be proposed by him to the bill H.R. 2673, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table.

SA 2069. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy , and for other purposes; which was ordered to lie on the table.

SA 2070. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 150, to make permanent the moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce imposed by the Internet Tax Freedom Act; which was ordered to lie on the table.

SA 2071. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 2673, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table.

TEXT OF AMENDMENTS

SA 2053. Mr. SHELBY (for himself and Mr. SARBANES) proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, 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 ''National Consumer Credit Reporting System Improvement Act of 2003''.

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

TITLE I—IDENTITY THEFT PREVENTION AND CREDIT HISTORY RESTORATION

Subtitle A—Identity Theft Prevention

SEC. 111. DEFINITIONS.

Section 603 of the Fair Credit Reporting Act (15 U.S.C. 1681a) is amended by adding at the end the following:

''(q) DEFINITIONS RELATING TO FRAUD ALERTS.—

''(1) ACTIVE DUTY MILITARY CONSUMER.—The term 'active duty military consumer' means a consumer in military service who—

''(A) is on active duty (as defined in section 101(d)(1) of title 10, United States Code) or is a reservist performing duty under a call or order to active duty under a provision of law referred to in section 101(a)(13) of title 10, United States Code; and

''(B) is assigned to service away from the usual duty station of the consumer.

''(2) FRAUD ALERT; ACTIVE DUTY ALERT.—The terms 'fraud alert' and 'active duty alert' mean a statement in the file of a consumer that—

''(A) notifies all prospective users of a consumer report relating to the consumer that the consumer may be a victim of fraud, including identity theft, or is an active duty military consumer, as applicable;

''(B) provides to all prospective users of a consumer report relating to the consumer, a telephone number or other reasonable contact method designated by the consumer for the user to obtain authorization from the consumer before establishing new credit (including providing any increase in a credit limit with respect to an existing credit account) in the name of the consumer; and

''(C) is presented in a manner that facilitates a clear and conspicuous view of the statement described in subparagraph (A) or (B) by any person requesting such consumer report.

''(r) CREDIT CARD.—The term 'credit card' has the same meaning as in section 103 of the Truth in Lending Act.

''(s) DEBIT CARD.—The term 'debit card' means any card issued by a financial institution to a consumer for use in initiating an electronic fund transfer from the account of the consumer at such financial institution, for the purpose of transferring money between accounts or obtaining money, property, labor, or services.

''(t) ACCOUNT AND ELECTRONIC FUND TRANSFER.—The terms 'account' and 'electronic fund transfer' have the same meanings as in section 903 of the Electronic Fund Transfer Act.

''(u) CREDIT AND CREDITOR—The terms 'credit' and 'creditor' have the same meanings as in section 702 of the Equal Credit Opportunity Act.

''(v) FEDERAL BANKING AGENCIES.—The term 'Federal banking agencies' has the same meaning as in section 3 of the Federal Deposit Insurance Act.

''(w) FINANCIAL INSTITUTION.—The term 'financial institution' means a State or National bank, a State or Federal savings and loan association, a mutual savings bank, a State or Federal credit union, or any other person that, directly or indirectly, holds an account belonging to a consumer.

''(x) RESELLER.—The term 'reseller' means a consumer reporting agency that—

''(1) assembles and merges information contained in the database of another consumer reporting agency or multiple consumer reporting agencies concerning any consumer for purposes of furnishing such information to any third party, to the extent of such activities; and

''(2) does not maintain a database of the assembled or merged information from which new consumer reports are produced.

''(y) DEFINITIONS RELATING TO CREDIT SCORES.—

''(1) CREDIT SCORE AND KEY FACTORS.—When used in connection with an application for an extension of credit for a consumer purpose that is to be secured by a dwelling—

''(A) the term 'credit score'—

''(i) means a numerical value or categorization derived from a statistical tool or modeling system used to predict the likelihood of certain credit behaviors, including default; and

''(ii) does not include—

''(I) any mortgage score or rating of an automated underwriting system that considers 1 or more factors in addition to credit information, including the loan-to-value ratio, the amount of down payment, or the financial assets of a consumer; or

''(II) other elements of the underwriting process or underwriting decision; and

''(B) the term 'key factors' means all relevant elements or reasons affecting the credit score for a consumer, listed in the order of their importance, based on their respective effects on the credit score.

''(2) DWELLING.—The term 'dwelling' has the same meaning as in section 103 of the Truth in Lending Act.

''(z) IDENTITY THEFT REPORT.—The term 'identity theft report' means a report—

''(1) that alleges an identity theft;

''(2) that is filed by a consumer with an appropriate Federal, State, or local government agency, including the United States Postal Inspection Service and any law enforcement agency; and

''(3) the filing of which subjects the person filing the report to criminal penalties relating to the filing of false information if, in fact, the information in the report is false.''.

SEC. 112. FRAUD ALERTS AND ACTIVE DUTY ALERTS.

The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by inserting after section 605 the following:

''§ 605A. Identity theft prevention; fraud alerts and active duty alerts

''(a) ONE-CALL FRAUD ALERTS.—

''(1) INITIAL ALERTS.—Upon the request of a consumer who asserts in good faith a suspicion that the consumer has been or is about to become a victim of fraud or related crime, including identity theft, a consumer reporting agency described in section 603(p) that maintains a file on the consumer and has received appropriate proof of the identity of the requester shall—

''(A) include a fraud alert in the file of that consumer for a period of not less than 90 days, beginning on the date of such request, unless the consumer requests that such fraud alert be removed before the end of such period, and the agency has received appropriate proof of the identity of the requester for such purpose; and

''(B) refer the information regarding the fraud alert under this paragraph to each of the other consumer reporting agencies described in section 603(p), in accordance with procedures developed under section 621(f).

''(2) ACCESS TO FREE REPORTS.—In any case in which a consumer reporting agency includes a fraud alert in the file of a consumer pursuant to this subsection, the consumer reporting agency shall—

''(A) disclose to the consumer that the consumer may request a free copy of the file of the consumer pursuant to section 612(d); and

''(B) provide to the consumer all disclosures required to be made under section 609, without charge to the consumer, not later than 3 business days after any request described in subparagraph (A).

''(b) EXTENDED ALERTS.—

''(1) IN GENERAL.—Upon the request of a consumer who submits an identity theft report to a consumer reporting agency described in section 603(p) that maintains a file on the consumer, if the agency has received appropriate proof of the identity of the requester, the agency shall—

''(A) include a fraud alert in the file of that consumer during the 7-year period beginning on the date of such request, unless the consumer requests that such fraud alert be removed before the end of such period and the agency has received appropriate proof of the identity of the requester for such purpose;

''(B) during the 7-year period beginning on the date of such request, exclude the consumer from any list of consumers prepared by the consumer reporting agency and provided to any third party to offer credit or insurance to the consumer as part of a transaction that was not initiated by the consumer, unless the consumer requests that such exclusion be rescinded before the end of such period; and

''(C) refer the information regarding the extended fraud alert under this paragraph to each of the other consumer reporting agencies described in section 603(p), in accordance with procedures developed under section 621(f).

''(2) VERIFICATION OF IDENTITY THEFT CLAIM.—For purposes of paragraph (1), a consumer reporting agency shall accept as proof of a claim of identity theft, in lieu of an identity theft report—

''(A) a properly completed copy of a standardized affidavit of identity theft developed and made available by the Federal Trade Commission; or

''(B) any affidavit of fact that is acceptable to the consumer reporting agency for that purpose.

''(3) ACCESS TO FREE REPORTS.—In any case in which a consumer reporting agency includes a fraud alert in the file of a consumer pursuant to this subsection, the consumer reporting agency shall—

''(A) disclose to the consumer that the consumer may request 2 free copies of the file of the consumer pursuant to section 612(d) during the 12-month period beginning on the date on which the fraud alert was included in the file; and

''(B) provide to the consumer all disclosures required to be made under section 609, without charge to the consumer, not later than 3 business days after any request described in subparagraph (A).

''(c) ACTIVE DUTY ALERTS.—Upon the request of an active duty military consumer, a consumer reporting agency described in section 603(p) that maintains a file on the active duty military consumer and has received appropriate proof of the identity of the requester shall—

''(1) include an active duty alert in the file of that active duty military consumer during a period of not less than 12 months, beginning on the date of the request, unless the active duty military consumer requests that such fraud alert be removed before the end of such period, and the agency has received appropriate proof of the identity of the requester for such purpose;

''(2) during the 12-month period beginning on the date of such request, exclude the active duty military consumer from any list of consumers prepared by the consumer reporting agency and provided to any third party to offer credit or insurance to the consumer as part of a transaction that was not initiated by the consumer, unless the consumer requests that such exclusion be rescinded before the end of such period; and

''(3) refer the information regarding the active duty alert to each of the other consumer reporting agencies described in section 603(p), in accordance with procedures developed under section 621(f).

''(d) PROCEDURES.—Each consumer reporting agency described in section 603(p) shall establish policies and procedures to comply with this section, including procedures that allow consumers and active duty military consumers to request temporary, extended, or active duty alerts (as applicable) in a simple and easy manner, including by telephone.

''(e) REFERRALS OF FRAUD ALERTS.—Each consumer reporting agency described in section 603(p) that receives a referral of a fraud alert or active duty alert from another consumer reporting agency pursuant to this section shall, as though the agency received the request from the consumer directly, follow the procedures required under—

''(1) paragraphs (1)(A) and (2) of subsection (a), in the case of a referral under subsection (a)(1)(B);

''(2) paragraphs (1)(A), (1)(B), and (3) of subsection (b), in the case of a referral under subsection (b)(1)(C); and

''(3) paragraphs (1) and (2) of subsection (c), in the case of a referral under subsection (c)(3).

''(f) DUTY OF RESELLER TO RECONVEY ALERT.—A reseller shall include in its report any fraud alert or active duty alert placed in the file of a consumer pursuant to this section by another consumer reporting agency.

''(g) DUTY OF OTHER CONSUMER REPORTING AGENCIES TO PROVIDE CONTACT INFORMATION.—If a consumer contacts any consumer reporting agency that is not described in section 603(p) to communicate a suspicion that the consumer has been or is about to become a victim of fraud or related crime, including identity theft, the agency shall provide information to the consumer on how to contact the Federal Trade Commission and the consumer reporting agencies described in section 603(p) to obtain more detailed information and request alerts under this section.''.

SEC. 113. TRUNCATION OF CREDIT CARD AND DEBIT CARD ACCOUNT NUMBERS.

Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c) is amended by adding at the end the following:

''(g) TRUNCATION OF CREDIT CARD AND DEBIT CARD NUMBERS.—

''(1) IN GENERAL.—Except as otherwise specifically provided in this subsection, no person that accepts credit cards or debit cards for the transaction of business shall print more than the last 5 digits of the card account number or the expiration date upon any receipt provided to the cardholder at the point of the sale or transaction.

''(2) LIMITATION.—This subsection applies only to receipts that are electronically printed, and does not apply to transactions in which the sole means of recording a credit card or debit card account number is by handwriting or by an imprint or copy of the card.

''(3) EFFECTIVE DATE.—This subsection shall become effective—

''(A) 3 years after the date of enactment of this subsection, with respect to any cash register or other machine or device that electronically prints receipts for credit card or debit card transactions that is in use before January 1, 2005; and

''(B) 1 year after the date of enactment of this subsection, with respect to any cash register or other machine or device that electronically prints receipts for credit card or debit card transactions that is first put into use on or after January 1, 2005.''.

SEC. 114. ESTABLISHMENT OF PROCEDURES FOR THE IDENTIFICATION OF POSSIBLE INSTANCES OF IDENTITY THEFT.

(a) IN GENERAL.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended—

(1) by striking ''(e)'' at the end; and

(2) by adding at the end the following:

''(e) RED FLAG GUIDELINES AND REGULATIONS REQUIRED.—

''(1) GUIDELINES.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, with respect to the entities that are subject to their respective enforcement authority under section 621, and in coordination as described in paragraph (2)—

''(A) establish and maintain guidelines for use by each financial institution and each other person that is a creditor or other user of a consumer report regarding identity theft with respect to account holders at, or customers of, such entities, and update such guidelines as often as necessary; and

''(B) prescribe regulations requiring each financial institution and each other person that is a creditor or other user of a consumer report to establish reasonable policies and procedures for implementing the guidelines established pursuant to paragraph (1), to identify possible risks to account holders or to the safety and soundness of the institution or customers.

''(2) COORDINATION.—Each agency required to prescribe regulations under paragraph (1) shall consult and coordinate with each other such agency so that, to the extent possible, the regulations prescribed by each such entity are consistent and comparable with the regulations prescribed by each other such agency.

''(3) CRITERIA.—In developing the guidelines required by paragraph (1)(A), the agencies described in paragraph (1) shall identify patterns, practices, and specific forms of activity that indicate the possible existence of identity theft.

''(4) CONSISTENCY WITH VERIFICATION REQUIREMENTS.—Policies and procedures established pursuant to paragraph (1) shall not be inconsistent with, or duplicative of, the policies and procedures required under section 5318(l) of title 31, United States Code.

''(f) INVESTIGATION OF CHANGES OF ADDRESS.—

''(1) IN GENERAL.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission, in carrying out the responsibilities of such agencies under subsection (e) shall, with respect to the entities that are subject to their respective enforcement authority under section 621, and in coordination as described in paragraph (2), prescribe regulations applicable to card issuers to ensure that, if any such card issuer receives a request for an additional or replacement card for an existing account not later than 30 days after the card issuer has received notification of a change of address for the same account, the card issuer will follow reasonable policies and procedures that prohibit, as appropriate, the card issuer from issuing the additional or replacement card, unless the card issuer—

''(A) notifies the cardholder of the request at the former address of the cardholder and provides to the cardholder a means of promptly reporting incorrect address changes;

''(B) notifies the cardholder of the request by such other means of communication as the cardholder and the card issuer previously agreed to; or

''(C) uses other means of assessing the validity of the change of address, in accordance with reasonable policies and procedures established by the card issuer in accordance with the regulations prescribed under subsection (e).

''(2) COORDINATION.—Each agency required to prescribe regulations under paragraph (1) shall consult and coordinate with each other such agency so that, to the extent possible, the regulations prescribed by each such entity are consistent and comparable with the regulations prescribed by each other such agency.

''(3) DEFINITION OF CARD ISSUER.—For purposes of this subsection, the term 'card issuer' means—

''(A) any person who issues a credit card, or the agent of such person with respect to such card; and

''(B) any person who issues a debit card.''.

(b) EFFECTIVE DATE.—The amendments made by subsection (a) shall take effect 1 year after the date of enactment of this Act.

SEC. 115. AMENDMENTS TO EXISTING IDENTITY THEFT PROHIBITION.

Section 1028 of title 18, United States Code, is amended—

(1) in subsection (a)(7)—

(A) by striking ''transfers'' and inserting ''transfers, possesses,''; and

(B) by striking ''abet,'' and inserting ''abet, or in connection with,'';

(2) in subsection (b)(1)(D), by striking ''transfer'' and inserting ''transfer, possession,''; and

(3) in subsection (b)(2), by striking ''three years'' and inserting ''5 years''.

SEC. 116. AUTHORITY TO TRUNCATE SOCIAL SECURITY NUMBERS.

Section 609(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)) is amended by striking ''except that nothing'' and inserting the following: ''except that—

''(A) if the consumer to whom the file relates requests that the first 5 digits of the social security number (or similar identification number) of the consumer not be included in the disclosure and the consumer reporting agency has received appropriate proof of the identity of the requester, the consumer reporting agency shall so truncate such number in such disclosure; and

''(B) nothing''.

Subtitle B—Protection and Restoration of Identity Theft Victim Credit History

SEC. 151. SUMMARY OF RIGHTS OF IDENTITY THEFT VICTIMS.

(a) IN GENERAL.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended by adding at the end the following:

''(d) SUMMARY OF RIGHTS OF IDENTITY THEFT VICTIMS.—

''(1) IN GENERAL.—The Federal Trade Commission, in consultation with the Federal banking agencies and the National Credit Union Administration, shall prescribe the form and content of a summary of the rights of consumers under this title with respect to the procedures for remedying the effects of fraud or identity theft involving credit, electronic fund transfers, or accounts or transactions at or with a financial institution.

''(2) SUMMARY OF RIGHTS AND CONTACT INFORMATION.—If any consumer contacts a consumer reporting agency and expresses a belief that the consumer is a victim of fraud or identity theft involving credit, an electronic fund transfer, or an account or transaction at or with a financial institution, the consumer reporting agency shall, in addition to any other action that the agency may take, provide the consumer with the model summary of rights prepared by the Federal Trade Commission under paragraph (1) and information on how to contact the Commission to obtain more detailed information.''.

(b) PUBLIC CAMPAIGN TO PREVENT IDENTITY THEFT.—Not later than 2 years after the date of enactment of this Act, the Federal Trade Commission shall establish and implement a media and distribution campaign to teach the public how to prevent identity theft. Such campaign shall include existing Federal Trade Commission education materials, as well as radio, television, and print public service announcements, video cassettes, interactive digital video discs (DVD's) or compact audio discs (CD's), and Internet resources.

(c) CONFORMING AMENDMENT.—Section 624(b)(3) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(3), regarding relation to State laws) is amended by striking ''section 609(c)'' and inserting ''subsection (c) or (d) of section 609''.

SEC. 152. BLOCKING OF INFORMATION RESULTING FROM IDENTITY THEFT.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by inserting after section 605A, as added by this Act, the following:

''§ 605B. Block of information resulting from identity theft

''(a) BLOCK.—Except as otherwise provided in this section, a consumer reporting agency shall block the reporting of any information in the file of a consumer that the consumer identifies as information that resulted from an alleged identity theft, not later than 3 business days after the date of receipt by such agency of—

''(1) appropriate proof of the identity of the consumer;

''(2) a copy of an identity theft report; and

''(3) the identification of such information by the consumer.

''(b) NOTIFICATION.—A consumer reporting agency shall promptly notify the furnisher of information identified by the consumer under subsection (a)—

''(1) that the information may be a result of identity theft;

''(2) that an identity theft report has been filed;

''(3) that a block has been requested under this section; and

''(4) of the effective dates of the block.

''(c) AUTHORITY TO DECLINE OR RESCIND.—

''(1) IN GENERAL.—A consumer reporting agency may decline to block, or may rescind any block, of information relating to a consumer under this section, if the consumer reporting agency reasonably determines that—

''(A) the information was blocked in error or a block was requested by the consumer in error;

''(B) the information was blocked, or a block was requested by the consumer, on the basis of a material misrepresentation of fact relevant to the request to block; or

''(C) the consumer obtained possession of goods, services, or money as a result of the blocked transaction or transactions.

''(2) NOTIFICATION TO CONSUMER.—If a block of information is declined or rescinded under this subsection, the affected consumer shall be notified promptly, in the same manner as consumers are notified of the reinsertion of information under section 611(a)(5)(B).

''(3) SIGNIFICANCE OF BLOCK.—For purposes of this subsection, if a consumer reporting agency rescinds a block, the presence of information in the file of a consumer prior to the blocking of such information is not evidence of whether the consumer knew or should have known that the consumer obtained possession of any goods, services, or money as a result of the block.

''(d) EXCEPTION FOR RESELLERS.—

''(1) NO RESELLER FILE.—This section shall not apply to a consumer reporting agency, if the consumer reporting agency—

''(A) is a reseller;

''(B) is not, at the time of the request of the consumer under subsection (a), otherwise furnishing or reselling a consumer report concerning the information identified by the consumer; and

''(C) informs the consumer, by any means, that the consumer may report the identity theft to the Federal Trade Commission to obtain consumer information regarding identity theft.

''(2) RESELLER WITH FILE.—The sole obligation of the consumer reporting agency under this section, with regard to any request of a consumer under this section, shall be to block the consumer report maintained by the consumer reporting agency from any subsequent use, if—

''(A) the consumer, in accordance with the provisions of subsection (a), identifies, to a consumer reporting agency, information in the file of the consumer that resulted from identity theft; and

''(B) the consumer reporting agency is a reseller of the identified information.

''(3) NOTICE.—In carrying out its obligation under paragraph (2), the reseller shall promptly provide a notice to the consumer of the decision to block the file. Such notice shall contain the name, address, and telephone number of each consumer reporting agency from which the consumer information was obtained for resale.

''(e) EXCEPTION FOR VERIFICATION COMPANIES.—The provisions of this section do not apply to a check services company, acting as such, which issues authorizations for the purpose of approving or processing negotiable instruments, electronic fund transfers, or similar methods of payments, except that, beginning 3 business days after receipt of information described in paragraphs (1) through (3) of subsection (a), a check services company shall not report to a national consumer reporting agency described in section 603(p), any information identified in the

subject identity theft report as resulting from identity theft.

''(f) ACCESS TO BLOCKED INFORMATION BY LAW ENFORCEMENT AGENCIES.—No provision of this section shall be construed as requiring a consumer reporting agency to prevent a Federal, State, or local law enforcement agency from accessing blocked information in a consumer file to which the agency could otherwise obtain access under this title.''.

(b) CLERICAL AMENDMENT.—The table of sections for the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended by inserting after the item relating to section 605 the following new items:

''605A. Identity theft prevention; fraud alerts and active duty alerts.

''605B. Block of information resulting from identity theft.''.

SEC. 153. COORDINATION OF IDENTITY THEFT COMPLAINT INVESTIGATIONS.

Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s) is amended by adding at the end the following:

''(f) COORDINATION OF CONSUMER COMPLAINT INVESTIGATIONS.—

''(1) IN GENERAL.—Each consumer reporting agency described in section 603(p) shall develop and maintain procedures for the referral to each other such agency of any consumer complaint received by the agency alleging identity theft, or requesting a fraud alert under section 605A or a block under section 605B.

''(2) MODEL FORM AND PROCEDURE FOR REPORTING IDENTITY THEFT.—The Federal Trade Commission, in consultation with the Federal banking agencies and the National Credit Union Administration, shall develop a model form and model procedures to be used by consumers who are victims of identity theft for contacting and informing creditors and consumer reporting agencies of the fraud.

''(3) ANNUAL SUMMARY REPORTS.—Each consumer reporting agency described in section 603(p) shall submit an annual summary report to the Federal Trade Commission on consumer complaints received by the agency on identity theft or fraud alerts.''.

SEC. 154. PREVENTION OF REPOLLUTION OF CONSUMER REPORTS.

(a) PREVENTION OF REINSERTION OF ERRONEOUS INFORMATION.—

(1) DUTIES OF FURNISHERS UPON NOTICE OF IDENTITY THEFT-RELATED DISPUTES.—Section 623(b) of the Fair Credit Reporting Act (15 U.S.C. 1681s–2(b)) is amended—

(A) by redesignating paragraph (2) as paragraph (3);

(B) by inserting after paragraph (1) the following:

''(2) DUTIES OF FURNISHERS UPON NOTICE OF IDENTITY THEFT-RELATED DISPUTES.—A person that furnishes information to any consumer reporting agency shall—

''(A) have in place reasonable procedures to respond to any notification that it receives from a consumer reporting agency under section 605B relating to information resulting from identity theft, to prevent that person from refurnishing such blocked information; and

''(B) take the actions described in subparagraphs (A) through (D) of paragraph (1), if such person receives directly from a consumer, an identity theft report or a properly completed copy of a standardized affidavit of identity theft developed and made available by the Federal Trade Commission.''; and

(C) in paragraph (3), as redesignated, by striking ''paragraph (1)'' and inserting ''this subsection''.

(2) CONFORMING AMENDMENTS RELATING TO NOTICE OF IDENTITY THEFT DIRECTLY FROM CONSUMERS.—Section 623(b)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681s–2(b)(1)) is amended—

(A) in the matter preceding subparagraph (A), by inserting ''or as described in paragraph (2)(B),'' after ''agency,'';

(B) subparagraph (B), by inserting before the semicolon the following: '', and by the consumer, and other documentation reasonably available to the person that is necessary to conduct a reasonable investigation''; and

(C) in subparagraph (C), by inserting before the semicolon at the end the following: '', and to the consumer, if notice of the dispute was received directly from the consumer, as described in paragraph (2)(B)''.

(b) PROHIBITION ON SALE OR TRANSFER OF DEBT CAUSED BY IDENTITY THEFT.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m), as amended by this Act, is amended by adding at the end the following:

''(g) PROHIBITION ON SALE OR TRANSFER OF DEBT CAUSED BY IDENTITY THEFT.—

''(1) IN GENERAL.—No person shall sell, transfer for consideration, or place for collection a debt that such person has been notified under section 605B has resulted from identity theft.

''(2) APPLICABILITY.—The prohibitions of this subsection shall apply to all persons collecting a debt described in paragraph (1) after the date of a notification under paragraph (1).

''(3) RULE OF CONSTRUCTION.—Nothing in this subsection shall be construed to prohibit—

''(A) the repurchase of a debt in any case in which the assignee of the debt requires such repurchase because the debt has resulted from identity theft;

''(B) the securitization of a debt; or

''(C) the transfer of debt as a result of a merger, acquisition, purchase and assumption transaction, or transfer of substantially all of the assets of an entity.''.

SEC. 155. NOTICE BY DEBT COLLECTORS WITH RESPECT TO FRAUDULENT INFORMATION.

Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m), as amended by this Act, is amended by adding at the end the following:

''(h) DEBT COLLECTOR COMMUNICATIONS CONCERNING IDENTITY THEFT.—If a person acting as a debt collector (as that term is defined in title VIII) on behalf of a third party that is a creditor or other user of a consumer report is notified that any information relating to a debt that the person is attempting to collect may be fraudulent or may be the result of identity theft, that person shall—

''(1) notify the third party that the information may be fraudulent or may be the result of identity theft; and

''(2) upon request of the consumer to whom the debt purportedly relates, provide to the consumer all information to which the consumer would otherwise be entitled if the consumer were not a victim of identity theft, but wished to dispute the debt under provisions of law applicable to that person.''.

SEC. 156. STATUTE OF LIMITATIONS.

Section 618 of the Fair Credit Reporting Act (15 U.S.C. 1681p) is amended to read as follows:

''§ 618. Jurisdiction of courts; limitation of actions

''An action to enforce any liability created under this title may be brought in any appropriate United States district court, without regard to the amount in controversy, or in any other court of competent jurisdiction, not later than the earlier of—

''(1) 2 years after the date of discovery by the plaintiff of the violation that is the basis for such liability; or

''(2) 7 years after the date on which the violation that is the basis for such liability occurs.''.

TITLE II—IMPROVEMENTS IN USE OF AND CONSUMER ACCESS TO CREDIT INFORMATION

SEC. 211. FREE CREDIT REPORTS.

(a) IN GENERAL.—Section 612 of the Fair Credit Reporting Act (15 U.S.C. 1681j) is amended—

(1) by redesignating subsection (a) as subsection (f), and transferring it to the end of the section;

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

''(a) FREE ANNUAL DISCLOSURE.—

''(1) IN GENERAL.—A consumer reporting agency described in section 603(p) shall make all disclosures pursuant to section 609 once during any 12-month period upon request of the consumer and without charge to the consumer, only if the request is made by mail or through an Internet website using the centralized system and the standardized form established for such requests in accordance with section 211(c) of the National Consumer Credit Reporting System Improvement Act of 2003.

''(2) TIMING.—A consumer reporting agency shall provide a consumer report under paragraph (1) not later than 15 days after the date on which the request is received under paragraph (1).

''(3) REINVESTIGATIONS.—Notwithstanding the time periods specified in section 611(a)(1), a reinvestigation under that section by a consumer reporting agency upon a request of a consumer that is made after receiving a consumer report under this subsection shall be completed not later than 45 days after the date on which the request is received.'';

(3) by redesignating subsection (d) as subsection (e);

(4) by inserting before subsection (e), as redesignated, the following:

''(d) FREE DISCLOSURES IN CONNECTION WITH FRAUD ALERTS.—Upon the request of a consumer, a consumer reporting agency described in section 603(p) shall make all disclosures pursuant to section 609 without charge to the consumer, as provided in subsections (a)(2) and (b)(3) of section 605A, as applicable.'';

(5) in subsection (e), as redesignated, by striking ''subsection (a)'' and inserting ''subsection (f)''; and

(6) in subsection (f), as redesignated, by striking ''Except as provided in subsections (b), (c), and (d), a'' and inserting ''In the case of a request from a consumer other than a request that is covered by any of subsections (a) through (d), a''.

(b) SUMMARY OF RIGHTS TO OBTAIN AND DISPUTE INFORMATION IN CONSUMER REPORTS AND TO OBTAIN CREDIT SCORES.—Section 609(c) of the Fair Credit Reporting Act (15 U.S.C. 1681g) is amended to read as follows:

''(c) SUMMARY OF RIGHTS TO OBTAIN AND DISPUTE INFORMATION IN CONSUMER REPORTS AND TO OBTAIN CREDIT SCORES.—

''(1) COMMISSION SUMMARY OF RIGHTS REQUIRED.—

''(A) IN GENERAL.—The Federal Trade Commission shall prepare a model summary of the rights of consumers under this title.

''(B) CONTENT OF SUMMARY.—The summary of rights prepared under subparagraph (A) shall include a description of—

''(i) the right of a consumer to obtain a copy of a consumer report under subsection (a) from each consumer reporting agency;

''(ii) the frequency and circumstances under which a consumer is entitled to receive a consumer report without charge under section 612;

''(iii) the right of a consumer to dispute information in the file of the consumer under section 611;

''(iv) the right of a consumer to obtain a credit score from a consumer reporting agency, and a description of how to obtain a credit score; and

''(v) the method by which a consumer can contact, and obtain a consumer report from, a consumer reporting agency without charge, as provided in the regulations of the Federal Trade Commission prescribed under section 211(c) of the National Consumer Credit Reporting System Improvement Act of 2003.

''(C) AVAILABILITY OF SUMMARY OF RIGHTS.—The Federal Trade Commission shall—

''(i) actively publicize the availability of the summary of rights prepared under this paragraph;

''(ii) conspicuously post on its Internet website the availability of such summary of rights; and

''(iii) promptly make such summary of rights available to consumers, on request.

''(2) SUMMARY OF RIGHTS REQUIRED TO BE INCLUDED WITH AGENCY DISCLOSURES.—A consumer reporting agency shall provide to a consumer, with each written disclosure by the agency to the consumer under this section—

''(A) the summary of rights prepared by the Federal Trade Commission under paragraph (1);

''(B) in the case of a consumer reporting agency described in section 603(p), a toll-free telephone number established by the agency, at which personnel are accessible to consumers during normal business hours;

''(C) a list of all Federal agencies responsible for enforcing any provision of this title, and the address and any appropriate phone number of each such agency, in a form that will assist the consumer in selecting the appropriate agency;

''(D) a statement that the consumer may have additional rights under State law, and that the consumer may wish to contact a State or local consumer protection agency or a State attorney general (or the equivalent thereof) to learn of those rights; and

''(E) a statement that a consumer reporting agency is not required to remove accurate derogatory information from the file of a consumer, unless the information is outdated under section 605 or cannot be verified.''.

(c) RULEMAKING REQUIRED.—

(1) IN GENERAL.—The Federal Trade Commission shall prescribe regulations applicable to consumer reporting agencies described in section 603(p) of the Fair Credit Reporting Act to require the establishment of—

(A) a centralized source, through which consumers may obtain a consumer report from each consumer reporting agency described in that section 603(p) using a single request and without charge to the consumer, as provided in section 612(a) of the Fair Credit Reporting Act (as amended by this Act);

(B) a standardized form for a consumer to make such a request for a consumer report by mail or through an Internet website; and

(C) streamlined methods by which such a consumer reporting agency shall provide such consumer reports, after consideration of—

(i) the significant demands that may be placed on consumer reporting agencies in providing such consumer reports;

(ii) appropriate means to ensure that consumer reporting agencies can satisfactorily meet those demands, including the efficacy of a system of staggering the availability to consumers of such consumer reports using a quarterly method based on the birth month of the consumer; and

(iii) the ease by which consumers should be able to contact consumer reporting agencies with respect to access to such consumer reports.

(2) TIMING.—Regulations required by this subsection shall—

(A) be issued in final form not later than 6 months after the date of enactment of this Act; and

(B) become effective not later than 6 months after the date on which they are issued in final form.

(d) EFFECTIVE DATE.—The amendments made by subsections (a) and (b) shall become effective on the effective date of the regulations prescribed by the Federal Trade Commission in accordance with subsection (c).

SEC. 212. CREDIT SCORES.

(a) DUTIES OF CONSUMER REPORTING AGENCIES TO DISCLOSE CREDIT SCORES.—

(1) IN GENERAL.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended by adding at the end the following:

''(6) In connection with an application for an extension of credit for a consumer purpose that is to be secured by a dwelling—

''(A) the current, or most recent, credit score of the consumer that was previously calculated by the agency;

''(B) the range of possible credit scores under the model used;

''(C) the key factors, if any, not to exceed 4, that adversely affected the credit score of the consumer in the model used;

''(D) the date on which the credit score was created; and

''(E) the name of the person or entity that provided the credit score or the credit file on the basis of which the credit score was created.''.

(2) LIMITATIONS ON REQUIRED PROVISION OF CREDIT SCORE.—Section 609 of the Fair Credit Reporting Act (15 U.S.C. 1681g), as amended by this Act, is amended by adding at the end the following:

''(e) LIMITATIONS ON REQUIRED PROVISION OF CREDIT SCORE.—

''(1) IN GENERAL.—Subsection (a)(6) may not be construed—

''(A) to compel a consumer reporting agency to develop or disclose a credit score if the agency does not, in the ordinary course of its business—

''(i) distribute scores that are used in connection with extensions of credit secured by residential real property; or

''(ii) develop credit scores that assist creditors in understanding the general credit behavior of the consumer and predicting future credit behavior;

''(B) to require a consumer reporting agency that distributes credit scores developed by another person or entity to provide a further explanation of those scores, or to process a dispute arising pursuant to section 611(a), except that the consumer reporting agency shall be required to provide to the consumer the name and information for contacting the person or entity that developed the score;

''(C) to require a consumer reporting agency to maintain credit scores in its files; or

''(D) to compel disclosure of a credit score, except upon specific request of the consumer, except that if a consumer requests the credit file and not the credit score, then the consumer shall be provided with the credit file and a statement that the consumer may request and obtain a credit score.

''(2) PROVISION OF SCORING MODEL.—In complying with subsection (a)(6) and this subsection, a consumer reporting agency shall supply to the consumer—

''(A) a credit score that is derived from a credit scoring model that is widely distributed to users of credit scores by that consumer reporting agency in connection with any extension of credit secured by a dwelling; or

''(B) a credit score that assists the consumer in understanding the credit scoring assessment of the credit behavior of the consumer and predictions about future credit behavior.''.

(3) CONFORMING AMENDMENT.—Section 609(a)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)(1)(B)), as so designated by section 116, is amended by inserting before the period '', other than as provided in paragraph (6)''.

(b) DUTIES OF USERS OF CREDIT SCORES.—

(1) IN GENERAL.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m), as amended by this Act, is amended by adding at the end the following:

''(i) DUTIES OF USERS OF CREDIT SCORES.—

''(1) DISCLOSURES.—Any person that makes or arranges extensions of credit for consumer purposes that are to be secured by a dwelling and that uses credit scores for that purpose, shall be required to provide to the consumer to whom the credit score relates, as soon as is reasonably practicable after such use—

''(A) a copy of the information described in section 609(a)(6) that was obtained from a consumer reporting agency or that was developed and used by that user of the credit score information; or

''(B) if the user of the credit score information obtained such information from a third party that developed such information (other than a consumer reporting agency or the user itself), only—

''(i) a copy of the information described in section 609(a)(6) provided to the user by the person or entity that developed the credit score; and

''(ii) a notice that generally describes credit scores, their use, and the sources and kinds of data used to generate credit scores.

''(2) RULE OF CONSTRUCTION.—This subsection may not be construed to require the user of a credit score described in paragraph (1)—

''(A) to explain to the consumer the information provided pursuant to section 609(a)(6), unless that information was developed by the user;

''(B) to disclose any information other than a credit score or the key factors required to be disclosed under section 609(a)(6)(C);

''(C) to disclose any credit score or related information obtained by the user after a transaction occurs; or

''(D) to provide more than 1 disclosure under this subsection to any 1 consumer per credit transaction.

''(3) LIMITATION.—Except as otherwise provided in this subsection, the obligation of a user of a credit score under this subsection shall be limited solely to providing a copy of the information that was received from the consumer reporting agency or other person. A user of a credit score has no liability under this subsection for the content of credit score information received from a consumer reporting agency or for the omission of any information within the report provided by the consumer reporting agency.''.

(2) CONFORMING AMENDMENT.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m) is amended in the section heading, by adding at the end the following: ''**and credit scores**''.

(c) CONTRACTUAL LIABILITY.—Section 616 of the Fair Credit Reporting Act (15 U.S.C. 1681n) is amended by adding at the end the following:

''(d) USE OF CREDIT SCORES.—Any provision of any contract that prohibits the disclosure of a credit score by a consumer reporting agency or a person who makes or arranges extensions of credit to the consumer to whom the credit score relates is void. A user of a credit score shall not have liability

under any such contractual provision for disclosure of a credit score.''.

(d) RELATION TO STATE LAWS.—Section 624(b)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(1), regarding relation to State laws) is amended—

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

(2) by adding at the end the following:

''(G) subsections (a)(6) and (e) of section 609, relating to the disclosure of credit scores by consumer reporting agencies in connection with an application for an extension of credit that is to be secured by a dwelling;

''(H) section 615(i), relating to the duties of users of credit scores to disclose credit score information to consumers in connection with an application for an extension of credit that is to be secured by a dwelling; or''.

(e) EFFECTIVE DATE.—The amendments made by this section shall become effective 180 days after the date of enactment of this Act.

SEC. 213. ENHANCED DISCLOSURE OF THE MEANS AVAILABLE TO OPT OUT OF PRESCREENED LISTS.

(a) NOTICE AND RESPONSE FORMAT FOR USERS OF REPORTS.—Section 615(d)(2) of the Fair Credit Reporting Act (15 U.S.C. 1681m(d)(2)) is amended to read as follows:

''(2) DISCLOSURE OF ADDRESS AND TELEPHONE NUMBER; FORMAT.—A statement under paragraph (1) shall—

''(A) include the address and toll-free telephone number of the appropriate notification system established under section 604(e); and

''(B) be presented in such format and in such type size and manner as is established by the Federal Trade Commission, by rule, in consultation with the Federal banking agencies and the National Credit Union Administration.''.

(b) RULEMAKING SCHEDULE.—Regulations required by section 615(d)(2) of the Fair Credit Reporting Act, as amended by this section, shall be issued in final form not later than 1 year after the date of enactment of this Act.

(c) DURATION OF ELECTIONS.—Section 604(e) of the Fair Credit Reporting Act (15 U.S.C. 1681b(e)) is amended in each of paragraphs (3)(A) and (4)(B)(i)), by striking ''2-year period'' each place that term appears and inserting ''7-year period''.

(d) PUBLIC AWARENESS CAMPAIGN.—The Federal Trade Commission shall actively publicize and conspicuously post on its website any address and the toll-free telephone number established as part of a notification system for opting out of prescreening under section 604(e), and otherwise take measures to increase public awareness regarding the availability of the right to opt out of prescreening.

SEC. 214. AFFILIATE SHARING.

(a) LIMITATION.—The Fair Credit Reporting Act (15 U.S.C. 1601 et seq.) is amended—

(1) by redesignating section 624 (regarding relation to State laws), as so designated by section 2413(b) of the Consumer Credit Reporting Reform Act of 1996 (110 Stat. 3009–447), as section 625;

(2) by redesignating section 624 (regarding disclosures to FBI for counterintelligence purposes), as added by section 601(a) of the Intelligence Authorization Act for Fiscal Year 1996 (Public Law 104–93; 109 Stat. 974) (15 U.S.C. 1681u)), as section 626; and

(3) by inserting after section 623 the following:

''SEC. 624. AFFILIATE SHARING.

''(a) SPECIAL RULE FOR SOLICITATION FOR PURPOSES OF MARKETING.—

''(1) NOTICE.—Any person that receives from another person related to it by common ownership or affiliated by corporate control a communication of information that would be a consumer report, except for clauses (i) through (iii) of section 603(d)(2)(A), may not use the information to make a solicitation for marketing purposes to a consumer about its products or services, unless—

''(A) it is clearly and conspicuously disclosed to the consumer that the information may be communicated among such persons for purposes of making such solicitations to the consumer; and

''(B) the consumer is provided an opportunity and a simple method to prohibit the making of such solicitations to the consumer by such person.

''(2) CONSUMER CHOICE.—

''(A) IN GENERAL.—The notice required under paragraph (1) shall allow the consumer the opportunity to prohibit all such solicitations, and may allow the consumer to choose from different options when electing to prohibit the sending of such solicitations, including options regarding the types of entities and information covered, and which methods of delivering solicitations the consumer elects to prohibit.

''(B) FORMAT.—Notwithstanding subparagraph (A), the notice required under paragraph (1) must be clear, conspicuous, and concise, and any method provided under paragraph (1)(B) must be simple. The regulations prescribed to implement this section shall provide specific guidance regarding how to comply with such standards.

''(3) DURATION.—The election of the consumer pursuant to paragraph (1)(B) to prohibit the sending of solicitations shall be effective for 5 years, beginning on the date on which the person receives the election of the consumer, unless the consumer requests that such election be revoked before the end of such period. At such time as the election of the consumer pursuant to paragraph (1)(B) is no longer effective, a person may not use information it receives as described in paragraph (1) to make a solicitation for marketing purposes to such consumer unless the consumer receives a notice and an opportunity to extend the opt out for another period of 5 years, pursuant to the procedure described in paragraph (1).

''(4) SCOPE.—This section shall not apply to a person—

''(A) using information to make a solicitation for marketing purposes to a consumer with whom the person has a pre-existing business relationship;

''(B) using information to perform services on behalf of another person related by common ownership or affiliated by corporate control, except that this subparagraph shall not permit a person to send solicitations on behalf of another person if such other person would not be permitted to send the solicitation on its own behalf as a result of the election of the consumer to prohibit solicitations under paragraph (1)(B);

''(C) using information in direct response to a communication initiated by the consumer in which the consumer has requested information about a product or service; or

''(D) using information to directly respond to solicitations authorized or requested by the consumer.

''(b) NOTICE FOR OTHER PURPOSES PERMISSIBLE.—A notice or other disclosure that is equivalent to the notice required by subsection (a), and that is provided by a person described in subsection (a) to a consumer together with disclosures required by any other provision of law shall satisfy the requirements of subsection (a).''.

(b) RULEMAKING REQUIRED.—

(1) IN GENERAL.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, with respect to the entities that are subject to their respective enforcement authority under section 621 of the Fair Credit Reporting Act, and in coordination as described in paragraph (2), prescribe regulations to implement section 624 of the Fair Credit Reporting Act, as added by this section.

(2) COORDINATION.—Each agency required to prescribe regulations under paragraph (1) shall consult and coordinate with each other such agency so that, to the extent possible, the regulations prescribed by each such entity are consistent and comparable with the regulations prescribed by each other such agency.

(3) CONSIDERATIONS.—In promulgating regulations under this subsection, the Federal Trade Commission shall—

(A) ensure that affiliate sharing notification methods provide a simple means for consumers to make determinations and choices under section 624 of the Fair Credit Reporting Act, as added by this section; and

(B) consider the affiliate sharing notification practices employed on the date of enactment of this Act by persons that will be subject to that section 624.

(4) TIMING.—Regulations required by this subsection shall—

(A) be issued in final form not later than 6 months after the date of enactment of this Act; and

(B) become effective not later than 3 months after the date on which they are issued in final form.

(c) CONFORMING AMENDMENT.—Section 603(d)(2)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)(2)(A)) is amended by inserting ''subject to section 624,'' after ''(A)''.

(d) CLERICAL AMENDMENT.—The Fair Credit Reporting Act (15 U.S.C. 1681 et seq.) is amended in the table of sections, by striking the items following the item relating to section 623 and inserting the following:

''624. Affiliate sharing.
''625. Relation to State laws.
''626. Disclosures to FBI for counterintelligence purposes.''.

(e) STUDIES OF INFORMATION SHARING PRACTICES.—

(1) IN GENERAL.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall jointly conduct regular studies of the consumer information sharing practices by financial institutions and other persons that are creditors or users of consumer reports with their affiliates.

(2) MATTERS FOR STUDY.—In conducting the studies required by paragraph (1), the agencies described in paragraph (1) shall—

(A) identify—

(i) the purposes for which financial institutions and other creditors and users of consumer reports share consumer information;

(ii) the types of information shared by such entities with their affiliates;

(iii) the number of choices provided to consumers with respect to the control of such sharing, and the degree to and manner in which consumers exercise such choices, if at all; and

(iv) whether such entities share or may share personally identifiable transaction or experience information with affiliates for purposes—

(I) that are related to employment or hiring, including whether the person that is the subject of such information is given notice of such sharing, and the specific uses of such shared information; or

(II) of general publication of such information; and

(B) specifically examine the information sharing practices that financial institutions and other creditors and users of consumer reports and their affiliates employ for the purpose of making underwriting decisions or credit evaluations of consumers.

(3) REPORTS.—

(A) INITIAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall jointly submit a report to the Congress on the results of the initial study conducted in accordance with this subsection, together with any recommendations for legislative or regulatory action.

(B) FOLLOWUP REPORTS.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, not less frequently than once every 3 years following the date of submission of the initial report under subparagraph (A), jointly submit a report to the Congress that, together with any recommendations for legislative or regulatory action—

(i) documents any changes in the areas of study referred to in paragraph (2)(A) occurring since the date of submission of the previous report;

(ii) identifies any changes in the practices of financial institutions and other creditors and users of consumer reports in sharing consumer information with their affiliates for the purpose of making underwriting decisions or credit evaluations of consumers occurring since the date of submission of the previous report; and

(iii) examines the effects that changes described in clause (ii) have had, if any, on the degree to which such affiliate sharing practices reduce the need for financial institutions, creditors, and other users of consumer reports to rely on credit reports for such decisions.

(f) DEFINITIONS.—As used in this section—

(1) the terms ''consumer'', ''consumer report'', ''consumer reporting agency'', ''creditor'', ''Federal banking agencies'', and ''financial institution'', have the same meanings as in section 603 of the Fair Credit Reporting Act, as amended by this Act; and

(2) the term ''affiliates'' means persons that are related by common ownership or affiliated by corporate control.

SEC. 215. STUDY OF EFFECTS OF CREDIT SCORES AND CREDIT-BASED INSURANCE SCORES ON AVAILABILITY AND AFFORDABILITY OF FINANCIAL PRODUCTS.

(a) DEFINED TERM.—As used in this section, the term ''credit score'' means a numerical value or a categorization derived from a statistical tool or modeling system used to predict the likelihood of certain credit or insurance behaviors, including default.

(b) STUDY REQUIRED.—The Federal Trade Commission shall conduct a study of—

(1) the effects of the use of credit scores and credit-based insurance scores on the availability and affordability of financial products and services, including credit cards, mortgages, auto loans, and property and casualty insurance;

(2) the degree of correlation between the factors considered by credit score systems and the quantifiable risks and actual losses experienced by businesses, including the extent to which each of the factors considered or otherwise taken into account by such systems correlated to risk or loss;

(3) the extent to which the use of credit scoring models, credit scores and credit-based insurance scores benefit or negatively impact persons based on geography, income, ethnicity, race, color, religion, national origin, age, sex, marital status, or creed; and

(4) the extent to which credit scoring systems are used by businesses, the factors considered by such systems, and the effects of variables which are not considered by such systems.

(c) PUBLIC PARTICIPATION.—The Federal Trade Commission shall seek public input about the prescribed methodology and research design of the study required by subsection (b).

(d) REPORT.—

(1) IN GENERAL.—Before the end of the 18-month period beginning on the date of enactment of this Act, the Federal Trade Commission shall submit a detailed report on the study conducted under this section to the Committee on Financial Services of the House of Representatives and the Committee on Banking, Housing, and Urban Affairs of the Senate.

(2) CONTENTS.—The report submitted under paragraph (1) shall include—

(A) the findings and conclusions of the Commission;

(B) recommendations to address specific areas of concern that were identified in the study; and

(C) recommendations for legislative or administrative action that the Commission may determine to be necessary to ensure that credit and credit-based insurances score are used appropriately and fairly.

TITLE III—ENHANCING THE ACCURACY OF CONSUMER REPORT INFORMATION

SEC. 311. RISK-BASED PRICING NOTICE.

(a) DUTIES OF USERS.—Section 615 of the Fair Credit Reporting Act (15 U.S.C. 1681m), as amended by this Act, is amended by adding at the end the following:

''(j) DUTIES OF USERS IN CERTAIN CREDIT TRANSACTIONS.—

''(1) IN GENERAL.—Subject to rules prescribed as provided in paragraph (5), if any person uses a consumer report in connection with a grant, extension, or other provision of credit on material terms that are materially less favorable than the most favorable terms available to a substantial proportion of consumers from or through that person, based in whole or in part on a consumer report, the person shall provide a notice to the consumer in the form and manner required by regulations prescribed in accordance with this subsection.

''(2) EXCEPTIONS.—No notice shall be required from a person under this subsection if—

''(A) the consumer applied for specific material terms and was granted those terms, unless those terms were initially specified by the person after the transaction was initiated by the consumer and after the person obtained a consumer report; or

''(B) the person has provided or will provide a notice to the consumer under subsection (a) in connection with the transaction.

''(3) OTHER NOTICE NOT SUFFICIENT.—A person that is required to provide a notice under subsection (a) cannot meet that requirement by providing a notice under this subsection.

''(4) CONTENT AND DELIVERY OF NOTICE.—A notice under this subsection shall include, at a minimum—

''(A) a statement informing the consumer that the terms offered to the consumer were set based on information from a consumer report;

''(B) identification of the consumer reporting agency that furnished that report;

''(C) a statement informing the consumer that the consumer may obtain a copy of a consumer report from that consumer reporting agency without charge; and

''(D) the contact information specified by that consumer reporting agency for obtaining such consumer reports (including a toll-free telephone number established by the agency in the case of a consumer reporting agency described in section 603(p)).

''(5) RULEMAKING.—

''(A) RULES REQUIRED.—The Federal Trade Commission and the Board of Governors of the Federal Reserve System shall jointly prescribe rules, in accordance with section 553 of title 5, United States Code, to carry out this subsection.

''(B) CONTENT.—Rules required by subparagraph (A) shall address, but are not limited to—

''(i) the form, content, time, and manner of delivery of any notice under this subsection;

''(ii) clarification of the meaning of terms used in this subsection, including what credit terms are material, and when credit terms are materially less favorable;

''(iii) exceptions to the notice requirement under this subsection for classes of persons or transactions regarding which the agencies determine that notice would not significantly benefit consumers; and

''(iv) a model notice that may be used to comply with this subsection.''.

(b) RELATION TO STATE LAWS.—Section 625(b)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681t(b)(1), regarding relation to State laws), as so designated and amended by this Act, is amended by adding at the end the following:

''(I) section 615(j), relating to the duties of users of consumer reports to provide notice with respect to terms in certain credit transactions;''.

SEC. 312. PROCEDURES TO ENHANCE THE ACCURACY AND COMPLETENESS OF INFORMATION FURNISHED TO CONSUMER REPORTING AGENCIES.

(a) ACCURACY GUIDELINES AND REGULATIONS.—Section 623 of the Fair Credit Reporting Act (15 U.S.C. 15 U.S.C. 1681s–2) is amended by adding at the end the following:

''(e) ACCURACY GUIDELINES AND REGULATIONS REQUIRED.—

''(1) GUIDELINES.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, with respect to the entities that are subject to their respective enforcement authority under section 621, and in coordination as described in paragraph (2)—

''(A) establish and maintain guidelines for use by each person that furnishes information to a consumer reporting agency regarding the accuracy and completeness of the information relating to consumers that such entities furnish to consumer reporting agencies, and update such guidelines as often as necessary; and

''(B) prescribe regulations requiring each person that furnishes information to a consumer reporting agency to establish reasonable policies and procedures for implementing the guidelines established pursuant to subparagraph (A).

''(2) COORDINATION.—Each agency required to prescribe regulations under paragraph (1) shall consult and coordinate with each other such agency so that, to the extent possible, the regulations prescribed by each such entity are consistent and comparable with the regulations prescribed by each other such agency.

''(3) CRITERIA.—In developing the guidelines required by paragraph (1)(A), the agencies described in paragraph (1) shall—

''(A) identify patterns, practices, and specific forms of activity that can compromise the accuracy and completeness of information furnished to consumer reporting agencies;

''(B) review the methods (including technological means) used to furnish information relating to consumers to consumer reporting agencies;

''(C) determine whether persons that furnish information to consumer reporting agencies maintain and enforce policies to provide complete and accurate information to consumer reporting agencies; and

''(D) examine the policies and processes that persons that furnish information to consumer reporting agencies employ to conduct reinvestigations and correct inaccurate information relating to consumers that has

been furnished to consumer reporting agencies.''.

(b) FURNISHER LIABILITY EXCEPTION.—Section 623(a)(5) of the Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)(5)) is amended—

(1) by striking ''A person'' and inserting the following:

''(A) IN GENERAL.—A person'';

(2) by inserting ''date of delinquency on the account, which shall be the'' before ''month'';

(3) by inserting ''on the account'' before ''that immediately preceded''; and

(4) by adding at the end the following:

''(B) RULE OF CONSTRUCTION.—For purposes of this paragraph only, and provided that the consumer does not dispute the information, a person that furnishes information on a delinquent account that is placed for collection, charged for profit or loss, or subjected to any similar action, complies with this paragraph, if—

''(i) the person reports the same date of delinquency as that provided by the creditor to which the account was owed at the time at which the commencement of the delinquency occurred, if the creditor previously reported that date of delinquency to a consumer reporting agency;

''(ii) the creditor did not previously report the date of delinquency to a consumer reporting agency, and the person establishes and follows reasonable procedures to obtain the date of delinquency from the creditor or another reliable source and reports that date as the date of delinquency; or

''(iii) the creditor did not previously report the date of delinquency to a consumer reporting agency and the date of delinquency cannot be reasonably obtained as provided in clause (ii), the person establishes and follows reasonable procedures to ensure the date reported as the date of delinquency precedes the date on which the account is placed for collection, charged to profit or loss, or subjected to any similar action, and reports such date to the credit reporting agency.''.

(c) LIABILITY AND ENFORCEMENT.—

(1) CIVIL LIABILITY.—Section 623 of the Fair Credit Reporting Act (15 U.S.C. 1681s–2) is amended by striking subsections (c) and (d) and inserting the following:

''(c) LIMITATION ON LIABILITY.—Except as provided in section 621(c)(1)(B), sections 616 and 617 do not apply to any violation of—

''(1) subsection (a) of this section;

''(2) subsection (e) of this section, except that nothing in this paragraph shall limit, expand, or otherwise affect liability under section 616 or 617, as applicable, for violations of subsection (b) of this section;

''(3) subsection (e) or (f) of section 615; or

''(4) subparagraph (A) of subsection (b)(2) of this section that is based on the development of procedures required by that subparagraph, except that refurnishing information otherwise in violation of subsection (b) shall be subject to liability under sections 616 and 617, as applicable, to the same extent as such a refurnishing violation was subject to such liability on the day before the date of enactment of the National Consumer Credit Reporting System Improvement Act of 2003.

''(d) LIMITATION ON ENFORCEMENT.—The provisions of law described in paragraphs (1) through (4) of subsection (c) (other than with respect to the exceptions described in paragraphs (2) and (4) of subsection (c)) shall be enforced exclusively as provided under section 621 by the Federal agencies and officials and the State officials identified in section 621.''.

(2) STATE ACTIONS.—Section 621(c) of the Fair Credit Reporting Act (15 U.S.C. 1681s(c)) is amended—

(A) in paragraph (1)(B)(ii), by striking ''of section 623(a)'' and inserting ''described in any of paragraphs (1) through (4) of section 623(c) (other than with respect to the exception described in paragraph (4) of section 623(c))''; and

(B) in paragraph (5)—

(i) in each of subparagraphs (A) and (B), by inserting after ''section 623(a)(1)'' each place that term appears the following: ''or a violation described in any of paragraphs (2) through (4) of section 623(c) (other than with respect to the exception described in paragraph (4) of section 623(c))''; and

(ii) by amending the paragraph heading to read as follows:

''(5) LIMITATIONS ON STATE ACTIONS FOR CERTAIN VIOLATIONS.—''.

(d) RULE OF CONSTRUCTION.—Nothing in this section, the amendments made by this section, or any other provision of this Act shall be construed to affect any liability under section 616 or 617 of the Fair Credit Reporting Act (15 U.S.C. 1681n, 1681o) that existed on the day before the date of enactment of this Act.

SEC. 313. FEDERAL TRADE COMMISSION AND CONSUMER REPORTING AGENCY ACTION CONCERNING COMPLAINTS.

Section 611 of the Fair Credit Reporting Act (15 U.S.C. 1681i) is amended by adding at the end the following:

''(e) TREATMENT OF COMPLAINTS AND REPORT TO CONGRESS.—

''(1) IN GENERAL.—The Federal Trade Commission shall—

''(A) compile all complaints that it receives that a file of a consumer that is maintained by a consumer reporting agency described in section 603(p) contains incomplete or inaccurate information, with respect to which, the consumer appears to have disputed the completeness or accuracy with the consumer reporting agency or otherwise utilized the procedures provided by subsection (a); and

''(B) transmit each such complaint to each consumer reporting agency involved.

''(2) EXCLUSION.—Complaints received or obtained by the Federal Trade Commission pursuant to its investigative authority under the Federal Trade Commission Act shall not be subject to this paragraph (1).

''(3) AGENCY RESPONSIBILITIES.—Each consumer reporting agency described in section 603(p) that receives a complaint transmitted by the Federal Trade Commission pursuant to paragraph (1) shall—

''(A) review each such complaint to determine whether all legal obligations imposed on the consumer reporting agency under this title (including any obligation imposed by an applicable court or administrative order) have been met with respect to the subject matter of the complaint;

''(B) provide reports on a regular basis to the Commission regarding the determinations of and actions taken by the consumer reporting agency, if any, in connection with its review of such complaints; and

''(C) maintain, for a reasonable time period, records regarding the disposition of each such complaint that is sufficient to demonstrate compliance with this subsection.

''(4) RULEMAKING AUTHORITY.—The Federal Trade Commission may prescribe regulations in accordance with the requirements of section 553 of title 5, United States Code, as appropriate to implement this subsection.

''(5) ANNUAL REPORT.—The Federal Trade Commission shall submit to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives an annual report regarding information gathered by the Commission under this subsection.''.

SEC. 314. ONGOING AUDITS OF THE ACCURACY OF CONSUMER REPORTS.

(a) AUDITS REQUIRED.—The Board of Governors of the Federal Reserve System (in this section referred to as ''the Board'') shall conduct ongoing audits of the accuracy and completeness of information contained in consumer reports prepared or maintained by consumer reporting agencies. The Board shall independently verify the accuracy and completeness of information contained in consumer reports by evaluating information and data provided by consumer reporting agencies (as defined in section 603 of the Fair Credit Reporting Act).

(b) SUBJECT MATTERS.—In conducting audits under this section, the Board shall examine—

(1) the accuracy and completeness of information contained in consumer reports, including an analysis of the type of inaccurate or incomplete information, if any, that may have the most significant impact on the availability and terms of various credit products offered to borrowers; and

(2) the impact, if any, of incomplete and inaccurate information on the credit and credit-based insurance scores that are most widely used to determine borrower credit worthiness and to make insurance underwriting and rating decisions, including an analysis of how, if at all, changes to credit scores resulting from inaccurate or incomplete credit reporting information affect the availability and terms of various credit products offered to borrowers.

(c) BIENNIAL REPORTS REQUIRED.—

(1) IN GENERAL.—The Board shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives at the end of the 2-year period beginning on the date of enactment of this Act. Thereafter, the Board shall conduct additional audits and submit additional reports once every 2 years.

(2) CONTENTS.—Each report submitted under this subsection shall contain a detailed summary of the findings and conclusions of the Board with respect to the audits required by this section, and such recommendations for legislative and administrative action as the Board may determine to be appropriate.

(d) PROVISION OF REPORTS TO THE BOARD FOR PURPOSES OF ANALYSIS.—Section 604(d) of the Fair Credit Reporting Act (12 U.S.C. 1681b(d)) is amended to read as follows:

''(d) FURNISHING CONSUMER REPORTS FOR ACCURACY OR COMPLIANCE AUDITS.—A consumer reporting agency shall provide consumer reports to the Board of Governors of the Federal Reserve System, upon request, for the purpose of conducting an accuracy or compliance audit in accordance with section 314 of the National Consumer Credit Reporting System Improvement Act of 2003.''.

SEC. 315. IMPROVED DISCLOSURE OF THE RESULTS OF REINVESTIGATION.

(a) IN GENERAL.—Section 611(a)(5)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681i) is amended by striking ''shall'' and all that follows through the end of the subparagraph, and inserting the following: ''shall—

''(i) promptly delete that item of information from the file of the consumer, or modify that item of information, as appropriate, based on the results of the reinvestigation; and

''(ii) promptly notify the furnisher of that information that the information has been modified or deleted from the file of the consumer.''.

(b) FURNISHER REQUIREMENTS RELATING TO INACCURATE, INCOMPLETE, OR UNVERIFIABLE INFORMATION.—Section 623(b)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681s–2(b)(1)) is amended—

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

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

''(E) if an item of any information disputed by a consumer is found to be inaccurate or incomplete or cannot be verified after any reinvestigation under paragraph (1), promptly delete that item of information from the furnisher's records or modify that item of information, as appropriate, based on the results of the reinvestigation.''.

SEC. 316. RECONCILING ADDRESSES.

Section 605 of the Fair Credit Reporting Act (15 U.S.C. 1681c), as amended by this Act, is amended by adding at the end the following:

''(h) NOTICE OF DISCREPANCY IN ADDRESS.—

''(1) IN GENERAL.—If a person has requested a consumer report relating to a consumer from a consumer reporting agency described in section 603(p), the request includes an address for the consumer that substantially differs from the addresses in the file of the consumer, and the agency provides a consumer report in response to the request, the consumer reporting agency shall notify the requester of the existence of the discrepancy.

''(2) REGULATIONS.—

''(A) REGULATIONS REQUIRED.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, with respect to the entities that are subject to their respective enforcement authority under section 621, and in coordination as described in subparagraph (B), prescribe regulations providing guidance regarding reasonable policies and procedures that a user of a consumer report should employ when such user has received a notice of discrepancy under paragraph (1).

''(B) COORDINATION.—Each agency required to prescribe regulations under subparagraph (A) shall consult and coordinate with each other such agency so that, to the extent possible, the regulations prescribed by each such entity are consistent and comparable with the regulations prescribed by each other such agency.

''(C) POLICIES AND PROCEDURES TO BE INCLUDED.—The regulations prescribed under subparagraph (A) shall describe reasonable policies and procedures for use by a user of a consumer report—

''(i) to form a reasonable belief that the user knows the identity of the person to whom the consumer report pertains; and

''(ii) if the user establishes a continuing relationship with the consumer, and the user regularly and in the ordinary course of business furnishes information to the consumer reporting agency from which the notice of discrepancy pertaining to the consumer was obtained, to reconcile the address of the consumer with the consumer reporting agency by furnishing such address to such consumer reporting agency as part of information regularly furnished by the user for the period in which the relationship is established.''.

SEC. 317. FTC STUDY OF ISSUES RELATING TO THE FAIR CREDIT REPORTING ACT.

(a) STUDY REQUIRED.—

(1) IN GENERAL.—The Federal Trade Commission shall conduct a study on ways to improve the operation of the Fair Credit Reporting Act.

(2) AREAS FOR STUDY.—In conducting the study under paragraph (1), the Federal Trade Commission shall review—

(A) the efficacy of increasing the number of points of identifying information that a credit reporting agency is required to match to ensure that a consumer is the correct individual to whom a consumer report relates before releasing a consumer report to a user, including—

(i) the extent to which requiring additional points of such identifying information to match would—

(I) enhance the accuracy of credit reports; and

(II) combat the provision of incorrect consumer reports to users;

(ii) the extent to which requiring an exact match of the first and last name, social security number, and address and ZIP Code of the consumer would enhance the likelihood of increasing credit report accuracy; and

(iii) the effects of allowing consumer reporting agencies to use partial matches of social security numbers and name recognition software on the accuracy of credit reports;

(B) requiring notification to consumers when negative information has been added to their credit reports, including—

(i) the potential impact of such notification on the ability of consumers to identify errors on their credit reports; and

(ii) the potential impact of such notification on the ability of consumers to remove fraudulent information from their credit reports;

(C) the effects of requiring that a consumer who has experienced an adverse action based on a credit report receives a copy of the same credit report that the creditor relied on in taking the adverse action, including—

(i) the extent to which providing such reports to consumers would increase the ability of consumers to identify errors in their credit reports; and

(ii) the extent to which providing such reports to consumers would increase the ability of consumers to remove fraudulent information from their credit reports;

(D) any common financial transactions that are not generally reported to the consumer reporting agencies, but would provide useful information in determining the credit worthiness of consumers; and

(E) any actions that might be taken within a voluntary reporting system to encourage the reporting of the types of transactions described in subparagraph (D).

(3) COSTS AND BENEFITS.—With respect to each area of study described in paragraph (2), the Federal Trade Commission shall consider the extent to which such requirements would benefit consumers, balanced against the cost of implementing such provisions.

(b) REPORT REQUIRED.—Not later than 270 days after the date of enactment of this Act, the chairman of the Federal Trade Commission shall submit a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives containing a detailed summary of the findings and conclusions of the study under this section, together with such recommendations for legislative or administrative actions as may be appropriate.

TITLE IV—LIMITING THE USE AND SHARING OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM

SEC. 411. PROTECTION OF MEDICAL INFORMATION IN THE FINANCIAL SYSTEM.

(a) IN GENERAL.—Section 604(g) of the Fair Credit Reporting Act (15 U.S.C. 1681b(g)) is amended to read as follows:

''(g) PROTECTION OF MEDICAL INFORMATION.—

''(1) LIMITATION ON CONSUMER REPORTING AGENCIES.—A consumer reporting agency shall not furnish for employment purposes, or in connection with a credit or insurance transaction, a consumer report that contains medical information about a consumer, unless—

''(A) if furnished in connection with an insurance transaction, the consumer affirmatively consents to the furnishing of the report;

''(B) if furnished for employment purposes or in connection with a credit transaction—

''(i) the information to be furnished is relevant to process or effect the employment or credit transaction; and

''(ii) the consumer provides specific written consent for the furnishing of the report that describes in clear and conspicuous language the use for which the information will be furnished; or

''(C) such information is restricted or reported using codes that do not identify, or provide information sufficient to infer, the specific provider or the nature of such services, products, or devices to a person other than the consumer, unless the report is being provided to an insurance company for a purpose relating to engaging in the business of insurance, other than property and casualty insurance.

''(2) LIMITATION ON CREDITORS.—Except as permitted pursuant to paragraph (3)(C) or regulations prescribed under paragraph (5)(A), a creditor shall not obtain or use medical information pertaining to a consumer in connection with any determination of the consumer's eligibility, or continued eligibility, for credit.

''(3) ACTIONS AUTHORIZED BY FEDERAL LAW, INSURANCE ACTIVITIES AND REGULATORY DETERMINATIONS.—Section 603(d)(3) shall not be construed so as to treat information or any communication of information as a consumer report if the information or communication is disclosed—

''(A) in connection with the business of insurance or annuities, including the activities described in section 18B of the model Privacy of Consumer Financial and Health Information Regulation issued by the National Association of Insurance Commissioners (as in effect on January 1, 2003);

''(B) for any purpose permitted without authorization under the Standards for Individually Identifiable Health Information promulgated by the Department of Health and Human Services pursuant to the Health Insurance Portability and Accountability Act of 1996, or referred to under section 1179 of such Act, or described in section 502(e) of Public Law 106–102; or

''(C) as otherwise determined to be necessary and appropriate, by regulation or order and subject to paragraph (6), by the Federal Trade Commission, any Federal banking agency or the National Credit Union Administration (with respect to any financial institution subject to the jurisdiction of such agency or Administration under paragraph (1), (2), or (3) of section 621(b), or the applicable State insurance authority (with respect to any person engaged in providing insurance or annuities).

''(4) LIMITATION ON REDISCLOSURE OF MEDICAL INFORMATION.—Any person that receives medical information pursuant to paragraph (1) or (3) shall not disclose such information to any other person, except as necessary to carry out the purpose for which the information was initially disclosed, or as otherwise permitted by statute, regulation, or order.

''(5) REGULATIONS AND EFFECTIVE DATE FOR PARAGRAPH (2).—

''(A) REGULATIONS REQUIRED.—Each Federal banking agency and the National Credit Union Administration shall, subject to paragraph (6) and after notice and opportunity for comment, prescribe regulations that permit transactions under paragraph (2) that are determined to be necessary and appropriate to protect legitimate operational, transactional, risk, consumer, and other needs, consistent with the intent of paragraph (2) to restrict the use of medical information for inappropriate purposes.

''(B) FINAL REGULATIONS REQUIRED.—The Federal banking agencies and the National Credit Union Administration shall issue the

regulations required under subparagraph (A) in final form before the end of the 6-month period beginning on the date of enactment of the National Consumer Credit Reporting System Improvement Act of 2003.

''(6) COORDINATION WITH OTHER LAWS.—No provision of this subsection shall be construed as altering, affecting, or superseding the applicability of any other provision of Federal law relating to medical confidentiality.''.

(b) RESTRICTION ON SHARING OF MEDICAL INFORMATION.—Section 603(d) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)) is amended—

(1) in paragraph (2), by striking ''The term'' and inserting ''Except as provided in paragraph (3), the term''; and

(2) by adding at the end the following new paragraph:

''(3) RESTRICTION ON SHARING OF MEDICAL INFORMATION.—Except for information or any communication of information disclosed as provided in section 604(g)(3), the exclusions in paragraph (2) shall not apply with respect to information disclosed to any person related by common ownership or affiliated by corporate control, if—

''(A) the information is medical information; or

''(B) the information is an individualized list or description based on a consumer's payment transactions for medical products or services, or an aggregate list of identified consumers based on payment transactions for medical products or services.''.

(c) EFFECTIVE DATES.—This section shall take effect at the end of the 180-day period beginning on the date of enactment of this Act, except that paragraph (2) of section 604(g) of the Fair Credit Reporting Act (as amended by subsection (a)) shall take effect on the later of—

(1) the end of the 90-day period beginning on the date on which the regulations required under paragraph (5)(B) of such section 604(g) (as added by subsection (a) of this section) are issued in final form; or

(2) the date specified in the regulations referred to in paragraph (1).

SEC. 412. CONFIDENTIALITY OF MEDICAL CONTACT INFORMATION IN CONSUMER REPORTS.

(a) DUTIES OF MEDICAL INFORMATION FURNISHERS.—Section 623(a) of the Fair Credit Reporting Act (15 U.S.C. 1681s–2(a)) is amended by adding at the end the following:

''(6) DUTY TO PROVIDE NOTICE OF STATUS AS MEDICAL INFORMATION FURNISHER.—A person whose primary business is providing medical services, products, or devices, or the person's agent or assignee, who furnishes information to a consumer reporting agency on a consumer shall be considered a medical information furnisher for purposes of this title, and shall notify the agency of such status.''.

(b) RESTRICTION OF DISSEMINATION OF MEDICAL CONTACT INFORMATION.—Section 605(a) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)) is amended by adding at the end the following:

''(6) The name, address, and telephone number of any medical information furnisher that has notified the agency of its status, unless—

''(A) such name, address, and telephone number are restricted or reported using codes that do not identify, or provide information sufficient to infer, the specific provider or the nature of such services, products, or devices to a person other than the consumer; or

''(B) the report is being provided to an insurance company for a purpose relating to engaging in the business of insurance other than property and casualty insurance.''.

(c) NO EXCEPTIONS ALLOWED FOR DOLLAR AMOUNTS.—Section 605(b) of the Fair Credit Reporting Act (15 U.S.C. 1681c(b)) is amended by striking ''The provisions of subsection (a)'' and inserting ''The provisions of paragraphs (1) through (5) of subsection (a)''.

(d) COORDINATION WITH OTHER LAWS.—No provision of any amendment made by this section shall be construed as altering, affecting, or superseding the applicability of any other provision of Federal law relating to medical confidentiality.

(e) FTC REGULATION OF CODING OF TRADE NAMES.—Section 621 of the Fair Credit Reporting Act (15 U.S.C. 1681s), as amended by this Act, is amended by adding at the end the following:

''(g) FTC REGULATION OF CODING OF TRADE NAMES.—If the Federal Trade Commission determines that a person described in paragraph (6) of section 623(a) has not met the requirements of such paragraph, the Commission shall take action to ensure the person's compliance with such paragraph, which may include issuing model guidance or prescribing reasonable policies and procedures as necessary to ensure that such person complies with such paragraph.''.

(f) TECHNICAL AND CONFORMING AMENDMENTS.—Section 604(g) of the Fair Credit Reporting Act (15 U.S.C. 1681b(g)), as amended by section 411 of this Act, is amended—

(1) in paragraph (1), by inserting ''(other than medical contact information treated in the manner required under section 605(a)(6))'' after ''a consumer report that contains medical information''; and

(2) in paragraph (2), by inserting ''(other than medical information treated in the manner required under section 605(a)(6))'' after ''a creditor shall not obtain or use medical information''.

(g) EFFECTIVE DATE.—The amendments made by this section shall take effect at the end of the 15-month period beginning on the date of enactment of this Act.

TITLE V—FINANCIAL LITERACY AND EDUCATION IMPROVEMENT

SEC. 511. SHORT TITLE.

This title may be cited as the ''Financial Literacy and Education Improvement Act''.

SEC. 512. DEFINITIONS.

As used in this title—

(1) the term ''Chairperson'' means the Chairperson of the Financial Literacy and Education Commission; and

(2) the term ''Commission'' means the Financial Literacy and Education Commission established under section 513.

SEC. 513. ESTABLISHMENT OF FINANCIAL LITERACY AND EDUCATION COMMISSION.

(a) IN GENERAL.—There is established a commission to be known as the ''Financial Literacy and Education Commission''.

(b) PURPOSE.—The Commission shall serve to improve the financial literacy and education of persons in the United States.

(c) MEMBERSHIP.—

(1) COMPOSITION.—The Commission shall be composed of—

(A) the Secretary of the Treasury;

(B) the respective head of each of the Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration, the Securities and Exchange Commission, each of the Departments of Education, Agriculture, Defense, Health and Human Services, Housing and Urban Development, Labor, and Veterans Affairs, the Federal Trade Commission, the General Services Administration, the Small Business Administration, the Social Security Administration, the Commodity Futures Trading Commission, and the Office of Personnel Management; and

(C) at the discretion of the President, not more than 5 individuals appointed by the President from among the administrative heads of any other Federal agencies, departments, or other Government entities, whom the President determines to be engaged in a serious effort to improve financial literacy and education.

(2) ALTERNATES.—Each member of the Commission may designate an alternate if the member is unable to attend a meeting of the Commission. Such alternate shall be an individual who exercises significant decision-making authority.

(d) CHAIRPERSON.—The Secretary of the Treasury shall serve as the Chairperson.

(e) MEETINGS.—The Commission shall hold, at the call of the Chairperson, at least 1 meeting every 4 months. All such meetings shall be open to the public. The Commission may hold, at the call of the Chairperson, such other meetings as the Chairperson sees fit to carry out this title.

(f) QUORUM.—A majority of the members of the Commission shall constitute a quorum, but a lesser number of members may hold hearings.

(g) INITIAL MEETING.—The Commission shall hold its first meeting not later than 60 days after the date of enactment of this Act.

SEC. 514. DUTIES OF THE COMMISSION.

(a) DUTIES.—

(1) IN GENERAL.—The Commission, through the authority of the members referred to in section 513(c), shall take such actions as it deems necessary to streamline, improve, or augment the financial literacy and education programs, grants, and materials of the Federal Government, including curricula for all Americans.

(2) AREAS OF EMPHASIS.—To improve financial literacy and education, the Commission shall emphasize, among other elements, basic personal income and household money management and planning skills, including how to—

(A) create household budgets, initiate savings plans, and make strategic investment decisions for education, retirement, home ownership, wealth building, or other savings goals;

(B) manage spending, credit, and debt, including credit card debt, effectively;

(C) increase awareness of the availability and significance of credit reports and credit scores in obtaining credit, the importance of their accuracy (and how to correct inaccuracies), their effect on credit terms, and the effect common financial decisions may have on credit scores;

(D) ascertain fair and favorable credit terms;

(E) avoid abusive, predatory, or deceptive credit offers and financial products;

(F) understand, evaluate, and compare financial products, services, and opportunities;

(G) understand resources that ought to be easily accessible and affordable, and that inform and educate investors as to their rights and avenues of recourse when an investor believes his or her rights have been violated by unprofessional conduct of market intermediaries; and

(H) improve financial literacy and education through all other related skills.

(b) WEBSITE.—

(1) IN GENERAL.—The Commission shall establish and maintain a website, such as the domain name ''FinancialLiteracy.gov'', or a similar domain name.

(2) PURPOSES.—The website established under paragraph (1) shall—

(A) serve as a clearinghouse of information about Federal financial literacy and education programs;

(B) provide a coordinated entry point for accessing information about all Federal publications, grants, and materials promoting enhanced financial literacy and education;

(C) offer information on all Federal grants to promote financial literacy and education, and on how to target, apply for, and receive a grant that is most appropriate under the circumstances;

(D) as the Commission considers appropriate, feature website links to efforts that have no commercial content and that feature information about financial literacy and education programs, materials, or campaigns; and

(E) offer such other information as the Commission finds appropriate to share with the public in the fulfillment of its purpose.

(c) TOLL-FREE HOTLINE.—The Commission shall establish a toll-free telephone number that shall be made available to members of the public seeking information about issues pertaining to financial literacy and education.

(d) DEVELOPMENT AND DISSEMINATION OF MATERIALS.—The Commission shall—

(1) develop materials to promote financial literacy and education; and

(2) disseminate such materials to the general public.

(e) COORDINATION OF EFFORTS.—The Commission shall take such steps as are necessary to coordinate and promote financial literacy and education efforts at the State and local level, including promoting partnerships among Federal, State, and local governments, nonprofit organizations, and private enterprises.

(f) NATIONAL STRATEGY.—

(1) IN GENERAL.—The Commission shall—

(A) not later than 18 months after the date of enactment of this Act, develop a national strategy to promote basic financial literacy and education among all American consumers; and

(B) coordinate Federal efforts to implement the strategy developed under subparagraph (A).

(2) STRATEGY.—The strategy to promote basic financial literacy and education required to be developed under paragraph (1) shall provide for—

(A) participation by State and local governments and private, nonprofit, and public institutions in the creation and implementation of such strategy;

(B) the development of methods—

(i) to increase the general financial education level of current and future consumers of financial services and products; and

(ii) to enhance the general understanding of financial services and products;

(C) review of Federal activities designed to promote financial literacy and education, and development of a plan to improve coordination of such activities; and

(D) the identification of areas of overlap and duplication among Federal financial literacy and education activities and proposed means of eliminating any such overlap and duplication.

(3) NATIONAL STRATEGY REVIEW.—The Commission shall, not less than annually, review the national strategy developed under this subsection and make such changes and recommendations as it deems necessary

(g) CONSULTATION.—The Commission shall actively consult with a variety of representatives from private and nonprofit organizations and State and local agencies, as determined appropriate by the Commission.

(h) REPORTS.—

(1) IN GENERAL.—Not later than 18 months after the date of the first meeting of the Commission, and annually thereafter, the Commission shall issue a report to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives on the progress of the Commission in carrying out this title.

(2) CONTENTS.—The report required under paragraph (1) shall include—

(A) information concerning the implementation of the duties of the Commission under subsections (a) through (g);

(B) an assessment of the success of the Commission in implementing the national strategy developed under subsection (f);

(C) an assessment of the availability, utilization, and impact of Federal financial literacy and education materials;

(D) information concerning the content and public use of—

(i) the website established under subsection (b); and

(ii) the toll-free telephone number established under subsection (c);

(E) a brief survey of the financial literacy and education materials developed under subsection (d), and data regarding the dissemination and impact of such materials, as measured by improved financial decision making;

(F) a brief summary of any hearings conducted by the Commission, including a list of witnesses who testified at such hearings;

(G) information about the activities of the Commission planned for the next fiscal year;

(H) a summary of all Federal financial literacy and education activities targeted to communities that have historically lacked access to financial literacy materials and education, and have been underserved by the mainstream financial systems; and

(I) such other materials relating to the duties of the Commission as the Commission deems appropriate.

(3) INITIAL REPORT.—The initial report under paragraph (1) shall include information regarding all Federal programs, materials, and grants which seek to improve financial literacy, and assess the effectiveness of such programs.

(i) TESTIMONY.—The Commission shall provide, upon request, testimony by the Chairperson to the Committee on Banking, Housing, and Urban Affairs of the Senate and the Committee on Financial Services of the House of Representatives.

SEC. 515. POWERS OF THE COMMISSION.

(a) HEARINGS.—The Commission may hold such hearings, sit and act at such times and places, take such testimony, and receive such evidence as the Commission considers advisable to carry out this title.

(b) INFORMATION FROM FEDERAL AGENCIES.—The Commission may secure directly from any Federal department or agency such information as the Commission considers necessary to carry out this title. Upon request of the Chairperson, the head of such department or agency shall furnish such information to the Commission.

(c) PERIODIC STUDIES.—The Commission may conduct periodic studies regarding the state of financial literacy and education in the United States, as the Commission determines appropriate.

SEC. 516. COMMISSION PERSONNEL MATTERS.

(a) COMPENSATION OF MEMBERS.—Each member of the Commission shall serve without compensation in addition to that received for their service as an officer or employee of the United States.

(b) TRAVEL EXPENSES.—The members of the Commission shall be allowed travel expenses, including per diem in lieu of subsistence, at rates authorized for employees of agencies under subchapter I of chapter 57 of title 5, United States Code, while away from their homes or regular places of business in the performance of services for the Commission.

(c) ASSISTANCE.—

(1) IN GENERAL.—The Director of the Office of Financial Education of the Department of the Treasury shall provide assistance to the Commission, upon request of the Commission, without reimbursement.

(2) DETAIL OF GOVERNMENT EMPLOYEES.—Any Federal Government employee may be detailed to the Commission without reimbursement, and such detail shall be without interruption or loss of civil service status or privilege.

SEC. 517. STUDY BY THE COMPTROLLER GENERAL.

Not later than 3 years after the date of enactment of this Act, the Comptroller General of the United States shall submit a report to Congress assessing the effectiveness of the Commission in promoting financial literacy and education.

SEC. 518. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Commission such sums as may be necessary to carry out this title, including administrative expenses of the Commission.

TITLE VI—RELATION TO STATE LAW

SEC. 611. RELATION TO STATE LAW.

Section 625(d) of the Fair Credit Reporting Act (15 U.S.C. 1681t(d), regarding relation to State laws), as so designated by section 214 of this Act, is amended—

(1) by striking paragraph (2);

(2) by striking ''(c)—'' and all that follows through ''do not affect'' and inserting ''(c) do not affect''; and

(3) by striking ''1996; and'' and inserting ''1996.''.

TITLE VII—MISCELLANEOUS

SEC. 711. CLERICAL AMENDMENTS.

(a) SHORT TITLE.—Section 601 of the Fair Credit Reporting Act (15 U.S.C. 1601 note) is amended by striking ''the Fair Credit Reporting Act.'' and inserting ''the 'Fair Credit Reporting Act'.''.

(b) SECTION 604.—Section 604(a) of the Fair Credit Reporting Act (15 U.S.C. 1681b(a)) is amended in paragraphs (1) through (5), other than subparagraphs (E) and (F) of paragraph (3), by moving each margin 2 ems to the right.

(c) SECTION 605.—

(1) Section 605(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681c(a)(1)) is amended by striking ''(1) cases'' and inserting ''(1) Cases''.

(2)(A) Section 5(1) of Public Law 105–347 (112 Stat. 3211) is amended by striking ''Judgments which'' and inserting ''judgments which''.

(B) The amendment made by subparagraph (A) shall be deemed to have the same effective date as section 5(1) of Public Law 105–347 (112 Stat. 3211).

(d) SECTION 609.—Section 609(a) of the Fair Credit Reporting Act (15 U.S.C. 1681g(a)) is amended—

(1) in paragraph (2), by moving the margin 2 ems to the right; and

(2) in paragraph (3)(C), by moving the margins 2 ems to the left.

(e) SECTION 617.—Section 617(a)(1) of the Fair Credit Reporting Act (15 U.S.C. 1681o(a)(1)) is amended by adding ''and'' at the end.

(f) SECTION 621.—Section 621(b)(1)(B) of the Fair Credit Reporting Act (15 U.S.C. 1681s(b)(1)(B)) is amended by striking ''25(a)'' and inserting ''25A''.

(g) TITLE 31.—Section 5318 of title 31, United States Code, is amended by redesignating the second item designated as subsection (l) (relating to applicability of rules) as subsection (m).

(h) CONFORMING AMENDMENT.—Section 2411(c) of Public Law 104–208 (110 Stat. 3009–445) is repealed.

SA 2054. Mrs. FEINSTEIN (for herself, Mrs. BOXER, Mr. HARKIN, Mr. FEINGOLD, Mr. DURBIN, Mr. LAUTENBERG, and Mr. NELSON of Florida) proposed an amendment to the bill S. 1753, to

amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

Strike section 214 and insert the following:

SEC. 214. AFFILIATE SHARING.

(a) LIMITATION.—The Fair Credit Reporting Act (15 U.S.C. 1601 et seq.) is amended—

(1) by redesignating section 624, as so designated by section 2413(b) of the Consumer Credit Reporting Reform Act of 1996 (110 Stat. 3009–447), regarding relation to State laws, as section 625;

(2) by redesignating section 624, as added by section 601(a) of the Intelligence Authorization Act for Fiscal Year 1996 (Public Law 104–93; 109 Stat. 974) (15 U.S.C. 1681u)), regarding disclosures to FBI for counterintelligence purposes, as section 626; and

(3) by inserting after section 623 the following:

"SEC. 624. AFFILIATE SHARING.

''(a) OPT-OUT FOR AFFILIATE SHARING.—Any persons that are related by common ownership or affiliated by corporate control, and that share information that would be a consumer report except for clause (i) or (ii) of section 603(d)(2), shall provide to each consumer to which the information relates, a notice that—

''(1) clearly and conspicuously discloses to the consumer that the information may be shared among such persons for marketing or other purposes; and

''(2) provides an opportunity and a simple method for the consumer to prohibit the sharing of such information.

''(b) EXCEPTIONS.—Nothing in this section shall restrict or prohibit the sharing of the information described in subsection (a) between persons related by common ownership or affiliated by corporate control—

''(1) if—

''(A) the persons are regulated by the same functional regulator;

''(B) the affiliate disclosing such information and the affiliate receiving such information are both principally engaged in the same line of business;

''(C) the affiliate disclosing such information and the affiliate receiving such information share a common brand, excluding a brand consisting solely of a graphic element or symbol, within their trade mark, service mark, or trade name, which is used to identify the source of the products and services provided; and

''(D) the affiliate disclosing such information and the affiliate receiving such information are wholly owned subsidiaries, whether wholly owned directly or wholly owned indirectly in a chain of wholly owned subsidiaries, of the same person or holding company;

''(2) as necessary to effect, administer, or enforce a transaction requested or authorized by the consumer, or in connection with—

''(A) servicing or processing a financial product or service requested or authorized by the consumer;

''(B) maintaining or servicing the consumer's account with any such affiliate as part of a private label credit card program or other extension of credit on behalf of such entity; or

''(C) a proposed or actual securitization, secondary market sale (including sales of servicing rights), or similar transaction related to a transaction of the consumer;

''(3) with the consent or at the direction of the consumer;

''(4) to protect the confidentiality or security of an affiliate's records pertaining to the consumer, the service or product, or the transaction therein;

''(5) to protect against or prevent actual or potential fraud, identity theft, unauthorized transactions, claims, or other liability;

''(6) for required institutional risk control, or for resolving customer disputes or inquiries;

''(7) to persons holding a legal or beneficial interest relating to the consumer, including for purposes of debt collection;

''(8) to persons acting in a fiduciary or representative capacity on behalf of the consumer;

''(9) to provide information to insurance rate advisory organizations, guaranty funds or agencies, applicable rating agencies, persons assessing an affiliate's compliance with industry standards, and an affiliate's attorneys, accountants, and auditors;

''(10) to the extent specifically permitted or required under other provisions of law and in accordance with the Right to Financial Privacy Act of 1978, to law enforcement agencies (including a Federal functional regulator, the Secretary of the Treasury with respect to subchapter II of chapter 53 of title 31, United States Code, and chapter 2 of title I of Public Law 91–508 (12 U.S.C. 1951–1959), a State insurance authority, the Federal Trade Commission), a self-regulatory organization, as defined in section 3 of the Securities Exchange Act of 1934, or for an investigation on a matter related to public safety;

''(11) in connection with a proposed or actual sale, merger, transfer, or exchange of all or a portion of a business or operating unit if the disclosure of the information concerns solely consumers of such business or unit;

''(12) to comply with Federal, State, or local laws, rules, and other applicable legal requirements; to comply with a properly authorized civil, criminal, or regulatory investigation or subpoena or summons by Federal, State, or local authorities, or to respond to judicial process or government regulatory authorities having jurisdiction over the affiliate for examination, compliance, or other purposes as authorized by law;

''(13) if such information is released to an affiliate in order for the affiliate to perform business or professional services, such as printing, mailing services, data processing or analysis, or customer surveys, on behalf of another affiliate, if—

''(A) the services to be performed by the affiliate could lawfully be performed by the affiliate;

''(B) there is a written contract between the affiliates that prohibits the affiliate from disclosing or using such information other than to carry out the purpose for which the information is disclosed, as set forth in the written contract;

''(C) the information provided to the affiliate is limited to that which is necessary for an affiliate to perform the services contracted for on behalf of the other affiliate; and

''(D) the affiliate providing the information does not receive any payment from or through the affiliate receiving the information in connection with, or as a result of, the release of the information;

''(14) if the information is released to identify or locate missing and abducted children, witnesses, criminals and fugitives, parties to lawsuits, parents delinquent in child support payments, organ and bone marrow donors, pension fund beneficiaries, and missing heirs, or to report a known or suspected instance of elder or dependent adult financial abuse;

''(15) if the information is released to a real estate appraiser licensed or certified by a State for submission to central data repositories and the information is compiled strictly to complete other real estate appraisals and is not used for any other purpose;

''(16) if the information is released as required by title III of the Federal United and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (the USA PATRIOT ACT); or

''(17) if the information is released in connection with a written agreement between a consumer and a broker-dealer registered under the Securities Exchange Act of 1934, or an investment adviser registered under the Investment Advisers Act of 1940, to provide investment management services, portfolio advisory services, or financial planning, and the information is released for the sole purpose of providing the products and services covered by that agreement.

''(c) NO EFFECT ON EXISTING LAW.—Nothing in this section is intended to affect any provision of law in effect on the date of enactment of the National Consumer Credit Reporting System Improvement Act of 2003 relating to access by law enforcement agencies to information held by financial institutions.

''(d) LIMIT ON REUSE AND REDISCLOSURE.—A person that receives information pursuant to—

''(1) paragraph (1) of subsection (b) shall not directly or indirectly further disclose such information, except as permitted under subsection (b); and

''(2) any of paragraphs (2) through (17) of subsection (b) shall not use or disclose the information, except in the ordinary course of business to carry out the activity covered by the exception under which the information was received.

''(e) NOTICE FOR OTHER PURPOSES PERMISSIBLE.—A notice or other disclosure that is equivalent to the notice required by subsection (a), and that is provided by a person described in subsection (a) to a consumer, together with disclosures required by any other provision of law, shall satisfy the requirements of subsection (a).

''(f) RULE OF CONSTRUCTION.—For purposes of this section, a person does not disclose information to, or share information, with, its affiliate solely because information described in subsection (a) is maintained in a common information system or database, and employees of the person and its affiliate have access to that common information system or database, or a consumer accesses a website jointly operated or maintained under a common name by or on behalf of the person and its affiliate, provided that in any case in which a consumer has exercised his or her right to prohibit the sharing of information pursuant to this section, the information described in subsection (a) is not accessed, disclosed, or used by an affiliate, except as permitted by this section.

''(g) DEFINITIONS.—

''(1) FUNCTIONAL REGULATORS.—For purposes of subsection (b)(1)—

''(A) financial institutions regulated by the Office of the Comptroller of the Currency, Office of Thrift Supervision, National Credit Union Administration, or a State regulator of depository institutions shall be deemed to be regulated by the same functional regulator;

''(B) persons regulated by the Securities and Exchange Commission, the United States Department of Labor, or a State securities regulator shall be deemed to be regulated by the same functional regulator; and

''(C) insurers licensed by a State, or otherwise permitted by the State, to engage in the business of insurance shall be deemed to be in compliance with subsection (b)(2).

''(2) LINE OF BUSINESS.—As used in subsection (b)(2), the term 'same line of business' describes a condition where both affiliates are principally engaged in the business of—

''(A) insurance;

''(B) banking;

''(C) securities; or

''(D) any other distinct line of business identified, by rule, by the Federal Trade Commission.''.

(b) RULEMAKING REQUIRED.—

(1) IN GENERAL.—The Federal banking agencies (as defined in section 3 of the Federal Deposit Insurance Act), the National Credit Union Administration, and the Federal Trade Commission shall jointly promulgate regulations to implement section 624 of the Fair Credit Reporting Act, as amended by this section.

(2) CONSIDERATIONS.—In promulgating regulations under this subsection, the agencies referred to in paragraph (1) shall—

(A) ensure that affiliate sharing notification methods provide a simple means for consumers to make determinations and choices under section 624 of the Fair Credit Reporting Act as amended by this section; and

(B) consider the affiliate sharing notification practices employed on the date of enactment of this Act by persons that will be subject to that section 624.

(3) TIMING.—Regulations required by this subsection shall—

(A) be issued in final form not later than 6 months after the date of enactment of this Act; and

(B) become effective not later than 3 months after the date on which they are issued in final form.

(c) CONFORMING AMENDMENT.—Section 603(d)(2)(A) of the Fair Credit Reporting Act (15 U.S.C. 1681a(d)(2)(A)) is amended by inserting ''subject to section 624,'' after ''(A)''.

(d) CLERICAL AMENDMENT.—The Consumer Credit Protection Act (15 U.S.C. 1601 et seq.) is amended in the table of sections for title VI, by striking the items following the item relating to section 623 and inserting the following:

''624. Affiliate sharing.
''625. Relation to State laws.
''626. Disclosures to FBI for counterintelligence purposes.''.

(e) STUDIES OF INFORMATION SHARING PRACTICES.—

(1) IN GENERAL.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall jointly conduct regular studies of the consumer information sharing practices by financial institutions and other persons that are creditors or users of consumer reports with their affiliates.

(2) MATTERS FOR STUDY.—In conducting the studies required by paragraph (1), the agencies described in paragraph (1) shall—

(A) identify—

(i) the purposes for which financial institutions and other creditors and users of consumer reports share consumer information;

(ii) the types of information shared by such entities with their affiliates;

(iii) the number of choices provided to consumers with respect to the control of such sharing, and the degree to and manner in which consumers exercise such choices, if at all; and

(iv) whether such entities share or may share personally identifiable transaction or experience information with affiliates for purposes—

(I) that are related to employment or hiring, including whether the person that is the subject of such information is given notice of such sharing, and the specific uses of such shared information; or

(II) of general publication of such information; and

(B) specifically examine the information sharing practices that financial institutions and other creditors and users of consumer reports and their affiliates employ for the purpose of making underwriting decisions or credit evaluations of consumers.

(3) REPORTS.—

(A) INITIAL REPORT.—Not later than 3 years after the date of enactment of this Act, the Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall jointly submit a report to the Congress on the results of the initial study conducted in accordance with this subsection, together with any recommendations for legislative or regulatory action.

(B) FOLLOWUP REPORTS.—The Federal banking agencies, the National Credit Union Administration, and the Federal Trade Commission shall, not less frequently than once every 3 years following the date of submission of the initial report under subparagraph (A), jointly submit a report to the Congress that, together with any recommendations for legislative or regulatory action—

(i) documents any changes in the areas of study referred to in paragraph (2)(A) occurring since the date of submission of the previous report;

(ii) identifies any changes in the practices of financial institutions and other creditors and users of consumer reports in sharing consumer information with their affiliates for the purpose of making underwriting decisions or credit evaluations of consumers occurring since the date of submission of the previous report; and

(iii) examines the effects that changes described in clause (ii) have had, if any, on the degree to which such affiliate sharing practices reduce the need for financial institutions, creditors, and other users of consumer reports to rely on credit reports for such decisions.

(f) DEFINITIONS.—As used in this section—

(1) the terms ''consumer'', ''consumer report'', ''consumer reporting agency'', ''creditor'', ''Federal banking agencies'', and ''financial institution'', have the same meanings as in section 603 of the Fair Credit Reporting Act, as amended by this Act; and

(2) the term ''affiliates'' means persons that are related by common ownership or affiliated by corporate control.

SA 2055. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1585, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 63, strike line 20, and all that follows through page 64, line 11, and insert the following:

In addition, for the costs of worldwide security upgrades, $644,373,000, to remain available until expended.

CAPITAL INVESTMENT FUND

For necessary expenses of the Capital Investment Fund, $157,000,000, to remain available until expended, as authorized: *Provided*, That section 135(e) of Foreign Relations Authorization Act, Fiscal Years 1994 and 1995 shall not apply to funds available under this heading.

SA 2056. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1585, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 75, strike lines 1 through 22.

SA 2057. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1585, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

Beginning on page 98, strike line 23 and all that follows through page 99, line 18.

On page 77, between lines 20 and 21, insert the following new section:

(TRANSFER OF FUNDS)

SEC. 413. The funds appropriated in title II under the heading ''INTERNATIONAL FISHERIES COMMISSIONS'' are hereby transferred to the Secretary of State for the purposes described, and may be advanced as provided, under such heading.

SA 2058. Mr. LUGAR submitted an amendment intended to be proposed by him to the bill S. 1585, making appropriations for the Departments of Commerce, Justice, and State, the Judiciary, and related agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 77, between lines 20 and 21, insert the following new section:

SEC. 413. It is the sense of Congress that the total amount requested by the President for the Congress-Bundestag youth exchange program, $2,994,000, should be made available for the program in fiscal year 2004.

SA 2059. Ms. CANTWELL (for herself, Mr. ENZI, and Mr. LEAHY) submitted an amendment intended to be proposed by her to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

On page 22, line 6, strike the quotation marks and the final period and insert the following:

''(e) INFORMATION AVAILABLE TO VICTIMS.—

''(1) IN GENERAL.—For the purpose of documenting fraudulent transactions resulting from identity theft, not later than 20 days after the date of receipt of a request from a victim in accordance with paragraph (3), and subject to verification of the identity of the victim and the claim of identity theft in accordance with paragraph (2), a business entity that has provided credit to, provided for consideration products, goods, or services to, accepted payment from, or otherwise entered into a commercial transaction for consideration with, a person who has allegedly made unauthorized use of the means of identification of the victim, shall provide a copy of application and business transaction records in the control of the business entity, whether maintained by the business entity or by another person on behalf of the business entity, evidencing any transaction alleged to be a result of identity theft to—

''(A) the victim;

''(B) any Federal, State, or local governing law enforcement agency or officer specified by the victim in such a request; or

''(C) any law enforcement agency investigating the identity theft and authorized by the victim to take receipt of records provided under this subsection.

''(2) VERIFICATION OF IDENTITY AND CLAIM.—Before a business entity provides any information under paragraph (1), unless the business entity, at its discretion, is otherwise able to verify the identity of the victim making a request under paragraph (1), the victim shall provide to the business entity—

''(A) as proof of positive identification of the victim, at the election of the business entity—

''(i) the presentation of a government-issued identification card;

''(ii) personally identifying information of the same type as was provided to the business entity by the unauthorized person; or

''(iii) personally identifying information that the business entity typically requests from new applicants or for new transactions, at the time of the victim's request for information, including any documentation described in clauses (i) and (ii); and

''(B) as proof of a claim of identity theft, at the election of the business entity—

''(i) a copy of a police report evidencing the claim of the victim of identity theft; and

''(ii) a properly completed—

''(I) copy of a standardized affidavit of identity theft developed and made available by the Federal Trade Commission; or

''(II) an affidavit of fact that is acceptable to the business entity for that purpose.

''(3) PROCEDURES.—The request of a victim under paragraph (1) shall—

''(A) be in writing; and

''(B) be mailed to an address specified by the business entity, if any.

''(4) NO CHARGE TO VICTIM.—Information required to be provided under paragraph (1) shall be so provided without charge.

''(5) AUTHORITY TO DECLINE TO PROVIDE INFORMATION.—A business entity may decline to provide information under paragraph (1) if, in the exercise of good faith, the business entity determines that—

''(A) this subsection does not require disclosure of the information;

''(B) the request for the information is based on a misrepresentation of fact by the individual requesting the information relevant to the request for information; or

''(C) the information requested is Internet navigational data or similar information about a person's visit to a website or online service.

''(6) LIMITATION ON LIABILITY.—Except as provided in section 621, sections 616 and 617 do not apply to any violation of this subsection.

''(7) NO NEW RECORDKEEPING OBLIGATION.—Nothing in this subsection creates an obligation on the part of a business entity to obtain, retain, or maintain information or records that are not otherwise required to be obtained, retained, or maintained in the ordinary course of its business or under other applicable law.

''(8) RULE OF CONSTRUCTION.—

''(A) IN GENERAL.—No provision of Federal or State law (except a law involving the nondisclosure of information related to a pending Federal criminal investigation) prohibiting the disclosure of financial information by a business entity to third parties shall be used to deny disclosure of information to the victim under this subsection.

''(B) LIMITATION.—Except as provided in subparagraph (A), nothing in this subsection permits a business entity to disclose information, including information to law enforcement under subparagraphs (B) and (C) of paragraph (1), that the business entity is otherwise prohibited from disclosing under any other applicable provision of Federal or State law.

''(9) AFFIRMATIVE DEFENSE.—In any civil action brought to enforce this subsection, it is an affirmative defense (which the defendant must establish by a preponderance of the evidence) for a business entity to file an affidavit or answer stating that—

''(A) the business entity has made a reasonably diligent search of its available business records; and

''(B) the records requested under this subsection do not exist or are not available.

''(10) DEFINITION OF VICTIM.—For purposes of this subsection, the term 'victim' means a consumer whose means of identification or financial information has been used or transferred (or has been alleged to have been used or transferred) without the authority of that consumer, with the intent to commit, or to aid or abet, identity theft or any other violation of law.''.

On page 33, line 6, strike ''7'' and insert ''5''.

On page 41, line 19, strike ''(e)'' and insert ''(f)''.

On page 47, line 1, strike ''(e)'' and insert ''(f)''.

SA 2060. Mrs. BOXER (for herself and Mrs. FEINSTEIN) proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

On page 50, strike line 12 and all that follows through page 51, line 3 and insert the following:

''(3) DURATION.—The election of a consumer pursuant to paragraph (1)(B) to prohibit the sending of solicitations shall be effective permanently, beginning on the date on which the person receives the election of the consumer, unless the consumer requests that such election be revoked.

''(4) DEFINITION.—For purposes of this section, the term 'pre-existing business relationship' means a relationship between a person and a consumer, based on—

''(A) the purchase, rental, or lease by the consumer of that person's goods or services, or a financial transaction between the consumer and that person during the 18-month period immediately preceding the date on which the consumer receives the notice required under this section; or

''(B) an inquiry or application by the consumer regarding a product or service offered by that person, during the 3-month period immediately preceding the date on which the consumer receives the notice required under this section.

''(5) SCOPE.—This section shall not apply to a''.

SA 2061. Mrs. FEINSTEIN (for herself, Mrs. BOXER, and Mr. KENNEDY) proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

On page 81, strike lines 6 through 15 and insert the following: ''to any person related by common ownership or affiliated by corporate control, if the information is medical information, including information that is an individualized list or description based on the payment transactions of the consumer for medical products or services, or an aggregate list of identified consumers based on payment transactions for medical products or services.''.

(c) DEFINITION.—Section 603(i) of the Fair Credit Reporting Act (15 U.S.C. 1681a(i)) is amended to read as follows:

''(i) MEDICAL INFORMATION.—The term 'medical information' means information or data, other than age or gender, whether oral or recorded, in any form or medium, created by or derived from a health care provider or the consumer, that relates to—

''(1) the past, present, or future physical, mental, or behavioral health or condition of an individual;

''(2) the provision of health care to an individual; or

''(3) the payment for the provision of health care to an individual.''.

SA 2062. Mr. DURBIN proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

At the end of section 312, insert the following:

(c) REPORTS TO CONSUMER REPORTING AGENCIES.—

(1) REPORTS.—Section 430A(a) of the Higher Education Act of 1965 (20 U.S.C. 1080a(a)) is amended to read as follows:

''(a) AGREEMENTS TO EXCHANGE INFORMATION.—

''(1) IN GENERAL.—For the purpose of promoting responsible repayment of loans covered by Federal loan insurance pursuant to this title or covered by a guaranty agreement pursuant to section 428, the Secretary, each guaranty agency, eligible lender, and subsequent holder shall enter into an agreement with each national consumer reporting agency as described in section 603(p) of the Fair Credit Reporting Act (15 U.S.C. 1681a(p)) to exchange such information as is required by the Secretary concerning each borrower of a loan made, insured, or guaranteed under this title who is served by the Secretary, agency, lender, or holder, respectively, regardless of the default status of the borrower. Such information shall be reported to the agencies regularly, shall be identified as pertaining to such a loan, and shall include any positive or negative repayment information relevant to the borrower.

''(2) OBJECTIONS RAISED BY BORROWERS.—For the purpose of assisting the reporting agencies in complying with the Fair Credit Reporting Act, such agreements may provide for timely response by the Secretary (concerning loans covered by Federal loan insurance), by a guaranty agency, eligible lender, or subsequent holder (concerning loans covered by a guaranty agreement), or to requests from the reporting agencies, for responses to objections raised by borrowers.

''(3) NONPAYMENT.—Subject to the requirements of subsection (c), such agreements shall require the Secretary, the guaranty agency, eligible lender, or subsequent holder, as appropriate, to disclose to the reporting agencies, with respect to any loan under this

part that has not been repaid by the borrower—

''(A) the total amount of loans made to any borrower under this part and the remaining balance of the loans;

''(B) information concerning the date of any default on the loan and the collection of the loan, including information concerning the repayment status of any defaulted loan on which the Secretary has made a payment pursuant to section 430(a) or the guaranty agency has made a payment to the previous holder of the loan; and

''(C) the date of cancellation of the note upon completion of repayment by the borrower of the loan or payment by the Secretary pursuant to section 437.''.

(2) TECHNICAL AND CONFORMING AMENDMENTS.—The Higher Education Act of 1965 (20 U.S.C. 1001 et seq.) is amended—

(A) in section 427(a)(2)(G)(i) (20 U.S.C. 1077(a)(2)(G)(i)), by striking ''credit bureau organizations'' and inserting ''reporting agencies'';

(B) in section 428C(b)(4)(E)(i) (20 U.S.C. 1078–3(b)(4)(E)(i)), by striking ''credit bureau organizations'' and inserting ''reporting agencies''; and

(C) in section 430A (20 U.S.C. 1080a)—

(i) in subsection (b)—

(I) by striking ''such organizations'' and inserting ''the reporting agencies''; and

(II) by striking ''(a)(2)'' and inserting ''(a)(3)(B)'';

(ii) in subsection (c)(2), by striking ''such organizations'' and inserting ''the reporting agencies'';

(iii) in subsection (b)(4)—

(I) by striking ''(a)(2)'' and inserting ''(a)(3)(B)''; and

(II) by striking ''credit bureau organizations'' and inserting ''the reporting agencies'';

(iv) in subsection (d), by striking ''credit bureau organization'' and inserting ''reporting agency''; and

(v) in subsection (f), by striking ''consumer reporting agency'' each place the term appears and inserting ''reporting agency''.

SA 2063. Mr. LAUTENBERG (for himself, Ms. MIKULSKI, Mr. JEFFORDS, Mrs. BOXER, Mr. CORZINE, Mr. SCHUMER, Mr. LEAHY, Mr. LIEBERMAN, Mr. KERRY, and Mr. KENNEDY) submitted an amendment intended to be proposed by him to the bill H.R. 2861, making appropriations for the Departments of Veterans Affairs and Housing and Urban Development, and for sundry independent agencies, boards, commissions, corporations, and offices for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 98, line 5, before the period at the end, insert the following: '', of which, in addition to any other amounts provided under this heading for compliance monitoring, civil enforcement, and capacity building in the Office of Enforcement and Compliance Assurance, $5,400,000 shall be made available for those activities''.

SA 2064. Mr. CORZINE proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

On page 16, line 25, strike the period at the end and insert the following: ''; and

''(C) prescribe regulations requiring each financial institution and each other person that is a creditor or other user of a consumer report to notify the Federal Trade Commission (and any other agency or person that such rulemaking agency determines appropriate) in any case in which there has been, or is reasonably believed to have been unauthorized access to computerized or physical records which compromises the security, confidentiality, or integrity of consumer information maintained by or on behalf of that entity, except that such regulations shall not apply to a good faith acquisition of information by an employee or agent of such entity for a business purpose of that entity, if the information is not subject to further unauthorized access.''.

SA 2065. Mr. FEINGOLD proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

At the appropriate place, insert the following:

SEC. ___. DATA-MINING REPORTING ACT OF 2003.

(a) SHORT TITLE.—This section may be cited as the ''Data-Mining Reporting Act of 2003''.

(b) DEFINITIONS.—In this section:

(1) DATA-MINING.—The term ''data-mining'' means a query or search or other analysis of 1 or more electronic databases, where—

(A) at least 1 of the databases was obtained from or remains under the control of a non-Federal entity, or the information was acquired initially by another department or agency of the Federal Government for purposes other than intelligence or law enforcement;

(B) the search does not use a specific individual's personal identifiers to acquire information concerning that individual; and

(C) a department or agency of the Federal Government is conducting the query or search or other analysis to find a pattern indicating terrorist or other criminal activity.

(2) DATABASE.—The term ''database'' does not include telephone directories, information publicly available via the Internet or available by any other means to any member of the public without payment of a fee, or databases of judicial and administrative opinions.

(c) REPORTS ON DATA-MINING ACTIVITIES.—

(1) REQUIREMENT FOR REPORT.—The head of each department or agency of the Federal Government that is engaged in any activity to use or develop data-mining technology shall each submit a public report to Congress on all such activities of the department or agency under the jurisdiction of that official.

(2) CONTENT OF REPORT.—A report submitted under paragraph (1) shall include, for each activity to use or develop data-mining technology that is required to be covered by the report, the following information:

(A) A thorough description of the data-mining technology and the data that will be used.

(B) A thorough discussion of the plans for the use of such technology and the target dates for the deployment of the data-mining technology.

(C) An assessment of the likely efficacy of the data-mining technology in providing accurate and valuable information consistent with the stated plans for the use of the technology.

(D) An assessment of the likely impact of the implementation of the data-mining technology on privacy and civil liberties.

(E) A list and analysis of the laws and regulations that govern the information to be collected, reviewed, gathered, and analyzed with the data-mining technology and a description of any modifications of such laws that will be required to use the information in the manner proposed under such program.

(F) A thorough discussion of the policies, procedures, and guidelines that are to be developed and applied in the use of such technology for data-mining in order to—

(i) protect the privacy and due process rights of individuals; and

(ii) ensure that only accurate information is collected and used.

(G) A thorough discussion of the procedures allowing individuals whose personal information will be used in the data-mining technology to be informed of the use of their personal information and what procedures are in place to allow for individuals to opt out of the technology. If no such procedures are in place, a thorough explanation as to why not.

(H) Any necessary classified information in an annex that shall be available to the Committee on Governmental Affairs, the Committee on the Judiciary, and the Committee on Appropriations of the Senate and the Committee on Homeland Security, the Committee on the Judiciary, and the Committee on Appropriations of the House of Representatives.

(3) TIME FOR REPORT.—Each report required under paragraph (1) shall be—

(A) submitted not later than 90 days after the date of the enactment of this Act; and

(B) updated once a year and include any new data-mining technologies.

SA 2066. Mr. FEINGOLD proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

At the end of title VII, add the following:

SEC. 712. BUY AMERICAN REPORT.

(a) IN GENERAL.—Not later than 60 days after the end of each fiscal year, the head of each Federal agency shall submit a report to Congress on the amount of the acquisitions made by the agency from entities that manufacture the articles, materials, or supplies outside of the United States in that fiscal year.

(b) CONTENT OF REPORT.—The report required by subsection (a) shall separately indicate—

(1) the dollar value of any articles, materials, or supplies purchased that were manufactured outside of the United States;

(2) an itemized list of all waivers granted with respect to such articles, materials, or supplies under the Buy American Act (41 U.S.C. 10a et seq.); and

(3) a summary of the total procurement funds spent on goods manufactured in the United States versus funds spent on goods manufactured outside of the United States.

(c) PUBLIC AVAILABILITY.—The head of each Federal agency submitting a report under subsection (a) shall make the report publicly available by posting on an Internet website.

SA 2067. Mr. SHELBY (for Mr. NELSON of Florida) proposed an amendment to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; as follows:

At the end of title II, add the following:

SEC. 216. DISPOSAL OF CONSUMER REPORT INFORMATION AND RECORDS.

(a) IN GENERAL.—The Fair Credit Reporting Act (15 U.S.C. 1681m) is amended by adding at the end the following:

"§ 627. Disposal of records

''(a) REGULATIONS.—

''(1) IN GENERAL.—Not later than 1 year after the date of enactment of this section, the Federal Trade Commission shall issue final regulations requiring any person that maintains or otherwise possesses consumer information or any compilation of consumer information derived from consumer reports for a business purpose to properly dispose of any such information or compilation.

''(2) EXEMPTION AUTHORITY.—In issuing regulations under this section, the Federal Trade Commission may exempt any person or class of persons from application of those regulations, as the Commission deems appropriate to carry out the purpose of this section.

''(b) RULE OF CONSTRUCTION.—Nothing in this section may be construed to alter or affect any requirement imposed under any other provision of law to maintain any record.''.

(b) CLERICAL AMENDMENT.—The table of sections for the Fair Credit Reporting Act (15 U.S.C. 1681 et seq.), as amended by this Act, is amended by adding at the end the following:

''627. Disposal of records.''.

SA 2068. Mr. CRAPO (for himself and Mr. SMITH) submitted an amendment intended to be proposed by him to the bill H.R. 2673, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 79, strike line 7 and insert the following:

the provisions of this title.''.

DIVISION B—HEALTHY FORESTS RESTORATION

SEC. 1. SHORT TITLE; TABLE OF CONTENTS.

(a) SHORT TITLE.—This division may be cited as the ''Healthy Forests Restoration Act of 2003''.

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

SEC. 2. PURPOSES.

The purposes of this division are—

(1) to reduce wildfire risk to communities, municipal water supplies, and other at-risk Federal land through a collaborative process of planning, prioritizing, and implementing hazardous fuel reduction projects;

(2) to authorize grant programs to improve the commercial value of forest biomass (that otherwise contributes to the risk of catastrophic fire or insect or disease infestation) for producing electric energy, useful heat, transportation fuel, and petroleum-based product substitutes, and for other commercial purposes;

(3) to enhance efforts to protect watersheds and address threats to forest and rangeland health, including catastrophic wildfire, across the landscape;

(4) to promote systematic gathering of information to address the impact of insect and disease infestations and other damaging agents on forest and rangeland health;

(5) to improve the capacity to detect insect and disease infestations at an early stage, particularly with respect to hardwood forests; and

(6) to protect, restore, and enhance forest ecosystem components—

(A) to promote the recovery of threatened and endangered species;

(B) to improve biological diversity; and

(C) to enhance productivity and carbon sequestration.

SEC. 3. DEFINITIONS.

In this division:

(1) FEDERAL LAND.—The term ''Federal land'' means—

(A) land of the National Forest System (as defined in section 11(a) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C 1609(a))) administered by the Secretary of Agriculture, acting through the Chief of the Forest Service; and

(B) public lands (as defined in section 103 of the Federal Land Policy and Management Act of 1976 (43 U.S.C 1702)), the surface of which is administered by the Secretary of the Interior, acting through the Director of the Bureau of Land Management.

(2) INDIAN TRIBE.—The term ''Indian tribe'' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

TITLE I—HAZARDOUS FUEL REDUCTION ON FEDERAL LAND

SEC. 101. DEFINITIONS.

In this title:

(1) AT-RISK COMMUNITY.—The term ''at-risk community'' means an area—

(A) that is comprised of—

(i) an interface community as defined in the notice entitled ''Wildland Urban Interface Communities Within the Vicinity of Federal Lands That Are at High Risk From Wildfire'' issued by the Secretary of Agriculture and the Secretary of the Interior in accordance with title IV of the Department of the Interior and Related Agencies Appropriations Act, 2001 (114 Stat. 1009) (66 Fed. Reg. 753, January 4, 2001); or

(ii) a group of homes and other structures with basic infrastructure and services (such as utilities and collectively maintained transportation routes) within or adjacent to Federal land;

(B) in which conditions are conducive to a large-scale wildland fire disturbance event; and

(C) for which a significant threat to human life or property exists as a result of a wildland fire disturbance event.

(2) AUTHORIZED HAZARDOUS FUEL REDUCTION PROJECT.—The term ''authorized hazardous fuel reduction project'' means the measures and methods described in the definition of ''appropriate tools'' contained in the glossary of the Implementation Plan, on Federal land described in section 102(a) and conducted under sections 103 and 104.

(3) COMMUNITY WILDFIRE PROTECTION PLAN.—The term ''community wildfire protection plan'' means a plan for an at-risk community that—

(A) is developed within the context of the collaborative agreements and the guidance established by the Wildland Fire Leadership Council and agreed to by the applicable local government, local fire department, and State agency responsibile for forest management, in consultation with interested parties and the Federal land management agencies managing land in the vicinity of the at-risk community;

(B) identifies and prioritizes areas for hazardous fuel reduction treatments and recommends the types and methods of treatment on Federal and non-Federal land that will protect 1 or more at-risk communities and essential infrastructure; and

(C) recommends measures to reduce structural ignitability throughout the at-risk community.

(4) CONDITION CLASS 2.—The term ''condition class 2'', with respect to an area of Federal land, means the condition class description developed by the Forest Service Rocky Mountain Research Station in the general technical report entitled ''Development of Coarse-Scale Spatial Data for Wildland Fire and Fuel Management'' (RMRS–87), dated April 2000 (including any subsequent revision to the report), under which—

(A) fire regimes on the land have been moderately altered from historical ranges;

(B) there exists a moderate risk of losing key ecosystem components from fire;

(C) fire frequencies have increased or decreased from historical frequencies by 1 or more return intervals, resulting in moderate changes to—

(i) the size, frequency, intensity, or severity of fires; or

(ii) landscape patterns; and

(D) vegetation attributes have been moderately altered from the historical range of the attributes.

(5) CONDITION CLASS 3.—The term ''condition class 3'', with respect to an area of Federal land, means the condition class description developed by the Rocky Mountain Research Station in the general technical report referred to in paragraph (4) (including any subsequent revision to the report), under which—

(A) fire regimes on land have been significantly altered from historical ranges;

(B) there exists a high risk of losing key ecosystem components from fire;

(C) fire frequencies have departed from historical frequencies by multiple return intervals, resulting in dramatic changes to—

(i) the size, frequency, intensity, or severity of fires; or

(ii) landscape patterns; and

(D) vegetation attributes have been significantly altered from the historical range of the attributes.

(6) DAY.—The term ''day'' means—

(A) a calendar day; or

(B) if a deadline imposed by this title would expire on a nonbusiness day, the end of the next business day.

(7) DECISION DOCUMENT.—The term ''decision document'' means—

(A) a decision notice (as that term is used in the Forest Service Handbook);

(B) a decision record (as that term is used in the Bureau of Land Management Handbook); and

(C) a record of decision (as that term is used in applicable regulations of the Council on Environmental Quality).

(8) FIRE REGIME I.—The term ''fire regime I'' means an area—

(A) in which historically there have been low-severity fires with a frequency of 0 through 35 years; and

(B) that is located primarily in low elevation forests of pine, oak, or pinyon juniper.

(9) FIRE REGIME II.—The term ''fire regime II'' means an area—

(A) in which historically there are stand replacement severity fires with a frequency of 0 through 35 years; and

(B) that is located primarily in low- to mid-elevation rangeland, grassland, or shrubland.

(10) FIRE REGIME III.—The term ''fire regime III'' means an area—

(A) in which historically there are mixed severity fires with a frequency of 35 through 100 years; and

(B) that is located primarily in forests of mixed conifer, dry Douglas fir, or wet Ponderosa pine.

(11) IMPLEMENTATION PLAN.—The term ''Implementation Plan'' means the Implementation Plan for the Comprehensive Strategy for a Collaborative Approach for Reducing Wildland Fire Risks to Communities and the Environment, dated May 2002, developed pursuant to the conference report to accompany the Department of the Interior and Related Agencies Appropriations Act, 2001 (House Report 106–64) (and subsequent revisions).

(12) MUNICIPAL WATER SUPPLY SYSTEM.—The term ''municipal water supply system'' means the reservoirs, canals, ditches, flumes, laterals, pipes, pipelines, and other surface facilities and systems constructed or installed for the collection, impoundment, storage, transportation, or distribution of drinking water.

(13) RESOURCE MANAGEMENT PLAN.—The term ''resource management plan'' means—

(A) a land and resource management plan prepared for 1 or more units of land of the National Forest System described in section 3(1)(A) under section 6 of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604); or

(B) a land use plan prepared for 1 or more units of the public land described in section 3(1)(B) under section 202 of the Federal Land Policy and Management Act of 1976 (43 U.S.C. 1712).

(14) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of Agriculture, with respect to land of the National Forest System described in section 3(1)(A); and

(B) the Secretary of the Interior, with respect to public lands described in section 3(1)(B).

(15) THREATENED AND ENDANGERED SPECIES HABITAT.—The term ''threatened and endangered species habitat'' means Federal land identified in—

(A) a determination that a species is an endangered species or a threatened species under the Endangered Species Act of 1973 (16 U.S.C. 1531 et seq.);

(B) a designation of critical habitat of the species under that Act; or

(C) a recovery plan prepared for the species under that Act.

(16) WILDLAND-URBAN INTERFACE.—The term ''wildland-urban interface'' means—

(A) an area within or adjacent to an at-risk community that is identified in recommendations to the Secretary in a community wildfire protection plan; or

(B) in the case of any area for which a community wildfire protection plan is not in effect—

(i) an area extending ½-mile from the boundary of an at-risk community;

(ii) an area extending more than ½-mile from the boundary of an at-risk community, if the land adjacent to the at-risk community—

(I) has a sustained steep slope that creates the potential for wildfire behavior endangering the at-risk community; or

(II) has a geographic feature that aids in creating an effective fire break, such as a road or ridge top, within ¾-mile of the nearest at-risk community boundary; and

(iii) an area that is adjacent to an evacuation route for an at-risk community that the Secretary determines, in cooperation with the at-risk community, requires hazardous fuel reduction to provide safer evacuation from the at-risk community.

SEC. 102. AUTHORIZED HAZARDOUS FUEL REDUCTION PROJECTS.

(a) AUTHORIZED PROJECTS.—As soon as practicable after the date of enactment of this Act, the Secretary shall implement authorized hazardous fuel reduction projects, consistent with the Implementation Plan, on—

(1) Federal land in wildland-urban interface areas;

(2) condition class 3 Federal land, in such proximity to a municipal water supply system or a stream feeding such a system within a municipal watershed that a significant risk exists that a fire disturbance event would have adverse effects on the water quality of the municipal water supply or the maintenance of the system, including a risk to water quality posed by erosion following such a fire disturbance event;

(3) condition class 2 Federal land located within fire regime I, fire regime II, or fire regime III, in such proximity to a municipal water supply system or a stream feeding such a system within a municipal watershed that a significant risk exists that a fire disturbance event would have adverse effects on the water quality of the municipal water supply or the maintenance of the system, including a risk to water quality posed by erosion following such a fire disturbance event;

(4) Federal land on which windthrow or blowdown, ice storm damage, or the existence of disease or insect infestation, poses a significant threat to an ecosystem component, or forest or rangeland resource, on the Federal land or adjacent non-Federal land;

(5) Federal land not covered by paragraphs (1) through (4) that contains threatened and endangered species habitat, if—

(A) natural fire regimes on that land are identified as being important for, or wildfire is identified as a threat to, an endangered species, a threatened species, or habitat of an endangered species or threatened species in a species recovery plan prepared under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533), or a notice published in the Federal Register determining a species to be an endangered species or a threatened species or designating critical habitat;

(B) the authorized hazardous fuel reduction project will provide enhanced protection from catastrophic wildfire for the endangered species, threatened species, or habitat of the endangered species or threatened species; and

(C) the Secretary complies with any applicable guidelines specified in any management or recovery plan described in subparagraph (A).

(b) RELATION TO AGENCY PLANS.—An authorized hazardous fuel reduction project shall be conducted consistent with the resource management plan and other relevant administrative policies or decisions applicable to the Federal land covered by the project.

(c) ACREAGE LIMITATION.—Not more than a total of 20,000,000 acres of Federal land may be treated under authorized hazardous fuel reduction projects.

(d) EXCLUSION OF CERTAIN FEDERAL LAND.—The Secretary may not conduct an authorized hazardous fuel reduction project that would occur on—

(1) a component of the National Wilderness Preservation System;

(2) Federal land on which the removal of vegetation is prohibited or restricted by Act of Congress or Presidential proclamation (including the applicable implementation plan); or

(3) a Wilderness Study Area.

(e) OLD GROWTH STANDS.—

(1) DEFINITIONS.—In this subsection and subsection (f):

(A) COVERED PROJECT.—The term ''covered project'' means an authorized hazardous fuel reduction project carried out under paragraph (1), (2), (3), or (5) of subsection (a).

(B) OLD GROWTH STAND.—The term ''old growth stand'' has the meaning given the term under standards used pursuant to paragraphs (3) and (4), based on the structure and composition characteristic of the forest type, and in accordance with applicable law, including section 6(g)(3)(B) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(g)(3)(B)).

(C) STANDARDS.—The term ''standards'' means definitions, designations, standards, guidelines, goals, or objectives established for an old growth stand under a resource management plan developed in accordance with applicable law, including section 6(g)(3)(B) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1604(g)(3)(B)).

(2) PROJECT REQUIREMENTS.—In carrying out a covered project, the Secretary shall fully maintain, or contribute toward the restoration of, the structure and composition of old growth stands according to the pre-fire suppression old growth conditions characteristic of the forest type, taking into account the contribution of the stand to landscape fire adaptation and watershed health, and retaining the large trees contributing to old growth structure.

(3) NEWER STANDARDS.—

(A) IN GENERAL.—If the standards for an old growth stand were established during the 10-year period ending on the date of enactment of this Act, the Secretary shall meet the requirements of paragraph (2) in carrying out a covered project by implementing the standards.

(B) AMENDMENTS OR REVISIONS.—Any amendment or revision to standards for which final administrative approval is granted after the date of enactment of this Act shall be consistent with paragraph (2) for the purpose of carrying out covered projects.

(4) OLDER STANDARDS.—

(A) IN GENERAL.—If the standards for an old growth stand were established before the 10-year period described in paragraph (3)(A), the Secretary shall meet the requirements of paragraph (2) in carrying out a covered project by implementing the standards—

(i) during the 2-year period beginning on the date of enactment of this Act; or

(ii) if the Secretary is in the process of revising a resource management plan as of the date of enactment of this Act, during the 3-year period beginning on the date of enactment of this Act.

(B) REVIEW REQUIRED.—During the applicable period described in subparagraph (A) for the standards for an old growth stand under a resource management plan, the Secretary shall—

(i) review the standards, taking into account any relevant scientific information made available since the adoption of the standards; and

(ii) revise the standards to be consistent with paragraph (2), if necessary to reflect relevant scientific information the Secretary did not consider in formulating the resource management plan.

(C) REVIEW NOT COMPLETED.—

(i) IN GENERAL.—If the Secretary does not complete the review of the standards in accordance with subparagraph (B), during the applicable period described in subparagraph (A), the Secretary shall not carry out any portion of a covered project in a stand that is identified as an old growth stand (based on substantial supporting evidence) by any person during scoping.

(ii) PERIOD.—Clause (i) applies during the period—

(I) beginning on the termination of the applicable period for the standards described in subparagraph (A); and

(II) ending on the earlier of—

(aa) the date the Secretary completes the action required by subparagraph (B) for the standards; or

(bb) the date on which the acreage limitation specified in subsection (c) (as that limitation may be adjusted by subsequent Act of Congress) is reached.

(f) LARGE TREE RETENTION.—Except in old growth stands where the standards are consistent with subsection (e)(2), the Secretary shall carry out a covered project in a manner that—

(1) focuses largely on small diameter trees, thinning, strategic fuel breaks, and prescribed fire to modify fire behavior, as measured by the projected reduction of uncharacteristically severe wildfire effects for the forest type (such as adverse soil impacts, tree mortality or other impacts); and

(2) maximizes the retention of large trees, as appropriate for the forest type, to the extent that the trees promote fire-resilient stands and the purposes of section 6(g)(3)(B) of the Forest and Rangeland Renewable Resources Planning Act of 1976 (16 U.S.C. 1604(g)(3)(B)).

(g) MONITORING AND ASSESSING FOREST AND RANGELAND HEALTH.—

(1) IN GENERAL.—For each Forest Service administrative region and each Bureau of Land Management State Office, the Secretary shall—

(A) monitor the results of the projects authorized under this section; and

(B) not later than 5 years after the date of enactment of this Act, and each 5 years thereafter, issue a report that includes—

(i) an evaluation of the progress towards project goals; and

(ii) recommendations for modifications to the projects and management treatments.

(2) CONSISTENCY OF PROJECTS WITH RECOMMENDATIONS.—An authorized hazardous fuel reduction project approved following the issuance of a monitoring report shall, to the maximum extent practicable, be consistent with any applicable recommendations in the report.

(3) SIMILAR VEGETATION TYPES.—The results of a monitoring report shall be made available in, and (if appropriate) used for, a project conducted in a similar vegetation type on land under the jurisdiction of the Secretary.

(4) MONITORING AND ASSESSMENTS.—From a representative sample of authorized hazardous fuel reduction projects, for each management unit, monitoring and assessment shall include a description of the effects on changes in condition class, using the Fire Regime Condition Class Guidebook or successor guidance, specifically comparing end results to—

(A) pretreatment conditions;

(B) historical fire regimes; and

(C) any applicable watershed or landscape goals or objectives in the resource management plan or other relevant direction.

(5) TRACKING.—For each management unit, the Secretary shall track acres burned, by the degree of severity, by large wildfires (as defined by the Secretary).

(6) MONITORING AND MAINTENANCE OF TREATED AREAS.—The Secretary shall, to the maximum extent practicable, develop a process for monitoring the need for maintenance of treated areas, over time, in order to preserve the forest health benefits achieved.

SEC. 103. PRIORITIZATION.

(a) IN GENERAL.—In accordance with the Implementation Plan, the Secretary shall develop an annual program of work for Federal land that gives priority to authorized hazardous fuel reduction projects that provide for the protection of at-risk communities or watersheds or that implement community wildfire protection plans.

(b) COLLABORATION.—

(1) IN GENERAL.—The Secretary shall consider recommendations under subsection (a) that are made by at-risk communities that have developed community wildfire protection plans.

(2) EXEMPTION.—The Federal Advisory Committee Act (5 U.S.C. App.) shall not apply to the planning process and recommendations concerning community wildfire protection plans.

(c) ADMINISTRATION.—

(1) IN GENERAL.—Federal agency involvement in a community wildfire protection plan, or a recommendation made in a community wildfire protection plan, shall not be considered a Federal agency action under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) COMPLIANCE.—In implementing authorized hazardous fuel reduction projects on Federal land, the Secretary shall, in accordance with section 104, comply with the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(d) FUNDING ALLOCATION.—

(1) FEDERAL LAND.—

(A) IN GENERAL.—Subject to subparagraph (B), the Secretary shall use not less than 50 percent of the funds allocated for authorized hazardous fuel reduction projects in the wildland-urban interface.

(B) APPLICABILITY AND ALLOCATION.—The funding allocation in subparagraph (A) shall apply at the national level, and the Secretary may allocate the proportion of funds differently than is required under subparagraph (A) within individual management

units as appropriate, in particular to conduct authorized hazardous fuel reduction projects on land described in section 102(a)(4).

(2) NON-FEDERAL LAND.—In providing financial assistance under any provision of law for hazardous fuel reduction projects on non-Federal land, the Secretary shall consider recommendations made by at-risk communities that have developed community wildfire protection plans.

SEC. 104. ENVIRONMENTAL ANALYSIS.

(a) AUTHORIZED HAZARDOUS FUEL REDUCTION PROJECTS.—Except as otherwise provided in this title, the Secretary shall conduct authorized hazardous fuel reduction projects in accordance with—

(1) the National Environmental Policy Act of 1969 (42 U.S.C. 4331 et seq.); and

(2) other applicable laws.

(b) ENVIRONMENTAL ASSESSMENT OR IMPACT STATEMENTS.—

(1) IN GENERAL.—The Secretary shall prepare an environmental assessment or an environmental impact statement (pursuant to section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2))) for any authorized hazardous fuel reduction project.

(2) ALTERNATIVES.—In the environmental assessment or environmental impact statement prepared under paragraph (1), the Secretary shall study, develop, and describe—

(A) the proposed agency action;

(B) the alternative of no action; and

(C) an additional action alternative, if the additional alternative—

(i) is proposed during scoping or the collaborative process; and

(ii) meets the purpose and need of the project, in accordance with regulations promulgated by the Council on Environmental Quality.

(3) MULTIPLE ADDITIONAL ALTERNATIVES.—If more than 1 additional alternative is proposed under paragraph (2)(C), the Secretary shall—

(A) select which additional alternative to consider; and

(B) provide a written record describing the reasons for the selection.

(c) PUBLIC NOTICE AND MEETING.—

(1) PUBLIC NOTICE.—The Secretary shall provide notice of each authorized hazardous fuel reduction project in accordance with applicable regulations and administrative guidelines.

(2) PUBLIC MEETING.—During the preparation stage of each authorized hazardous fuel reduction project, the Secretary shall—

(A) conduct a public meeting at an appropriate location proximate to the administrative unit of the Federal land on which the authorized hazardous fuel reduction project will be conducted; and

(B) provide advance notice of the location, date, and time of the meeting.

(d) PUBLIC COLLABORATION.—In order to encourage meaningful public participation during preparation of authorized hazardous fuel reduction projects, the Secretary shall facilitate collaboration among State and local governments and Indian tribes, and participation of interested persons, during the preparation of each authorized fuel reduction project in a manner consistent with the Implementation Plan.

(e) ENVIRONMENTAL ANALYSIS AND PUBLIC COMMENT.—In accordance with section 102(2) of the National Environmental Policy Act of 1969 (42 U.S.C. 4332(2)) and the applicable regulations and administrative guidelines, the Secretary shall provide an opportunity for public comment during the preparation of any environmental assessment or environmental impact statement for an authorized hazardous fuel reduction project.

(f) DECISION DOCUMENT.—The Secretary shall sign a decision document for authorized hazardous fuel reduction projects and provide notice of the final agency actions.

SEC. 105. SPECIAL ADMINISTRATIVE REVIEW PROCESS.

(a) INTERIM FINAL REGULATIONS.—

(1) IN GENERAL.—Not later than 30 days after the date of the enactment of this Act, the Secretary of Agriculture shall promulgate interim final regulations to establish a predecisional administrative review process for the period described in paragraph (2) that will serve as the sole means by which a person can seek administrative review regarding an authorized hazardous fuel reduction project on Forest Service land.

(2) PERIOD.—The predecisional administrative review process required under paragraph (1) shall occur during the period—

(A) beginning after the completion of the environmental assessment or environmental impact statement; and

(B) ending not later than the date of the issuance of the final decision approving the project.

(3) EFFECTIVE DATE.—The interim final regulations promulgated under paragraph (1) shall take effect on the date of promulgation of the regulations.

(b) FINAL REGULATIONS.—The Secretary shall promulgate final regulations to establish the process described in subsection (a)(1) after the interim final regulations have been published and reasonable time has been provided for public comment.

(c) ADMINISTRATIVE REVIEW.—

(1) IN GENERAL.—A person may bring a civil action challenging an authorized hazardous fuel reduction project in a Federal district court only if the person has challenged the authorized hazardous fuel reduction project by exhausting—

(A) the administrative review process established by the Secretary of Agriculture under this section; or

(B) the administrative hearings and appeals procedures established by the Department of the Interior.

(2) ISSUES.—An issue may be considered in the judicial review of an action under section 106 only if the issue was raised in an administrative review process described in paragraph (1).

(3) EXCEPTION.—An exception to the requirement of exhausting the administrative review process before seeking judicial review shall be available if a Federal court finds that the futility or inadequacy exception applies to a specific plaintiff or claim.

SEC. 106. JUDICIAL REVIEW IN UNITED STATES DISTRICT COURTS.

(a) VENUE.—Notwithstanding section 1391 of title 28, United States Code, or other applicable law, an authorized hazardous fuels reduction project conducted under this title shall be subject to judicial review only in the United States district court for the district in which the Federal land to be treated under the authorized hazardous fuels reduction project is located.

(b) EXPEDITIOUS COMPLETION OF JUDICIAL REVIEW.—In the judicial review of an action challenging an authorized hazardous fuel reduction project under subsection (a), Congress encourages a court of competent jurisdiction to expedite, to the maximum extent practicable, the proceedings in the action with the goal of rendering a final determination on jurisdiction, and (if jurisdiction exists) a final determination on the merits, as soon as practicable after the date on which a complaint or appeal is filed to initiate the action.

(c) INJUNCTIONS.—

(1) IN GENERAL.—Subject to paragraph (2), the length of any preliminary injunctive relief and stays pending appeal covering an authorized hazardous fuel reduction project carried out under this title shall not exceed 60 days.

(2) RENEWAL.—

(A) IN GENERAL.—A court of competent jurisdiction may issue 1 or more renewals of any preliminary injunction, or stay pending appeal, granted under paragraph (1).

(B) UPDATES.—In each renewal of an injunction in an action, the parties to the action shall present the court with updated information on the status of the authorized hazardous fuel reduction project.

(3) BALANCING OF SHORT- AND LONG-TERM EFFECTS.—As part of its weighing the equities while considering any request for an injunction that applies to an agency action under an authorized hazardous fuel reduction project, the court reviewing the project shall balance the impact to the ecosystem likely affected by the project of—

(A) the short- and long-term effects of undertaking the agency action; against

(B) the short- and long-term effects of not undertaking the agency action.

SEC. 107. EFFECT OF TITLE.

(a) OTHER AUTHORITY.—Nothing in this title affects, or otherwise biases, the use by the Secretary of other statutory or administrative authority (including categorical exclusions adopted to implement the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.)) to conduct a hazardous fuel reduction project on Federal land (including Federal land identified in section 102(d)) that is not conducted using the process authorized by section 104.

(b) NATIONAL FOREST SYSTEM.—For projects and activities of the National Forest System other than authorized hazardous fuel reduction projects, nothing in this title affects, or otherwise biases, the notice, comment, and appeal procedures for projects and activities of the National Forest System contained in part 215 of title 36, Code of Federal Regulations, or the consideration or disposition of any legal action brought with respect to the procedures.

SEC. 108. AUTHORIZATION OF APPROPRIATIONS.

There is authorized to be appropriated $760,000,000 for each fiscal year to carry out—

(1) activities authorized by this title; and

(2) other hazardous fuel reduction activities of the Secretary, including making grants to States for activities authorized by law.

TITLE II—BIOMASS

SEC. 201. FINDINGS.

Congress finds that—

(1)(A) thousands of communities in the United States, many located near Federal land, are at risk of wildfire;

(B) more than 100,000,000 acres of land managed by the Secretary of Agriculture and the Secretary of the Interior are at risk of catastrophic fire in the near future; and

(C) the accumulation of heavy forest and rangeland fuel loads continues to increase as a result of fire exclusion, disease, insect infestations, and drought, further raising the risk of fire each year;

(2)(A) more than 70,000,000 acres across all land ownerships are at risk of higher than normal mortality during the 15-year period beginning on the date of enactment of this Act because of insect infestation and disease; and

(B) high levels of tree mortality from insects and disease result in—

(i) increased fire risk;

(ii) loss of older trees and old growth;

(iii) degraded watershed conditions;

(iv) changes in species diversity and productivity;

(v) diminished fish and wildlife habitat;

(vi) decreased timber values; and

(vii) increased threats to homes, businesses, and community watersheds;

(3)(A) preventive treatments (such as reducing fuel loads, crown density, ladder fuels, and hazard trees), planting proper species mix, restoring and protecting early successional habitat, and completing other specific restoration treatments designed to reduce the susceptibility of forest and rangeland to insect outbreaks, disease, and catastrophic fire present the greatest opportunity for long-term forest and rangeland health, maintenance, and enhancement by creating a mosaic of species-mix and age distribution; and

(B) those vegetation management treatments are widely acknowledged to be more successful and cost-effective than suppression treatments in the case of insects, disease, and fire;

(4)(A) the byproducts of vegetative management treatment (such as trees, brush, thinnings, chips, slash, and other hazardous fuels) removed from forest and rangeland represent an abundant supply of—

(i) biomass for biomass-to-energy facilities; and

(ii) raw material for business; and

(B) there are currently few markets for the extraordinary volumes of by-products being generated as a result of the necessary large-scale preventive treatment activities; and

(5) the United States should—

(A) promote economic and entrepreneurial opportunities in using by-products removed through vegetation treatment activities relating to hazardous fuels reduction, disease, and insect infestation;

(B) develop and expand markets for traditionally underused wood and biomass as an outlet for by-products of preventive treatment activities; and

(C) promote research and development to provide, for the by-products, economically and environmentally sound—

(i) management systems;

(ii) harvest and transport systems; and

(iii) utilization options.

SEC. 202. DEFINITIONS.

In this title:

(1) BIOMASS.—The term ''biomass'' means trees and woody plants (including limbs, tops, needles, other woody parts, and wood waste) and byproducts of preventive treatment (such as wood, brush, thinnings, chips, and slash) that are removed—

(A) to reduce hazardous fuels;

(B) to reduce the risk of or to contain disease or insect infestation; or

(C) to improve forest health and wildlife habitat conditions.

(2) PERSON.—The term ''person'' includes—

(A) an individual;

(B) a community (as determined by the Secretary);

(C) an Indian tribe;

(D) a small business, microbusiness, or a corporation that is incorporated in the United States; and

(E) a nonprofit organization.

(3) PREFERRED COMMUNITY.—The term ''preferred community'' means—

(A) any town, township, municipality, Indian tribe, or other similar unit of local government (as determined by the Secretary) that—

(i) has a population of not more than 50,000 individuals; and

(ii) the Secretary, in the sole discretion of the Secretary, determines contains or is located near, or with a water supply system that contains or is located near, land that—

(I) is at significant risk of catastrophic wildfire, disease, or insect infestation; or

(II) suffers from disease or insect infestation; or

(B) any area or unincorporated area represented by a nonprofit organization approved by the Secretary, that—

(i) is not wholly contained within a metropolitan statistical area; and

(ii) the Secretary, in the sole discretion of the Secretary, determines contains or is located near, or with a water supply system that contains or is located near, land—

(I) the condition of which is at significant risk of catastrophic wildfire, disease, or insect infestation; or

(II) that suffers from disease or insect infestation.

(4) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of Agriculture, with respect to National Forest System land; and

(B) the Secretary of the Interior, with respect to Federal land under the jurisdiction of the Secretary of the Interior (including land held in trust for the benefit of an Indian tribe).

SEC. 203. GRANTS TO IMPROVE COMMERCIAL VALUE OF FOREST BIOMASS FOR ELECTRIC ENERGY, USEFUL HEAT, TRANSPORTATION FUELS, COMPOST, VALUE-ADDED PRODUCTS, AND PETROLEUM-BASED PRODUCT SUBSTITUTES.

(a) BIOMASS COMMERCIAL UTILIZATION GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary may make grants to any person that owns or operates a facility that uses biomass as a raw material to produce electric energy, sensible heat, transportation fuels, substitutes for petroleum-based products, wood-based products, pulp, or other commercial products to offset the costs incurred to purchase biomass for use by the facility.

(2) GRANT AMOUNTS.—A grant under this subsection may not exceed $20 per green ton of biomass delivered.

(3) MONITORING OF GRANT RECIPIENT ACTIVITIES.—

(A) IN GENERAL.—As a condition of a grant under this subsection, the grant recipient shall keep such records as the Secretary may require to fully and correctly disclose the use of the grant funds and all transactions involved in the purchase of biomass.

(B) ACCESS.—On notice by a representative of the Secretary, the grant recipient shall afford the representative—

(i) reasonable access to the facility that purchases or uses biomass; and

(ii) an opportunity to examine the inventory and records of the facility.

(b) VALUE-ADDED GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary—

(A) may make grants to persons to offset the cost of projects to add value to biomass; and

(B) in making a grant under subparagraph (A), shall give preference to persons in preferred communities.

(2) SELECTION.—The Secretary shall select a grant recipient under paragraph (1)(A) after giving consideration to—

(A) the anticipated public benefits of the project;

(B) opportunities for the creation or expansion of small businesses and microbusinesses resulting from the project; and

(C) the potential for new job creation as a result of the project.

(3) GRANT AMOUNT.—A grant under this subsection shall not exceed $100,000.

(c) RELATION TO OTHER ENDANGERED SPECIES AND RIPARIAN PROTECTIONS.—

(1) IN GENERAL.—The Secretary shall comply with applicable endangered species and riparian protections in making grants under this section.

(2) PROJECTS.—Projects funded using grant proceeds shall be required to comply with the protections.

(d) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $25,000,000 for each of fiscal years 2004 through 2008.

SEC. 204. REPORTING REQUIREMENT.

(a) REPORT REQUIRED.—Not later than October 1, 2008, the Secretary of Agriculture, in consultation with the Secretary of the Interior, shall submit to the Committee on Resources and the Committee on Agriculture of the House of Representatives and the Committee on Energy and Natural Resources and the Committee on Agriculture, Nutrition, and Forestry of the Senate a report describing the results of the grant programs authorized by section 203.

(b) CONTENTS OF REPORT.—The report shall include—

(1) an identification of the source, size, type, and the end-use of biomass by persons that receive grants under section 203;

(2) the haul costs incurred and the distance between the land from which the biomass was removed and the facilities that used the biomass;

(3) the economic impacts, particularly new job creation, resulting from the grants to and operation of the eligible operations; and

(4) the environmental effects of the activities described in this section.

SEC. 205. IMPROVED BIOMASS USE RESEARCH PROGRAM.

(a) USES OF GRANTS, CONTRACTS, AND ASSISTANCE.—Section 307(d) of the Biomass Research and Development Act of 2000 (7 U.S.C. 7624 note; Public Law 106–224) is amended—

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

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

(3) by adding at the end the following:

''(5) research to integrate silviculture, harvesting, product development, processing information, and economic evaluation to provide the science, technology, and tools to forest managers and community developers for use in evaluating forest treatment and production alternatives, including—

''(A) to develop tools that would enable land managers, locally or in a several-State region, to estimate—

''(i) the cost to deliver varying quantities of wood to a particular location; and

''(ii) the amount that could be paid for stumpage if delivered wood was used for a specific mix of products;

''(B) to conduct research focused on developing appropriate thinning systems and equipment designs that are—

''(i) capable of being used on land without significant adverse effects on the land;

''(ii) capable of handling large and varied landscapes;

''(iii) adaptable to handling a wide variety of tree sizes;

''(iv) inexpensive; and

''(v) adaptable to various terrains; and

''(C) to develop, test, and employ in the training of forestry managers and community developers curricula materials and training programs on matters described in subparagraphs (A) and (B).''.

(b) FUNDING.—Section 310(b) of the Biomass Research and Development Act of 2000 (7 U.S.C. 7624 note; Public Law 106–224) is amended by striking ''$49,000,000'' and inserting ''$54,000,000''.

SEC. 206. RURAL REVITALIZATION THROUGH FORESTRY.

Section 2371 of the Food, Agriculture, Conservation, and Trade Act of 1990 (7 U.S.C. 6601) is amended by adding at the end the following:

''(d) RURAL REVITALIZATION TECHNOLOGIES.—

''(1) IN GENERAL.—The Secretary of Agriculture, acting through the Chief of the Forest Service, in consultation with the State and Private Forestry Technology Marketing Unit at the Forest Products Laboratory, and in collaboration with eligible institutions, may carry out a program—

''(A) to accelerate adoption of technologies using biomass and small-diameter materials;

''(B) to create community-based enterprises through marketing activities and demonstration projects; and

''(C) to establish small-scale business enterprises to make use of biomass and small-diameter materials.

''(2) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $5,000,000 for each of fiscal years 2004 through 2008.''.

TITLE III—WATERSHED FORESTRY ASSISTANCE

SEC. 301. FINDINGS AND PURPOSES.

(a) FINDINGS.—Congress finds that—

(1) there has been a dramatic shift in public attitudes and perceptions about forest management, particularly in the understanding and practice of sustainable forest management;

(2) it is commonly recognized that the proper stewardship of forest land is essential to sustaining and restoring the health of watersheds;

(3) forests can provide essential ecological services in filtering pollutants, buffering important rivers and estuaries, and minimizing flooding, which makes forest restoration worthy of special focus; and

(4) strengthened education, technical assistance, and financial assistance for nonindustrial private forest landowners and communities, relating to the protection of watershed health, is needed to realize the expectations of the general public.

(b) PURPOSES.—The purposes of this title are—

(1) to improve landowner and public understanding of the connection between forest management and watershed health;

(2) to encourage landowners to maintain tree cover on property and to use tree plantings and vegetative treatments as creative solutions to watershed problems associated with varying land uses;

(3) to enhance and complement forest management and buffer use for watersheds, with an emphasis on community watersheds;

(4) to establish new partnerships and collaborative watershed approaches to forest management, stewardship, and conservation;

(5) to provide technical and financial assistance to States to deliver a coordinated program that enhances State forestry best-management practices programs, and conserves and improves forested land and potentially forested land, through technical, financial, and educational assistance to qualifying individuals and entities; and

(6) to maximize the proper management and conservation of wetland forests and to assist in the restoration of those forests.

SEC. 302. WATERSHED FORESTRY ASSISTANCE PROGRAM.

The Cooperative Forestry Assistance Act of 1978 is amended by inserting after section 5 (16 U.S.C. 2103a) the following:

''SEC. 6. WATERSHED FORESTRY ASSISTANCE PROGRAM.

''(a) DEFINITION OF NONINDUSTRIAL PRIVATE FOREST LAND.—In this section, the term 'nonindustrial private forest land' means rural land, as determined by the Secretary, that—

''(1) has existing tree cover or that is suitable for growing trees; and

''(2) is owned by any nonindustrial private individual, group, association, corporation, or other private legal entity, that has definitive decisionmaking authority over the land.

''(b) GENERAL AUTHORITY AND PURPOSE.—The Secretary, acting through the Chief of the Forest Service, may provide technical, financial, and related assistance to State foresters, equivalent State officials, and officials of the Cooperative State Research, Education, and Extension Service for the purpose of expanding State forest stewardship capacities and activities through State forestry best-management practices and other means at the State level to address watershed issues on non-Federal forested land and potentially forested land.

''(c) TECHNICAL ASSISTANCE TO PROTECT WATER QUALITY.—

''(1) IN GENERAL.—The Secretary, in cooperation with State foresters, officials of the Cooperative State Research, Education, and Extension Service, or equivalent State officials, shall engage interested members of the public, including nonprofit organizations and local watershed councils, to develop a program of technical assistance to protect water quality described in paragraph (2).

''(2) PURPOSE OF PROGRAM.—The program under this subsection shall be designed—

''(A) to build and strengthen watershed partnerships that focus on forested landscapes at the State, regional, and local levels;

''(B) to provide State forestry best-management practices and water quality technical assistance directly to owners of nonindustrial private forest land;

''(C) to provide technical guidance to land managers and policymakers for water quality protection through forest management;

''(D) to complement State and local efforts to protect water quality and provide enhanced opportunities for consultation and cooperation among Federal and State agencies charged with responsibility for water and watershed management; and

''(E) to provide enhanced forest resource data and support for improved implementation and monitoring of State forestry best-management practices.

''(3) IMPLEMENTATION.—In the case of a participating State, the program of technical assistance shall be implemented by State foresters or equivalent State officials.

''(d) WATERSHED FORESTRY COST-SHARE PROGRAM.—

''(1) IN GENERAL.—The Secretary shall establish a watershed forestry cost-share program—

''(A) which shall be—

''(i) administered by the Forest Service; and

''(ii) implemented by State foresters or equivalent State officials in participating States; and

''(B) under which funds or other support provided to participating States shall be made available for State forestry best-management practices programs and watershed forestry projects.

''(2) WATERSHED FORESTRY PROJECTS.—The State forester, State Research, Education and Extension official, or equivalent State official of a participating State, in coordination with the State Forest Stewardship Coordinating Committee established under section 19(b) (or an equivalent committee) for that State, shall make awards to communities, nonprofit groups, and owners of nonindustrial private forest land under the program for watershed forestry projects described in paragraph (3).

''(3) PROJECT ELEMENTS AND OBJECTIVES.—A watershed forestry project shall accomplish critical forest stewardship, watershed protection, and restoration needs within a State by demonstrating the value of trees and forests to watershed health and condition through—

''(A) the use of trees as solutions to water quality problems in urban and rural areas;

''(B) community-based planning, involvement, and action through State, local and nonprofit partnerships;

''(C) application of and dissemination of monitoring information on forestry best-management practices relating to watershed forestry;

''(D) watershed-scale forest management activities and conservation planning; and

''(E)(i) the restoration of wetland (as defined by the States) and stream-side forests; and

''(ii) the establishment of riparian vegetative buffers.

''(4) COST-SHARING.—

''(A) FEDERAL SHARE.—

''(i) FUNDS UNDER THIS SUBSECTION.—Funds provided under this subsection for a watershed forestry project may not exceed 75 percent of the cost of the project.

''(ii) OTHER FEDERAL FUNDS.—The percentage of the cost of a project described in clause (i) that is not covered by funds made available under this subsection may be paid using other Federal funding sources, except that the total Federal share of the costs of the project may not exceed 90 percent.

''(B) FORM.—The non-Federal share of the costs of a project may be provided in the form of cash, services, or other in-kind contributions.

''(5) PRIORITIZATION.—The State Forest Stewardship Coordinating Committee for a State, or equivalent State committee, shall prioritize watersheds in that State to target watershed forestry projects funded under this subsection.

''(6) WATERSHED FORESTER.—Financial and technical assistance shall be made available to the State Forester or equivalent State official to create a State watershed or best-management practice forester position to—

''(A) lead statewide programs; and

''(B) coordinate watershed-level projects.

''(e) DISTRIBUTION.—

''(1) IN GENERAL.—Of the funds made available for a fiscal year under subsection (g), the Secretary shall use—

''(A) at least 75 percent of the funds to carry out the cost-share program under subsection (d); and

''(B) the remainder of the funds to deliver technical assistance, education, and planning, at the local level, through the State Forester or equivalent State official.

''(2) SPECIAL CONSIDERATIONS.—Distribution of funds by the Secretary among States under paragraph (1) shall be made only after giving appropriate consideration to—

''(A) the acres of agricultural land, nonindustrial private forest land, and highly erodible land in each State;

''(B) the miles of riparian buffer needed;

''(C) the miles of impaired stream segments and other impaired water bodies where forestry practices can be used to restore or protect water resources;

''(D) the number of owners of nonindustrial private forest land in each State; and

''(E) water quality cost savings that can be achieved through forest watershed management.

''(f) WILLING OWNERS.—

''(1) IN GENERAL.—Participation of an owner of nonindustrial private forest land in the watershed forestry assistance program under this section is voluntary.

''(2) WRITTEN CONSENT.—The watershed forestry assistance program shall not be carried out on nonindustrial private forest land without the written consent of the owner of, or entity having definitive decisionmaking over, the nonindustrial private forest land.

''(g) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $15,000,000 for each of fiscal years 2004 through 2008.''.

SEC. 303. TRIBAL WATERSHED FORESTRY ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture (referred to in this section as the ''Secretary''), acting through the Chief of the Forest Service, shall provide technical,

financial, and related assistance to Indian tribes for the purpose of expanding tribal stewardship capacities and activities through tribal forestry best-management practices and other means at the tribal level to address watershed issues on land under the jurisdiction of or administered by the Indian tribes.

(b) TECHNICAL ASSISTANCE TO PROTECT WATER QUALITY.—

(1) IN GENERAL.—The Secretary, in cooperation with Indian tribes, shall develop a program to provide technical assistance to protect water quality, as described in paragraph (2).

(2) PURPOSE OF PROGRAM.—The program under this subsection shall be designed—

(A) to build and strengthen watershed partnerships that focus on forested landscapes at the State, regional, tribal, and local levels;

(B) to provide tribal forestry best-management practices and water quality technical assistance directly to Indian tribes;

(C) to provide technical guidance to tribal land managers and policy makers for water quality protection through forest management;

(D) to complement tribal efforts to protect water quality and provide enhanced opportunities for consultation and cooperation among Federal agencies and tribal entities charged with responsibility for water and watershed management; and

(E) to provide enhanced forest resource data and support for improved implementation and monitoring of tribal forestry best-management practices.

(c) WATERSHED FORESTRY PROGRAM.—

(1) IN GENERAL.—The Secretary shall establish a watershed forestry program to be administered by Indian tribes.

(2) PROGRAMS AND PROJECTS.—Funds or other support provided under the program shall be made available for tribal forestry best-management practices programs and watershed forestry projects.

(3) ANNUAL AWARDS.—The Secretary shall annually make awards to Indian tribes to carry out this subsection.

(4) PROJECT ELEMENTS AND OBJECTIVES.—A watershed forestry project shall accomplish critical forest stewardship, watershed protection, and restoration needs within land under the jurisdiction of or administered by an Indian tribe by demonstrating the value of trees and forests to watershed health and condition through—

(A) the use of trees as solutions to water quality problems;

(B) application of and dissemination of monitoring information on forestry best-management practices relating to watershed forestry;

(C) watershed-scale forest management activities and conservation planning;

(D) the restoration of wetland and streamside forests and the establishment of riparian vegetative buffers; and

(E) tribal-based planning, involvement, and action through State, tribal, local, and nonprofit partnerships.

(5) PRIORITIZATION.—An Indian tribe that participates in the program under this subsection shall prioritize watersheds in land under the jurisdiction of or administered by the Indian tribe to target watershed forestry projects funded under this subsection.

(6) WATERSHED FORESTER.—The Secretary may provide to Indian tribes under this section financial and technical assistance to establish a position of tribal forester to lead tribal programs and coordinate small watershed-level projects.

(d) DISTRIBUTION.—The Secretary shall devote—

(1) at least 75 percent of the funds made available for a fiscal year under subsection (e) to the program under subsection (c); and

(2) the remainder of the funds to deliver technical assistance, education, and planning on the ground to Indian tribes.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000 for each of fiscal years 2004 through 2008.

TITLE IV—INSECT INFESTATIONS AND RELATED DISEASES

SEC. 401. FINDINGS AND PURPOSE.

(a) FINDINGS.—Congress finds that—

(1) high levels of tree mortality resulting from insect infestation (including the interaction between insects and diseases) may result in—

(A) increased fire risk;

(B) loss of old trees and old growth;

(C) loss of threatened and endangered species;

(D) loss of species diversity;

(E) degraded watershed conditions;

(F) increased potential for damage from other agents of disturbance, including exotic, invasive species; and

(G) decreased timber values;

(2)(A) forest-damaging insects destroy hundreds of thousands of acres of trees each year;

(B) in the West, more than 21,000,000 acres are at high risk of forest-damaging insect infestation, and in the South, more than 57,000,000 acres are at risk across all land ownerships; and

(C) severe drought conditions in many areas of the South and West will increase the risk of forest-damaging insect infestations;

(3) the hemlock woolly adelgid is—

(A) destroying streamside forests throughout the mid-Atlantic and Appalachian regions;

(B) threatening water quality and sensitive aquatic species; and

(C) posing a potential threat to valuable commercial timber land in northern New England;

(4)(A) the emerald ash borer is a nonnative, invasive pest that has quickly become a major threat to hardwood forests because an emerald ash borer infestation is almost always fatal to affected trees; and

(B) the emerald ash borer pest threatens to destroy more than 692,000,000 ash trees in forests in Michigan and Ohio alone, and between 5 and 10 percent of urban street trees in the Upper Midwest;

(5)(A) epidemic populations of Southern pine beetles are ravaging forests in Alabama, Arkansas, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee, and Virginia; and

(B) in 2001, Florida and Kentucky experienced 146 percent and 111 percent increases, respectively, in Southern pine beetle populations;

(6) those epidemic outbreaks of Southern pine beetles have forced private landowners to harvest dead and dying trees, in rural areas and increasingly urbanized settings;

(7) according to the Forest Service, recent outbreaks of the red oak borer in Arkansas and Missouri have been unprecedented, with more than 1,000,000 acres infested at population levels never seen before;

(8) much of the damage from the red oak borer has taken place in national forests, and the Federal response has been inadequate to protect forest ecosystems and other ecological and economic resources;

(9)(A) previous silvicultural assessments, while useful and informative, have been limited in scale and scope of application; and

(B) there have not been sufficient resources available to adequately test a full array of individual and combined applied silvicultural assessments;

(10) only through the full funding, development, and assessment of potential applied silvicultural assessments over specific time frames across an array of environmental and climatic conditions can the most innovative and cost effective management applications be determined that will help reduce the susceptibility of forest ecosystems to attack by forest pests;

(11)(A) often, there are significant interactions between insects and diseases;

(B) many diseases (such as white pine blister rust, beech bark disease, and many other diseases) can weaken trees and forest stands and predispose trees and forest stands to insect attack; and

(C) certain diseases are spread using insects as vectors (including Dutch elm disease and pine pitch canker); and

(12) funding and implementation of an initiative to combat forest pest infestations and associated diseases should not come at the expense of supporting other programs and initiatives of the Secretary.

(b) PURPOSES.—The purposes of this title are—

(1) to require the Secretary to develop an accelerated basic and applied assessment program to combat infestations by forest-damaging insects and associated diseases;

(2) to enlist the assistance of colleges and universities (including forestry schools, land grant colleges and universities, and 1890 Institutions), State agencies, and private landowners to carry out the program; and

(3) to carry out applied silvicultural assessments.

SEC. 402. DEFINITIONS.

In this title:

(1) APPLIED SILVICULTURAL ASSESSMENT.—

(A) IN GENERAL.—The term ''applied silvicultural assessment'' means any vegetative or other treatment carried out for a purpose described in section 403.

(B) INCLUSIONS.—The term ''applied silvicultural assessment'' includes (but is not limited to) timber harvesting, thinning, prescribed burning, pruning, and any combination of those activities.

(2) 1890 INSTITUTION.—

(A) IN GENERAL.—The term ''1890 Institution'' means a college or university that is eligible to receive funds under the Act of August 30, 1890 (7 U.S.C. 321 et seq.).

(B) INCLUSION.—The term ''1890 Institution'' includes Tuskegee University.

(3) FOREST-DAMAGING INSECT.—The term ''forest-damaging insect'' means—

(A) a Southern pine beetle;

(B) a mountain pine beetle;

(C) a spruce bark beetle;

(D) a gypsy moth;

(E) a hemlock woolly adelgid;

(F) an emerald ash borer;

(G) a red oak borer;

(H) a white oak borer; and

(I) such other insects as may be identified by the Secretary.

(4) SECRETARY.—The term ''Secretary'' means—

(A) the Secretary of Agriculture, acting through the Forest Service, with respect to National Forest System land; and

(B) the Secretary of the Interior, acting through appropriate offices of the United States Geological Survey, with respect to federally owned land administered by the Secretary of the Interior.

SEC. 403. ACCELERATED INFORMATION GATHERING REGARDING FOREST-DAMAGING INSECTS.

(a) INFORMATION GATHERING.—The Secretary, acting through the Forest Service and United States Geological Survey, as appropriate, shall establish an accelerated program—

(1) to plan, conduct, and promote comprehensive and systematic information gathering on forest-damaging insects and associated diseases, including an evaluation of—

(A) infestation, prevention, and suppression methods;

(B) effects of infestations and associated disease interactions on forest ecosystems;

(C) restoration of forest ecosystem efforts;

(D) utilization options regarding infested trees; and

(E) models to predict the occurrence, distribution, and impact of outbreaks of forest-damaging insects and associated diseases;

(2) to assist land managers in the development of treatments and strategies to improve forest health and reduce the susceptibility of forest ecosystems to severe infestations of forest-damaging insects and associated diseases on Federal land and State and private land; and

(3) to disseminate the results of the information gathering, treatments, and strategies.

(b) COOPERATION AND ASSISTANCE.—The Secretary shall—

(1) establish and carry out the program in cooperation with—

(A) scientists from colleges and universities (including forestry schools, land grant colleges and universities, and 1890 Institutions);

(B) Federal, State, and local agencies; and

(C) private and industrial landowners; and

(2) designate such colleges and universities to assist in carrying out the program.

SEC. 404. APPLIED SILVICULTURAL ASSESSMENTS.

(a) ASSESSMENT EFFORTS.—For information gathering and research purposes, the Secretary may conduct applied silvicultural assessments on Federal land that the Secretary determines is at risk of infestation by, or is infested with, forest-damaging insects.

(b) LIMITATIONS.—

(1) EXCLUSION OF CERTAIN AREAS.—Subsection (a) does not apply to—

(A) a component of the National Wilderness Preservation System;

(B) any Federal land on which, by Act of Congress or Presidential proclamation, the removal of vegetation is restricted or prohibited;

(C) a congressionally-designated wilderness study area; or

(D) an area in which activities under subsection (a) would be inconsistent with the applicable land and resource management plan.

(2) CERTAIN TREATMENT PROHIBITED.—Nothing in subsection (a) authorizes the application of insecticides in municipal watersheds or associated riparian areas.

(3) PEER REVIEW.—

(A) IN GENERAL.—Before being carried out, each applied silvicultural assessment under this title shall be peer reviewed by scientific experts selected by the Secretary, which shall include non-Federal experts.

(B) EXISTING PEER REVIEW PROCESSES.—The Secretary may use existing peer review processes to the extent the processes comply with subparagraph (A).

(c) PUBLIC NOTICE AND COMMENT.—

(1) PUBLIC NOTICE.—The Secretary shall provide notice of each applied silvicultural assessment proposed to be carried out under this section.

(2) PUBLIC COMMENT.—The Secretary shall provide an opportunity for public comment before carrying out an applied silviculture assessment under this section.

(d) CATEGORICAL EXCLUSION.—

(1) IN GENERAL.—Applied silvicultural assessment and research treatments carried out under this section on not more than 1,000 acres for an assessment or treatment may be categorically excluded from documentation in an environmental impact statement and environmental assessment under the National Environmental Policy Act of 1969 (42 U.S.C. 4321 et seq.).

(2) ADMINISTRATION.—Applied silvicultural assessments and research treatments categorically excluded under paragraph (1)—

(A) shall not be carried out in an area that is adjacent to another area that is categorically excluded under paragraph (1) that is being treated with similar methods; and

(B) shall be subject to the extraordinary circumstances procedures established by the Secretary pursuant to section 1508.4 of title 40, Code of Federal Regulations.

(3) MAXIMUM CATEGORICAL EXCLUSION.—The total number of acres categorically excluded under paragraph (1) shall not exceed 250,000 acres.

(4) NO ADDITIONAL FINDINGS REQUIRED.—In accordance with paragraph (1), the Secretary shall not be required to make any findings as to whether an applied silvicultural assessment project, either individually or cumulatively, has a significant effect on the environment.

SEC. 405. RELATION TO OTHER LAWS.

The authority provided to each Secretary under this title is supplemental to, and not in lieu of, any authority provided to the Secretaries under any other law.

SEC. 406. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated such sums as are necessary to carry out this title for each of fiscal years 2004 through 2008.

TITLE V—HEALTHY FORESTS RESERVE PROGRAM

SEC. 501. ESTABLISHMENT OF HEALTHY FORESTS RESERVE PROGRAM.

(a) ESTABLISHMENT.—The Secretary of Agriculture shall establish the healthy forests reserve program for the purpose of restoring and enhancing forest ecosystems—

(1) to promote the recovery of threatened and endangered species;

(2) to improve biodiversity; and

(3) to enhance carbon sequestration.

(b) COORDINATION.—The Secretary of Agriculture shall carry out the healthy forests reserve program in coordination with the Secretary of the Interior and the Secretary of Commerce.

SEC. 502. ELIGIBILITY AND ENROLLMENT OF LANDS IN PROGRAM.

(a) IN GENERAL.—The Secretary of Agriculture, in coordination with the Secretary of the Interior and the Secretary of Commerce, shall describe and define forest ecosystems that are eligible for enrollment in the healthy forests reserve program.

(b) ELIGIBILITY.—To be eligible for enrollment in the healthy forests reserve program, land shall be—

(1) private land the enrollment of which will restore, enhance, or otherwise measurably increase the likelihood of recovery of a species listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and

(2) private land the enrollment of which will restore, enhance, or otherwise measurably improve the well-being of species that—

(A) are not listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); but

(B) are candidates for such listing, State-listed species, or special concern species.

(c) OTHER CONSIDERATIONS.—In enrolling land that satisfies the criteria under subsection (b), the Secretary of Agriculture shall give additional consideration to land the enrollment of which will—

(1) improve biological diversity; and

(2) increase carbon sequestration.

(d) ENROLLMENT BY WILLING OWNERS.—The Secretary of Agriculture shall enroll land in the healthy forests reserve program only with the consent of the owner of the land.

(e) MAXIMUM ENROLLMENT.—The total number of acres enrolled in the healthy forests reserve program shall not exceed 2,000,000 acres.

(f) METHODS OF ENROLLMENT.—

(1) IN GENERAL.—Land may be enrolled in the healthy forests reserve program in accordance with—

(A) a 10-year cost-share agreement;

(B) a 30-year agreement; or

(C) an agreement of not more than 99 years.

(2) PROPORTION.—The extent to which each enrollment method is used shall be based on the approximate proportion of owner interest expressed in that method in comparison to the other methods.

(g) ENROLLMENT PRIORITY.—

(1) SPECIES.—The Secretary of Agriculture shall give priority to the enrollment of land that provides the greatest conservation benefit to—

(A) primarily, species listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and

(B) secondarily, species that—

(i) are not listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); but

(ii) are candidates for such listing, State-listed species, or special concern species.

(2) COST-EFFECTIVENESS.—The Secretary of Agriculture shall also consider the cost-effectiveness of each agreement, and associated restoration plans, so as to maximize the environmental benefits per dollar expended.

SEC. 503. RESTORATION PLANS.

(a) IN GENERAL.—Land enrolled in the healthy forests reserve program shall be subject to a restoration plan, to be developed jointly by the landowner and the Secretary of Agriculture.

(b) PRACTICES.—The restoration plan shall require such restoration practices as are necessary to restore and enhance habitat for—

(1) species listed as endangered or threatened under section 4 of the Endangered Species Act of 1973 (16 U.S.C. 1533); and

(2) animal or plant species before the species reach threatened or endangered status, such as candidate, State-listed species, and special concern species.

SEC. 504. FINANCIAL ASSISTANCE.

(a) AGREEMENTS OF NOT MORE THAN 99 YEARS.—In the case of land enrolled in the healthy forests reserve program using an agreement of not more than 99 years described in section 502(f)(1)(C), the Secretary of Agriculture shall pay the owner of the land an amount equal to not less than 75 percent, nor more than 100 percent, of (as determined by the Secretary)—

(1) the fair market value of the enrolled land during the period the land is subject to the agreement, less the fair market value of the land encumbered by the agreement; and

(2) the actual costs of the approved conservation practices or the average cost of approved practices carried out on the land during the period in which the land is subject to the agreement.

(b) 30-YEAR AGREEMENT.— In the case of land enrolled in the healthy forests reserve program using a 30-year agreement, the Secretary of Agriculture shall pay the owner of the land an amount equal to not more than (as determined by the Secretary)—

(1) 75 percent of the fair market value of the land, less the fair market value of the land encumbered by the agreement; and

(2) 75 percent of the actual costs of the approved conservation practices or 75 percent of the average cost of approved practices.

(c) 10-YEAR AGREEMENT.—In the case of land enrolled in the healthy forests reserve

program using a 10-year cost-share agreement, the Secretary of Agriculture shall pay the owner of the land an amount equal to not more than (as determined by the Secretary)—

(1) 50 percent of the actual costs of the approved conservation practices; or

(2) 50 percent of the average cost of approved practices.

(d) ACCEPTANCE OF CONTRIBUTIONS.—The Secretary of Agriculture may accept and use contributions of non-Federal funds to make payments under this section.

SEC. 505. TECHNICAL ASSISTANCE.

(a) IN GENERAL.—The Secretary of Agriculture shall provide landowners with technical assistance to assist the owners in complying with the terms of plans (as included in agreements) under the healthy forests reserve program.

(b) TECHNICAL SERVICE PROVIDERS.—The Secretary of Agriculture may request the services of, and enter into cooperative agreements with, individuals or entities certified as technical service providers under section 1242 of the Food Security Act of 1985 (16 U.S.C. 3842), to assist the Secretary in providing technical assistance necessary to develop and implement the healthy forests reserve program.

SEC. 506. PROTECTIONS AND MEASURES

(a) PROTECTIONS.—In the case of a landowner that enrolls land in the program and whose conservation activities result in a net conservation benefit for listed, candidate, or other species, the Secretary of Agriculture shall make available to the landowner safe harbor or similar assurances and protection under—

(1) section 7(b)(4) of the Endangered Species Act of 1973 (16 U.S.C. 1536(b)(4)); or

(2) section 10(a)(1) of that Act (16 U.S.C. 1539(a)(1)).

(b) MEASURES.—If protection under subsection (a) requires the taking of measures that are in addition to the measures covered by the applicable restoration plan agreed to under section 503, the cost of the additional measures, as well as the cost of any permit, shall be considered part of the restoration plan for purposes of financial assistance under section 504.

SEC. 507. INVOLVEMENT BY OTHER AGENCIES AND ORGANIZATIONS.

In carrying out this title, the Secretary of Agriculture may consult with—

(1) nonindustrial private forest landowners;

(2) other Federal agencies;

(3) State fish and wildlife agencies;

(4) State forestry agencies;

(5) State environmental quality agencies;

(6) other State conservation agencies; and

(7) nonprofit conservation organizations.

SEC. 508. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title—

(1) $25,000,000 for fiscal year 2004; and

(2) such sums as are necessary for each of fiscal years 2005 through 2008.

TITLE VI—PUBLIC LAND CORPS

SEC. 601. PURPOSES.

The purposes of this title are—

(1) to carry out, in a cost-effective and efficient manner, rehabilitation, enhancement, and beautification projects;

(2) to offer young people, ages 16 through 25, particularly those who are at-risk or economically disadvantaged, the opportunity to gain productive employment and exposure to the world of work;

(3) to give those young people the opportunity to serve their communities and their country; and

(4) to expand educational opportunities by rewarding individuals who participate in the Public Land Corps with an increased ability to pursue higher education or job training.

SEC. 602. DEFINITIONS.

In this title:

(1) ALASKA NATIVE CORPORATION.—The term ''Alaska Native Corporation'' means a Regional Corporation or Village Corporation, as defined in section 101(11) of the National and Community Service Act of 1990 (42 U.S.C. 12511(11)).

(2) CORPS.—The term ''Corps'' means the Public Land Corps established under section 603(a).

(3) HAWAIIAN HOME LANDS.—The term ''Hawaiian home lands'' means that term, within the meaning of the National and Community Service Act of 1990 (42 U.S.C. 12501 et seq.).

(4) INDIAN LANDS.—The term ''Indian lands'' has the meaning given the term in section 101 of the National and Community Service Act of 1990 (42 U.S.C. 12511).

(5) SECRETARIES.—The term ''Secretaries'' means—

(A) the Secretary of Agriculture; and

(B) the Secretary of the Interior.

(6) SERVICE AND CONSERVATION CORPS.—The term ''service and conservation corps'' means any organization established by a State or local government, nonprofit organization, or Indian tribe that—

(A) has a demonstrable capability to provide productive work to individuals;

(B) gives participants a combination of work experience, basic and life skills, education, training, and support services; and

(C) provides participants with the opportunity to develop citizenship values through service to their communities and the United States.

(7) STATE.—The term ''State'' means—

(A) a State;

(B) the District of Columbia;

(C) the Commonwealth of Puerto Rico;

(D) Guam;

(E) American Samoa;

(F) the Commonwealth of the Northern Mariana Islands;

(G) the Federated States of Micronesia;

(H) the Republic of the Marshall Islands;

(I) the Republic of Palau; and

(J) the United States Virgin Islands.

SEC. 603. PUBLIC LAND CORPS.

(a) ESTABLISHMENT.—There is established a Public Land Corps.

(b) PARTICIPANTS.—The Corps shall consist of individuals who are enrolled as members of a service or conservation corps.

(c) CONTRACTS OR AGREEMENTS.—The Secretaries may enter into contracts or cooperative agreements—

(1) directly with any service and conservation corps to perform appropriate rehabilitation, enhancement, or beautification projects; or

(2) with a department of natural resources, agriculture, or forestry (or an equivalent department) of any State that has entered into a contract or cooperative agreement with a service and conservation corps to perform appropriate rehabilitation, enhancement, or beautification projects.

(d) PROJECTS.—

(1) IN GENERAL.—The Secretaries may use the members of a service and conservation corps to perform rehabilitation, enhancement, or beautification projects authorized by law.

(2) INCLUDED LAND.—In addition to Federal and State lands, the projects may be carried out on—

(A) Indian lands, with the approval of the applicable Indian tribe;

(B) Hawaiian home lands, with the approval of the relevant State agency in the State of Hawaii; and

(C) Alaska native lands, with the approval of the applicable Alaska Native Corporation.

(e) PREFERENCE.—In carrying out this title, the Secretaries shall give preference to projects that will—

(1) provide long-term benefits by reducing hazardous fuels on Federal land;

(2) instill in members of the service and conservation corps—

(A) a work ethic;

(B) a sense of personal responsibility; and

(C) a sense of public service;

(3) be labor intensive; and

(4) be planned and initiated promptly.

(f) SUPPORTIVE SERVICES.—The Secretaries may provide such services as the Secretaries consider necessary to carry out this title.

(g) TECHNICAL ASSISTANCE.—To carry out this title, the Secretaries shall provide technical assistance, oversight, monitoring, and evaluation to—

(1) State Departments of Natural Resources and Agriculture (or equivalent agencies); and

(2) members of service and conservation corps.

SEC. 604. NONDISPLACEMENT.

The nondisplacement requirements of section 177(b) of the National and Community Service Act of 1990 (42 U.S.C. 12637(b)) shall apply to activities carried out by the Corps under this title.

SEC. 605. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to carry out this title $15,000,000 for each of fiscal years 2004 through 2008.

TITLE VII—RURAL COMMUNITY FORESTRY ENTERPRISE PROGRAM

SEC. 701. PURPOSE

The purpose of this title is to assist in the economic revitalization of rural forest resource-dependent communities through incentives and collaboration to promote investment in private enterprise and community development by—

(1) the Department of Agriculture;

(2) the Department of the Interior;

(3) the Department of Commerce;

(4) the Small Business Administration;

(5) land grant colleges and universities; and

(6) 1890 Institutions.

SEC. 702. DEFINITIONS.

In this title:

(1) 1890 INSTITUTION.—The term ''1890 Institution'' has the meaning given the term in section 2 of the Agricultural Research, Extension, and Education Reform Act of 1998 (7 U.S.C. 7601).

(2) ELIGIBLE ENTITY.—The term ''eligible entity'' means—

(A) a unit of State or local government;

(B) an Indian tribe;

(C) a nonprofit organization;

(D) a small forest products business;

(E) a rural forest resource-dependent community;

(F) a land grant college or university; or

(G) an 1890 institution.

(3) ELIGIBLE PROJECT.—The term ''eligible project'' means a project described in section 703 that will promote the economic development in rural forest resource-dependent communities based on—

(A) responsible forest stewardship;

(B) the production of sustainable forest products; or

(C) the development of forest related tourism and recreation activities.

(4) FOREST PRODUCTS.—The term ''forest products'' means—

(A) logs;

(B) lumber;

(C) chips;

(D) small-diameter finished wood products;

(E) energy biomass;

(F) mulch; and

(G) any other material derived from forest vegetation or individual trees or shrubs.

(5) NONPROFIT ORGANIZATION.—The term ''nonprofit organization'' means an organization that is—

(A) described in section 501(c) of the Internal Revenue Code of 1986; and

(B) exempt from taxation under 501(a) of that Code.

(6) PROGRAM.—The term ''program'' means the rural community forestry enterprise program established under section 703.

(7) SMALL FOREST PRODUCTS BUSINESS.—The term ''small forest products business'' means a small business concern (as defined under section 3 of the Small Business Act (15 U.S.C. 632)) that is classified under subsector 113 or code number 115310 of the North American Industrial Classification System.

(8) RURAL FOREST RESOURCE-DEPENDENT COMMUNITY.—

(A) IN GENERAL.—The term ''rural forest resource-dependent community'' means a community located in a rural area of the United States that is traditionally dependent on forestry products as a primary source of community infrastructure.

(B) INCLUSIONS.—The term ''rural forest resource-dependent community'' includes a community described in subparagraph (A) located in—

(i) the northern forest land of Maine;

(ii) New Hampshire;

(iii) New York;

(iv) Vermont;

(v) the Upper Peninsula of Michigan;

(vi) northern California; and

(vii) eastern Oregon.

(9) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

SEC. 703. RURAL COMMUNITY FORESTRY ENTERPRISE PROGRAM.

(a) IN GENERAL.—

(1) ESTABLISHMENT.—The Secretary shall establish within the Forest Service a program to be known as the ''Rural Community Forestry Enterprise Program''.

(2) CONSULTATION.—In carrying out the program, the Secretary shall consult with—

(A) the Small Business Administration;

(B) the Economic Development Administration;

(C) land grant colleges and universities;

(D) 1890 institutions;

(E) research stations and laboratories of the Forest Service;

(F) other agencies of the Department of Agriculture that administer rural development programs; and

(G) private nonprofit organizations.

(b) PURPOSES.—The purposes of the program are—

(1) to enhance technical and business management skills training;

(2) to organize cooperatives and marketing programs;

(3) to establish and maintain timber worker skill pools;

(4) to establish and maintain forest product distribution networks and collection centers;

(5) to facilitate technology transfer for processing small diameter trees and brush into useful products;

(6) to develop, where support exists, a program to promote science-based technology implementation and technology transfer that expands the capacity for small forest product businesses to work within market areas;

(7) to promote forest-related tourism and recreational activities;

(8) to enhance the rural forest business infrastructure needed to reduce hazardous fuels on public and private land; and

(9) to carry out related programs and activities, as determined by the Secretary.

(c) FOREST ENTERPRISE CENTERS.—

(1) IN GENERAL.—The Secretary shall establish Forest Enterprise Centers to provide services to rural forest-dependent communities.

(2) LOCATION.—A Center shall be located within close proximity of rural forest-dependent communities served by the Center, with at least 1 center located in each of the States of California, Idaho, Oregon, Montana, New Mexico, Vermont, and Washington.

(3) DUTIES.—A Center shall—

(A) carry out eligible projects; and

(B) coordinate assistance provided to small forest products businesses with—

(i) the Small Business Administration, including the timber set-aside program carried out by the Small Business Administration;

(ii) the Rural Utilities Service, the Rural Housing Service, and the Rural Business-Cooperative Service of the Department of Agriculture;

(iii) the Economic Development Administration, including the local technical assistance program of the Economic Development Administration; and

(iv) research stations and laboratories of the Forest Service.

(d) FOREST ENTERPRISE TECHNICAL ASSISTANCE AND GRANT PROGRAM.—

(1) IN GENERAL.—The Secretary, acting through the Forest Enterprise Centers established under subsection (c), shall establish a program to provide technical assistance and grants to eligible entities to carry out eligible projects.

(2) CRITERIA.—The Secretary shall work with each Forest Enterprise Center to develop appropriate program review and prioritization criteria for each Research Station.

(3) MATCHING FUNDS.—Grants under this section shall—

(A) not exceed 50 percent of the cost of an eligible project; and

(B) be made on the condition that non-Federal sources pay for the remainder of the cost of an eligible project (including payment through in-kind contributions of services or materials).

(4) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this subsection $15,000,000 for each of fiscal years 2004 through 2008.

TITLE VIII—FIREFIGHTERS MEDICAL MONITORING ACT

SEC. 801. SHORT TITLE.

This title shall be referred to as the ''Firefighters Medical Monitoring Act of 2003''.

SEC. 802. MONITORING OF FIREFIGHTERS IN DISASTER AREAS.

(a) IN GENERAL.—The National Institute for Occupational Safety and Health shall monitor the long-term medical health of those firefighters who fought fires in any area declared a disaster area by the Federal Government.

(b) HEALTH MONITORING.—The long-term health monitoring referred to in subsection (a) shall include, but not be limited to, pulmonary illness, neurological damage, and cardiovascular damage, and shall utilize the medical expertise in the local areas affected.

(c) AUTHORIZATION.—To carry out this title, there are authorized to be appropriated such sums as may be necessary in each of fiscal years 2004 through 2008.

TITLE IX—DISASTER AIR QUALITY MONITORING ACT

SEC. 901. SHORT TITLE.

This title shall be referred to as the ''Disaster Air Quality Monitoring Act of 2003''.

SEC. 902. MONITORING OF AIR QUALITY IN DISASTER AREAS.

(a) IN GENERAL.—No later than six (6) months after the enactment of this legislation, the Environmental Protection Agency shall provide each of its regional offices a mobile air pollution monitoring network to monitor the emissions of hazardous air pollutants in areas declared a disaster as referred to in subsection (b), and publish such information on a daily basis on its web site and in other forums, until such time as the Environmental Protection Agency has determined that the danger has subsided.

(b) DISASTER AREAS.—The areas referred to in subsection (a) are those areas declared a disaster area by the Federal Government.

(c) CONTINUOUS MONITORING.—The monitoring referred to in subsection (a) shall include the continuous and spontaneous monitoring of hazardous air pollutants, as defined in Public Law 95–95, section 112(b).

(d) AUTHORIZATION.—To carry out this title, there are authorized to be appropriated $8,000,000.

TITLE X—HIGHLANDS REGION CONSERVATION

SEC. 1001. SHORT TITLE.

This title may be cited as the ''Highlands Conservation Act''.

SEC. 1002. FINDINGS.

Congress finds the following:

(1) The Highlands region is a physiographic province that encompasses more than 2,000,000 acres extending from eastern Pennsylvania through the States of New Jersey and New York to northwestern Connecticut.

(2) The Highlands region is an environmentally unique area that—

(A) provides clean drinking water to over 15,000,000 people in metropolitan areas in the States of Connecticut, New Jersey, New York, and Pennsylvania;

(B) provides critical wildlife habitat, including habitat for 247 threatened and endangered species;

(C) maintains an important historic connection to early Native American culture, colonial settlement, the American Revolution, and the Civil War;

(D) contains recreational resources for 14 million visitors annually;

(E) provides other significant ecological, natural, tourism, recreational, educational, and economic benefits; and

(F) provides homeownership opportunities and access to affordable housing that is safe, clean, and healthy;

(3) An estimated 1 in 12 citizens of the United States live within a 2-hour drive of the Highlands region.

(4) More than 1,400,000 residents live in the Highlands region.

(5) The Highlands region forms a greenbelt adjacent to the Philadelphia-New York City-Hartford urban corridor that offers the opportunity to preserve water, forest and agricultural resources, wildlife habitat, recreational areas, and historic sites, while encouraging sustainable economic growth and development in a fiscally and environmentally sound manner.

(6) Continued population growth and land use patterns in the Highlands region—

(A) reduce the availability and quality of water;

(B) reduce air quality;

(C) fragment the forests;

(D) destroy critical migration corridors and forest habitat; and

(E) result in the loss of recreational opportunities and scenic, historic, and cultural resources;

(7) The water, forest, wildlife, recreational, agricultural, and cultural resources of the Highlands region, in combination with the proximity of the Highlands region to the largest metropolitan areas in the United States, make the Highlands region nationally significant.

(8) The national significance of the Highlands region has been documented in—

(A) the New York-New Jersey Highlands Regional Study conducted by the Forest Service in 1990;

(B) the New York-New Jersey Highlands Regional Study: 2002 Update conducted by the Forest Service;

(C) the bi-State Skylands Greenway Task Force Report;

(D) the New Jersey State Development and Redevelopment Plan;

(E) the New York State Open Space Conservation Plan;

(F) the Connecticut Green Plan: Open Space Acquisition FY 2001–2006;

(G) the open space plans of the State of Pennsylvania; and

(H) other open space conservation plans for States in the Highlands region;

(9) The Highlands region includes or is adjacent to numerous parcels of land owned by the Federal Government or federally designated areas that protect, conserve, or restore resources of the Highlands region, including—

(A) the Wallkill River National Wildlife Refuge;

(B) the Shawanagunk Grasslands Wildlife Refuge;

(C) the Morristown National Historical Park;

(D) the Delaware and Lehigh Canal Corridors;

(E) the Hudson River Valley National Heritage Area;

(F) the Delaware River Basin;

(G) the Delaware Water Gap National Recreation Area;

(H) the Upper Delaware Scenic and Recreational River;

(I) the Appalachian National Scenic Trail;

(J) the United States Military Academy at West Point, New York;

(K) the Highlands National Millenium Trail;

(L) the Great Swamp National Wildlife Refuge;

(M) the proposed Crossroads of the Revolution National Heritage Area;

(N) the proposed Musconetcong National Scenic and Recreational River in New Jersey; and

(O) the Farmington River Wild and Scenic Area in Connecticut;

(10) It is in the interest of the United States to protect, conserve, and restore the resources of the Highlands region for the residents of, and visitors to, the Highlands region.

(11) The States of Connecticut, New Jersey, New York, and Pennsylvania, and units of local government in the Highlands region have the primary responsibility for protecting, conserving, preserving, restoring and promoting the resources of the Highlands region.

(12) Because of the longstanding Federal practice of assisting States in creating, protecting, conserving, and restoring areas of significant natural and cultural importance, and the national significance of the Highlands region, the Federal Government should, in partnership with the Highlands States and units of local government in the Highlands region, protect, restore, and preserve the water, forest, agricultural, wildlife, recreational and cultural resources of the Highlands region.

SEC. 1003. PURPOSES.

The purposes of this title are as follows:

(1) To recognize the importance of the water, forest, agricultural, wildlife, recreational and cultural resources of the Highlands, and the national significance of the Highlands region to the United States.

(2) To authorize the Secretary of Interior to work in partnership with the Secretary of Agriculture to provide financial assistance to the Highlands States to preserve and protect high priority conservation lands in the Highlands region.

(3) To continue the ongoing Forest Service programs in the Highlands region to assist the Highlands States, local units of government and private forest and farm landowners in the conservation of lands and natural resources in the Highlands region.

SEC. 1004. DEFINITIONS.

In this title:

(1) HIGHLANDS REGION.—The term ''Highlands region'' means the physiographic province, defined by the Reading Prong and ecologically similar adjacent upland areas, that encompasses more than 2,000,000 acres extending from eastern Pennsylvania through the States of New Jersey and New York to northwestern Connecticut.

(2) HIGHLANDS STATE.—The term ''Highlands State'' means—

(A) the State of Connecticut;

(B) the State of New Jersey;

(C) the State of New York;

(D) the State of Pennsylvania; and

(E) any agency or department of any Highlands State.

(3) LAND CONSERVATION PARTNERSHIP PROJECT.—The term ''land conservation partnership project'' means a land conservation project located within the Highlands region identified as having high conservation value by the Forest Service in which a non-Federal entity acquires land or an interest in land from a willing seller for the purpose of permanently protecting, conserving, or preserving the land through a partnership with the Federal Government.

(4) NON-FEDERAL ENTITY.—The term ''non-Federal entity'' means any Highlands State, or any agency or department of any Highlands State with authority to own and manage land for conservation purpose, including the Palisades Interstate Park Commission.

(5) STUDY.—The term ''study'' means the New York-New Jersey Highlands Regional Study conducted by the Forest Service in 1990.

(6) UPDATE.—The term ''update'' means the New York-New Jersey Highlands Regional Study: 2002 Update conducted by the Forest Service.

SEC. 1005. LAND CONSERVATION PARTNERSHIP PROJECTS IN THE HIGHLANDS REGION.

(a) SUBMISSION OF PROPOSED PROJECTS.—Annually, the Governors of the Highlands States, with input from pertinent units of local government and the public, may jointly identify land conservation partnership projects in the Highlands region that shall be proposed for Federal financial assistance and submit a list of those projects to the Secretary of the Interior.

(b) CONSIDERATION OF PROJECTS.—The Secretary of the Interior, in consultation with the Secretary of Agriculture, shall annually submit to Congress a list of those land conservation partnership projects submitted under subsection (a) that are eligible to receive financial assistance under this section.

(c) ELIGIBILITY CONDITIONS.—To be eligible for financial assistance under this section for a land conservation partnership project, a non-Federal entity shall enter into an agreement with the Secretary of the Interior that—

(1) identifies the non-Federal entity that shall own or hold and manage the land or interest in land;

(2) identifies the source of funds to provide the non-Federal share required under subsection (d);

(3) describes the management objectives for the land that will assure permanent protection and use of the land for the purpose for which the assistance will be provided;

(4) provides that, if the non-Federal entity converts, uses, or disposes of the land conservation partnership project for a purpose inconsistent with the purpose for which the assistance was provided, as determined by the Secretary of the Interior, the United States may seek specific performance of the conditions of financial assistance in accordance with paragraph (3) in Federal court and shall be entitled to reimbursement from the non-Federal entity in an amount that is, as determined at the time of conversion, use, or disposal, the greater of—

(A) the total amount of the financial assistance provided for the project by the Federal Government under this section; or

(B) the amount by which the financial assistance increased the value of the land or interest in land; and

(5) provides that land conservation partnership projects will be consistent with areas identified as having high conservation value in the following:

(A) Important Areas portion of the Forest Service study.

(B) Conservation Focal Areas portion of the Forest Service update.

(C) Conservation Priorities portion of the update.

(D) Lands identified as having higher or highest resource value in the Conservation Values Assessment portion of the update.

(d) NON-FEDERAL SHARE REQUIREMENT.—The Federal share of the cost of carrying out a land conservation partnership project under this section shall not exceed 50 percent of the total cost of the land conservation partnership project.

(e) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of the Interior from the general funds of the Treasury or the Land and Water Conservation Fund to carry out this section $10,000,000 for each of the fiscal years 2005 through 2014. Amounts appropriated pursuant to this authorization of appropriations shall remain available until expended.

SEC. 1006. FOREST SERVICE AND USDA PROGRAMS IN THE HIGHLANDS REGION.

(a) IN GENERAL.—In order to meet the land resource goals of, and the scientific and conservation challenges identified in, the study, update, and any future study that the Forest Service may undertake in the Highlands region, the Secretary of Agriculture, acting through the Chief of the Forest Service and in consultation with the Chief of the Natural Resource Conservation Service, shall continue to assist the Highlands States, local units of government, and private forest and farm landowners in the conservation of lands and natural resources in the Highlands region.

(b) DUTIES.—The Forest Service shall—

(1) in consultation with the Highlands States, undertake other studies and research as appropriate in the Highlands region consistent with the purposes of this title;

(2) communicate the findings of the study and update and maintain a public dialogue regarding implementation of the study and update; and

(3) assist the Highland States, local units of government, individual landowners, and private organizations in identifying and using Forest Service and other technical and financial assistance programs of the Department of Agriculture.

(c) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to the Secretary of Agriculture to carry out this section $1,000,000 for each of the fiscal years 2005 through 2014.

SEC. 1007. PRIVATE PROPERTY PROTECTION AND LACK OF REGULATORY EFFECT.

(a) ACCESS TO PRIVATE PROPERTY.—Nothing in this title shall be construed to—

(1) require any private property owner to permit public access (including Federal, State, or local government access) to such private property; and

(2) modify any provision of Federal, State, or local law with regard to public access to or use of private lands.

(b) LIABILITY.—Nothing in this title shall be construed to create any liability, or to have any effect on any liability under any other law, of any private property owner with respect to any persons injured on such private property.

(c) RECOGNITION OF AUTHORITY TO CONTROL LAND USE.—Nothing in this title shall be construed to modify any authority of Federal, State, or local governments to regulate land use.

(d) PARTICIPATION OF PRIVATE PROPERTY OWNERS.—Nothing in this title shall be construed to require the owner of any private property located in the Highlands region to participate in the land conservation, financial, or technical assistance or any other programs established under this title.

(e) PURCHASE OF LANDS OR INTERESTS IN LANDS FROM WILLING SELLERS ONLY.—Funds appropriated to carry out this title shall be used to purchase lands or interests in lands only from willing sellers.

TITLE XI—MISCELLANEOUS PROVISIONS

SEC. 1101. FOREST INVENTORY AND MANAGEMENT.

Section 17 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 note; Public Law 95313) is amended to read as follows:

"SEC. 17. FOREST INVENTORY AND MANAGEMENT.

''(a) IN GENERAL.—The Secretary shall carry out a program using geospatial and information management technologies (including remote sensing imaging and decision support systems) to inventory, monitor, characterize, assess, and identify forest stands and potential forest stands on—

''(1) units of the National Forest System; and

''(2) private forest land, with the consent of the owner of the land.

''(b) MEANS.—The Secretary shall carry out the program through the use of—

''(1) remote sensing technology of the National Aeronautics and Space Administration and the United States Geological Survey;

''(2) emerging geospatial capabilities in research activities;

''(3) validating techniques, including coordination and reconciliation with existing data through field verification, using application demonstrations; and

''(4) integration of results into pilot operational systems.

''(c) ISSUES TO BE ADDRESSED.—In carrying out the program, the Secretary shall address issues including—

''(1) early detection, identification, and assessment of environmental threats (including insect, disease, invasive species, fire, acid deposition, and weather-related risks and other episodic events);

''(2) loss or degradation of forests;

''(3) degradation of the quality forest stands caused by inadequate forest regeneration practices;

''(4) quantification of carbon uptake rates;

''(5) management practices that focus on preventing further forest degradation; and

''(6) characterization of vegetation types, density, fire regimes, post-fire effects, and condition class.

''(d) EARLY WARNING SYSTEM.—In carrying out the program, the Secretary shall develop a comprehensive early warning system for potential catastrophic environmental threats to forests to increase the likelihood that forest managers will be able to—

''(1) isolate and treat a threat before the threat gets out of control; and

''(2) prevent epidemics, such as the American chestnut blight in the first half of the twentieth century, that could be environmentally and economically devastating to forests.

''(e) ADMINISTRATION.—To carry out this section, the Secretary shall—

''(1) designate a facility within Forest Service Region 8 that—

''(A) is best-suited to take advantage of existing resources to coordinate and carry out the program through the means described in subsection (b); and

''(B) will address the issues described in subsection (c), with a particular emphasis on hardwood forest stands in the Eastern United States; and

''(2) designate a facility in the Ochoco National Forest headquarters within Forest Service Region 6 that will address the issues described in subsection (c), with a particular emphasis on coniferous forest stands in the Western United States.

''(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.''.

SEC. 1102. PROGRAM FOR EMERGENCY TREATMENT AND REDUCTION OF NONNATIVE INVASIVE PLANTS.

(a) DEFINITIONS.—In this section:

(1) INTERFACE COMMUNITY.—The term ''interface community'' has the meaning given the term in the notice published at 66 Fed. Reg. 751 (January 4, 2001) (including any subsequent revision to the notice).

(2) INTERMIX COMMUNITY.—The term ''intermix community'' has the meaning given the term in the notice published at 66 Fed. Reg. 751 (January 4, 2001) (including any subsequent revision to the notice).

(3) PLANT.—The term ''plant'' includes—

(A) a tree;

(B) a shrub; and

(C) a vine.

(4) PROGRAM.—The term ''program'' means the program for emergency treatment and reduction of nonnative invasive plants established under subsection (b)(1).

(5) SECRETARIES.—The term ''Secretaries'' means the Secretary of Agriculture and the Secretary of the Interior, acting jointly.

(b) ESTABLISHMENT.—

(1) IN GENERAL.—The Secretaries shall establish a program for emergency treatment and reduction of nonnative invasive plants to provide to State and local governments and agencies, conservation districts, tribal governments, and willing private landowners grants for use in carrying out hazardous fuel reduction projects to address threats of catastrophic fires that have been determined by the Secretaries to pose a serious threat to—

(A) property;

(B) human life; or

(C) the ecological stability of an area.

(2) COORDINATION.—In carrying out the program, the Secretaries shall coordinate with such Federal agencies, State and local governments and agencies, and conservation districts as are affected by projects under the program.

(c) ELIGIBLE LAND.—A project under the program shall—

(1) be carried out only on land that is located—

(A) in an interface community or intermix community; or

(B) in such proximity to an interface community or intermix community as would pose a significant risk in the event of the spread of a fire disturbance event from the land (including a risk that would threaten human life or property in proximity to or within the interface community or intermix community), as determined by the Secretaries;

(2) remove fuel loads determined by the Secretaries, a State or local government, a tribal government, or a private landowner to pose a serious threat to—

(A) property;

(B) human life; or

(C) the ecological stability of an area; and

(3) involve the removal of nonnative invasive plants.

(d) USE OF FUNDS.—Funds made available for a project under the program shall be used only for—

(1) the removal of plants or other potential fuels that are—

(A) adjacent to or within the wildland urban interface; or

(B) adjacent to a municipal watershed, river, or water course;

(2) the removal of erosion structures that impede the removal of nonnative plants; or

(3) the replanting of native vegetation to reduce the reestablishment of nonnative invasive plants in a treatment area.

(e) REVOLVING FUND.—

(1) IN GENERAL.—In the case of a grant provided to a willing owner to carry out a project on non-Federal land under this section, the owner shall deposit into a revolving fund established by the Secretaries any proceeds derived from the sale of timber or biomass removed from the non-Federal land under the project.

(2) USE.—The Secretaries shall use amounts in the revolving fund to make additional grants under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section, to remain available until expended.

SEC. 1103. USDA NATIONAL AGROFORESTRY CENTER.

(a) IN GENERAL.—Section 1243 of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended—

(1) by striking the section heading and inserting the following:

"SEC. 1243. USDA NATIONAL AGROFORESTRY CENTER.";

and

(2) in subsection (a)—

(A) by striking ''SEMIARID'' and inserting ''USDA NATIONAL''; and

(B) by striking ''Semiarid'' and inserting ''USDA National''.

(b) PROGRAM.—Section 1243(b) of the Food, Agriculture, Conservation, and Trade Act of 1990 (16 U.S.C. 1642 note; Public Law 101–624) is amended—

(1) by inserting ''local governments, community organizations, the Institute of Tropical Forestry and the Institute of Pacific Islands Forestry of the Forest Service,'' after ''entities,'';

(2) in paragraph (1), by striking ''on semiarid lands'';

(3) in paragraph (3), by striking ''from semiarid land'';

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

''(4) collect information on the design, installation, and function of forested riparian and upland buffers to—

''(A) protect water quality; and

''(B) manage water flow;'';

(5) in paragraphs (6) and (7), by striking ''on semiarid lands'' each place it appears;

(6) by striking paragraph (8) and inserting the following:

''(8) provide international leadership in the worldwide development and exchange of agroforestry practices;'';

(7) in paragraph (9), by striking ''on semiarid lands'';

(8) in paragraph (10), by striking ''and'' at the end;

(9) in paragraph (11), by striking the period at the end and inserting a semicolon; and

(10) by adding at the end the following:

''(12) quantify the carbon storage potential of agroforestry practices such as—

''(A) windbreaks;

''(B) forested riparian buffers;

''(C) silvopasture timber and grazing systems; and

''(D) alley cropping; and

''(13) modify and adapt riparian forest buffer technology used on agricultural land for use by communities to manage stormwater runoff.''.

SEC. 1104. UPLAND HARDWOODS RESEARCH CENTER.

(a) IN GENERAL.—Not later than 180 days after the date of enactment of this Act, the Secretary of Agriculture shall establish an Upland Hardwood Research Center.

(b) LOCATION.—The Secretary of Agriculture shall locate the Research Center in an area that, as determined by the Secretary of Agriculture, would best use and study the upland hardwood resources of the Ozark Mountains and the South.

(c) DUTIES.—The Upland Hardwood Research Center shall, in conjunction with the Southern Forest Research Station of the Department of Agriculture—

(1) provide the scientific basis for sustainable management of southern upland hardwood forests, particularly in the Ozark Mountains and associated mountain and upland forests; and

(2) conduct research in all areas to emphasize practical application toward the use and preservation of upland hardwood forests, particularly—

(A) the effects of pests and pathogens on upland hardwoods;

(B) hardwood stand regeneration and reproductive biology;

(C) upland hardwood stand management and forest health;

(D) threatened, endangered, and sensitive aquatic and terrestrial fauna;

(E) ecological processes and hardwood ecosystem restoration; and

(F) education and outreach to nonindustrial private forest landowners and associations.

(d) RESEARCH.—In carrying out the duties under subsection (c), the Upland Hardwood Research Center shall—

(1) cooperate with the Center for Bottomland Hardwood Research of the Southern Forest Research Station of the Department of Agriculture, located in Stoneville, Mississippi; and

(2) provide comprehensive research in the Mid-South region of the United States, the Upland Forests Ecosystems Unit of the Southern Forest Research Station of the Department of Agriculture, located in Monticello, Arkansas.

(e) PARTICIPATION OF PRIVATE LANDOWNERS.—The Secretary of Agriculture shall encourage and facilitate the participation of private landowners in the program under this section.

(f) AUTHORIZATION OF APPROPRIATIONS.—There is authorized to be appropriated to carry out this section $2,500,000 for each fiscal year.

SEC. 1105. EMERGENCY FUEL REDUCTION GRANTS.

(a) IN GENERAL.—The Secretary of Agriculture shall establish an emergency fuel reduction grant program under which the Secretary shall provide grants to State and local agencies to carry out hazardous fuel reduction projects addressing threats of catastrophic fire that pose a serious threat to human life, as determined by the Forest Service.

(b) ELIGIBLE PROJECTS.—To be eligible to be carried out with a grant under the program, a hazardous fuel reduction project shall—

(1) be surrounded by or immediately adjacent to the boundary of a national forest;

(2) be determined to be of paramount urgency, as indicated by declarations to that effect by both local officials and the Governor of the State in which in the project is to be carried out; and

(3) remove fuel loading that poses a serious threat to human life, as determined by the Forest Service.

(c) USES OF GRANTS.—A grant under the program may be used only—

(1) to remove trees, shrubs, or other potential fuel adjacent to a primary evacuation route;

(2) to remove trees, shrubs, or other potential fuel that are adjacent to an emergency response center, emergency communication facility, or site designated as a shelter-in-place facility; or

(3) to conduct an evacuation drill or preparation.

(d) REVOLVING FUND.—

(1) IN GENERAL.—In the case of a grant under the program that is used to carry out a project on private or county land, the grant recipient shall deposit in a revolving fund maintained by the Secretary any proceeds from the sale of timber or biomass as a result of the project.

(2) USE.—The Secretary shall use amounts in the revolving fund to make other grants under this section, without further appropriation.

(e) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Secretary of Agriculture to carry out this section $50,000,000 for each fiscal year.

SEC. 1106. EASTERN NEVADA LANDSCAPE COALITION.

(a) IN GENERAL.—(1) The Secretary of Agriculture and the Secretary of the Interior are authorized to make grants to the Eastern Nevada Landscape Coalition for the study and restoration of rangeland and other lands in Nevada's Great Basin in order to help assure the reduction of hazardous fuels and for related purposes.

(2) Notwithstanding sections 6301 through 6308 of title 31, United States Code, the Director of the Bureau of Land Management shall enter into a cooperative agreement with the Eastern Nevada Landscape Coalition for the Great Basin Restoration Project, including hazardous fuels and mechanical treatments and related work.

(b) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 1107. SENSE OF CONGRESS REGARDING ENHANCED COMMUNITY FIRE PROTECTION.

It is the sense of Congress to reaffirm the importance of enhanced community fire protection program, as described in section 10A of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2106c) (as added by section 8003(b) of the Farm Security and Rural Investment Act of 2002 (Public Law 107–171; 116 Stat. 473)).

SEC. 1108. COLLABORATIVE MONITORING.

(a) IN GENERAL.—The Secretaries shall establish a collaborative monitoring, evaluation, and accountability process in order to assess the positive or negative ecological and social effects of a representative sampling of projects implemented pursuant to title I and section 404 of this Act. The Secretaries shall include diverse stakeholders, including interested citizens and Indian tribes, in the monitoring and evaluation process.

(b) MEANS.—The Secretaries may collect monitoring data using cooperative agreements, grants or contracts with small or micro-businesses, cooperatives, nonprofit organizations, Youth Conservation Corps work crews or related partnerships with State, local, and other non-Federal conservation corps.

(c) FUNDS.—Funds to implement this section shall be derived from hazardous fuels operations funds.

SEC. 1109. BEST-VALUE CONTRACTING.

To conduct a project under this division, the Secretaries may use best value contracting criteria in awarding contracts and agreements. Best-value contracting criteria includes—

(1) the ability of the contractor to meet the ecological goals of the projects;

(2) the use of equipment that will minimize or eliminate impacts on soils; and

(3) benefits to local communities such as ensuring that the byproducts are processed locally.

SEC. 1110. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE PROGRAM; FOREST LEGACY PROGRAM.

(a) SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE PROGRAM.—The Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2101 et seq.) is amended by adding at the end the following:

''SEC. 21. SUBURBAN AND COMMUNITY FORESTRY AND OPEN SPACE PROGRAM.

''(a) DEFINITIONS.—In this section:

''(1) COMMITTEE.—The term 'Committee' means a State Forest Stewardship Coordinating Committee established under section 19(b).

''(2) ELIGIBLE ENTITY.—The term 'eligible entity' means a unit of local government or a nonprofit organization that—

''(A) the Secretary determines, in accordance with the criteria established under subsection (c)(1)(A)(ii)(II) is eligible to receive a grant under subsection (c)(2); and

''(B) the State forester, in consultation with the Committee, determines—

''(i) has the abilities necessary to acquire and manage interests in real property; and

''(ii) has the resources necessary to monitor and enforce any terms applicable to the eligible project.

''(3) ELIGIBLE PROJECT.—The term 'eligible project' means a fee purchase, easement, or donation of land to conserve private forest land identified for conservation under subsection (c)(1)(A)(ii)(I).

''(4) INDIAN TRIBE.—The term 'Indian tribe' has the meaning given the term in section 4 of the Indian Self-Determination and Education Assistance Act (25 U.S.C. 450b).

''(5) NONPROFIT ORGANIZATION.—The term 'nonprofit organization' means any organization that is—

''(A) described in section 501(c) of the Internal Revenue Code of 1986; and

''(B) exempt from taxation under 501(a) of the Internal Revenue Code of 1986.

''(6) PRIVATE FOREST LAND.—The term 'private forest land' means land that is—

''(A) capable of producing commercial forest products; and

''(B) owned by—

''(i) a private entity; or

''(ii) an Indian tribe.

''(7) PROGRAM.—The term 'program' means the Suburban and Community Forestry and Open Space Program established by subsection (b).

''(8) SECRETARY.—The term 'Secretary' means the Secretary of Agriculture, acting through the Chief of the Forest Service.

''(b) ESTABLISHMENT.—

''(1) IN GENERAL.—There is established within the Forest Service a program to be known as the 'Suburban and Community Forestry and Open Space Program'.

''(2) PURPOSE.—The purpose of the program is to provide assistance to eligible entities to carry out eligible projects in States in which less than 25 percent of the land is owned by the United States to—

''(A) conserve private forest land and maintain working forests in areas threatened by significant suburban sprawl or by conversion to nonforest uses; and

''(B) provide communities a means by which to address significant suburban sprawl.

''(c) GRANT PROGRAM.—

''(1) IDENTIFICATION OF ELIGIBLE PRIVATE FOREST LAND.—

''(A) CRITERIA.—

''(i) NATIONAL CRITERIA.—The Secretary shall establish national eligibility criteria for the identification of private forest land that may be conserved under this section.

''(ii) STATE CRITERIA.—The State forester, in consultation with the Committee, shall, based on the criteria established under clause (i), and subject to the approval of the Secretary, establish criteria for—

''(I) the identification, subject to subparagraph (B), of private forest land in each State that may be conserved under this section; and

''(II) the identification of eligible entities.

''(B) CONDITIONS FOR ELIGIBLE PRIVATE FOREST LAND.—Private forest land identified for conservation under subparagraph (A)(ii)(I) shall be land that—

''(i) is located in a State in which less than 25 percent of the land is owned by the United States; and

''(ii) as determined by the State forester, in consultation with the Committee and subject to the approval of the Secretary—

''(I) is located in an area that is affected, or threatened to be affected, by significant suburban sprawl, taking into account housing needs in the area; and

''(II) is threatened by present or future conversion to nonforest use.

''(2) GRANTS.—

''(A) ELIGIBLE PROJECTS.—

''(i) IN GENERAL.—In carrying out this section, the Secretary shall award competitive grants to eligible entities to carry out eligible projects.

''(ii) PUBLIC ACCESS.—Eligible entities are encouraged to provide public access to land on which an eligible project is carried out.

''(B) APPLICATION; STEWARDSHIP PLAN.—An eligible entity that seeks to receive a grant under this section shall submit to the State forester—

''(i) at such time and in such form as the Secretary shall prescribe, an application for the grant (including a description of any private forest land to be conserved using funds from the grant and a description of the extent of the threat of conversion to nonforest use); and

''(ii) a stewardship plan that describes the manner in which—

''(I) any private forest land to be conserved using funds from the grant will be managed in accordance with this section;

''(II) the stewardship plan will be implemented; and

''(III) the public benefits to be achieved from implementation of the stewardship plan.

''(C) ASSESSMENT OF NEED.—With respect to an application submitted under subparagraph (B), the State forester shall—

''(i) assess the need for preserving suburban forest land and open space and containing suburban sprawl in the State, taking into account the housing needs of the area in which the eligible project is to be carried out; and

''(ii) submit to the Secretary—

''(I) the application submitted under subparagraph (B); and

''(II) the assessment of need.

''(D) APPROVAL OR DISAPPROVAL.—

''(i) IN GENERAL.—Subject to clause (ii), as soon as practicable after the date on which the Secretary receives an application under subparagraph (C)(ii) or a resubmission under subclause (II)(bb)(BB), the Secretary shall—

''(I) review the application; and

''(II)(aa) award a grant to the applicant; or

''(bb)(AA) disapprove the application; and

''(BB) provide the applicant a statement that describes the reasons why the application was disapproved (including a deadline by which the applicant may resubmit the application).

''(ii) CONSIDERATIONS; PRIORITY.—In awarding grants under this section, the Secretary shall—

''(I) consider the need for the eligible project based on the assessment of need submitted under subparagraph (C) and subject to any criteria under paragraph (1); and

''(II) give priority to applicants that propose to fund eligible projects that promote—

''(aa) the preservation of suburban forest land and open space;

''(bb) the containment of suburban sprawl;

''(cc) the sustainable management of private forest land;

''(dd) community involvement in determining the objectives for eligible projects that are funded under this section; and

''(ee) community and school education programs and curricula relating to sustainable forestry.

''(3) COST SHARING.—

''(A) IN GENERAL.—The amount of a grant awarded under this section to carry out an eligible project shall not exceed 50 percent of the total cost of the eligible project.

''(B) ASSURANCES.—As a condition of receipt of a grant under this section, an eligible entity shall provide to the Secretary such assurances as the Secretary determines are sufficient to demonstrate that the share of the cost of each eligible project that is not funded by the grant awarded under this section has been secured.

''(C) FORM.—The share of the cost of carrying out any eligible project described in subparagraph (A) that is not funded by a grant awarded under this section may be provided in cash or in kind (including a donation of land).

''(d) USE OF GRANT FUNDS FOR PURCHASES OF LAND OR EASEMENTS.—

''(1) PURCHASES.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), funds made available, and grants awarded, under this section may be used to purchase private forest land or interests in private forest land (including conservation easements) only from willing sellers at fair market value.

''(B) SALES AT LESS THAN FAIR MARKET VALUE.—A sale of private forest land or an interest in private forest land at less than fair market value shall be permitted only on certification by the landowner that the sale is being entered into willingly and without coercion.

''(2) TITLE.—Title to private forest land or an interest in private forest land purchased under paragraph (1) may be held, as determined appropriate by the Secretary, by—

''(A) a State;

''(B) a unit of local government; or

''(C) a nonprofit organization.

''(3) TERMINATION OF EASEMENT.—

''(A) IN GENERAL.—Except as provided in subparagraph (B), all right, title, and interest of a unit of local government or nonprofit organization in and to a conservation easement shall terminate and vest in the State if the State determines that—

''(i) the unit of local government or nonprofit organization is unable or unwilling to enforce the terms of the conservation easement; or

''(ii) the conservation easement has been modified in a way that is inconsistent with the purposes of the program.

''(B) CONVEYANCE TO ANOTHER UNIT OF LOCAL GOVERNMENT OR NONPROFIT ORGANIZATION.—If the State makes a determination under subparagraph (A), the State may convey or authorize the unit of local government or nonprofit organization to convey the conservation easement to another unit of local government or nonprofit organization.

''(e) ADMINISTRATIVE COSTS.—The State, on approval of the Secretary and subject to any regulations promulgated by the Secretary, may use amounts made available under subsection (g) to pay the administrative costs of the State relating to the program.

''(f) REPORT.—The Secretary shall submit to Congress a report on the eligible projects carried out under this section in accordance with section 8(c) of the Forest and Rangeland Renewable Resources Planning Act of 1974 (16 U.S.C. 1606(c)).

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

''(1) $50,000,000 for fiscal year 2004; and

''(2) such sums as are necessary for each fiscal year thereafter.''.

(b) FOREST LEGACY PROGRAM.—Section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c) is amended—

(1) in subsection (c), by striking the last sentence;

(2) in subsection (i), by striking ''subsection (b)'' and inserting ''this section'';

(3) in subsection (j)(1), by inserting ''(other than by donation)'' after ''acquired'';

(4) in subsection (k)(2), by striking ''the United States or its'' and inserting ''the United States, a State, or other entity, or their''; and

(5) in subsection (l), by adding at the end the following:

''(3) STATE AUTHORIZATION.—

''(A) DEFINITION OF STATE FORESTER.—The term 'State forester' has the meaning given the term in section 4(k).

''(B) IN GENERAL.—Notwithstanding subsection (c) and paragraph (2)(B), the Secretary shall, on request by a State, authorize the State to allow a qualified organization (as defined in section 170(h)(3) of the Internal Revenue Code of 1986) and that is organized for at least 1 of the purposes described in section 170(h)(4)(A) of that Code, using amounts granted to a State under this paragraph, to acquire 1 or more conservation easements to carry out the Forest Legacy Program in the State.

''(C) ELIGIBILITY.—To be eligible to acquire and manage conservation easements under this paragraph, a qualified organization described in subparagraph (B) shall, as determined by the Secretary, acting through the State forester, demonstrate the abilities necessary to acquire, monitor, and enforce interests in forest land consistent with the Forest Legacy Program and the assessment of need for the State.

''(D) MONITORING AND ENFORCEMENT.—

''(i) IN GENERAL.—A qualified organization that acquires a conservation easement under this paragraph shall be responsible for monitoring and enforcing the terms of the conservation easement and any of the costs of the qualified organization associated with such monitoring and enforcement.

''(ii) CONTINGENT RIGHTS.—If a qualified organization that acquires a conservation easement under this paragraph fails to enforce the terms of the conservation easement, as determined by the State, the State or the Secretary shall have the right to enforce the terms of the conservation easement under Federal or State law.

''(iii) AMENDMENTS.—Any amendments to a conservation easement that materially affect the terms of the conservation easement shall be subject to approval by the Secretary or the State, as appropriate.

''(E) TERMINATION OF EASEMENT.—

''(i) IN GENERAL.—Except as provided in clause (ii), all right, title, and interest of a qualified organization described in subparagraph (B) in and to a conservation easement shall terminate and vest in the State or a qualified designee if the State determines that—

''(I) the qualified organization fails to enforce the terms of the conservation easement;

''(II) the conservation easement has been modified in a way that is inconsistent with the purposes of the Forest Legacy Program or the assessment of need for the State; or

''(III) the conservation easement has been conveyed to another person (other than to a qualified organization).

''(ii) CONVEYANCE TO ANOTHER QUALIFIED ORGANIZATION.—If the State makes a determination under clause (i), the State may convey or authorize the qualified organization to convey the conservation easement to another qualified organization.

''(F) IMPLEMENTATION.—The Secretary, acting through the State forester, shall implement this paragraph in accordance with the assessment of need for the State as approved by the Secretary.''.

SEC. 1111. WILDLAND FIREFIGHTER SAFETY.

(a) DEFINITION OF SECRETARY.—In this section, the term ''Secretary'' means—

(1) the Secretary of Agriculture, with respect to land of the National Forest System described in section 3(1)(A); and

(2) the Secretary of the Interior, with respect to public lands described in section 3(1)(B).

(b) FIREFIGHTER SAFETY AND TRAINING BUDGET.—The Secretary shall—

(1) track funds expended for firefighter safety and training programs and activities; and

(2) include a line item for such expenditures in each budget request submitted after the date of enactment of this Act.

(c) ANNUAL REPORT TO CONGRESS.—The Secretaries shall, on an annual basis, jointly submit to Congress a report on the implementation and efficacy of wildland firefighter safety and training programs and activities.—

(d) SAFETY QUALIFICATION OF PRIVATE CONTRACTORS.—

(1) IN GENERAL.—The Secretaries shall ensure that any Federal contract or agreement entered into with a private entity for wildland firefighting services requires the entity to provide firefighter training that is consistent with qualification standards established by the National Wildfire Coordinating Group.

(2) COMPLIANCE.—The Secretaries shall develop a program to monitor and enforce compliance with the requirements of paragraph (1).

SEC. 1112. GREEN MOUNTAIN NATIONAL FOREST BOUNDARY ADJUSTMENT.

(a) IN GENERAL.—The boundaries of the Green Mountain National Forest are modified to include all parcels of land depicted on the forest maps entitled ''Green Mountain Expansion Area Map I'' and ''Green Mountain Expansion Area Map II'', each dated February 20, 2002, which shall be on file and available for public inspection in the Office of the Chief of the Forest Service, Washington, District of Columbia.

(b) MANAGEMENT.—Federally owned land delineated on the maps acquired for National Forest purposes shall continue to be managed in accordance with the laws (including regulations) applicable to the National Forest System.

(c) LAND AND WATER CONSERVATION FUND.—For the purposes of section 7 of the Land and Water Conservation Fund Act of 1965 (16 U.S.C. 460–9), the boundaries of the Green Mountain National Forest, as adjusted by this division, shall be considered to be the boundaries of the national forest as of January 1, 1965.

SEC. 1113. PUERTO RICO KARST CONSERVATION.

(a) SHORT TITLE.—This section may be cited as the ''Puerto Rico Karst Conservation Act of 2003''.

(b) FINDINGS.—Congress finds that—

(1) in the Karst Region of the Commonwealth of Puerto Rico there are—

(A) some of the largest areas of tropical forests in Puerto Rico, with a higher density of tree species than any other area in the Commonwealth; and

(B) unique geological formations that are critical to the maintenance of aquifers and watersheds that constitute a principal water supply for much of the Commonwealth;

(2) the Karst Region is threatened by development that, if unchecked, could permanently damage the aquifers and cause irreparable damage to natural and environmental assets that are unique to the United States;

(3) the Commonwealth has 1 of the highest population densities in the United States, which makes the protection of the Karst Region imperative for the maintenance of the public health and welfare of the citizens of the Commonwealth;

(4) the Karst Region—

(A) possesses extraordinary ecological diversity, including the habitats of several endangered and threatened species and tropical migrants; and

(B) is an area of critical value to research in tropical forest management; and

(5) coordinated efforts at land protection by the Federal Government and the Commonwealth are necessary to conserve the environmentally critical Karst Region.

(c) PURPOSES.—The purposes of this section are—

(1) to authorize and support conservation efforts to acquire, manage, and protect the tropical forest areas of the Karst Region, with particular emphasis on water quality and the protection of the aquifers that are vital to the health and wellbeing of the citizens of the Commonwealth; and

(2) to promote cooperation among the Commonwealth, Federal agencies, corporations, organizations, and individuals in those conservation efforts.

(d) DEFINITIONS.—In this section:

(1) COMMONWEALTH.—The term ''Commonwealth'' means the Commonwealth of Puerto Rico.

(2) FOREST LEGACY PROGRAM.—The term ''Forest Legacy Program'' means the program established under section 7 of the Cooperative Forestry Assistance Act of 1978 (16 U.S.C. 2103c).

(3) FUND.—The term ''Fund'' means the Puerto Rico Karst Conservation Fund established by subsection (f).

(4) KARST REGION.—The term ''Karst Region'' means the areas in the Commonwealth generally depicted on the map entitled ''Karst Region Conservation Area'' and dated March 2001, which shall be on file and available for public inspection in—

(A) the Office of the Secretary, Puerto Rico Department of Natural and Environmental Resources; and

(B) the Office of the Chief of the Forest Service.

(5) LAND.—The term ''land'' includes land, water, and an interest in land or water.

(6) SECRETARY.—The term ''Secretary'' means the Secretary of Agriculture.

(e) CONSERVATION OF THE KARST REGION.—

(1) FEDERAL COOPERATION AND ASSISTANCE.—In furtherance of the acquisition, protection, and management of land in and adjacent to the Karst Region and in implementing related natural resource conservation strategies, the Secretary may—

(A) make grants to and enter into contracts and cooperative agreements with the Commonwealth, other Federal agencies, organizations, corporations, and individuals; and

(B) use all authorities available to the Secretary, including—

(i) the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641 et seq.);

(ii) section 1472 of the National Agricultural Research, Extension, and Teaching Policy Act of 1977 (7 U.S.C. 3318); and

(iii) section 12 of the Stevenson-Wydler Technology Innovation Act of 1980 (15 U.S.C. 3710a).

(2) FUNDING SOURCES.—The activities authorized by this subsection may be carried out using—

(A) amounts in the Fund;

(B) amounts in the fund established by section 4(b) of the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1643(b));

(C) funds appropriated from the Land and Water Conservation Fund;

(D) funds appropriated for the Forest Legacy Program; and

(E) any other funds made available for those activities.

(3) MANAGEMENT.—

(A) IN GENERAL.—Land acquired under this subsection shall be managed, in accordance with the Forest and Rangeland Renewable Resources Research Act of 1978 (16 U.S.C. 1641 et seq.), in a manner to protect and conserve the water quality and aquifers and the geological, ecological, fish and wildlife, and other natural values of the Karst Region.

(B) FAILURE TO MANAGE AS REQUIRED.—In any deed, grant, contract, or cooperative agreement implementing this subsection and the Forest Legacy Program in the Commonwealth, the Secretary may require that, if land acquired by the Commonwealth or other cooperating entity under this section is sold or conveyed in whole or part, or is not managed in conformity with subparagraph (A), title to the land shall, at the discretion of the Secretary, vest in the United States.

(4) WILLING SELLERS.—Any land acquired by the Secretary in the Karst Region shall be acquired only from a willing seller.

(5) RELATION TO OTHER AUTHORITIES.—Nothing in this subsection—

(A) diminishes any other authority that the Secretary may have to acquire, protect, and manage land and natural resources in the Commonwealth; or

(B) exempts the Federal Government from Commonwealth water laws.

(f) PUERTO RICO KARST CONSERVATION FUND.—

(1) ESTABLISHMENT.—There is established in the Treasury an interest-bearing account to be known as the ''Puerto Rico Karst Conservation Fund''.

(2) CREDITS TO FUND.—There shall be credited to the Fund—

(A) amounts appropriated to the Fund;

(B) all amounts donated to the Fund;

(C) all amounts generated from the Caribbean National Forest that would, but for this paragraph, be deposited as miscellaneous receipts in the Treasury of the United States, but not including amounts authorized by law for payments to the Commonwealth or authorized by law for retention by the Secretary for any purpose;

(D) all amounts received by the Administrator of General Services from the disposal of surplus real property in the Commonwealth under subtitle I of title 40, United States Code; and

(E) interest derived from amounts in the Fund.

(3) USE OF FUND.—Amounts in the Fund shall be available to the Secretary until expended, without further appropriation, to carry out subsection (e).

(g) MISCELLANEOUS PROVISIONS.—

(1) DONATIONS.—

(A) IN GENERAL.—The Secretary may accept donations, including land and money, made by public and private agencies, corporations, organizations, and individuals in furtherance of the purposes of this subsection.

(B) CONFLICTS OF INTEREST.—The Secretary may accept donations even if the donor conducts business with or is regulated by the Department of Agriculture or any other Federal agency.

(C) APPLICABLE LAW.—Public Law 95–442 (7 U.S.C. 2269) shall apply to donations accepted by the Secretary under this paragraph.

(2) RELATION TO FOREST LEGACY PROGRAM.—

(A) IN GENERAL.—All land in the Karst Region shall be eligible for inclusion in the Forest Legacy Program.

(B) COST SHARING.—The Secretary may credit donations made under paragraph (1) to satisfy any cost-sharing requirements of the Forest Legacy Program.

(h) AUTHORIZATION OF APPROPRIATIONS.—

There are authorized to be appropriated such sums as are necessary to carry out this section.

SEC. 1114. FARM SECURITY AND RURAL INVESTMENT ACT.

Section 10806(b)(1) of the Farm Security and Rural Investment Act of 2002 (21 U.S.C. 321d; 116 Stat. 526), is deemed to have first become effective 15 days after the date of the enactment of this Act.

SEC. 1115. ENFORCEMENT OF ANIMAL FIGHTING PROHIBITIONS UNDER THE ANIMAL WELFARE ACT.

(a) IN GENERAL.—Section 26 of the Animal Welfare Act (7 U.S.C. 2156) is amended—

(1) by redesignating subsections (c) through (h) as subsections (d) through (i), respectively;

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

''(c) SHARP INSTRUMENTS.—It shall be unlawful for any person to knowingly sell, buy, transport, or deliver in interstate or foreign commerce a knife, a gaff, or any other sharp instrument attached, or designed or intended to be attached, to the leg of a bird for use in an animal fighting venture.'';

(3) in subsection (e) (as redesignated by paragraph (1)), by striking ''(c)'' and inserting ''(d)'';

(4) in subsection (f) (as redesignated by paragraph (1))—

(A) by striking ''(a), (b), or (c)'' and inserting ''(a), (b), (c), or (d)''; and

(B) by striking ''1 year'' and inserting ''2 years'';

(5) by striking subsection (g) (as redesignated by paragraph (1)) and inserting the following:

''(g) INVESTIGATIONS.—

''(1) IN GENERAL.—The Secretary or any person authorized by the Secretary shall make such investigations as the Secretary considers necessary to determine whether any person has violated or is violating any provision of this section.

''(2) ASSISTANCE.—Through cooperative agreements, the Secretary may obtain the assistance of the Federal Bureau of Investigation, the Department of the Treasury, and other law enforcement agencies of the United States and of State, tribal, and local governmental agencies in the conduct of an investigation under paragraph (1).

''(3) WARRANTS.—

''(A) ISSUANCE.—A judge of the United States, United States magistrate judge, or judge of a State or tribal court of competent jurisdiction in the district in which is located an animal, paraphernalia, instrument, or other property or thing that there is probable cause to believe was involved, is about to be involved, or is intended to be involved in a violation of this section shall issue a warrant to search for and seize the animal or other property or thing.

''(B) APPLICATION; EXECUTION.—A United States marshal or any person authorized under this section to conduct an investigation may apply for and execute a warrant issued under subparagraph (A), and any animal, paraphernalia, instrument, or other property or thing seized under such a warrant shall be held by the authorized person pending disposition of the animal, paraphernalia, instrument, or other property or thing by a court in accordance with this subsection.

''(4) STORAGE OF ANIMALS.—

''(A) IN GENERAL.—An animal seized by a United States marshal or other authorized person under paragraph (3) shall be taken promptly to an animal housing facility in which the animal shall be stored humanely.

''(B) NO FACILITY AVAILABLE.—If there is not available a suitable animal storage facility sufficient in size to hold all of the animals involved in a violation, a United States marshal or other authorized person shall—

''(i) seize a representative sample of the animals for evidentiary purposes to be transported to an animal storage facility in which the animals shall be stored humanely; and

''(ii)(I) keep the remaining animals at the location where the animals were seized;

''(II) provide for the humane care of the animals; and

''(III) cause the animals to be banded, tagged, or marked by microchip and photographed or videotaped for evidentiary purposes.

''(5) CARE.—While a seized animal is held in custody, a United States marshal or other authorized person shall ensure that the animal is provided necessary care (including housing, feeding, and veterinary treatment).

''(6) FORFEITURE.—

''(A) IN GENERAL.—Any animal, paraphernalia, instrument, vehicle, money, or other property or thing involved in a violation of this section shall be liable to be proceeded against and forfeited to the United States at any time on complaint filed in any United States district court or other court of the United States for any jurisdiction in which the animal, paraphernalia, instrument, vehicle, money, or other property or thing is found.

''(B) DISPOSITION.—On entry of a judgment of forfeiture, a forfeited animal shall be disposed of by humane means, as the court may direct.

''(C) COSTS.—Costs incurred by the United States for care of an animal seized and forfeited under this section shall be recoverable from the owner of the animal—

''(i) in the forfeiture proceeding, if the owner appears in the forfeiture proceeding; or

''(ii) in a separate civil action brought in the jurisdiction in which the owner is found, resides, or transacts business.

''(D) CLAIM TO PROPERTY.—

''(i) IN GENERAL.—The owner, custodian, or other person claiming an interest in a seized animal may prevent disposition of the animal by posting, or may be ordered by any United States district court or other court of the United States, or by any tribal court, for any jurisdiction in which the animal is found to post, not later than 10 days after the animal is seized, a bond with the court in an amount sufficient to provide for the care of the animal (including housing, feeding, and veterinary treatment) for not less than 30 days.

''(ii) RENEWAL.—The owner, custodian, or other person claiming an interest in a seized animal may renew a bond, or be ordered to renew a bond, by posting a new bond, in an amount sufficient to provide for the care of the animal for at least an additional 30 days, not later than 10 days after the expiration of the period for which a previous bond was posted.

''(iii) DISPOSITION.—If a bond expires and is not renewed, the animal may be disposed of as provided in subparagraph (A).

''(7) EUTHANIZATION.—Notwithstanding paragraphs (1) through (6), an animal may be humanely euthanized if a veterinarian determines that the animal is suffering extreme pain.''; and

---

SA 2069. Mr. AKAKA submitted an amendment intended to be proposed by him to the bill S. 1753, to amend the Fair Credit Reporting Act in order to prevent identity theft, to improve the use of and consumer access to consumer reports, to enhance the accuracy of consumer reports, to limit the sharing of certain consumer information, to improve financial education and literacy, and for other purposes; which was ordered to lie on the table; as follows:

On page 96, after line 25, insert the following:

SEC. 519. THE NATIONAL PUBLIC SERVICE MULTIMEDIA CAMPAIGN TO ENHANCE THE STATE OF FINANCIAL LITERACY.

(a) IN GENERAL.—The Commission, as part of any national strategy, shall develop, implement, and conduct a pilot national public service multimedia campaign to enhance the state of financial literacy and education in the United States.

(b) PROGRAM REQUIREMENTS.—

(1) PUBLIC SERVICE CAMPAIGN.—The Commission shall select and work with an organization that is especially well-qualified in the distribution of public service campaigns and has secured private sector funds to produce the pilot national public service multimedia campaign.

(2) DEVELOPMENT OF MULTIMEDIA CAMPAIGN.—The Commission shall develop, in consultation with nonprofit, public, or private organizations, especially those that are well qualified by virtue of their experience in the field of financial literacy and education, to develop the financial literacy national public service multimedia campaign.

(3) FOCUS OF CAMPAIGN.—The pilot national public service multimedia campaign shall be consistent with the national strategy developed by the Commission.

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated to the Commission not to exceed $3,000,000 for fiscal years 2004, 2005, and 2006 for the development, production, and distribution of a pilot national public service multimedia campaign.

(d) PERFORMANCE MEASURES.—The Commission shall develop measures to evaluate the effectiveness of the pilot national public service multimedia campaign, as measured by improved financial decision making among individuals.

(e) REPORT.—For each fiscal year for which there are appropriations pursuant to the authorization in subsection (c), the Commission shall submit a report to the Committee on Banking, Housing, and Urban Affairs and the Committee on Appropriations of the Senate and the Committee on Financial Services and the Committee on Appropriations of the House of Representatives describing the status and implementation of the provisions of

this section and the state of financial literacy in the United States.

SA 2070. Mr. ALEXANDER submitted an amendment intended to be proposed by him to the bill S. 150, to make permanent the moratorium on taxes on Internet access and multiple and discriminatory taxes on electronic commerce imposed by the Internet Tax Freedom Act; which was ordered to lie on the table; as follows:

At the appropriate place, insert the following:

SEC. ___. REIMBURSEMENT OF LOST STATE REVENUE.

(A) REPORT.—

(1) OMB.—Not later than November 1 of each year, the Director of Office of Management and Budget shall report to the Secretary of the Treasury the State tax revenue amount for each State and local government that was not received by that State or local government during the most recent fiscal year ending September 30 as a result of the Internet Tax Freedom Act.

(2) CBO.—Not later than November 5 of each year, the Director of the Congressional Budget Office shall report to Congress the information required by paragraph (1) and include an explanation of any differences with the report submitted under paragraph (1).

(b) PAYMENT.—Not later than November 20 of each year and subject to appropriations, the Secretary of the Treasury shall make a payment out of the Treasury to each State in an amount equal to the amount determined for that State and local governments in that State under subsection (a)(1). Each State shall distribute the amounts attributable to local governments in that State to the local governments.

(c) APPROPRIATION.—There are authorized to be appropriated such sums as are necessary to carry out this section.

SA 2071. Mr. COLEMAN submitted an amendment intended to be proposed by him to the bill H.R. 2673, making appropriations for Agriculture, Rural Development, Food and Drug Administration, and Related Agencies for the fiscal year ending September 30, 2004, and for other purposes; which was ordered to lie on the table; as follows:

On page 79, between lines 7 and 8, insert the following:

SEC. 7___. USE OF ELIGIBLE COMMODITIES.

(a) AVAILABILITY.—Section 416(b)(1) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)(1)) is amended in the first sentence by striking ''1954 and under the Food for Progress Act of 1985,'' and inserting ''1954 (7 U.S.C. 1721 et seq.), the Food for Progress Act of 1985 (7 U.S.C. 1736*o*), and section 3107 of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736*o*–1),''.

(b) MCGOVERN-DOLE INTERNATIONAL FOOD FOR EDUCATION AND CHILD NUTRITION PROGRAM.—Section 3107(*l*) of the Farm Security and Rural Investment Act of 2002 (7 U.S.C. 1736*o*–1(*l*)) is amended by adding at the end the following:

''(4) USE OF ELIGIBLE COMMODITIES.—In addition to other funds that are available under other provisions of law, the President may use commodities and funds made available under section 416(b) of the Agricultural Act of 1949 (7 U.S.C. 1431(b)) to carry out this section (including payment for transportation of eligible commodities).''.

NOTICES OF HEARINGS/MEETINGS

COMMITTEE ON ENERGY AND NATURAL RESOURCES

Mr. DOMENICI. Mr. President, I announce for the information of the Senate and the public that a hearing has been scheduled before the Committee on Energy and Natural Resources.

The hearing will be held on Wednesday, November 12 at 10 a.m. in Room SD–366 of the Dirksen Senate Office Building.

The purpose of the hearing is to conduct oversight of the implementation of the Energy Employees Occupational Illness Compensation Program.

Because of the limited time available for the hearing, witnesses may testify by invitation only. However, those wishing to submit written testimony for the hearing record should send two copies of their testimony to the Committee on Energy and Natural Resources, United States Senate, Washington, DC 20510–6150.

AUTHORITY FOR COMMITTEES TO MEET

COMMITTEE ON COMMERCE, SCIENCE, AND TRANSPORTATION

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Committee on Commerce, Science, and Transportation be authorized to meet on Tuesday, November 4, 2003, at 9:30 a.m. on the nominations of Kirk Van Tine and Jeffrey Rosen, DOT; Michael Gallagher, DOC; Cheryl Halpern and Elizabeth Courtney, CPB.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FINANCE

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Committee on Finance be authorized to meet during the session on Tuesday, November 4, 2003, at 10 a.m., to hear testimony on nominations of Michael O'Grady, to be Assistant Secretary of Health and Human Services, Department of Health and Human Services; Jennifer Young, to be Assistant Secretary of Health and Human Services, Department of Health and Human Services; and Bradley G. Belt, to be Member of the Social Security Advisory Board, Social Security Administration.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session on Tuesday, November 4, 2003 at 9:30 a.m. to hold a hearing on nominations.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON FOREIGN RELATIONS

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Committee on Foreign Relations be authorized to meet during the session on Tuesday, November 4, 2003 at 2:30 p.m. to hold a subcommittee hearing on North Korea.

The PRESIDING OFFICER. Without objection, it is so ordered.

COMMITTEE ON THE JUDICIARY

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Senate Committee on the Judiciary Subcommittees on Terrorism, Technology and Homeland Security be authorized to meet to conduct a hearing on ''Database Security: Finding Out When Your Information Has Been Compromised,'' on Tuesday, November 4, 2003, at 10:00 a.m. in Room 226 of the Dirksen Senate Office Building.

Witness list: Mr. Mark MacCarthy, Senior Vice President of Public Policy, Visa U.S.A., Inc., Washington, DC; Mr. David McIntyre, President and CEO, TriWest Healthcare Alliance, Phoenix, AZ; and Mr. Evan Hendricks, Editor, Privacy Times, Cabin John, MD.

The PRESIDING OFFICER. Without objection, it is so ordered.

subcommittee on substance abuse and mental health services

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Committee on Health, Education, Labor, and Pensions, Subcommittee on Substance Abuse and Mental Health Services be authorized to meet for a hearing on ''Recommendations to Improve Mental Health Care in America: Report from the President's New Freedom Commission on Mental Health'' during the session of the Senate on Tuesday, November 4, 2003, at 10 a.m.

The PRESIDING OFFICER. Without objection, it is so ordered.

SUBCOMMITTEE ON INTERNATIONAL TRADE AND FINANCE

Mr. SUNUNU. Mr. President, I ask unanimous consent that the Subcommittee on International Trade and Finance of the Committee on Banking, Housing, and Urban Affairs be authorized to meet during the session of the Senate on November 4, 2003, at 2:30 p.m. to conduct a hearing on ''Financial Reconstruction in Iraq.''

The PRESIDING OFFICER. Without objection, it is so ordered.

PRIVILEGE OF THE FLOOR

Mr. JOHNSON. Mr. President, I ask unanimous consent that Naomi Camper, Adam Healy, and Elizabeth Canter of my staff be granted the privilege of the floor during debate on S. 1753, the National Consumer Credit Reporting System Improvement Act.

The PRESIDING OFFICER. Without objection, it is so ordered.

UNANIMOUS CONSENT REQUEST—EXECUTIVE CALENDAR

Mr. SANTORUM. Mr. President, I have a unanimous consent request that we proceed to the Pryor nomination. But I would just ask the Senator from Nevada if there is a possibility that we could get a unanimous consent agreement, however much time the minority would need, to debate this nominee so we can give the attorney general of