



“(1) TELEHEALTH NETWORK PROGRAM.—The recipient of a grant under subsection (d)(1) may use funds received through such grant for salaries, equipment, and operating or other costs, including the cost of—

“(A) developing and delivering clinical telehealth services that enhance access to community-based health care services in rural areas, frontier communities, or medically underserved areas, or for medically underserved populations;

“(B) developing and acquiring, through lease or purchase, computer hardware and software, audio and video equipment, computer network equipment, interactive equipment, data terminal equipment, and other equipment that furthers the objectives of the telehealth network grant program;

“(C)(i) developing and providing distance education, in a manner that enhances access to care in rural areas, frontier communities, or medically underserved areas, or for medically underserved populations; or

“(ii) mentoring, precepting, or supervising health care providers and students seeking to become health care providers, in a manner that enhances access to care in the areas and communities, or for the populations, described in clause (i);

“(D) developing and acquiring instructional programming;

“(E)(i) providing for transmission of medical data, and maintenance of equipment; and

“(ii) providing for compensation (including travel expenses) of specialists, and referring health care providers, who are providing telehealth services through the telehealth network, if no third party payment is available for the telehealth services delivered through the telehealth network;

“(F) developing projects to use telehealth technology to facilitate collaboration between health care providers;

“(G) collecting and analyzing usage statistics and data to document the cost-effectiveness of the telehealth services; and

“(H) carrying out such other activities as are consistent with achieving the objectives of this section, as determined by the Secretary.

“(2) TELEHEALTH RESOURCE CENTERS.—The recipient of a grant under subsection (d)(2) may use funds received through such grant for salaries, equipment, and operating or other costs for—

“(A) providing technical assistance, training, and support, and providing for travel expenses, for health care providers and a range of health care entities that provide or will provide telehealth services;

“(B) disseminating information and research findings related to telehealth services;

“(C) promoting effective collaboration among telehealth resource centers and the Office;

“(D) conducting evaluations to determine the best utilization of telehealth technologies to meet health care needs;

“(E) promoting the integration of the technologies used in clinical information systems with other telehealth technologies;

“(F) fostering the use of telehealth technologies to provide health care information and education for health care providers and consumers in a more effective manner; and

“(G) implementing special projects or studies under the direction of the Office.

“(I) PROHIBITED USES OF FUNDS.—An entity that receives a grant under this section may not use funds made available through the grant—

“(1) to acquire real property;

“(2) for expenditures to purchase or lease equipment, to the extent that the expenditures would exceed 40 percent of the total grant funds;

“(3) in the case of a project involving a telehealth network, to purchase or install transmission equipment (such as laying cable or telephone lines, or purchasing or installing microwave towers, satellite dishes, amplifiers, or digital switching equipment), except on the premises of an entity participating in the telehealth network;

“(4) to pay for any equipment or transmission costs not directly related to the purposes for which the grant is awarded;

“(5) to purchase or install general purpose voice telephone systems;

“(6) for construction, except that such funds may be expended for minor renovations relating to the installation of equipment; or

“(7) for expenditures for indirect costs (as determined by the Secretary), to the extent that the expenditures would exceed 20 percent of the total grant funds.

“(m) COLLABORATION.—In providing services under this section, an eligible entity shall collaborate, if feasible, with entities that—

“(1)(A) are private or public organizations, that receive Federal or State assistance; or

“(B) are public or private entities that operate centers, or carry out programs, that receive Federal or State assistance; and

“(2) provide telehealth services or related activities.

“(n) COORDINATION WITH OTHER AGENCIES.—The Secretary shall coordinate activities carried out under grant programs described in subsection (b), to the extent practicable, with Federal and State agencies and nonprofit organizations that are operating similar programs, to maximize the effect of public dollars in funding meritorious proposals.

“(o) OUTREACH ACTIVITIES.—The Secretary shall establish and implement procedures to carry out outreach activities to advise potential end users of telehealth services in rural areas, frontier communities, medically underserved areas, and medically underserved populations in each State about the grant programs described in subsection (b).

“(p) TELEHEALTH.—It is the sense of Congress that, for purposes of this section, States should develop reciprocity agreements so that a provider of services under this section who is a licensed or otherwise authorized health care provider under the law of 1 or more States, and who, through telehealth technology, consults with a licensed or otherwise authorized health care provider in another State, is exempt, with respect to such consultation, from any State law of the other State that prohibits such consultation on the basis that the first health care provider is not a licensed or authorized health care provider under the law of that State.

“(q) REPORT.—Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the progress and accomplishments of the grant programs described in subsection (b).

“(r) REGULATIONS.—The Secretary shall issue regulations specifying, for purposes of this section, a definition of the term ‘frontier area’. The definition shall be based on factors that include population density, travel distance in miles to the nearest medical facility, travel time in minutes to the nearest medical facility, and such other factors as the Secretary determines to be appropriate. The Secretary shall develop the definition in consultation with the Director of the Bureau of the Census and the Administrator of the Economic Research Service of the Department of Agriculture.

“(s) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section—

“(1) for grants under subsection (d)(1), \$40,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006; and

“(2) for grants under subsection (d)(2), \$20,000,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.

#### “SEC. 330J. TELEHOMECARE DEMONSTRATION PROJECT.

“(a) DEFINITIONS.—In this section:

“(1) DISTANT SITE.—The term ‘distant site’ means a site at which a certified home care provider is located at the time at which a health care service (including a health care item) is provided through a telecommunication system.

“(2) TELEHOMECARE.—The term ‘telehomecare’ means the provision of health care services through technology relating to the use of electronic information, or through telemedicine or telecommunication technology, to support and promote, at a distant site, the monitoring and management of home health care services for a resident of a rural area.

“(b) ESTABLISHMENT.—Not later than 9 months after the date of enactment of the Health Care Safety Net Amendments of 2001, the Secretary shall establish and carry out a telehomecare demonstration project.

“(c) GRANTS.—In carrying out the demonstration project referred to in subsection (b), the Secretary shall make not more than 5 grants to eligible certified home care providers, individually or as part of a network of home health agencies, for the provision of telehomecare to improve patient care, prevent health care complications, improve patient outcomes, and achieve efficiencies in the delivery of care to patients who reside in rural areas.

“(d) PERIODS.—The Secretary shall make the grants for periods of not more than 3 years.

“(e) APPLICATIONS.—To be eligible to receive a grant under this section, a certified home care provider shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may require.

“(f) USE OF FUNDS.—A provider that receives a grant under this section shall use the funds made available through the grant to carry out objectives that include—

“(1) improving access to care for home care patients served by home health care agencies, improving the quality of that care, increasing patient satisfaction with that care, and reducing the cost of that care through direct telecommunications links that connect the provider with information networks;

“(2) developing effective care management practices and educational curricula to train home care registered nurses and increase their general level of competency through that training; and

“(3) developing curricula to train health care professionals, particularly registered nurses, serving home care agencies in the use of telecommunications.

“(g) COVERAGE.—Nothing in this section shall be construed to supersede or modify the provisions relating to exclusion of coverage under section 1862(a) of the Social Security Act (42 U.S.C. 1395y(a)), or the provisions relating to the amount payable to a home health agency under section 1895 of that Act (42 U.S.C. 1395fff).

“(h) REPORT.—

“(1) INTERIM REPORT.—The Secretary shall submit to Congress an interim report describing the results of the demonstration project.

“(2) FINAL REPORT.—Not later than 6 months after the end of the last grant period

for a grant made under this section, the Secretary shall submit to Congress a final report—

“(A) describing the results of the demonstration project; and

“(B) including an evaluation of the impact of the use of telehomecare, including telemedicine and telecommunications, on—

“(i) access to care for home care patients; and

“(ii) the quality of, patient satisfaction with, and the cost of, that care.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2006.”.

**Subtitle C—Mental Health Services Telehealth Program and Rural Emergency Medical Service Training and Equipment Assistance Program**

**SEC. 221. PROGRAMS.**

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) (as amended by section 212) is further amended by adding at the end the following:

**“SEC. 330K. RURAL EMERGENCY MEDICAL SERVICE TRAINING AND EQUIPMENT ASSISTANCE PROGRAM.**

“(a) GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration (referred to in this section as the ‘Secretary’) shall award grants to eligible entities to enable such entities to provide for improved emergency medical services in rural areas.

“(b) ELIGIBILITY.—To be eligible to receive a grant under this section, an entity shall—

“(1) be—

“(A) a State emergency medical services office;

“(B) a State emergency medical services association;

“(C) a State office of rural health;

“(D) a local government entity;

“(E) a State or local ambulance provider; or

“(F) any other entity determined appropriate by the Secretary; and

“(2) prepare and submit to the Secretary an application at such time, in such manner, and containing such information as the Secretary may require, that includes—

“(A) a description of the activities to be carried out under the grant; and

“(B) an assurance that the eligible entity will comply with the matching requirement of subsection (e).

“(c) USE OF FUNDS.—An entity shall use amounts received under a grant made under subsection (a), either directly or through grants to emergency medical service squads that are located in, or that serve residents of, a nonmetropolitan statistical area, an area designated as a rural area by any law or regulation of a State, or a rural census tract of a metropolitan statistical area (as determined under the most recent Goldsmith Modification, originally published in a notice of availability of funds in the Federal Register on February 27, 1992, 57 Fed. Reg. 6725), to—

“(1) recruit emergency medical service personnel;

“(2) recruit volunteer emergency medical service personnel;

“(3) train emergency medical service personnel in emergency response, injury prevention, safety awareness, and other topics relevant to the delivery of emergency medical services;

“(4) fund specific training to meet Federal or State certification requirements;

“(5) develop new ways to educate emergency health care providers through the use of technology-enhanced educational methods (such as distance learning);

“(6) acquire emergency medical services equipment, including cardiac defibrillators;

“(7) acquire personal protective equipment for emergency medical services personnel as required by the Occupational Safety and Health Administration; and

“(8) educate the public concerning cardiopulmonary resuscitation, first aid, injury prevention, safety awareness, illness prevention, and other related emergency preparedness topics.

“(d) PREFERENCE.—In awarding grants under this section the Secretary shall give preference to—

“(1) applications that reflect a collaborative effort by 2 or more of the entities described in subparagraphs (A) through (F) of subsection (b)(1); and

“(2) applications submitted by entities that intend to use amounts provided under the grant to fund activities described in any of paragraphs (1) through (5) of subsection (c).

“(e) MATCHING REQUIREMENT.—The Secretary may not award a grant under this section to an entity unless the entity agrees that the entity will make available (directly or through contributions from other public or private entities) non-Federal contributions toward the activities to be carried out under the grant in an amount equal to 25 percent of the amount received under the grant.

“(f) EMERGENCY MEDICAL SERVICES.—In this section, the term ‘emergency medical services’—

“(1) means resources used by a qualified public or private nonprofit entity, or by any other entity recognized as qualified by the State involved, to deliver medical care outside of a medical facility under emergency conditions that occur—

“(A) as a result of the condition of the patient; or

“(B) as a result of a natural disaster or similar situation; and

“(2) includes services delivered by an emergency medical services provider (either compensated or volunteer) or other provider recognized by the State involved that is licensed or certified by the State as an emergency medical technician or its equivalent (as determined by the State), a registered nurse, a physician assistant, or a physician that provides services similar to services provided by such an emergency medical services provider.

“(g) AUTHORIZATION OF APPROPRIATIONS.—

“(1) IN GENERAL.—There are authorized to be appropriated to carry out this section such sums as may be necessary for each of fiscal years 2002 through 2006.

“(2) ADMINISTRATIVE COSTS.—The Secretary may use not more than 10 percent of the amount appropriated under paragraph (1) for a fiscal year for the administrative expenses of carrying out this section.

**“SEC. 330L. MENTAL HEALTH SERVICES DELIVERED VIA TELEHEALTH.**

“(a) DEFINITIONS.—In this section:

“(1) ELIGIBLE ENTITY.—The term ‘eligible entity’ means a public or nonprofit private telehealth provider network that offers services that include mental health services provided by qualified mental health providers.

“(2) QUALIFIED MENTAL HEALTH EDUCATION PROFESSIONALS.—The term ‘qualified mental health education professionals’ refers to teachers, community mental health professionals, nurses, and other entities as determined by the Secretary who have additional training in the delivery of information on mental illness to children and adolescents or who have additional training in the delivery of information on mental illness to the elderly.

“(3) QUALIFIED MENTAL HEALTH PROFESSIONALS.—The term ‘qualified mental health

professionals’ refers to providers of mental health services reimbursed under the medicare program carried out under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.) who have additional training in the treatment of mental illness in children and adolescents or who have additional training in the treatment of mental illness in the elderly.

“(4) SPECIAL POPULATIONS.—The term ‘special populations’ refers to the following 2 distinct groups:

“(A) Children and adolescents located in public elementary and public secondary schools in mental health underserved rural areas or in mental health underserved urban areas.

“(B) Elderly individuals located in long-term care facilities in mental health underserved rural areas.

“(5) TELEHEALTH.—The term ‘telehealth’ means the use of electronic information and telecommunications technologies to support long distance clinical health care, patient and professional health-related education, public health, and health administration.

“(b) PROGRAM AUTHORIZED.—

“(1) IN GENERAL.—The Secretary, acting through the Director of the Office for the Advancement of Telehealth of the Health Resources and Services Administration, shall award grants to eligible entities to establish demonstration projects for the provision of mental health services to special populations as delivered remotely by qualified mental health professionals using telehealth and for the provision of education regarding mental illness as delivered remotely by qualified mental health professionals and qualified mental health education professionals using telehealth.

“(2) POPULATIONS SERVED.—The Secretary shall award the grants under paragraph (1) in a manner that distributes the grants so as to serve equitably the populations described in subparagraphs (A) and (B) of subsection (a)(4).

“(c) AMOUNT.—Each entity that receives a grant under subsection (b) shall receive not less than \$1,200,000 under the grant, and shall use not more than 40 percent of the grant funds for equipment.

“(d) USE OF FUNDS.—

“(1) IN GENERAL.—An eligible entity that receives a grant under this section shall use the grant funds—

“(A) for the populations described in subsection (a)(4)(A)—

“(i) to provide mental health services, including diagnosis and treatment of mental illness, in public elementary and public secondary schools as delivered remotely by qualified mental health professionals using telehealth;

“(ii) to provide education regarding mental illness (including suicide and violence) in public elementary and public secondary schools as delivered remotely by qualified mental health professionals and qualified mental health education professionals using telehealth, including education regarding early recognition of the signs and symptoms of mental illness, and instruction on coping and dealing with stressful experiences of childhood and adolescence (such as violence, social isolation, and depression); and

“(iii) to collaborate with local public health entities to provide the mental health services; and

“(B) for the populations described in subsection (a)(4)(B)—

“(i) to provide mental health services, including diagnosis and treatment of mental illness, in long-term care facilities as delivered remotely by qualified mental health professionals using telehealth;

“(ii) to provide education regarding mental illness to primary staff (including physicians, nurses, and nursing aides) as delivered remotely by qualified mental health professionals and qualified mental health education professionals using telehealth, including education regarding early recognition of the signs and symptoms of mental illness, and instruction on coping and dealing with stressful experiences of old age (such as loss of physical and cognitive capabilities, death of loved ones and friends, social isolation, and depression); and

“(iii) to collaborate with local public health entities to provide the mental health services.

“(2) OTHER USES.—An eligible entity that receives a grant under this section may also use the grant funds to—

“(A) acquire telehealth equipment to use in public elementary and public secondary schools and long-term care facilities for the objectives of this section;

“(B) develop curricula to support activities described in subparagraphs (A)(i) and (B)(ii) of paragraph (1);

“(C) pay telecommunications costs; and

“(D) pay qualified mental health professionals and qualified mental health education professionals on a reasonable cost basis as determined by the Secretary for services rendered.

“(3) PROHIBITED USES.—An eligible entity that receives a grant under this section shall not use the grant funds to—

“(A) purchase or install transmission equipment (other than such equipment used by qualified mental health professionals to deliver mental health services using telehealth under the project involved); or

“(B) build upon or acquire real property (except for minor renovations related to the installation of reimbursable equipment).

“(e) EQUITABLE DISTRIBUTION.—In awarding grants under this section, the Secretary shall ensure, to the greatest extent possible, that such grants are equitably distributed among geographical regions of the United States.

“(f) APPLICATION.—An entity that desires a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary determines to be reasonable.

“(g) REPORT.—Not later than 4 years after the date of enactment of the Health Care Safety Net Amendments of 2001, the Secretary shall prepare and submit to the appropriate committees of Congress a report that shall evaluate activities funded with grants under this section.

“(h) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, \$20,000,000 for fiscal year 2002 and such sums as may be necessary for fiscal years 2003 through 2006.”

#### **Subtitle D—School-Based Health Center Networks**

##### **SEC. 231. NETWORKS.**

Subpart I of part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.), as amended in section 221, is further amended by adding at the end the following:

##### **“SEC. 330M. SCHOOL-BASED HEALTH CENTER NETWORKS.**

“(a) ELIGIBLE ENTITY.—In this section, the term ‘eligible entity’ means a nonprofit organization, such as a State school-based health center association, academic institution, or primary care association, that has experience working with low-income communities, schools, families, and school-based health centers.

“(b) PROGRAM AUTHORIZED.—The Secretary shall award grants to eligible entities to establish statewide technical assistance cen-

ters and carry out activities described in subsection (c) through the centers.

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

“(1) establish a statewide technical assistance center that shall coordinate local, State, and Federal health care services, including primary, dental, and behavioral and mental health services, that contribute to the delivery of school-based health care for medically underserved individuals;

“(2) conduct operational and administrative support activities for statewide school-based health center networks to maximize operational effectiveness and efficiency;

“(3) provide technical support training, including training on topics regarding—

“(A) identifying parent and community interests and priorities;

“(B) assessing community health needs and resources;

“(C) implementing accountability and management information systems;

“(D) integrating school-based health centers with care provided by any other school-linked provider, and with community-based primary and specialty health care systems;

“(E) securing third party payments through effective billing and collection systems;

“(F) developing shared services and joint purchasing arrangements across provider networks;

“(G) linking services with health care services provided by other programs, especially services provided under the Medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) and the State Children's Health Insurance Program under title XXI of the Social Security Act (42 U.S.C. 1397aa et seq.);

“(H) contracting with managed care organizations; and

“(I) assuring and improving clinical quality and improvement; and

“(4) provide to interested communities technical assistance for the planning and implementation of school-based health centers.

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

“(1) a description of the region that will receive service and the potential partners in such region;

“(2) a description of the policy and program environment and the needs of the community that will receive service;

“(3) a 1- to 3-year work plan that describes the goals and objectives of the entity, and any activities that the entity proposes to carry out; and

“(4) a description of the organizational capacity of the entity and its experience in serving the region's school-based health center community.

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

#### **TITLE III—NATIONAL HEALTH SERVICE CORPS PROGRAM**

##### **SEC. 301. NATIONAL HEALTH SERVICE CORPS.**

(a) IN GENERAL.—Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended—

(1) by adding at the end of subsection (a)(3) the following:

“(E)(i) The term ‘behavioral and mental health professionals’ means health service psychologists, licensed clinical social workers, licensed professional counselors, marriage and family therapists, psychiatric nurse specialists, and psychiatrists.

“(ii) The term ‘graduate program of behavioral and mental health’ means a program that trains behavioral and mental health professionals.”;

(2) in subsection (b)—

(A) in paragraph (1), by striking “health professions” and inserting “health professions, including schools at which graduate programs of behavioral and mental health are offered,”; and

(B) in paragraph (2), by inserting “behavioral and mental health professionals,” after “dentists,”; and

(3) by striking subsection (c) and inserting the following:

“(c)(1) The Secretary may reimburse an applicant for a position in the Corps (including an individual considering entering into a written agreement pursuant to section 338D) for the actual and reasonable expenses incurred in traveling to and from the applicant's place of residence to an eligible site to which the applicant may be assigned under section 333 for the purpose of evaluating such site with regard to being assigned at such site. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.

“(2) The Secretary may also reimburse the applicant for the actual and reasonable expenses incurred for the travel of 1 family member to accompany the applicant to such site. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.

“(3) In the case of an individual who has entered into a contract for obligated service under the Scholarship Program or under the Loan Repayment Program, the Secretary may reimburse such individual for all or part of the actual and reasonable expenses incurred in transporting the individual, the individual's family, and the family's possessions to the site of the individual's assignment under section 333. The Secretary may establish a maximum total amount that may be paid to an individual as reimbursement for such expenses.”

(b) DEMONSTRATION PROJECTS.—Section 331 of the Public Health Service Act (42 U.S.C. 254d) is amended—

(1) by redesignating subsection (i) as subsection (j); and

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

“(i)(1) In carrying out subpart III, the Secretary may, in accordance with this subsection, carry out demonstration projects in which individuals who have entered into a contract for obligated service under the Loan Repayment Program receive waivers under which the individuals are authorized to satisfy the requirement of obligated service through providing clinical service that is not full-time.

“(2) A waiver described in paragraph (1) may be provided by the Secretary only if—

“(A) the entity for which the service is to be performed—

“(i) has been approved under section 333A for assignment of a Corps member; and

“(ii) has requested in writing assignment of a health professional who would serve less than full time;

“(B) the Secretary has determined that assignment of a health professional who would serve less than full time would be appropriate for the area where the entity is located;

“(C) a Corps member who is required to perform obligated service has agreed in writing to be assigned for less than full-time service to an entity described in subparagraph (A);

“(D) the entity and the Corps member agree in writing that the less than full-time

service provided by the Corps member will not be less than 16 hours of clinical service per week;

“(E) the Corps member agrees in writing that the period of obligated service pursuant to section 338B will be extended so that the aggregate amount of less than full-time service performed will equal the amount of service that would be performed through full-time service under section 338C; and

“(F) the Corps member agrees in writing that if the Corps member begins providing less than full-time service but fails to begin or complete the period of obligated service, the method stated in 338E(c) for determining the damages for breach of the individual's written contract will be used after converting periods of obligated service or of service performed into their full-time equivalents.

“(3) In evaluating a demonstration project described in paragraph (1), the Secretary shall examine the effect of multidisciplinary teams.”.

#### **SEC. 302. DESIGNATION OF HEALTH PROFESSIONAL SHORTAGE AREAS.**

(a) IN GENERAL.—Section 332 of the Public Health Service Act (42 U.S.C. 254e) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting after the first sentence the following: “All Federally qualified health centers and rural health clinics, as defined in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)), that meet the requirements of section 334 shall be automatically designated, on the date of enactment of the Health Care Safety Net Amendments of 2001, as having such a shortage. Not later than 5 years after such date of enactment, and every 5 years thereafter, each such center or clinic shall demonstrate that the center or clinic meets the applicable requirements of the Federal regulations, issued after the date of enactment of this Act, that revise the definition of a health professional shortage area for purposes of this section.”; and

(B) in paragraph (3), by striking “(340(r)) may be a population group” and inserting “(330(h)(4)), seasonal agricultural workers (as defined in section 330(g)(3)) and migratory agricultural workers (as so defined)), and residents of public housing (as defined in section 3(b)(1) of the United States Housing Act of 1937 (42 U.S.C. 1437a(b)(1))) may be population groups”;

(2) in subsection (b)(2), by striking “with special consideration to the indicators of” and all that follows through “services.” and inserting a period; and

(3) in subsection (c)(2)(B), by striking “XVIII or XIX” and inserting “XVIII, XIX, or XXI”.

(b) REGULATIONS.—

(1) REPORT.—

(A) IN GENERAL.—The Secretary shall submit the report described in subparagraph (B) if the Secretary, acting through the Administrator of the Health Resources and Services Administration, issues—

(i) a regulation that revises the definition of a health professional shortage area for purposes of section 332 of the Public Health Service Act (42 U.S.C. 254e); or

(ii) a regulation that revises the standards concerning priority of such an area under section 333A of that Act (42 U.S.C. 254f-1).

(B) REPORT.—On issuing a regulation described in subparagraph (A), the Secretary shall prepare and submit to the Committee on Energy and Commerce of the House of Representatives and the Committee on Health, Education, Labor, and Pensions of the Senate a report that describes the regulation.

(2) EFFECTIVE DATE.—Each regulation described in paragraph (1)(A) shall take effect

180 days after the committees described in paragraph (1)(B) receive a report referred to in paragraph (1)(B) describing the regulation.

(c) SCHOLARSHIP AND LOAN REPAYMENT PROGRAMS.—The Secretary of Health and Human Services, in consultation with the American Dental Association, the American Dental Education Association, the American Dental Hygienists Association, the American Academy of Pediatric Dentistry, the Association of State and Territorial Dental Directors, and the National Association of Community Health Centers, shall develop and implement a plan for increasing the participation of dentists and dental hygienists in the National Health Service Corps Scholarship Program under section 338A of the Public Health Service Act (42 U.S.C. 254l) and the Loan Repayment Program under section 338B of such Act (42 U.S.C. 254l-1).

(d) SITE DESIGNATION PROCESS.—

(1) IMPROVEMENT OF DESIGNATION PROCESS.—The Administrator of the Health Resources and Services Administration, in consultation with the Association of State and Territorial Dental Directors, dental societies, and other interested parties, shall revise the criteria on which the designations of dental health professional shortage areas are based so that such criteria provide a more accurate reflection of oral health care need, particularly in rural areas.

(2) PUBLIC HEALTH SERVICE ACT.—Section 332 of the Public Health Service Act (42 U.S.C. 254e) is amended by adding at the end the following:

“(i) DISSEMINATION.—The Administrator of the Health Resources and Services Administration shall disseminate information concerning the designation criteria described in subsection (b) to—

“(1) the Governor of each State;

“(2) the representative of any area, population group, or facility selected by any such Governor to receive such information;

“(3) the representative of any area, population group, or facility that requests such information; and

“(4) the representative of any area, population group, or facility determined by the Administrator to be likely to meet the criteria described in subsection (b).”.

#### **SEC. 303. ASSIGNMENT OF CORPS PERSONNEL.**

Section 333 of the Public Health Service Act (42 U.S.C. 254f) is amended—

(1) in subsection (a)—

(A) in paragraph (1)—

(i) in the matter before subparagraph (A), by striking “(specified in the agreement described in section 334)”;

(ii) in subparagraph (A), by striking “non-profit”; and

(iii) by striking subparagraph (C) and inserting the following:

“(C) the entity agrees to comply with the requirements of section 334; and”;

(B) in paragraph (3), by adding at the end “In approving such applications, the Secretary shall give preference to applications in which a nonprofit entity or public entity shall provide a site to which Corps members may be assigned.”; and

(2) in subsection (d)—

(A) in paragraphs (1), (2), and (4), by striking “nonprofit” each place it appears; and

(B) in paragraph (1)—

(i) in the first sentence, by striking “may” and inserting “shall”;

(ii) in the second sentence—

(I) in subparagraph (C), by striking “and” at the end; and

(II) by striking the period and inserting “, and (E) developing long-term plans for addressing health professional shortages and improving access to health care.”; and

(iii) by adding at the end the following: “The Secretary shall encourage entities that

receive technical assistance under this paragraph to communicate with other communities, State Offices of Rural Health, State Primary Care Associations and Offices, and other entities concerned with site development and community needs assessment.”.

#### **SEC. 304. PRIORITIES IN ASSIGNMENT OF CORPS PERSONNEL.**

Section 333A of the Public Health Service Act (42 U.S.C. 254f-1) is amended—

(1) in subsection (a)(1)(A), by striking “, as determined in accordance with subsection (b)”;

(2) by striking subsection (b);

(3) in subsection (c), by striking the second sentence;

(4) in subsection (d)—

(A) by redesignating paragraphs (1) through (3) as paragraphs (2) through (4), respectively;

(B) by inserting before paragraph (2) (as redesignated by subparagraph (A)) the following:

“(1) PROPOSED LIST.—The Secretary shall prepare and publish a proposed list of health professional shortage areas and entities that would receive priority under subsection (a)(1) in the assignment of Corps members. The list shall contain the information described in paragraph (2), and the relative scores and relative priorities of the entities submitting applications under section 333, in a proposed format. All such entities shall have 30 days after the date of publication of the list to provide additional data and information in support of inclusion on the list or in support of a higher priority determination and the Secretary shall reasonably consider such data and information in preparing the final list under paragraph (2).”;

(C) in paragraph (2) (as redesignated by subparagraph (A)), in the matter before subparagraph (A)—

(i) by striking “paragraph (2)” and inserting “paragraph (3)”;

(ii) by striking “prepare a list of health professional shortage areas” and inserting “prepare and, as appropriate, update a list of health professional shortage areas and entities”; and

(iii) by striking “for the period applicable under subsection (f)”;

(D) by striking paragraph (3) (as redesignated by subparagraph (A)) and inserting the following:

“(3) NOTIFICATION OF AFFECTED PARTIES.—

“(A) ENTITIES.—Not later than 30 days after the Secretary has added to a list under paragraph (2) an entity specified as described in subparagraph (A) of such paragraph, the Secretary shall notify such entity that the entity has been provided an authorization to receive assignments of Corps members in the event that Corps members are available for the assignments.

“(B) INDIVIDUALS.—In the case of an individual obligated to provide service under the Scholarship Program, not later than 3 months before the date described in section 338C(b)(5), the Secretary shall provide to such individual the names of each of the entities specified as described in paragraph (2)(B)(i) that is appropriate for the individual's medical specialty and discipline.”; and

(E) by striking paragraph (4) (as redesignated by subparagraph (A)) and inserting the following:

“(4) REVISIONS.—If the Secretary proposes to make a revision in the list under paragraph (2), and the revision would adversely alter the status of an entity with respect to the list, the Secretary shall notify the entity of the revision. Any entity adversely affected by such a revision shall be notified in writing by the Secretary of the reasons for the revision and shall have 30 days to file a written appeal of the determination involved which shall be reasonably considered by the

Secretary before the revision to the list becomes final. The revision to the list shall be effective with respect to assignment of Corps members beginning on the date that the revision becomes final.”;

(5) by striking subsection (e) and inserting the following:

“(e) **LIMITATION ON NUMBER OF ENTITIES OFFERED AS ASSIGNMENT CHOICES IN SCHOLARSHIP PROGRAM.**—

“(1) **DETERMINATION OF AVAILABLE CORPS MEMBERS.**—By April 1 of each calendar year, the Secretary shall determine the number of participants in the Scholarship Program who will be available for assignments under section 333 during the program year beginning on July 1 of that calendar year.

“(2) **DETERMINATION OF NUMBER OF ENTITIES.**—At all times during a program year, the number of entities specified under subsection (c)(2)(B)(i) shall be—

“(A) not less than the number of participants determined with respect to that program year under paragraph (1); and

“(B) not greater than twice the number of participants determined with respect to that program year under paragraph (1).”;

(6) by striking subsection (f); and

(7) by redesignating subsections (c), (d), and (e) as subsections (b), (c), and (d) respectively.

#### SEC. 305. COST-SHARING.

Subpart II of part D of title III of the Public Health Service Act (42 U.S.C. 254d et seq.) is amended by striking section 334 and inserting the following:

#### “SEC. 334. CHARGES FOR SERVICES BY ENTITIES USING CORPS MEMBERS.

“(a) **AVAILABILITY OF SERVICES REGARDLESS OF ABILITY TO PAY OR PAYMENT SOURCE.**—An entity to which a Corps member is assigned shall not deny requested health care services, and shall not discriminate in the provision of services to an individual—

“(1) because the individual is unable to pay for the services; or

“(2) because payment for the services would be made under—

“(A) the medicare program under title XVIII of the Social Security Act (42 U.S.C. 1395 et seq.);

“(B) the medicaid program under title XIX of such Act (42 U.S.C. 1396 et seq.); or

“(C) the State children's health insurance program under title XXI of such Act (42 U.S.C. 1397aa et seq.).

“(b) **CHARGES FOR SERVICES.**—The following rules shall apply to charges for health care services provided by an entity to which a Corps member is assigned:

“(1) **IN GENERAL.**—

“(A) **SCHEDULE OF FEES OR PAYMENTS.**—Except as provided in paragraph (2), the entity shall prepare a schedule of fees or payments for the entity's services, consistent with locally prevailing rates or charges and designed to cover the entity's reasonable cost of operation.

“(B) **SCHEDULE OF DISCOUNTS.**—Except as provided in paragraph (2), the entity shall prepare a corresponding schedule of discounts (including, in appropriate cases, waivers) to be applied to such fees or payments. In preparing the schedule, the entity shall adjust the discounts on the basis of a patient's ability to pay.

“(C) **USE OF SCHEDULES.**—The entity shall make every reasonable effort to secure from patients fees and payments for services in accordance with such schedules, and fees or payments shall be sufficiently discounted in accordance with the schedule described in subparagraph (B).

“(2) **SERVICES TO BENEFICIARIES OF FEDERAL AND FEDERALLY ASSISTED PROGRAMS.**—In the case of health care services furnished to an

individual who is a beneficiary of a program listed in subsection (a)(2), the entity—

“(A) shall accept an assignment pursuant to section 1842(b)(3)(B)(ii) of the Social Security Act (42 U.S.C. 1395u(b)(3)(B)(ii)) with respect to an individual who is a beneficiary under the medicare program; and

“(B) shall enter into an appropriate agreement with—

“(i) the State agency administering the program under title XIX of such Act with respect to an individual who is a beneficiary under the medicaid program; and

“(ii) the State agency administering the program under title XXI of such Act with respect to an individual who is a beneficiary under the State children's health insurance program.

“(3) **COLLECTION OF PAYMENTS.**—The entity shall take reasonable and appropriate steps to collect all payments due for health care services provided by the entity, including payments from any third party (including a Federal, State, or local government agency and any other third party) that is responsible for part or all of the charge for such services.”.

#### SEC. 306. ELIGIBILITY FOR FEDERAL FUNDS.

Section 335(e)(1)(B) of the Public Health Service Act (42 U.S.C. 254h(e)(1)(B)) is amended by striking “XVIII or XIX” and inserting “XVIII, XIX, or XXI”.

#### SEC. 307. FACILITATION OF EFFECTIVE PROVISION OF CORPS SERVICES.

(a) **HEALTH PROFESSIONAL SHORTAGE AREAS.**—Section 336 of the Public Health Service Act (42 U.S.C. 254h-1) is amended—

(1) in subsection (c), by striking “health manpower” and inserting “health professional”; and

(2) in subsection (f)(1), by striking “health manpower” and inserting “health professional”.

(b) **TECHNICAL AMENDMENT.**—Section 336A(8) of the Public Health Service Act (42 U.S.C. 254i(8)) is amended by striking “agreements under”.

#### SEC. 308. AUTHORIZATION OF APPROPRIATIONS.

Section 338(a) of the Public Health Service Act (42 U.S.C. 254k(a)) is amended—

(1) by striking “(1) For” and inserting “For”;

(2) by striking “1991 through 2000” and inserting “2002 through 2006”; and

(3) by striking paragraph (2).

#### SEC. 309. NATIONAL HEALTH SERVICE CORPS SCHOLARSHIP PROGRAM.

Section 338A of the Public Health Service Act (42 U.S.C. 254l) is amended—

(1) in subsection (a)(1), by inserting “behavioral and mental health professionals,” after “dentists.”;

(2) in subsection (b)(1)(B), by inserting “, or an appropriate degree from a graduate program of behavioral and mental health” after “other health profession”;

(3) in subsection (c)(1)—

(A) in subparagraph (A), by striking “338D” and inserting “338E”; and

(B) in subparagraph (B), by striking “338C” and inserting “338D”;

(4) in subsection (d)(1)—

(A) in subparagraph (A), by striking “and” at the end;

(B) by redesignating subparagraph (B) as subparagraph (C); and

(C) by inserting after subparagraph (A) the following:

“(B) the Secretary, in considering applications from individuals accepted for enrollment or enrolled in dental school, shall consider applications from all individuals accepted for enrollment or enrolled in any accredited dental school in a State; and”;

(5) in subsection (f)—

(A) in paragraph (1)(B)—

(i) in clause (iii), by striking “and” after the semicolon;

(ii) by redesignating clause (iv) as clause (v); and

(iii) by inserting after clause (iii) the following new clause:

“(iv) if pursuing a degree from a school of medicine or osteopathic medicine, to complete a residency in a specialty that the Secretary determines is consistent with the needs of the Corps; and”;

(B) in paragraph (3), by striking “338D” and inserting “338E”; and

(6) by striking subsection (i).

#### SEC. 310. NATIONAL HEALTH SERVICE CORPS LOAN REPAYMENT PROGRAM.

Section 338B of the Public Health Service Act (42 U.S.C. 254l-1) is amended—

(1) in subsection (a)—

(A) in paragraph (1), by inserting “behavioral and mental health professionals,” after “dentists.”; and

(B) in paragraph (2), by striking “(including mental health professionals)”;

(2) in subsection (b)(1), by striking subparagraph (A) and inserting the following:

“(A) have a degree in medicine, osteopathic medicine, dentistry, or another health profession, or an appropriate degree from a graduate program of behavioral and mental health, or be certified as a nurse midwife, nurse practitioner, or physician assistant.”;

(3) in subsection (e), by striking “(1) IN GENERAL.”; and

(4) by striking subsection (i).

#### SEC. 311. OBLIGATED SERVICE.

Section 338C of the Public Health Service Act (42 U.S.C. 254m) is amended—

(1) in subsection (b)—

(A) in paragraph (1), in the matter preceding subparagraph (A), by striking “section 338A(f)(1)(B)(iv)” and inserting “section 338A(f)(1)(B)(v)”;

(B) in paragraph (5)—

(i) by striking all that precedes subparagraph (C) and inserting the following:

“(5)(A) In the case of the Scholarship Program, the date referred to in paragraphs (1) through (4) shall be the date on which the individual completes the training required for the degree for which the individual receives the scholarship, except that—

“(i) for an individual receiving such a degree after September 30, 2000, from a school of medicine or osteopathic medicine, such date shall be the date the individual completes a residency in a specialty that the Secretary determines is consistent with the needs of the Corps; and

“(ii) at the request of an individual, the Secretary may, consistent with the needs of the Corps, defer such date until the end of a period of time required for the individual to complete advanced training (including an internship or residency).”;

(ii) by striking subparagraph (D);

(iii) by redesignating subparagraphs (C) and (E) as subparagraphs (B) and (C), respectively; and

(iv) in clause (i) of subparagraph (C) (as redesignated by clause (iii)) by striking “subparagraph (A), (B), or (D)” and inserting “subparagraph (A)”;

(2) by striking subsection (e).

#### SEC. 312. PRIVATE PRACTICE.

Section 338D of the Public Health Service Act (42 U.S.C. 254n) is amended by striking subsection (b) and inserting the following:

“(b)(1) The written agreement described in subsection (a) shall—

“(A) provide that, during the period of private practice by an individual pursuant to the agreement, the individual shall comply with the requirements of section 334 that apply to entities; and

“(B) contain such additional provisions as the Secretary may require to carry out the objectives of this section.

“(2) The Secretary shall take such action as may be appropriate to ensure that the

conditions of the written agreement prescribed by this subsection are adhered to.”.

**SEC. 313. BREACH OF SCHOLARSHIP CONTRACT OR LOAN REPAYMENT CONTRACT.**

(a) IN GENERAL.—Section 338E of the Public Health Service Act (42 U.S.C. 254o) is amended—

(1) in subsection (a)(1)—  
(A) in subparagraph (A), by striking the comma and inserting a semicolon;

(B) in subparagraph (B), by striking the comma and inserting “; or”;

(C) in subparagraph (C), by striking “or” at the end; and

(D) by striking subparagraph (D);

(2) in subsection (b)—

(A) in paragraph (1)(A)—

(i) by striking “338F(d)” and inserting “338G(d)”;

(ii) by striking “either”;

(iii) by striking “338D or” and inserting “338D.”; and

(iv) by inserting “or to complete a required residency as specified in section 338A(f)(1)(B)(iv),” before “the United States”;

(B) by adding at the end the following new paragraph:

“(3) The Secretary may terminate a contract with an individual under section 338A if, not later than 30 days before the end of the school year to which the contract pertains, the individual—

“(A) submits a written request for such termination; and

“(B) repays all amounts paid to, or on behalf of, the individual under section 338A(g).”;

(3) in subsection (c)—

(A) in paragraph (1)—

(i) in the matter preceding subparagraph (A), by striking “338F(d)” and inserting “338G(d)”;

(ii) by striking subparagraphs (A) through (C) and inserting the following:

“(A) the total of the amounts paid by the United States under section 338B(g) on behalf of the individual for any period of obligated service not served;

“(B) an amount equal to the product of the number of months of obligated service that were not completed by the individual, multiplied by \$7,500; and

“(C) the interest on the amounts described in subparagraphs (A) and (B), at the maximum legal prevailing rate, as determined by the Treasurer of the United States, from the date of the breach.”;

(B) by striking paragraphs (2) and (3) and inserting the following:

“(2) The Secretary may terminate a contract with an individual under section 338B if, not later than 45 days before the end of the fiscal year in which the contract was entered into, the individual—

“(A) submits a written request for such termination; and

“(B) repays all amounts paid on behalf of the individual under section 338B(g).”;

(C) by redesignating paragraph (4) as paragraph (3);

(4) in subsection (d)(3)(A), by striking “only if such discharge is granted after the expiration of the five-year period” and inserting “only if such discharge is granted after the expiration of the 7-year period”;

(5) by adding at the end the following new subsection:

“(e) Notwithstanding any other provision of Federal or State law, there shall be no limitation on the period within which suit may be filed, a judgment may be enforced, or an action relating to an offset or garnishment, or other action, may be initiated or taken by the Secretary, the Attorney General, or the head of another Federal agency, as the case may be, for the repayment of the

amount due from an individual under this section.”.

(b) EFFECTIVE DATE.—The amendment made by subsection (a)(4) shall apply to any obligation for which a discharge in bankruptcy has not been granted before the date that is 31 days after the date of enactment of this Act.

**SEC. 314. AUTHORIZATION OF APPROPRIATIONS.**

Section 338H of the Public Health Service Act (42 U.S.C. 254q) is amended to read as follows:

**“SEC. 338H. AUTHORIZATION OF APPROPRIATIONS.**

“(a) AUTHORIZATION OF APPROPRIATIONS.—For the purposes of carrying out this subpart, there are authorized to be appropriated \$146,250,000 for fiscal year 2002, and such sums as may be necessary for each of fiscal years 2003 through 2006.

“(b) SCHOLARSHIPS FOR NEW PARTICIPANTS.—Of the amounts appropriated under subsection (a) for a fiscal year, the Secretary shall obligate not less than 30 percent for the purpose of providing contracts for scholarships under this subpart to individuals who have not previously received such scholarships.

“(c) SCHOLARSHIPS AND LOAN REPAYMENTS.—With respect to certification as a nurse practitioner, nurse midwife, or physician assistant, the Secretary shall, from amounts appropriated under subsection (a) for a fiscal year, obligate not less than a total of 10 percent for contracts for both scholarships under the Scholarship Program under section 338A and loan repayments under the Loan Repayment Program under section 338B to individuals who are entering the first year of a course of study or program described in section 338A(b)(1)(B) that leads to such a certification or individuals who are eligible for the loan repayment program as specified in section 338B(b) for a loan related to such certification.”.

**SEC. 315. GRANTS TO STATES FOR LOAN REPAYMENT PROGRAMS.**

Section 338I of the Public Health Service Act (42 U.S.C. 254q-1) is amended—

(1) in subsection (a), by striking paragraph (1) and inserting the following:

“(1) AUTHORITY FOR GRANTS.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, may make grants to States for the purpose of assisting the States in operating programs described in paragraph (2) in order to provide for the increased availability of primary health care services in health professional shortage areas. The National Advisory Council established under section 337 shall advise the Administrator regarding the program under this section.”;

(2) in subsection (e), by striking paragraph (1) and inserting the following:

“(1) to submit to the Secretary such reports regarding the States loan repayment program, as are determined to be appropriate by the Secretary; and”;

(3) in subsection (i), by striking paragraph (1) and inserting the following:

“(1) IN GENERAL.—For the purpose of making grants under subsection (a), there are authorized to be appropriated \$12,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.”.

**SEC. 316. DEMONSTRATION GRANTS TO STATES FOR COMMUNITY SCHOLARSHIP PROGRAMS.**

Section 338L of the Public Health Service Act (42 U.S.C. 254t) is repealed.

**SEC. 317. DEMONSTRATION PROJECT.**

Subpart III of part D of title III of the Public Health Service Act (42 U.S.C. 254l et seq.) is amended by adding at the end the following:

**“SEC. 338L. DEMONSTRATION PROJECT.**

“(a) PROGRAM AUTHORIZED.—The Secretary shall establish a demonstration project to provide for the participation of individuals who are chiropractic doctors or pharmacists in the Loan Repayment Program described in section 338B.

“(b) PROCEDURE.—An individual that receives assistance under this section with regard to the program described in section 338B shall comply with all rules and requirements described in such section (other than subparagraphs (A) and (B) of section 338B(b)(1)) in order to receive assistance under this section.

“(c) LIMITATIONS.—The demonstration project described in this section shall provide for the participation of individuals who shall provide services in rural and urban areas, and shall also provide for the participation of enough individuals to allow the Secretary to properly analyze the effectiveness of such project.

“(d) DESIGNATIONS.—The demonstration project described in this section, and any providers who are selected to participate in such project, shall not be considered by the Secretary in the designation of a health professional shortage area under section 332 during fiscal years 2002 through 2004.

“(e) RULE OF CONSTRUCTION.—This section shall not be construed to require any State to participate in the project described in this section.

“(f) REPORT.—

“(1) IN GENERAL.—The Secretary shall prepare and submit a report describing the information described in paragraph (2) to—

“(A) the Committee on Health, Education, Labor, and Pensions of the Senate;

“(B) the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the Senate;

“(C) the Committee on Energy and Commerce of the House of Representatives; and

“(D) the Subcommittee on Labor, Health and Human Services, and Education of the Committee on Appropriations of the House of Representatives.

“(2) CONTENT.—The report described in paragraph (1) shall detail—

“(A) the manner in which the demonstration project described in this section has affected access to primary care services, patient satisfaction, quality of care, and health care services provided for traditionally underserved populations;

“(B) how the participation of chiropractic doctors and pharmacists in the Loan Repayment Program might affect the designation of health professional shortage areas; and

“(C) the feasibility of adding chiropractic doctors and pharmacists as permanent members of the National Health Service Corps.

“(g) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section, such sums as may be necessary for fiscal years 2002 through 2004.”.

**TITLE IV—HEALTHY COMMUNITIES ACCESS PROGRAM ACT**

**SEC. 401. PURPOSE.**

The purpose of this title is to provide assistance to communities and consortia of health care providers and others, to develop or strengthen integrated community health care delivery systems that coordinate health care services for individuals who are uninsured or underinsured and to develop or strengthen activities related to providing coordinated care for individuals with chronic conditions who are uninsured or underinsured, through the—

(1) coordination of services to allow individuals to receive efficient and higher quality care and to gain entry into and receive services from a comprehensive system of care;



(2) development of the infrastructure for a health care delivery system characterized by effective collaboration, information sharing, and clinical and financial coordination among all providers of care in the community; and

(3) provision of new Federal resources that do not supplant funding for existing Federal categorical programs that support entities providing services to low-income populations.

#### SEC. 402. CREATION OF HEALTHY COMMUNITIES ACCESS PROGRAM.

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by inserting after subpart IV the following new subpart:

##### “Subpart V—Healthy Communities Access Program

#### “SEC. 340. GRANTS TO STRENGTHEN THE EFFECTIVENESS, EFFICIENCY, AND COORDINATION OF SERVICES FOR THE UNINSURED AND UNDERINSURED.

“(a) IN GENERAL.—The Secretary may award grants to eligible entities to assist in the development of integrated health care delivery systems to serve communities of individuals who are uninsured and individuals who are underinsured—

“(1) to improve the efficiency of, and coordination among, the providers providing services through such systems;

“(2) to assist communities in developing programs targeted toward preventing and managing chronic diseases; and

“(3) to expand and enhance the services provided through such systems.

“(b) ELIGIBLE ENTITIES.—To be eligible to receive a grant under this section, an entity shall be a public or nonprofit entity that—

“(1) represents a consortium—

“(A) whose principal purpose is to provide a broad range of coordinated health care services for a community defined in the entity's grant application as described in paragraph (2); and

“(B) that includes a provider (unless such provider does not exist within the community, declines or refuses to participate, or places unreasonable conditions on their participation) that—

“(i) serves the community; and

“(ii) (I) is a Federally qualified health center (as defined in section 1861(aa) of the Social Security Act (42 U.S.C. 1395x(aa)));

“(II) is a hospital with a low-income utilization rate (as defined in section 1923(b)(3) of the Social Security Act (42 U.S.C. 1396r-4(b)(3))), that is greater than 25 percent;

“(III) is a public health department; and

“(IV) is an interested public or private sector health care provider or an organization that has traditionally served the medically uninsured and underserved;

“(2) submits to the Secretary an application, in such form and manner as the Secretary shall prescribe, that—

“(A) defines a community of uninsured and underinsured individuals that consists of all such individuals—

“(i) in a specified geographical area, such as a rural area; or

“(ii) in a specified population within such an area, such as American Indians, Native Alaskans, Native Hawaiians, Hispanics, homeless individuals, migrant and seasonal farmworkers, individuals with disabilities, and public housing residents;

“(B) identifies the providers who will participate in the consortium's program under the grant, and specifies each provider's contribution to the care of uninsured and underinsured individuals in the community, including the volume of care the provider provides to beneficiaries under the medicare, medicaid, and State child health insurance programs carried out under titles XVIII,

XIX, and XXI of the Social Security Act (42 U.S.C. 1395 et seq., 1396 et seq., and 1397aa et seq.) and to patients who pay privately for services;

“(C) describes the activities that the applicant and the consortium propose to perform under the grant to further the objectives of this section;

“(D) demonstrates the consortium's ability to build on the current system (as of the date of submission of the application) for serving a community of uninsured and underinsured individuals by involving providers who have traditionally provided a significant volume of care for that community;

“(E) demonstrates the consortium's ability to develop coordinated systems of care that either directly provide or ensure the prompt provision of a broad range of high-quality, accessible services, including, as appropriate, primary, secondary, and tertiary services, as well as substance abuse treatment and mental health services in a manner that assures continuity of care in the community;

“(F) demonstrates the consortium's ability to create comprehensive programs to address the prevention and management of chronic diseases of high importance within the community, where applicable;

“(G) provides evidence of community involvement in the development, implementation, and direction of the program that the entity proposes to operate;

“(H) demonstrates the consortium's ability to ensure that individuals participating in the program are enrolled in public insurance programs for which the individuals are eligible;

“(I) presents a plan for leveraging other sources of revenue, which may include State and local sources and private grant funds, and integrating current and proposed new funding sources in a way to assure long-term sustainability of the program;

“(J) describes a plan for evaluation of the activities carried out under the grant, including measurement of progress toward the goals and objectives of the program and the use of evaluation findings to improve program performance;

“(K) demonstrates fiscal responsibility through the use of appropriate accounting procedures and appropriate management systems;

“(L) demonstrates the consortium's commitment to serve the community without regard to the ability of an individual or family to pay by arranging for or providing free or reduced charge care for the poor; and

“(M) includes such other information as the Secretary may prescribe;

“(3) agrees along with each of the participating providers identified under paragraph (2)(B) that each will commit to use grant funds awarded under this section to supplement, not supplant, any other sources of funding (including the value of any in-kind contributions) available to cover the expenditures of the consortium and of the participating providers in carrying out the activities for which the grant would be awarded; and

“(4) has established or will establish before the receipt of any grant under this section, a decision-making body that has full and complete authority to determine and oversee all the activities undertaken by the consortium with funds made available through such grant and that includes representation from each of the following providers listed in (b)(1)(B) if they participate in the consortium.

“(c) PRIORITIES.—In awarding grants under this section, the Secretary—

“(1) shall accord priority to applicants that demonstrate the extent of unmet need

in the community involved for a more coordinated system of care; and

“(2) may accord priority to applicants that best promote the objectives of this section, taking into consideration the extent to which the application involved—

“(A) identifies a community whose geographical area has a high or increasing percentage of individuals who are uninsured;

“(B) demonstrates that the applicant has included in its consortium providers, support systems, and programs that have a tradition of serving uninsured individuals and underinsured individuals in the community;

“(C) shows evidence that the program would expand utilization of preventive and primary care services for uninsured and underinsured individuals and families in the community, including behavioral and mental health services, oral health services, or substance abuse services;

“(D) proposes a program that would improve coordination between health care providers and appropriate social service providers, including local and regional human services agencies, school systems, and agencies on aging;

“(E) demonstrates collaboration with State and local governments;

“(F) demonstrates that the applicant makes use of non-Federal contributions to the greatest extent possible; or

“(G) demonstrates a likelihood that the proposed program will continue after support under this section ceases.

“(d) USE OF FUNDS.—

“(1) USE BY GRANTEES.—

“(A) IN GENERAL.—Except as provided in paragraphs (2) and (3), a grantee may use amounts provided under this section only for—

“(i) direct expenses associated with planning and developing the greater integration of a health care delivery system, and operating the resulting system, so that the system either directly provides or ensures the provision of a broad range of culturally competent services, as appropriate, including primary, secondary, and tertiary services, as well as substance abuse treatment and mental health services; and

“(ii) direct patient care and service expansions to fill identified or documented gaps within an integrated delivery system.

“(B) SPECIFIC USES.—The following are examples of purposes for which a grantee may use grant funds under this section, when such use meets the conditions stated in subparagraph (A):

“(i) Increases in outreach activities.

“(ii) Improvements to case management.

“(iii) Improvements to coordination of transportation to health care facilities.

“(iv) Development of provider networks and other innovative models to engage physicians in voluntary efforts to serve the medically underserved within a community.

“(v) Recruitment, training, and compensation of necessary personnel.

“(vi) Acquisition of technology, such as telehealth technologies to increase access to tertiary care.

“(vii) Identifying and closing gaps in health care services being provided.

“(viii) Improvements to provider communication, including implementation of shared information systems or shared clinical systems.

“(ix) Development of common processes for determining eligibility for the programs provided through the system, including creating common identification cards and single sliding scale discounts.

“(x) Creation of a triage system to coordinate referrals and to screen and route individuals to appropriate locations of primary, specialty, and inpatient care.

“(xi) Development of specific prevention and disease management tools and processes, including—

“(I) carrying out a protocol or plan for each individual patient concerning what needs to be done, at what intervals, and by whom, for the patient;

“(II) redesigning practices to incorporate regular patient contact, collection of critical data on health and disease status, and use of strategies to meet the educational and psychosocial needs of patients who may need to make lifestyle and other changes to manage their diseases;

“(III) the promotion of the availability of specialized expertise through the use of—

“(aa) teams of providers with specialized knowledge;

“(bb) collaborative care arrangements;

“(cc) computer decision support services; or

“(dd) telehealth technologies.

“(IV) providing patient educational and support tools that are culturally competent and meet appropriate health literacy and literacy requirements; and

“(V) the collection of data related to patient care and outcomes.

“(xii) Translation services.

“(xiii) Carrying out other activities that may be appropriate to a community and that would increase access by the uninsured to health care, such as access initiatives for which private entities provide non-Federal contributions to supplement the Federal funds provided through the grants for the initiatives.

“(2) DIRECT PATIENT CARE LIMITATION.—Not more than 15 percent of the funds provided under a grant awarded under this section may be used for providing direct patient care and services.

“(3) RESERVATION OF FUNDS FOR NATIONAL PROGRAM PURPOSES.—The Secretary may use not more than 3 percent of funds appropriated to carry out this section for providing technical assistance to grantees, obtaining assistance of experts and consultants, holding meetings, development of tools, dissemination of information, evaluation, and carrying out activities that will extend the benefits of a program funded under this section to communities other than the community served by the program funded.

“(e) GRANTEE REQUIREMENTS.—

“(1) IN GENERAL.—A grantee under this section shall—

“(A) report to the Secretary annually regarding—

“(i) progress in meeting the goals and measurable objectives set forth in the grant application submitted by the grantee under subsection (b); and

“(ii) such additional information as the Secretary may require; and

“(B) provide for an independent annual financial audit of all records that relate to the disposition of funds received through the grant.

“(2) PROGRESS.—The Secretary may not renew an annual grant under this section for an entity for a fiscal year unless the Secretary is satisfied that the consortium represented by the entity has made reasonable and demonstrable progress in meeting the goals and measurable objectives set forth in the entity's grant application for the preceding fiscal year.

“(f) TECHNICAL ASSISTANCE.—The Secretary may, either directly or by grant or contract, provide any entity that receives a grant under this section with technical and other nonfinancial assistance necessary to meet the requirements of this section.

“(g) REPORT.—Not later than September 30, 2005, the Secretary shall prepare and submit to the appropriate committees of Congress a report on the progress and accomplishments

of the grant programs described in this section.

“(h) DEMONSTRATION AUTHORITY.—The Secretary may make demonstration awards under this section to historically black medical schools for the purposes of—

“(1) developing patient-based research infrastructure at historically black medical schools, which have an affiliation, or affiliations, with any of the providers identified in section (b)(1)(B);

“(2) establishment of joint and collaborative programs of medical research and data collection between historically black medical schools and such providers, whose goal is to improve the health status of medically underserved populations; or

“(3) supporting the research-related costs of patient care, data collection, and academic training resulting from such affiliations.

“(i) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to carry out this section \$125,000,000 for fiscal year 2002 and such sums as may be necessary for each of fiscal years 2003 through 2006.”.

#### **SEC. 403. EXPANDING AVAILABILITY OF DENTAL SERVICES.**

Part D of title III of the Public Health Service Act (42 U.S.C. 254b et seq.) is amended by adding at the end the following:

##### **“Subpart X—Primary Dental Programs**

#### **“SEC. 340F. DESIGNATED DENTAL HEALTH PROFESSIONAL SHORTAGE AREA.**

“In this subpart, the term ‘designated dental health professional shortage area’ means an area, population group, or facility that is designated by the Secretary as a dental health professional shortage area under section 332 or designated by the applicable State as having a dental health professional shortage.

#### **“SEC. 340G. GRANTS FOR INNOVATIVE PROGRAMS.**

“(a) GRANT PROGRAM AUTHORIZED.—The Secretary, acting through the Administrator of the Health Resources and Services Administration, is authorized to award grants to States for the purpose of helping States develop and implement innovative programs to address the dental workforce needs of designated dental health professional shortage areas in a manner that is appropriate to the States' individual needs.

“(b) STATE ACTIVITIES.—A State receiving a grant under subsection (a) may use funds received under the grant for—

“(1) loan forgiveness and repayment programs for dentists who—

“(A) agree to practice in designated dental health professional shortage areas;

“(B) are dental school graduates who agree to serve as public health dentists for the Federal, State, or local government; and

“(C) agree to—

“(i) provide services to patients regardless of such patients' ability to pay; and

“(ii) use a sliding payment scale for patients who are unable to pay the total cost of services;

“(2) dental recruitment and retention efforts;

“(3) grants and low-interest or no-interest loans to help dentists who participate in the medicaid program under title XIX of the Social Security Act (42 U.S.C. 1396 et seq.) to establish or expand practices in designated dental health professional shortage areas by equipping dental offices or sharing in the overhead costs of such practices;

“(4) the establishment or expansion of dental residency programs in coordination with accredited dental training institutions in States without dental schools;

“(5) programs developed in consultation with State and local dental societies to expand or establish oral health services and fa-

cilities in designated dental health professional shortage areas, including services and facilities for children with special needs, such as—

“(A) the expansion or establishment of a community-based dental facility, free-standing dental clinic, consolidated health center dental facility, school-linked dental facility, or United States dental school-based facility;

“(B) the establishment of a mobile or portable dental clinic; and

“(C) the establishment or expansion of private dental services to enhance capacity through additional equipment or additional hours of operation;

“(6) placement and support of dental students, dental residents, and advanced dentistry trainees;

“(7) continuing dental education, including distance-based education;

“(8) practice support through teledentistry conducted in accordance with State laws;

“(9) community-based prevention services such as water fluoridation and dental sealant programs;

“(10) coordination with local educational agencies within the State to foster programs that promote children going into oral health or science professions;

“(11) the establishment of faculty recruitment programs at accredited dental training institutions whose mission includes community outreach and service and that have a demonstrated record of serving underserved States;

“(12) the development of a State dental officer position or the augmentation of a State dental office to coordinate oral health and access issues in the State; and

“(13) any other activities determined to be appropriate by the Secretary.

“(c) APPLICATION.—

“(1) IN GENERAL.—Each State desiring a grant under this section shall submit an application to the Secretary at such time, in such manner, and containing such information as the Secretary may reasonably require.

“(2) ASSURANCES.—The application shall include assurances that the State will meet the requirements of subsection (d) and that the State possesses sufficient infrastructure to manage the activities to be funded through the grant and to evaluate and report on the outcomes resulting from such activities.

“(d) MATCHING REQUIREMENT.—The Secretary may not make a grant to a State under this section unless that State agrees that, with respect to the costs to be incurred by the State in carrying out the activities for which the grant was awarded, the State will provide non-Federal contributions in an amount equal to not less than 40 percent of Federal funds provided under the grant. The State may provide the contributions in cash or in kind, fairly evaluated, including plant, equipment, and services and may provide the contributions from State, local, or private sources.

“(e) REPORT.—Not later than 5 years after the date of enactment of the Health Care Safety Net Amendments of 2001, the Secretary shall prepare and submit to the appropriate committees of Congress a report containing data relating to whether grants provided under this section have increased access to dental services in designated dental health professional shortage areas.

“(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section, \$50,000,000 for the 5-fiscal year period beginning with fiscal year 2002.”.

**TITLE V—RURAL HEALTH CLINICS****SEC. 501. EXEMPTIONS FOR RURAL HEALTH CLINICS.**

(a) EXEMPTIONS FROM COINSURANCE REQUIREMENTS.—Section 1128B(b)(3)(D) of the Social Security Act (42 U.S.C. 1320a-7b(b)(3)(D)) is amended by striking “a Federally qualified health care center” and inserting “a rural health clinic (as defined in section 1861(aa))” to which members of the National Health Service Corps are assigned under section 333 of the Public Health Service Act, or a Federally qualified health center (as defined in section 1861(aa)).”

(b) EXEMPTIONS FROM DEDUCTIBLE REQUIREMENTS.—Section 1833(b)(4) of the Social Security Act (42 U.S.C. 1395l(b)(4)) is amended by striking “such deductible shall not apply to Federally qualified health center services.” and inserting “such deductible shall not apply to rural health clinic services made available through a rural health clinic to which members of the National Health Service Corps are assigned under section 333 of the Public Health Service Act, provided to an individual who qualifies for subsidized services under the Public Health Service Act or Federally qualified health center services.”.

**TITLE VI—STUDY****SEC. 601. GUARANTEE STUDY.**

The Secretary of Health and Human Services shall conduct a study regarding the ability of the Department of Health and Human Services to provide for solvency for managed care networks involving health centers receiving funding under section 330 of the Public Health Service Act. The Secretary shall prepare and submit a report to the appropriate Committees of Congress regarding such ability not later than 2 years after the date of enactment of the Health Care Safety Net Amendments of 2001.

**TITLE VII—CONFORMING AMENDMENTS****SEC. 701. CONFORMING AMENDMENTS.**

(a) HOMELESS PROGRAMS.—Subsections (g)(1)(G)(ii), (k)(2), and (n)(1)(C) of section 224, and sections 317A(a)(2), 317E(c), 318A(e), 332(a)(2)(C), 340D(c)(5), 799B(6)(B), 1313, and 2652(2) of the Public Health Service Act (42 U.S.C. 233, 247b-1(a)(2), 247b-6(c), 247c-1(e), 254e(a)(2)(C), 256d(c)(5), 295p(6)(B), 300e-12, and 300ff-52(2)) are amended by striking “340” and inserting “330(h)”.

(b) HOMELESS INDIVIDUAL.—Section 534(2) of the Public Health Service Act (42 U.S.C. 290cc-34(2)) is amended by striking “340(r)” and inserting “330(h)(5)”.

**AUTHORITY FOR COMMITTEES TO MEET****COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, April 16, 2002, at 9:30 am on the Technology Administration and the National Institute of Standards and Technology, including the Advanced Technology Program (ATP).

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON FOREIGN RELATIONS**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the subcommittee on Western Hemisphere, Peace Corps, and Narcotics affairs of the Committee on Foreign Relations be authorized to meet during the session of the Senate on Tuesday, April 16, 2002

at 2:30 p.m. to hold a hearing titled, “U.S. Mexican Relations: Unfinished Agenda.”

**Witnesses****AGENDA**

Panel 1: The Honorable Silvestre Reyes, Chairman, Congressional Hispanic Caucus, Washington, DC.

Panel 2: The Honorable Alan P. Larson, Undersecretary for Economic, Business, and Agricultural Affairs, Department of State, Washington, DC; the Honorable John Taylor, Undersecretary for International Affairs, Department of Treasury, Washington, DC; and Mr. Stuart Levey, Associate Deputy Attorney General, Department of Justice, Washington, DC.

Panel 3: Ms. Barbara Shailor, Director, International Affairs Department, AFL-CIO, Washington, DC; Mr. Steven M. Ladik, President, American Immigration Lawyers Association, Washington, DC; Mr. Gregori Lebedev, Chief Operating Officer and Executive Vice President, International Policy, U.S. Chamber of Commerce, Washington, DC; and Ms. M. Delal Bear, Senior Fellow and Director, Mexico Project, Deputy Director, Americas Program Center for Strategic and International Studies; Washington, DC.

The PRESIDING OFFICER. Without objection, it is so ordered.

**COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions be authorized to meet for a hearing on medical privacy during the session of the Senate on Tuesday, April 16, 2002, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

**SPECIAL COMMITTEE ON AGING**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the Special Committee on Aging be authorized to meet on Tuesday, April 16, 2002 from 2:30 p.m. in Dirksen 192 for the purpose of conducting a forum.

The PRESIDING OFFICER. Without objection, it is so ordered.

**SUBCOMMITTEE ON CRIME AND DRUGS**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the Judiciary Subcommittee on Crime and Drugs be authorized to meet to conduct a hearing on “Leading the Fight: The Violence Against Women Office” on Tuesday, April 16, 2002 at 10:15 a.m. in Dirksen 226.

Panel I: Diane Stuart, Director, Violence Against Women Office, Office of Justice Programs, U.S. Department of Justice, Washington, DC.

Panel II: Attorney General Thurbert E. Baker (to be introduced by the Honorable Max Cleland), Office of the Attorney General of Georgia, Atlanta, GA; Chief Judge Vincent J. Poppiti, Family Court for the State of Delaware, Wilmington, DE; Lynn Rosenthal, Executive Director, National Network to End Domestic Violence, Wash-

ington, DC; Laurie E. Ekstrand, Director, Justice Issues, U.S. General Accounting Office, Washington, DC; and Casey Gwinn, City Attorney for San Diego, San Diego, CA.

The PRESIDING OFFICER. Without objection, it is so ordered.

**SUBCOMMITTEE ON OVERSIGHT OF GOVERNMENT MANAGEMENT, RESTRUCTURING AND THE DISTRICT OF COLUMBIA**

Mrs. CLINTON. Mr. President, I ask unanimous consent that the Committee on Government Affairs Subcommittee on Oversight of Government Management, Restructuring and the District of Columbia be authorized to meet on Tuesday, April 16, 2002 at 10 a.m. for a hearing to examine “Are You Really Who You Say You Are? Improving the Reliability of State-Issued Drivers’ Licenses.”

The PRESIDING OFFICER. Without objection, it is so ordered.

**NOTICE—REGISTRATION OF MASS MAILINGS**

The filing date for 2002 first quarter mass mailing is April 25, 2002. If your office did no mass mailings during this period, please submit a form that states “none.”

Mass mailing registrations, or negative reports, should be submitted to the Senate Office of Public Records, 232 Hart Building, Washington, DC 20510-7116.

The Public Records office will be open from 8 a.m. to 6 p.m. on the filing date to accept these filings. For further information, please contact the Public Records office at (202) 224-0322.

**HEALTH CARE SAFETY NET AMENDMENTS OF 2001**

Mr. REID. Mr. President, I ask unanimous consent that the Senate now proceed to Calendar No. 192, S. 1533.

The PRESIDING OFFICER. The clerk will report the bill by title.

The assistant legislative clerk read as follows:

A bill (S. 1533) to amend the Public Health Service Act to reauthorize and strengthen the health centers program and the National Health Service Corps, and to establish the Healthy Communities Access Program, which will help coordinate services for the uninsured and underinsured, and for other purposes.

There being no objection, the Senate proceeded to consider the bill.

Mr. REID. Mr. President, it is my understanding Senator KENNEDY has a substitute amendment at the desk. I ask unanimous consent that the amendment be considered, agreed to, and the motion to reconsider be laid upon the table; that the bill, as amended, be read the third time, passed, and the motion to reconsider be laid upon the table, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The amendment (No. 3134) was agreed to.