Food and Drug Administration with certain authority to regulate tobacco products .

S. 2519

At the request of Ms. MIKULSKI, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Georgia (Mr. CHAMBLISS) were added as cosponsors of S. 2519, a bill to authorize assistance for education and health care for women and children in Iraq during the reconstruction of Iraq and thereafter, to authorize assistance for the enhancement of political participation, economic empowerment, civil society, and personal security for women in Iraq, to state the sense of Congress on the preservation and protection of the human rights of women and children in Iraq, and for other purposes.

S. 2560

At the request of Mr. HATCH, the names of the Senator from Tennessee (Mr. ALEXANDER) and the Senator from Michigan (Ms. STABENOW) were added as cosponsors of S. 2560, a bill to amend chapter 5 of title 17, United States Code, relating to inducement of copyright infringement, and for other purposes.

S. 2595

At the request of Mr. GREGG, the name of the Senator from Ohio (Mr. DEWINE) was added as a cosponsor of S. 2595, a bill to establish State grant programs related to assistive technology and protection and advocacy services, and for other purposes.

S. 2602

At the request of Mr. DODD, the name of the Senator from Kansas (Mr. BROWNBACK) was added as a cosponsor of S. 2602, a bill to provide for a circulating quarter dollar coin program to honor the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the United States Virgin Islands, and the Commonwealth of the Northern Mariana Islands, and for other purposes.

S. 2639

At the request of Mr. LIEBERMAN, the names of the Senator from Idaho (Mr. CRAIG) and the Senator from Montana (Mr. BAUCUS) were added as cosponsors of S. 2639, a bill to reauthorize the Congressional Award Act.

S. CON. RES. 119

At the request of Mr. CAMPBELL, the name of the Senator from Mississippi (Mr. COCHRAN) was added as a cosponsor of S . Con. Res. 119, a concurrent resolution recognizing that prevention of suicide is a compelling national priority.

S. CON. RES. 124

At the request of Mr. CORZINE, the names of the Senator from Massachusetts (Mr. KERRY), the Senator from Wisconsin (Mr. FEINGOLD), the Senator from New Mexico (Mr. BINGAMAN), the Senator from Connecticut (Mr. DODD) and the Senator from Wisconsin (Mr. KOHL) were added as cosponsors of S. Con. Res. 124, a concurrent resolution declaring genocide in Darfur, Sudan.

At the request of Mr. EDWARDS, his name was added as a cosponsor of S. Con. Res. 124, supra.

S. RES. 162

At the request of Mrs. CLINTON, the name of the Senator from Rhode Island (Mr. CHAFEE) was added as a cosponsor of S . Res. 162, a resolution honoring tradeswomen.

S. RES. 271

At the request of Mr. CORZINE, the name of the Senator from Connecticut (Mr. DODD) was added as a cosponsor of S. Res. 271, a resolution urging the President of the United States diplomatic corps to dissuade member states of the United Nations from supporting resolutions that unfairly castigate Israel and to promote within the United Nations General Assembly more balanced and constructive approaches to resolving conflict in the Middle East.

S. RES. 389

At the request of Mr. CAMPBELL, the name of the Senator from Iowa (Mr. GRASSLEY) was added as a cosponsor of S. Res. 389, a resolution expressing the sense of the Senate with respect to prostate cancer information.

S. RES. 401

At the request of Mr. BIDEN, the name of the Senator from Mississippi (Mr. LOTT) was added as a cosponsor of S. Res. 401, a resolution designating the week of November 7 through November 13, 2004, as ''National Veterans Awareness Week'' to emphasize the need to develop educational programs regarding the contributions of veterans to the country.

S. RES. 404

At the request of Mr. SMITH, the names of the Senator from New Mexico (Mr. BINGAMAN) and the Senator from Montana (Mr. BURNS) were added as cosponsors of S. Res. 404, a resolution designating August 9, 2004, as ''Smokey Bear's 60th Anniversary''.

STATEMENTS ON INTRODUCED BILLS AND JOINT RESOLUTIONS

By Ms. COLLINS (for herself, Mrs. LINCOLN, Mr. BOND, Mr. FEINGOLD, Mr. THOMAS, Mr. CONRAD, and Mr. BURNS):

S. 2659. A bill to extend the temporary increase in payments under the medicare program for home health services furnished in a rural area; to the Committee on Finance.

Ms. COLLINS. Madam President, I rise today to introduce the Medicare Rural Home Health Payment Fairness Act. This legislation would extend the additional payment for home health services delivered in rural areas. This additional 5 percent reimbursement is currently scheduled to sunset on April 1, 2005. This legislation would make the additional reimbursement permanent.

I note the presence of one of the strongest advocates of home health care, and that is my colleague from Missouri, Senator BOND. He has worked tirelessly to make certain that our seniors and disabled citizens are able to receive the home health care they need. I am very pleased to have him as one of the key supporters of this legislation.

Home health care has become an increasingly important part of our health care system. The kinds of highly skilled and often technically complex services that our home health caregivers provide have enabled millions of our most frail and vulnerable older and disabled citizens to avoid hospitals and nursing homes and to receive health care just where they want to be—in the comfort, privacy, and security of their own homes.

I have had the great honor of accompanying several of Maine's caring home health nurses on their visits to serve their patients. I have seen firsthand the difference that they are making for Maine's elderly. I remember visiting one elderly couple who told me that it was home health care that allowed them to stay together in their very own home, rather than being separated with one of them being forced to go into a nursing home in the remaining years of their life. Another woman told me that her late husband received home health care in the months leading up to his death. That had allowed him to be treated at home and to be with his family, which is where he very much wanted to be.

Nevertheless, surveys have shown that the delivery of home health services in rural areas can be as much as 12 to 15 percent more costly because of the extra travel time required to cover long distances between patients, the higher transportation expenses, and other factors. Because of the longer travel times, rural caregivers are unable to make as many visits in a day as their urban counterparts. The executive director of Visiting Nurses of Aroostook in northern Maine where I am from tells me that her agency covers 6,600 square miles with a population of only 73,000 people. Her costs are understandably much higher than other agencies due to the long distances her staff must drive to see their clients. Moreover, her staff is obviously not able to see as many patients in a day.

Agencies in rural areas are also frequently smaller than their urban counterparts, which means that their relative costs are higher. Smaller agencies with fewer patients and fewer visits mean that fixed costs, particularly those associated with meeting regulatory requirements, are spread over a much smaller number of patients and visits, thus increasing overall the per-patient and per-visit costs. Moreover, in many rural areas, home health agencies are the primary caregivers for homebound beneficiaries with limited access to transportation. These rural patients often require more time and care than urban patients and are understandably more expensive for home health agencies to serve. If the rural extra payment is not extended, agencies may be forced to make decisions

not to accept patients living in remote areas who have greater care needs. That would translate into less access to health care for ill homebound seniors.

Failure to extend the rural add-on payment will only put more pressure on rural home health agencies that are already operating on very narrow margins. It could force some of these agencies to close their doors altogether. Many home health agencies operating in rural areas are the only home health providers in large geographic areas. If any of these agencies is forced to close, the Medicare patients in that region could lose all their access to home health care.

The bipartisan legislation I am introducing today, with Senators LINCOLN, BOND, FEINGOLD, THOMAS, CONRAD, and BURNS, will help to ensure that Medicare patients in rural areas continue to have access to the home health services they very much need. I urge all of our colleagues to join us as cosponsors. We must act to ensure that this extra payment does not expire next April 1.

I yield the floor.

The PRESIDING OFFICER. The Senator from Missouri.

Mr. BOND. Madam President, I compliment my colleague from Maine for being a true champion and leader for assuring good home health care access to our seniors, disabled, and others who need specialized care. As she has done in Maine, I have done in Missouri and found that access to home health care is critically important. It is, No. 1, convenient, easier, more friendly, and more compassionate for the patients. No. 2, all of the statistics we have seen show home health care is more effective to treat people. They get well better.

Finally, it makes sense economically. When cuts in Medicare shut down a home health care agency in one rural county in northwest Missouri, 40 patients who had been treated for an average of $400,000 a year were forced to go to institutionalized care. Only 30 of them showed up. I hate to guess what happened to the other 10. Their cost for 1 year—it was $400,000—became $1.4 million. It was a terrible tragedy in human. terms, in health terms, and in economic terms.

I am proud to join my colleague from Maine.

By Mrs. BOXER:

S. 2660. A bill to provide for the monitoring of the long-term medical health of firefighters who responded to emergencies in certain disaster areas; to the Committee on Commerce, Science, and Transportation.

Mrs. BOXER. Mr. President, as we are entering the fire season in California, I am today introducing the Healthy Firefighters Act.

Last year, I offered this bill as an amendment to the Healthy Forests Restoration Act, and it passed the Senate by a vote of 94–3. Unfortunately, House Republicans insisted on dropping this important proposal in conference.

Last year my State experienced devastating wildfires. Those fires killed 24 people, including one firefighter. Over 750,000 acres burned. More than 3,700 homes were destroyed in five Southern California counties. Thousands of firefighters from local, State and Federal agencies responded to these fires.

Those firefighters—and in fact most firefighters who respond to Federal disasters—are at higher risk of long-term health problems because of exposure to several toxins, including fine particulates, carbon monoxide, sulfur, formaldehyde, mercury, heavy metals, and benzene. As a result, their long-term health should be monitored so that any consequences can be identified, leading to early detection and better treatment.

The Healthy Firefighters Act does just that. It requires long-term health monitoring of firefighters who respond to a crisis in any federally-declared disaster area. This long-term monitoring will be carried out by the U.S. Fire Administration (USFA) in consultation with the National Institute for Occupational Safety and Health (NIOSH). The USFA will work with a locally based medical research university so that local experts are involved in this important effort.

This legislation is supported by the International Association of Firefighters, the National Volunteer Fire Council, and the California State Firefighters' Association. I ask unanimous consent that support letters from these organizations be placed in the RECORD.

We owe it to our Nation's firefighters. Our Nation's firefighters put their lives on the line to protect us. The least we can do is to help them remain healthy by providing long-term health monitoring. I urge my colleagues to join me in this effort.

I ask unanimous consent that several letters of support be printed in the RECORD.

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

INTERNATIONAL ASSOCIATION
OF FIRE FIGHTERS,
Washington, DC, February 2, 2004.

Hon. BARBARA BOXER,
U.S. Senate,
Washington, DC.

DEAR SENATOR BOXER: On behalf of the Nation's more than 260,000 professional fire fighters and emergency medical personnel, I wish to express our enthusiastic support for your proposal to provide medical monitoring for fire fighters who respond to nationally declared disasters.

In recent years, we have become increasingly aware that the greatest dangers fire fighters face are often not the ones that take lives on the fireground, but those that kill and disable years later. Fire fighters who respond to disasters often face prolonged exposure to unknown toxins. Medical monitoring of these fire fighters will enable early detection and treatment for the job-related illnesses that result.

Equally important, the information, gleaned from this project will enable us to develop better protective clothing and equipment in the future. Thus, this program has the potential to both save the lives of fire fighters who have been exposed to dangerous substances and prevent harmful exposures in the future.

The Nation's fire fighters thank you for your extraordinary efforts championing this legislation, and we stand ready to assist you in moving this important initiative forward

Sincerely,

HAROLD A. SCHAITBERGER,
General President.

NATIONAL VOLUNTEER FIRE COUNCIL,
Washington, DC, January 30, 2004.

Hon. BARBARA BOXER,
Hart Senate Office Building,
Washington, DC.

DEAR SENATOR BOXER: The National Volunteer Fire Council (NVFC) is a nonprofit membership association representing the more than 800,000 members of America's volunteer fire, EMS, and rescue services. Organized in 1976, the NVFC serves as the voice of America's volunteer fire personnel in over 28,000 departments across the country. On behalf of our membership, I would like to express our support for your proposed legislation, the Healthy Firefighters Act, which would provide for the monitoring of the long-term medical health of firefighters who respond to emergencies in any area which is declared a disaster area by the Federal Government.

As you know, firefighters, 75 percent of which are volunteers, respond to a wide array of emergencies—including structure and wildland fires, medical calls, motor vehicle accidents, natural disasters and acts of terrorism. Very often, the severe toll that is taken on their health is traceable to these events; though not always quickly recognizable.

More specifically, your legislation would direct the U.S. Fire Administration, in conjunction with the National Institute for Occupational Safety and Health, to contract with appropriate medical research universities to conduct long-term medical health monitoring of those firefighters who responded to Federally-declared emergencies. This monitoring includes pulmonary illness, neurological damage, and cardiovascular damage.

Once again, the NVFC commends your efforts to ensure that firefighters are properly monitored to guarantee that they don't encounter long-term health problems due to responding to national emergencies. If you or your staff have any questions or comments feel free to contact Craig Sharman, NVFC Director of Government Relations at (202) 887–5700 ext. 12.

Sincerely,

PHILIP C. STITTLEBURG
Chairman.

CALIFORNIA STATE
FIREFIGHTERS' ASSOCIATION, INC.
Sacramento, CA, February 20, 2004.

Re Support Healthy Firefighters Act.

Senator BARBARA BOXER,
Hart Senate Office Building, Washington, DC.

DEAR SENATOR BOXER, the California State Firefighters' Association (CSFA), the oldest and largest firefighter association in the state of California, representing over 29,000 firefighters and EMS personnel strongly supports your legislation to provide for the monitoring of the long-term medical health of firefighters who responded to emergencies recently in certain disaster areas.

This important legislation will require that the United States Fire Administration, in conjunction with the National Institute for Occupational Safety and Health, shall contract with an appropriate, locally based medical research university to conduct long-term medical health monitoring of those

firefighters who responded to emergencies in any areas referred to in subsection (b).

(b) Affected Firefighters.—An area referred to in this subsection is any area which is declared a disaster area by the Federal Government.

(c) Health Monitoring.—The long-term health monitoring referred to in subsection (a) shall include pulmonary illness, neurological damage, and cardiovascular damage.

(d) Authorization of Appropriations.—There are authorized to be appropriated to carry out this section, an as-yet-to-be announced sum of money for each of fiscal years 2005 through 2009.

Thank you for authoring this important piece of legislation. Please feel free to forward and use our endorsement of your bill in any way. We look forward to working with you to ensure passage of this measure.

Respectfully,

AFRACK VARGAS,
Legislative Advocate.

By Mr. GRASSLEY (for himself and Mr. CHAMBLISS):

S. 2661. A bill to clarify the effects of revocation of a visa, and for other purposes; to the Committee on the Judiciary.

Mr. GRASSLEY. Mr. President, I rise today to introduce legislation to fix a loophole in our visa policies that has and could continue to have detrimental consequences on our national security. I have been pressing the Departments of State and Homeland Security for the last year to make changes to visa revocation certificates so that we can question, detain, or deport foreigners who were not supposed to be granted a visa. It was one year ago today that the Senate Judiciary Committee held a hearing on this problem.

For example, it is extremely difficult to detain and deport suspected terrorists whose visas have been revoked on terrorism grounds after those persons have set foot on U.S. soil. The difficulty stems from the wording on the revocation certificates, which are issued by the State Department. However, by law, the Department of Homeland Security has policy authority over visa issuance.

On June 17, 2003, a GAO report revealed that suspected terrorists can stay in the country after their visas have been revoked on terrorism grounds because of a legal loophole in the wording of revocation papers. This loophole came to light after the GAO found that more than 100 persons were granted visas that were later revoked because there was evidence the persons had terrorism links and associations. I wrote a letter to the Department of State on June 23, 2003, and both the House and Senate Judiciary Committees held hearings on the matter last year.

Some of us in Congress expected the government to fix this problem immediately, especially after GAO brought it to the attention of your department and other agencies. Perhaps this expectation was naive. More than a month after the GAO report and the hearings on the matter, I pressed the issue further with Under Secretary Hutchinson during a July 23, 2003 Senate Judiciary Committee hearing.

We all recognized that a simple administrative fix, such as re-writing the revocation certificate, would solve the problem. In fact, Assistant Secretary Hutchinson personally pledged to me in July of last year that the Department of Homeland Security would issue regulations to fix it as soon as the Memo of Understanding with the Department of State was finalized. The Memo was signed on September 29, 2003.

On May 20 of this year, a member of the Department of Homeland Security confirmed that a regulation was written and being circulated internally.

But, here we are—more than a year after the GAO first revealed the loophole—and it appears that the problem still has not been solved.

This week, the GAO issued a report that said ''additional actions are needed to eliminate weaknesses in the visa revocation process.'' The GAO recommends that the Secretaries of Homeland Security and State jointly develop a written governmentwide policy that clearly defines roles and responsibilities and sets performance standards for the agencies involved in the visa revocation process.

Frankly, I think these Departments have had enough time to consult with each other. Today, I offer a legislative fix.

It is amazing to me that such a simple and straightforward solution to such a dangerous and well-known problem continues to languish in the slow-moving bureaucracy. Promises were made, but the promises have not been kept. The visa revocation loophole needs to be fixed.

Mr. CHAMBLISS. Mr. President, I rise in support of legislation that Senator GRASSLEY and I are introducing that will finally close a loophole in our Nation's homeland security. Exactly one year ago today, I held a hearing in the Immigration and Border Security Subcommittee to question why visa revocation is not effective to remove a suspected terrorist from the United States. This issue was highlighted in a June 2003 General Accounting Office report titled, ''New Policies and Procedures Needed to Fill Gaps in the Visa Revocation Process.'' Subsequently, I held another hearing in the Subcommittee last fall in which the Departments of State and Homeland Security assured me and my colleagues that the problem would be sufficiently addressed through a cooperative agreement.

Now a year later, we still don't have this problem fully fixed, and earlier this month the GAO issued a second report titled, ''Additional Actions Needed to Eliminate Weaknesses in the Visa Revocation Process.'' The legislation we introduce today will make the needed, common sense change to empower the visa revocation process as an anti-terrorism tool.

One problem we have realized after September 11 was the lack of information sharing across Federal agencies. It is not just keeping bad guys out of the United States that is important, but if someone comes into this country who has a suspicious background, everyone needs to be on the same wavelength with respect to sharing of information on individuals in an effective manner. Information sharing and coordination between the State Department and the Department of Homeland Security is crucial today more than ever. We must continue to reshape the government culture, away from old bureaucratic habits, toward strong interagency cooperation in order to safeguard our Nation.

The GAO report exposes how suspected terrorists may remain at large even after their visas have been revoked. Last summer, the GAO found 30 persons whose visas were revoked on terrorism grounds; however, revocation gives no legal authority for law enforcement officials to remove them. In hearings before Congress, the State Department and Homeland Security Department maintained that they were implementing methods to resolve the problem by tracking visa revocations more precisely, sharing information more efficiently, and hopefully removing such suspected terrorists.

In a report released this month, the GAO found that, although the two Departments made some changes, the visa revocation process still lacks a timely transmission of information between agencies—not to mention the absence of legal authority to remove these suspected terrorists. After two GAO reports and two Senate hearings, the Departments still don't have their act together.

Our bill empowers visa revocation as an anti-terrorism tool. First, it makes revocation a ground of inadmissibility for a person's immigration status. This will give the Department of Homeland Security the authority to remove a suspected terrorist from the U.S. Second, the legislation forecloses the judicial review process on inadmissibility based on a revoked visa, which is consistent with how the U.S. handles other visa-related matters.

With visa revocation, it is difficult to understand why, after a year now, State Department action to nullify the visa of a suspected terrorist does not translate into the authority for the Homeland Security to remove that person. The point is that in a post- 9–11 world, visa issuance—and revocation—is a homeland security job and we must get it right. I encourage the Departments to move forward on this issue as we've addressed it in the bill we introduce today.

By Mr. DODD (for himself and Mr. LIEBERMAN):

S. 2663. A bill to amend the Wild and Scenic Rivers Act to designate a segment to the Farmington River and Salmon Brook in the State of Connecticut for study for potential addition to the National Wild and Scenic Rivers System, and for other purposes; to the Committee on Energy and Natural Resources.

Mr. DODD. Mr. President, today I join with my colleague Senator LIEBERMAN in introducing the Lower Farmington River and Salmon Brook Wild and Scenic River Study Act of 2004. I am pleased that Representative JOHNSON of Connecticut introduced companion legislation in the House of Representatives.

The Lower Farmington River is a 40–mile stretch between the Collinsville Dam in Burlington and the Rainbow Dam in Windsor. The flood plains on either side of the river support large amphibian, bird, insect, and reptile populations, with many species that are on the State of Connecticut's list of endangered, threatened and special concern species. Biologists have stated that sections of this stretch of river have regionally and possibly globally significant plant communities, making the river one of the most thriving and diverse ecosystems in Connecticut.

The river is also significant for its cultural heritage. Numerous Tunxis and River Indian tribe archaeological sites are located throughout the flood plain. During the 18th and 19th centuries the river was used extensively as a conduit for commerce and many towns along the river flourished due to complex mill and canal systems associated with the river.

Besides environmental and historical benefits, the Lower Farmington River provides excellent opportunities for recreation including canoeing, kayaking, and rowing. The river also passes through the Tariffville Gorge, which is unique in Southern New England, in that it supports Class II–IV whitewater kayaking twelve months a year and has hosted the Olympic trials.

However, the Farmington River is beginning to show evidence of declining water quality. Designation as a Wild and Scenic River would ensure that the river and surrounding watershed are protected under a locally controlled river management plan, which works to preserve a river's natural and significant resources.

I am confident of the Lower Farmington River and Salmon Brook's significance and community support. The Connecticut towns of Farmington, Simsbury, Bloomfield, Burlington, Canton, Avon, East Granby, and Windsor have joined with the Farmington River Watershed Association in requesting designation as a Wild and Scenic River. Property owners along the river support designation in order to preserve this natural resource that flows by and near their property. Connecticut is a small state, at just over 5,500 square miles, and is densely populated. Our citizens are committed to balancing conservation and growth. That is why this designation is so important. While the state and local groups have done exceptional work so far, this designation would bring in Federal technical assistance and foster coordination among the many concerned groups.

In 1994, a 14-mile stretch of the Upper Farmington River was designated as a Wild and Scenic River and it has been a remarkable success story. Representatives of the five affected towns meet regularly with Federal, State and local organizations to implement a river management plan that all parties adopted. Our legislation proposes to study the feasibility of designating the lower section of the Farmington River and the Salmon Brook as part of the Act. The Wild and Scenic River Program has been a successful public and private partnership to preserve certain select rivers in a free flowing state and the Lower Farmington River and the Salmon Brook are significant natural resources.

I urge my colleagues to support this worthy legislation and I ask unanimous consent that the text of the bill be printed in the RECORD.

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

S. 2663

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Lower Farmington River and Salmon Brook Wild and Scenic River Study Act of 2004''.

SEC. 2. DESIGNATION OF ADDITIONAL SEGMENT OF FARMINGTON RIVER AND SALMON BROOK IN CONNECTICUT FOR STUDY FOR POTENTIAL ADDITION TO NATIONAL WILD AND SCENIC RIVERS SYSTEM.

(a) DESIGNATION.—Section 5(a) of the Wild and Scenic Rivers Act (16 U.S.C. 1276(a)) is amended by adding at the end the following:

''(____) LOWER FARMINGTON RIVER AND SALMON BROOK, CONNECTICUT.—The segment of the Farmington River downstream from the segment designated as a recreational river by section 3(a)(156) to its confluence with the Connecticut River, and the segment of the Salmon Brook including its mainstream and east and west branches.''.

(b) TIME FOR SUBMISSION.—Not later than 3 years after the date of enactment of this Act, the Secretary of the Interior shall submit to Congress a report containing the results of the study required by the amendment made by subsection (a).

(c) AUTHORIZATION OF APPROPRIATIONS.—There are authorized to be appropriated such sums as are necessary to carry out this Act.

By Mr. ROCKEFELLER (for himself and Mr. SMITH):

S. 2671. A bill to extend temporary State fiscal relief, and for other purposes; to the Committee on Finance.

Mr. ROCKEFELLER. Mr. President, I rise today with my friend and colleague from Oregon, Mr. SMITH, to introduce the State Fiscal Relief Act of 2004. This legislation will extend the Federal fiscal relief enacted last year in order to give states a much needed boost as they continue to struggle to recover from the persisting economic downturn.

Over the last three years, states have experienced the worst fiscal crisis since World War II. The loss of state tax revenue has caused substantial state budget deficits, which totaled over $250 billion in fiscal years 2002, 2003 and 2004. These shortfalls forced states to consider raising taxes or making substantial cuts to critical programs such as public education, health care, and public safety. As my colleagues know, Federal efforts to stimulate economic growth can be futile if states are forced to cut spending and increase taxes. We recognized this last year, and we did something about it. We enacted legislation that provided $20 billion in federal assistance to the states—$10 billion for Medicaid and $10 billion for general revenue grants.

Some of my colleagues have since questioned the benefit of this type of federal assistance to the States. They have charged that the relief was not stimulative and that states did not use the additional resources appropriately. Well, I encourage my colleagues to take a very careful look at the facts. When you analyze all the available data on the $20 billion fiscal relief package enacted last year, only one logical conclusion can be reached—during the worst stages of the economic downturn, when many Americans lost their jobs, states were able to step up and fill major gaps in programs and services because they had the benefit of federal fiscal relief. My home state of West Virginia used the $125 million it received in federal assistance to resolve budget shortfalls and prevent cuts in Medicaid. That was the goal of our efforts all along—to reduce state budget deficits and prevent cuts to critical programs and services—and states used this temporary assistance as it was intended.

In West Virginia and States across the country, fiscal relief strengthened state economies and protected our most vulnerable citizens by helping to reduce the massive spending cuts and tax increases states would otherwise have had to make. The Medicaid portion of fiscal relief was particularly important in helping to stabilize State budgets. As many of my colleagues are aware, Medicaid spending provides a critical form of economic stimulus in addition to delivering essential health services to our most vulnerable citizens. The Medicaid program supports jobs in every state. It helps keep hospitals and nursing homes operating in our communities. Every dollar invested in Medicaid results in an almost threefold return in state economic benefit.

In January, the Kaiser Commission on Medicaid and the Uninsured released a study which confirms that, because of the timeliness of the Medicaid assistance, all fifty states were able to maintain their Medicaid eligibility levels. This means that access to critical health services and programs for pregnant women, children, the elderly, and workers who lost their jobs and employer-sponsored health coverage was preserved. Without these increased Medicaid payments to States, the number of uninsured Americans would have been far greater over the past several years.

Unfortunately, when we passed fiscal relief last year, we did not include appropriate safeguards to make sure this

Federal assistance would remain available to States if the economic downturn lasted longer than anticipated. Many who supported the $20 billion fiscal relief package hoped the economy would rebound quickly and that federal assistance to the States would not be necessary beyond fiscal year 2004. Well, the fact of the matter is that the economy remains weak, and fiscal relief is still necessary.

While states are beginning to report stronger revenue growth, it is clear they are not out of the woods yet. State revenues are still far below prerecession levels and are growing at a sluggish pace. In April, the National Conference of State Legislatures reported that states are struggling with an aggregate budget deficit of $36 billion going into fiscal year 2005. Eliminating fiscal relief now will deal a serious blow to the states as they struggle to climb out of the economic downturn.

To remedy this problem, the bill we are introducing today provides $4.8 billion over 15 months to help states maintain the coverage they are currently providing through Medicaid. This additional funding, which is still temporary, will finish the job we started last year. It will help states weather the entirety of the economic downturn without having to cut vital programs and services for low-income women, children, and seniors. While I would have liked to have incorporated even more money for enhanced Medicaid payments to states, I recognize the federal budget realities currently before us. The $4.8 billion included in our bill represents a workable phase-down transition from the $10 billion states received last year, and I know it will go a long way to preserve health care coverage for Medicaid beneficiaries during this ongoing recession.

In addition to providing $4.8 billion for Medicaid, our bill also reimburses states for the $1.2 billion in net costs they will incur in fiscal years 2004, 2005, and 2006 as a result of the Medicare Prescription Drug, Improvement, and Modernization Act. As I stated when I voted against this bill, the Medicare Modernization Act has several major flaws that must be addressed. One such flaw is the fact that the new law undermines state revenues in the midst of their efforts to rebuild their economies. The State Fiscal Relief Act will correct that mistake.

I urge my colleagues to support this important legislation and to stand up for the millions of Americans who are working at low-wage jobs, who benefit from the numerous public programs and services that fiscal relief has helped to maintain, and who are in the process of reinvigorating our economy.

Mr. SMITH. Mr. President, I am pleased to join my colleague from West Virginia, Senator ROCKEFELLER, in offering such an essential piece of legislative. This bill will extend a portion of the short-term assistance package that Congress provided to States and territories last May, because as most of our constituents realize, our economy may have rebounded, but prosperity has not reached all Americans. This proposal will continue to help States fund Medicaid, one of their most critical and also most expensive programs. The bill also provides funding necessary to ensure that Congress meets its commitment to help states transition seniors into the new Medicare prescription drug benefit program.

I am quite certain this proposal will be controversial. On the one hand, many people who represent seniors and other vulnerable populations that receive their health care through the Medicaid and Medicare programs will argue that this bill does not provide enough help to states to prevent programs and benefit cuts. On the other hand, many of my colleagues will complain that the federal government already provided $20 billion in fiscal assistance last year through the economic stimulus package. In developing this bill, I tried to take an approach that balanced the concerns expressed by both sides.

I agree that state economies are recovering and that they do not need an additional $20 billion in federal assistance. In my home State of Oregon, unemployment is dropping and State income tax receipts are higher than projected a few short months ago. However, that doesn't mean Oregon's economy is out of the woods yet. Oregon's 6.8 percent unemployment rate continues to be significantly higher than that of the national average of 5.6 percent. And that gets to the heart of why I have introduced this bill providing a second, though significantly reduced, round of State fiscal relief.

It is clear to me that States still need help. They need help meeting the increased obligations that come during economic downturns and recoveries. And while our nation's economy is improving, which is due in large part to the President's leadership last year when he challenged Congress to pass an economic stimulus package, it has not yet fully recovered. So more must be done to protect the programs that people turn to when they are in need, programs like Medicaid.

Now I know some will argue that last year's money was wasted, that it didn't do anything to boost the nation's economy. They might even cite a recent report released by the General Accounting Office that said as much. Well, I have to question how $10 billion in funding that went to the nation's largest health care program didn't result in a positive outcome. Health care is approximately a $1.6 trillion industry in the United States and in 2003 it was the second largest employment sector in the country—the fourth largest in Oregon. When you consider the significance of this industry on our nation's economy it seems unlikely that the government's effort to forestall program cuts in Medicaid, the largest health care program, would not have a positive effect on our economy.

Certainly, if you think about large corporations that have millions, even billions, of dollars in revenue each year this money may not mean much. But I can tell you, to the beneficiaries and small providers in Oregon, like the Community Health Centers, this infusion of federal funding prevented significant cuts to their Medicaid benefits and reimbursement rates.

Now States, just as they are starting to see their economies recover and are realizing increased income tax revenue, are faced with the prospect of losing all of this Federal assistance. That is why I have introduced this bill, because I understand the benefit to state economies that results from an extension of this temporary financial assistance. We are almost there, but I believe more assistance is needed and I look forward to working with my colleagues to pass this bill and help our states weather this economic storm.

By Mr. WYDEN (for himself, Mr. LOTT, Mr. GRAHAM of Florida, and Ms. SNOWE):

S. 2672. A bill to establish an Independent National Security Classification Board in the executive branch, and for other purposes; to the Select Committee on Intelligence.

Mr. WYDEN. Mr. President, I am pleased to be joined today by Senators LOTT, GRAHAM of Florida, and SNOWE in introducing legislation to create an independent National Security Classification Board. We believe it is time to clear the fog of secrecy by creating an independent board to review current and make recommendations for new standards and procedures for the classification of information for national security purposes.

Our Founding Fathers believed in the idea that democracy works best with the full disclosure of accurate information. Today, some might find that notion quaint. But it is one that bears consideration—because the principle of open government so dear to America's founders is being tested today as never before. The culture of secrecy that grew out of the Cold War has now become woven into the very fabric of our daily lives.

Information that the American people have a right to know—indeed, information that the American people need to know to make informed decisions about the kind of government they want and the kind of country this should be—is being withheld by the Federal government. It is being buried in a virtual bunker marked ''do not enter,'' sealed off from public view with a big red stamp—marked ''Classified.'' And too often that big red stamp is used not to hide state secrets, but to protect political backsides at great cost to our open and democratic society.

A very revealing speech was delivered three weeks ago by the head of the Information Security Office, which oversees classification and declassification policies, Mr. William Leonard. Known

sometimes as the ''secrecy czar,'' he complained that the classification system for national security has lost touch with the basics; that some agencies don't know how much information they classify, or whether they are classifying more or less than they once did; whether they are classifying too much or too little. He called today's classification system ''a patchwork quilt'' that is the result of a hodgepodge of laws, regulations and directives. ''In reality,'' he said ''the Federal Government has so many varieties of classification that it can make Heinz look modest . . .''

Two important reports confirm Mr. Leonard's argument that the classification system is out of control. The reports, the forthcoming 9–11 Commission report and last week's Senate Intelligence Committee on Iraq, show the Administration's determination to blanket the Federal government in secrecy. Even more important than the information that is published in these reports is the information withheld from the public and redacted from the reports.

These reports demonstrate a serious imbalance of power between the public and the officials who wield the ''top secret'' stamp. They raise troubling questions about whether those who control the classification of information for national security purposes have misused this authority to shield officials from the glare of public accountability and to stifle public debate about politically sensitive parts of the war on terrorism.

This is not the first time our country has grappled with the trade-offs between the need to protect the public and the public's need to know. But the automatic default to secrecy rather than public accountability is not part of our history. Scholarly studies about which material should be classified and at what level fill libraries. According to the late Senator Daniel Patrick Moynihan, an expert on secrecy in government, the first real Congressional debate about protecting national secrets occurred during consideration of the Alien and Sedition Acts of 1798, passed to silence opposition to war with France. ''It was,'' as Senator Moynihan wrote in Secrecy, ''our nation's first experience with how war or the threat of war changed the balance between private liberty versus public order, an instability that was eerily reenacted 119 years later.'' ''Indeed, much of the structure of secrecy now in place in the U.S. government took shape in just under eleven weeks in the spring of 1917, while the Espionage Act was debated and signed into law.'' Eighty years later, Senator Moynihan would note that 6,610,154 million secrets were created in one year alone. In fact, only a small portion, or 1.4 percent, were created pursuant to statutory authority, the Atomic Energy Act; Senator Moynihan labeled the other 98.6 percent ''pure creatures of bureaucracy,'' created via Executive Orders.

One of the ''creatures'' in the classification menagerie was set free to roam through the work of the 9–11 Commission and the Senate Intelligence Committee's report. The American people should not be fooled—pure bureaucracy refused to allow full public disclosure of the decisions and materials used by the 9–11 Commission to prepare its report. Pure bureaucracy also redacted nearly half of the Senate Intelligence Committee's review of Intelligence on Iraq. The ''creature'' has overreached.

Since President Roosevelt issued the first national security classification directive in 1940, the American people have often demonstrated a high tolerance for secrecy in military and foreign affairs, even in some cases where it has been abused. However, the rising tide of secrecy has reached the point where it threatens to drown our system of checks and balances, and calls out for a complete rethinking of the system used to classify information for national security purposes.

Today the Executive Branch exerts almost total control over what should or should not be classified. Congress has no ability to declassify material. There is no self-correcting mechanism in the system. Even if Members of Congress wanted to share information with their constituents, it's so complicated for Congress to release information to the public that nobody's ever tried to use the convoluted processes. The Executive Branch has a little known group that can review classification issues, but it is seldom used and open only to Executive Branch employees, not to Members of Congress or the public.

What does all of this mean in practice? It means that with the thump of a stamp marked ''secret,'' some bureaucrat in the belly of a federal building has prevented the families of the victims of 9–11 from knowing exactly what happened to their loved ones. It means the American people may never know who gave the orders dictating how prisoners at Abu Ghraib could be treated. It means these decisions cannot be appealed, even by Congress. It means there is no independent review of the classification decisions by the Executive Branch.

With no chance of unbiased review, classification decisions are ready and ripe for abuse. Agencies wishing to hide their flaws and politicians of both parties wishing to make political points can abuse the existing classification guidelines to their advantage. I want to change that.

President Kennedy said the time to repair the roof is when the sun is shining. In the realm of secrecy, storm clouds are approaching. The bureaucracies in our government that deal with secrets are by nature cautious when it comes to protecting information pertinent to our nation's security. They err on the side of caution and they are very territorial about it, treating secrets as if they are assets to be traded. This is an understandable impulse. But erring too far and too often on the side of caution keeps a lot of information hidden that could safely enlighten public debate. Even worse, overclassification of information is dangerous. If agencies and bureaucracies aren't sharing information among themselves, important clues can be missed. Their mission to keep citizens safe can be jeopardized by classification itself.

The tragedy of 9–11, the war on terrorism and the United States' invasion of Iraq have offered ample opportunity to argue for classification of just about any document on the grounds of national security. Additionally, there are those who feel that the current Administration took office with an unhealthy penchant for secrecy already firmly in place. In its first two years, Bush Administration officials made 44.5 million decisions to classify records and related documents, according to the Information Security Oversight office, part of the National Archives and Records Administration. This is about the same number of classification decisions made during the last four years of the Clinton Administration.

The Atlanta Journal reported recently that ''federal, state and local governments are shutting down access to public records in what some experts say is the most expansive assault on open government in the nation's history.'' The Bush Administration has even expanded the number of officials with the power to classify documents for purposes of national security beyond the 13 agencies that operated under the national security classification system to include the secretaries of agriculture, health and human services and the EPA Administrator.

I for one do not subscribe to the view that there is an inherent conflict between the Executive Branch's accountability to Congress and the American people on the one hand, and the Constitutional role of the President as Commander in Chief on the other.

I believe a balance can and must be struck between the public's need for sound, clearheyed analysis and the Executive's desire to protect the nation's legitimate security interests. I believe we can fight terrorism ferociously without sacrificing personal privacy. There is no room in this equation for the use of classification to insulate officials and agencies from political pressure. As a member of the Senate Intelligence Committee I have had lengthy discussions with my colleagues about how to achieve such a balance.

In my view this balance can be achieved only through a broad overhaul of the national security classification system. Legislation that I will be introducing shortly will accomplish this through the establishment of an Independent National Security Classification Board. The Board would be made up of three individuals, knowledgeable in national security classification, appointed by the President

with the advice and consent of the Senate.

The task of the Independent Board would be to review and make recommendations on overhauling the standards and process used in the classification system for national security information. The Board would submit proposed new standards and processes to both Congress and the Executive Branch for comment and revision, and then implement the new standards and process once they have had the opportunity to comment. The Board would then begin to implement the new system, reviewing and making recommendations on current and new national security classifications, subject to Executive Branch veto that must be accompanied by a public, written explanation.

The balance in this proposal assures that the public and Congress have access to an independent Board for national security classification matters while leaving undisturbed the Commander in Chief's constitutional prerogative in military and foreign policy matters through the power to appoint the Board and to veto the Board's classification decisions.

The Founding Fathers conceived of the Federal government to serve the American people. Sometimes that is done by keeping secrets, by securing information that could put Americans in harm's way if it became public. Information should be classified to protect the homeland. But when information is withheld to protect political careers and entrenched bureaucracies, that's not a service to the American people. It's a perversion of a policy intended to save lives, a perversion that weakens our democracy and could even endanger our people. It's time to throw open the curtains and let the sun shine in on American democracy and on the governmental process much brighter than it does today. That's what I intend to do with my legislation. The American people deserve no less.

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

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

S. 2672

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

SECTION 1. SHORT TITLE.

This Act may be cited as the ''Independent National Security Classification Board Act of 2004''.

SEC. 2. PURPOSE.

The purpose of this Act is to establish in the executive branch an Independent National Security Classification Board—

(1) to review the standards and procedures used in the classification system for national security information;

(2) to propose and submit to Congress and the President for comment new standards and procedures to be used in the classification system for such information;

(3) to establish the new standards and procedures after Congress and the President have had the opportunity to comment; and

(4) to review, and make recommendations with respect to, classifications of current and new information made under the applicable classification system.

SEC. 3. INDEPENDENT NATIONAL SECURITY CLASSIFICATION BOARD.

(a) ESTABLISHMENT.—The Independent National Security Classification Board (in this Act referred to as the ''Board'') is established as an independent agency in the executive branch.

(b) COMPOSITION.—The Board shall be composed of one member appointed by the President, one member jointly recommended by the Majority Leader and the Minority Leader of the Senate and appointed by the President, and one member jointly recommended by the Speaker of the House of Representatives and the Minority Leader of the House of Representatives and appointed by the President, each by and with the advice and consent of the Senate. Each member shall be knowledgeable on classification matters.

(c) TERM OF MEMBERS.—Each member of the Board shall be appointed for a term of 5 years. A member may be reappointed for one additional 5-year term. A member whose term has expired shall continue to serve on the Board until a replacement has been appointed.

(d) VACANCIES.—Any vacancy in the Board shall not affect its powers, but shall be filled in the same manner as the original appointment.

(e) SEPARATE OFFICE.—The Board shall have its own office for carrying out its activities, and shall not share office space with any element of the intelligence community or with any other department or agency of the Federal Government.

(f) CHAIRMAN.—The Board shall select a Chairman from among its members.

(g) MEETINGS.—The Board shall meet at the call of the Chairman.

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

(i) AVAILABILITY OF INFORMATION.—The decision-making process of the Board may be classified, but the final decisions of the Board and the reports submitted under this Act shall be made available to the public.

(j) INITIAL APPOINTMENTS AND MEETING.—

(1) INITIAL APPOINTMENTS.—Initial appointments of members of the Board shall be made not later than 90 days after the date of the enactment of this Act.

(2) INITIAL MEETING.—The Board shall hold its first meeting not later than 30 days after the date on which all members of the Board have been appointed.

(k) WEBSITE.—The Board shall establish a website not later than 90 days after the date on which all members of the Board have been appointed.

SEC. 4. DUTIES OF BOARD.

(a) REVIEW OF CLASSIFICATION SYSTEM.—

(1) IN GENERAL.—The Board shall conduct a thorough review of the classification system for national security information, including the policy, procedures, and practices of the system. The Board shall recommend reforms of such system to ensure—

(A) the protection of the national security of the United States;

(B) the sharing of information among Government agencies; and

(C) an open and informed public discussion of national security issues.

(2) SCOPE OF REVIEW.—

(A) CONSULTATION.—The Board shall consult with the Select Committee on Intelligence, the Committee on Armed Services, and the Committee on Foreign Relations of the Senate and the Permanent Select Committee on Intelligence, the Committee on Armed Services, and the Committee on International Relations of the House of Representatives in determining the scope of its review of the classification system.

(B) REVIEW.—The Board shall submit a report describing the proposed scope of review to the President and the committees of Congress referred to in subparagraph (A) for comment.

(C) REVISIONS.—Not later than 30 days after receiving the report under subparagraph (B)—

(i) the President shall notify the Board in writing of any revisions to such scope of review; and

(ii) each committee of Congress referred to in subparagraph (A) may submit to the Board, in writing, any comments of the committee on the proposed scope of review.

(b) ADOPTION OF NATIONAL SECURITY INFORMATION CLASSIFICATION SYSTEM.—

(1) AUTHORITY.—The Board shall prescribe the classification system for national security information, which shall apply to all departments and agencies of the United States.

(2) FINDINGS AND RECOMMENDATIONS.—The Board shall, in accordance with the scope of review developed under subsection (a)(2), review the classification system for national security information and submit to the President and Congress its findings and recommendations for new procedures and standards to be used in such classification system.

(3) CLASSIFICATION SYSTEM.—Not later than 180 days after the date on which all members of the Board have been confirmed by the Senate, the Board shall adopt a classification system for national security information, incorporating any comments received from the President and considering any comments received from Congress. Upon the adoption of the classification system, the system shall be used for the classification of all national security information.

(c) REVIEW OF CLASSIFICATION DECISIONS.—

(1) IN GENERAL.—The Board shall, upon its own initiative or pursuant to a request under paragraph (3), review any classification decision made by an Executive agency with respect to national security information.

(2) ACCESS.—The Board shall have access to all documents or other materials that are classified on the basis of containing national security information.

(3) REQUESTS FOR REVIEW.—The Board shall review in a timely manner the existing or proposed classification of any document or other material the review of which is requested by—

(A) the head or Inspector General of an Executive agency who is an authorized holder of such document or material; or

(B) the chairman or ranking member of—

(i) the Committee on Armed Services, the Committee on Foreign Relations, or the Select Committee on Intelligence of the Senate; or

(ii) the Committee on Armed Services, the Committee on International Relations, or the Permanent Select Committee on Intelligence of the House of Representatives.

(4) RECOMMENDATIONS.—

(A) IN GENERAL.—The Board may make recommendations to the President regarding decisions to classify all or portions of documents or other material for national security purposes or to declassify all or portions of documents or other material classified for such purposes.

(B) IMPLEMENTATION.—Upon receiving a recommendation from the Board under subparagraph (A), the President shall either—

(i) accept and implement such recommendation; or

(ii) not later than 60 days after receiving the recommendation if the President does not accept and implement such recommendation, transmit in writing to Congress and

have posted on the Board's website a notification in unclassified form of the justification for the President's decision not to implement such recommendation.

(5) EXEMPTION FROM FREEDOM OF INFORMATION ACT.—The Board shall not be required to make documents or materials reviewed under this subsection available to the public under section 552 of title 5, United States Code (commonly referred to as the Freedom of Information Act).

(6) REGULATIONS.—The Board shall prescribe regulations to carry out this subsection.

(7) EXECUTIVE AGENCY DEFINED.—In this section, the term ''Executive agency'' has the meaning given that term in section 105 of title 5, United States Code.

SEC. 5. POWERS OF BOARD.

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

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

(c) ADMINISTRATIVE SUPPORT SERVICES.—Upon request of the Board, the Administrator of General Services shall provide to the Board, on a reimbursable basis, the administrative support necessary for the Board to carry out its duties under this Act.

(d) POSTAL SERVICES.—The Board may use the United States mails in the same manner and under the same conditions as other departments and agencies of the Federal Government.

(e) GIFTS.—The Board may accept, use, and dispose of gifts or donations of services or property.

SEC. 6. BOARD PERSONNEL MATTERS.

(a) EXECUTIVE SCHEDULE LEVEL IV.—Section 5315 of title 5, United States Code, is amended by adding at the end the following:

''Members, Independent National Security Classification Board.''.

(b) STAFF.—

(1) IN GENERAL.—The Chairman of the Board may, without regard to the civil service laws and regulations, appoint and terminate an executive director and such other additional personnel as may be necessary to enable the Board to perform its duties under this Act. The employment of an executive director shall be subject to confirmation by the Board.

(2) COMPENSATION.—The Chairman of the Board may fix the compensation of the executive director and other personnel without regard to chapter 51 and subchapter III of chapter 53 of title 5, United States Code, relating to classification of positions and General Schedule pay rates, except that the rate of pay for the executive director and other personnel may not exceed the rate payable for level V of the Executive Schedule under section 5316 of such title.

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

SEC. 7. AUTHORIZATION OF APPROPRIATIONS.

There are authorized to be appropriated to the Board $2,000,000 for fiscal year 2005, and such sums as may be necessary thereafter.

By Mr. CAMPBELL:

S. 2673. A bill to designate the facility of the United States Postal Service located at 1001 Williams Street, Ignacio, Colorado, as the ''Leonard C. Burch Post Office Building''; to the Committee on Governmental Affairs.

Mr. CAMPBELL. Mr. President, I send to the desk legislation to designate the U.S. Post Office located at 1001 Williams Street in Ignacio, CO, as the Leonard C. Burch Post Office Building.

Anyone who ever met the man knew they were in the presence of someone special. Leonard Burch had a vision. He had the imagination to look beyond a destitute tribe with little hope, and see a people with resources, and determination, and a real opportunity to build a better future if they would only grasp it. Many people have dreams, but Leonard had that rare ability to make other people catch his vision, believe in it, and work just as hard for it as he did.

Leonard C. Burch died August 1, 2003. He was 69 years old. Leonard was chairman of the Tribal Council for more than 32 years. Under his leadership, the Southern Utes became an economic force in and beyond the Four Corners and the largest employer in La Plata County. Those thirty-seven years have seen the transformation of a people, the transformation of a region, and all of it largely due to his extraordinary leadership.

Burch was credited with bringing his tribe out of poverty. Through his efforts, the tribe became a major player in the energy development market with assets of $1.5 billion. As part of the Council for Energy Resource Tribes, Burch was instrumental in improving energy development throughout Indian Country. He advocated for greater tribal control over tribal resources.

Burch's leadership went beyond the tribe. He set an example for young people. Burch was invited by five separate U.S. Presidents to conferences on American Indian policies at the White House and received numerous awards for his commitment to regional water resource development.

We will all miss Leonard's wisdom and inspiration. It is a fitting tribute that the postal facility in Ignacio be named after a true warrior. I invite anyone who believes that one man can't make a difference, to take a drive southeast of Durango, and witness what one Leonard Burch can do.

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

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

S. 2673

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

SECTION 1. LEONARD C. BURCH POST OFFICE BUILDING.

(a) DESIGNATION.—The facility of the United States Postal Service located at 1001 Williams Street, Ignacio, Colorado, shall be known and designated as the ''Leonard C. Burch Post Office Building''.

(b) REFERENCES.—Any reference in a law, map, regulation, document, paper, or other record of the United States to the facility referred to in subsection (a) shall be deemed to be a reference to the ''Leonard C. Burch Post Office Building''.

By Ms. SNOWE:

S. 2675. A bill to amend the Internal Revenue Code of 1986 to expand the availability of the cash method of accounting for small business, and for other purposes; to the Committee on Finance.

Ms. SNOWE. Mr. President, I rise today to introduce a bill I hope will be the first in a series of proposals to simplify the tax code for small business owners. Once enacted, these provisions will reduce not only the amount of taxes that small businesses pay, but that they also will reduce the administrative burden that saddles small companies in trying to meet this obligation.

The proposal that I am introducing today, will simplify the tax code by permitting small business owners to use the cash method of accounting for reporting their income if they generally earn less than $10 million during the tax year. Currently, only those taxpayers that earn less than $5 million per year are able to use the cash method. By increasing this threshold to $10 million, more small businesses will be relieved of the burdensome record keeping requirements that currently require them to use a different accounting method to report their income.

Before I talk about the specifics of this particular provision, let me first explain why it is so critical to begin considering ways to simplify the tax code. As you know, small businesses are the backbone of our Nation's economy. According to the Small Business Administration, small businesses represent 99 percent of all employers, employ 51 percent of the private-sector workforce, and contribute 51 percent of the private-sector output.

Yet, the despite the fact that small businesses are the real job-creators for our Nation's economy, the current tax system imposes an unreasonable burden on small businesses attempting to comply with the current tax code. This code imposes a large, and expensive, burden on all taxpayers in terms of satisfying reporting and record-keeping obligations, but small businesses are disadvantaged most, even more than large companies, in terms of money and time spent satisfying their tax obligations.

For example, according to the Small Business Administration's Office of Advocacy, small businesses spend more than 8 billion hours each year filing-out government reports, and they spend more than 80 percent of this time on completing tax forms. What's even more troubling is that companies that employ fewer than 20 employees spend nearly $6,975 per employee in tax compliance costs—nearly 60 percent more than companies with more than 500 employees spend.

These statistics are disconcerting for several reasons. First, the fact that small businesses are required to spend so much money on compliance costs means they have less earnings to reinvest into their business. This, in turn, means that they have less money to spend on new equipment or on worker training, which, unfortunately, has an adverse effect on their overall production and the economy as a whole.

Second, the inordinate amount of time small business owners are forced to devote to the completion of paperwork means they have less time to spend doing what they do best-namely running their business and creating jobs.

I do not mean to suggest that the challenges small business confront in regard to tax reporting and compliance are unique to this group, or that these companies should receive a free pass. In order to benefit from the freedoms and protections that our great country provides, individuals and businesses alike are required to pay taxes, and this duty carries with it certain administrative and opportunity costs. What I am asking for is a fairer, simpler tax code that allows small companies to satisfy their obligation without having to expend the amount of resources that they do currently, resources that might be invested in more productive ways.

For that reason, the package of proposals that I will be introducing will provide not only targeted, affordable tax relief to small business owners, it will also seek to simplify existing rules under the tax code. By simplifying the tax code, small business owners will be able to satisfy their tax obligation in a less costly, more efficient manner, allowing them to devote more time and resources to their primary business goals.

As I mentioned earlier, the provision that I am introducing today will permit more taxpayers to use the cash method of accounting, as opposed to depending on accrual or other hybrid method. The same law I referenced earlier which currently permits only those taxpayers earning less than $5 million in gross receipts during the tax year to use the cash method in reporting their income also precludes taxpayers in possession of inventory from using the simpler cash method. As a result, thousands of small businesses which possess inventories, but which might otherwise be entitled to report their income and expenses under the cash method of accounting are also required to follow the accrual or some sort of hybrid accounting method. The result, once more, is the imposition of undue financial hardship and unreasonable administrative burdens.

My bill changes these existing rules, increasing the gross receipts test under current law to $10 million for small businesses and indexing this higher threshold to account for inflation. Given that the current $5 million threshold, it makes little sense to preserve an outdated benchmark in this most important provision when the sensible adjustment that I propose will allow thousands of small businesses presently hobbled by unnecessary paperwork to use the cash method of accounting.

My bill also changes current law to permit even those taxpayers with inventory to qualify for the cash method of accounting. It is important to note, however, that my bill will not simply give these taxpayers an opportunity to recover costs associated with these otherwise inventoriable assets in the year of purchase, but that the bill will require these taxpayers to account for such costs as if they were a material or supply that is not incidental. This standard already exists under current law, and it is one with which most small businesses are already familiar. As such, this less-burdensome standard should ease the existing compliance burden for eligible taxpayers and allow them to devote more time and resources to their business.

Very importantly, these changes will not reduce the amount of taxes a small business pays by even one dollar. Indeed, the overall amount of taxes a qualifying small business pays will remain the same. Rather, this bill simply permits more taxpayers to report income and account for costs in the year of the receipt or expenditure. Clearly, this method makes compliance easier and simpler for small taxpayers, and it will reduce both the time and monetary expenditures spent today to comply with the current tax code.

Finally, this proposal is revenue neutral. In addition to the provision that modifies the income tax rules, my bill would enact Federal legislation to stop an abusive tax shelter that exists currently whereby taxpayers avoid State unemployment taxes. Specifically, States would be required to enact laws that prevent the avoidance of State unemployment tax and that also impose penalties on taxpayers and their advisors who engage in these scams. Consequently, my bill provides a revenue-neutral proposal that simplifies the tax code for small business owners by cracking down on taxpayers who otherwise try to avoid their State unemployment tax obligations.

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

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

S. 2675

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

SECTION 1. CLARIFICATION OF CASH ACCOUNTING RULES FOR SMALL BUSINESS.

(a) CASH ACCOUNTING PERMITTED.—

(1) IN GENERAL.—Section 446 of the Internal Revenue Code of 1986 (relating to general rule for methods of accounting) is amended by adding at the end the following new subsection:

''(g) CERTAIN SMALL BUSINESS TAXPAYERS PERMITTED TO USE CASH ACCOUNTING METHOD WITHOUT LIMITATION.—

''(1) IN GENERAL.—An eligible taxpayer shall not be required to use an accrual method of accounting for any taxable year.

''(2) ELIGIBLE TAXPAYER.—For purposes of this subsection, a taxpayer is an eligible taxpayer with respect to any taxable year if—

''(A) for all prior taxable years beginning after December 31, 2003, the taxpayer (or any predecessor) met the gross receipts test of section 448(c), and

''(B) the taxpayer is not subject to section 447 or 448.''.

(2) EXPANSION OF GROSS RECEIPTS TEST.—

(A) IN GENERAL.—Paragraph (3) of section 448(b) of such Code (relating to entities with gross receipts of not more than $5,000,000) is amended by striking ''$5,000,000'' in the text and in the heading and inserting ''$10,000,000''.

(B) CONFORMING AMENDMENTS.—Section 448(c) of such Code is amended—

(i) by striking ''$5,000,000'' each place it appears in the text and in the heading of paragraph (1) and inserting ''$10,000,000'', and

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

''(4) INFLATION ADJUSTMENT.—In the case of any taxable year beginning in a calendar year after 2005, the dollar amount contained in subsection (b)(3) and paragraph (1) of this subsection shall be increased by an amount equal to—

''(A) such dollar amount, multiplied by

''(B) the cost-of-living adjustment determined under section 1(f)(3) for the calendar year in which the taxable year begins, by substituting 'calendar year 2004' for 'calendar year 1992' in subparagraph (B) thereof.

If any amount as adjusted under this subparagraph is not a multiple of $100,000, such amount shall be rounded to the nearest multiple of $100,000.''.

(b) CLARIFICATION OF INVENTORY RULES FOR SMALL BUSINESS.—

(1) IN GENERAL.—Section 471 of the Internal Revenue Code of 1986 (relating to general rule for inventories) is amended by redesignating subsection (c) as subsection (d) and by inserting after subsection (b) the following new subsection:

''(c) SMALL BUSINESS TAXPAYERS NOT REQUIRED TO USE INVENTORIES.—

''(1) IN GENERAL.—A qualified taxpayer shall not be required to use inventories under this section for a taxable year.

''(2) TREATMENT OF TAXPAYERS NOT USING INVENTORIES.—If a qualified taxpayer does not use inventories with respect to any property for any taxable year beginning after December 31, 2003, such property shall be treated as a material or supply which is not incidental.

''(3) QUALIFIED TAXPAYER.—For purposes of this subsection, the term 'qualified taxpayer' means—

''(A) any eligible taxpayer (as defined in section 446(g)(2)), and

''(B) any taxpayer described in section 448(b)(3).''.

(2) CONFORMING AMENDMENTS.—

(A) Subpart D of part II of subchapter E of chapter 1 of such Code is amended by striking section 474.

(B) The table of sections for subpart D of part II of subchapter E of chapter 1 of such Code is amended by striking the item relating to section 474.

(c) EFFECTIVE DATE AND SPECIAL RULES.—

(1) IN GENERAL.—The amendments made by this section shall apply to taxable years beginning after December 31, 2003.

(2) CHANGE IN METHOD OF ACCOUNTING.—In the case of any taxpayer changing the taxpayer's method of accounting for any taxable year under the amendments made by this section—

(A) such change shall be treated as initiated by the taxpayer;

(B) such change shall be treated as made with the consent of the Secretary of the Treasury; and

(C) the net amount of the adjustments required to be taken into account by the taxpayer under section 481 of the Internal Revenue Code of 1986 shall be taken into account over a period (not greater than 4 taxable years) beginning with such taxable year.

SEC. 2. TRANSFER OF UNEMPLOYMENT EXPERIENCE UPON TRANSFER OR ACQUISITION OF A BUSINESS.

(a) IN GENERAL.—Section 303 of the Social Security Act (42 U.S.C. 503) is amended by adding at the end the following:

''(k)(1) For purposes of subsection (a), the unemployment compensation law of a State must provide—

''(A) that if an employer transfers its business to another employer, and both employers are (at the time of transfer) under substantially common ownership, management, or control, then the unemployment experience attributable to the transferred business shall also be transferred to (and combined with the unemployment experience attributable to) the employer to whom such business is so transferred,

''(B) that unemployment experience shall not, by virtue of the transfer of a business, be transferred to the person acquiring such business if—

''(i) such person is not otherwise an employer at the time of such acquisition, and

''(ii) the State agency finds that such person acquired the business solely or primarily for the purpose of obtaining a lower rate of contributions,

''(C) that unemployment experience shall (or shall not) be transferred in accordance with such regulations as the Secretary of Labor may prescribe to ensure that higher rates of contributions are not avoided through the transfer or acquisition of a business,

''(D) that meaningful civil and criminal penalties are imposed with respect to—

''(i) persons that knowingly violate or attempt to violate those provisions of the State law which implement subparagraph (A) or (B) or regulations under subparagraph (C), and

''(ii) persons that knowingly advise another person to violate those provisions of the State law which implement subparagraph (A) or (B) or regulations under subparagraph (C), and

''(E) for the establishment of procedures to identify the transfer or acquisition of a business for purposes of this subsection.

''(2) For purposes of this subsection—

''(A) the term 'unemployment experience', with respect to any person, refers to such person's experience with respect to unemployment or other factors bearing a direct relation to such person's unemployment risk;

''(B) the term 'employer' means an employer as defined under the State law;

''(C) the term 'business' means a trade or business (or an identifiable and segregable part thereof);

''(D) the term 'contributions' has the meaning given such term by section 3306(g) of the Internal Revenue Code of 1986;

''(E) the term 'knowingly' means having actual knowledge of or acting with deliberate ignorance of or reckless disregard for the prohibition involved; and

''(F) the term 'person' has the meaning given such term by section 7701(a)(1) of the Internal Revenue Code of 1986.''.

(b) STUDY AND REPORTING REQUIREMENTS.—

(1) STUDY.—The Secretary of Labor shall conduct a study of the implementation of the provisions of section 303(k) of the Social Security Act (as added by subsection (a)) to assess the status and appropriateness of State actions to meet the requirements of such provisions.

(2) REPORT.—Not later than July 15, 2006, the Secretary of Labor shall submit to the Congress a report that contains the findings of the study required by paragraph (1) and recommendations for any Congressional action that the Secretary considers necessary to improve the effectiveness of section 303(k) of the Social Security Act.

(c) EFFECTIVE DATE.—The amendment made by subsection (a) shall, with respect to a State, apply to certifications for payments (under section 302(a) of the Social Security Act) in rate years beginning after the end of the 26-week period beginning on the first day of the first regularly scheduled session of the State legislature beginning on or after the date of the enactment of this Act.

(d) DEFINITIONS.—For purposes of this section—

(1) the term ''State'' includes the District of Columbia, the Commonwealth of Puerto Rico, and the Virgin Islands;

(2) the term ''rate year'' means the rate year as defined in the applicable State law; and

(3) the term ''State law'' means the unemployment compensation law of the State, approved by the Secretary of Labor under section 3304 of the Internal Revenue Code of 1986.

SEC. 3. USE OF NEW HIRE INFORMATION TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.

Section 453(j) of the Social Security Act (42 U.S.C. 653(j)) is amended by adding at the end the following:

''(7) INFORMATION COMPARISONS AND DISCLOSURE TO ASSIST IN ADMINISTRATION OF UNEMPLOYMENT COMPENSATION PROGRAMS.—

''(A) IN GENERAL.—If, for purposes of administering an unemployment compensation program under Federal or State law, a State agency responsible for the administration of such program transmits to the Secretary the names and social security account numbers of individuals, the Secretary shall disclose to such State agency information on such individuals and their employers maintained in the National Directory of New Hires, subject to this paragraph.

''(B) CONDITION ON DISCLOSURE BY THE SECRETARY.—The Secretary shall make a disclosure under subparagraph (A) only to the extent that the Secretary determines that the disclosure would not interfere with the effective operation of the program under this part.

''(C) USE AND DISCLOSURE OF INFORMATION BY STATE AGENCIES.—

''(i) IN GENERAL.—A State agency may not use or disclose information provided under this paragraph except for purposes of administering a program referred to in subparagraph (A).

''(ii) INFORMATION SECURITY.—The State agency shall have in effect data security and control policies that the Secretary finds adequate to ensure the security of information obtained under this paragraph and to ensure that access to such information is restricted to authorized persons for purposes of authorized uses and disclosures.

''(iii) PENALTY FOR MISUSE OF INFORMATION.—An officer or employee of the State agency who fails to comply with this subparagraph shall be subject to the sanctions under subsection (l)(2) to the same extent as if such officer or employee was an officer or employee of the United States.

''(D) PROCEDURAL REQUIREMENTS.—State agencies requesting information under this paragraph shall adhere to uniform procedures established by the Secretary governing information requests and data matching under this paragraph.

''(E) REIMBURSEMENT OF COSTS.—The State agency shall reimburse the Secretary, in accordance with subsection (k)(3), for the costs incurred by the Secretary in furnishing the information requested under this paragraph.''.

By Mrs. HUTCHISON (for herself and Ms. MIKULSKI):

S. 2676. A bill to amend chapter 4 of title 39, United States Code, to provide for the issuance of a semipostal stamp in order to provide funding for childhood drinking prevention and education, and for other purposes; to the Committee on Governmental Affairs.

Mrs. HUTCHISON. Mr. President, today I am pleased to introduce legislation creating the childhood drinking prevention semi-postal stamp.

Alcohol is the number one substance used and abused by America's children. Nearly a third of children begin drinking before the age of 13, and forty percent of children who begin drinking by age 15 will develop alcohol abuse or dependence later in life.

I do not believe most parents or adults intentionally ignore this issue, however many Americans do not realize the prevalence and seriousness of childhood drinking. Several national surveys, including those conducted by the Center for Disease Control and Prevention and the Substance Abuse and Mental Health Services Administration, demonstrate the serious consequences associated with early alcohol use.

For example, in 2002, 1.5 million youths between the ages of 12 to 17 needed treatment for alcohol abuse. Early alcohol use is more likely to kill or injure young people than all illegal drugs combined.

If the onset of drinking is delayed, a child's risk of serious alcohol problems could be decreased or even prevented. That is why I am pleased to propose the passage of a semi-postal stamp on childhood drinking prevention. A semipostal stamp will publicize this important children's health issue in every home, school, and community across the nation.

Profits from the childhood drinking prevention stamp would be dedicated to support education and prevention efforts. I would also provide a further platform for millions of Americans to raise awareness about the importance of keeping children alcohol free.

I urge my colleagues to join me in enacting this important legislation. Mr. President, I ask unanimous consent that the text of this bill be printed in the RECORD.

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

S. 2676

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

SECTION 1. SEMIPOSTAL STAMP TO BENEFIT CHILDHOOD DRINKING PREVENTION AND EDUCATION.

(a) IN GENERAL.—Chapter 4 of title 39, United States Code, is amended by inserting after section 414 the following:

''§ 414a. Special postage stamps to benefit childhood drinking prevention and education

''(a) In this section the term 'childhood drinking' means the consumption of alcoholic beverages by children who are between 9 and 15 years of age.

''(b) In order to afford the public a convenient way to contribute to funding for childhood drinking prevention and education, the Postal Service shall establish a special rate of postage for first-class mail under this section.

''(c)(1) The rate of postage established under this section—

''(A) shall be equal to the regular first-class rate of postage, plus a differential of not to exceed 25 percent;

''(B) shall be set by the Governors in accordance with such procedures as the Governors shall by regulation prescribe (in lieu of the procedures under chapter 36); and

''(C) shall be offered as an alternative to the regular first-class rate of postage.

''(2) The use of the special rate of postage established under this section shall be voluntary on the part of postal patrons.

''(d)(1) Amounts becoming available for childhood drinking prevention and education under this section shall be paid to the Department of Health and Human Services. Payments under this section shall be made under such arrangements as the Postal Service shall by mutual agreement with the Department of Health and Human Services establish in order to carry out the purposes of this section, except that, under those arrangements, payments to the Department of Health and Human Services shall be made at least twice a year.

''(2) In this subsection, the term 'amounts becoming available for childhood drinking prevention and education under this section' means—

''(A) the total amounts received by the Postal Service that it would not have received but for the enactment of this section, reduced by

''(B) an amount sufficient to cover full costs incurred by the Postal Service in carrying out this section, including those attributable to the printing, sale, and distribution of stamps under this section,

as determined by the Postal Service under regulations that it shall prescribe.

''(e) It is the sense of the Congress that nothing in this section should—

''(1) directly or indirectly cause a net decrease in total Federal funding for childhood drinking prevention and education below the level that would otherwise have been received but for the enactment of this section; or

''(2) affect regular first-class rates of postage or any other regular rates of postage.

''(f) Special postage stamps under this section shall be made available to the public beginning on such date as the Postal Service shall by regulation prescribe, but in no event later than 1 year after the date of the enactment of this section.

''(g) The Postmaster General shall include in each report rendered under section 2402 with respect to any period during any portion of which this section is in effect information concerning the operation of this section, except that, at a minimum, each shall include—

''(1) the total amount described in subsection (d)(2)(A) which was received by the Postal Service during the period covered by such report; and

''(2) of the amount under paragraph (1), how much (in the aggregate and by category) was required for the purposes described in subsection (d)(2)(B).

''(h) Section 416 shall not apply to this section. For purposes of section 416 (including any regulation prescribed under subsection (e)(1)(C) of that section), the special postage stamp issued under this section shall not apply to any limitation relating to whether more than 1 semipostal may be offered for sale at the same time.

''(i) This section shall cease to be effective 2 years after the date of enactment of this section.''.

(b) TECHNICAL AND CONFORMING AMENDMENTS.—

(1) TABLE OF SECTIONS.—The table of sections for chapter 4 of title 39, United States Code, is amended by striking the item relating to section 414 and inserting the following:

''414. Special postage stamps to benefit breast cancer research.
''414a. Special postage stamps to benefit childhood drinking prevention and education.''.

(2) AMENDMENT TO HEADING.—The heading for section 414 of title 39, United States Code, is amended to read as follows:

''§ 414. Special postage stamps to benefit breast cancer research''.

SUBMITTED RESOLUTIONS

SENATE RESOLUTION 406—ESTABLISHING A SELECT COMMITTEE ON AEROSPACE IN THE UNITED STATES

Mrs. MURRAY submitted the following resolution; which was referred to the Committee on Rules and Administration:

S. RES. 406

Whereas the aerospace sector of the United States economy generates economic activity equal to 15 percent of the Nation's Gross Domestic Product and supports approximately 11,000,000 American jobs;

Whereas the United States aerospace industry directly employs 574,600 people of the United States, the lowest employment level of United States workers since World War II;

Whereas employment in the United States aerospace industry is down 57 percent, as more than 750,000 jobs have been lost since 1989;

Whereas the United States share of the global aerospace market fell from 72 percent in 1985 to less than 52 percent today;

Whereas according to the Commission on the Future of the United States Aerospace Industry, ''Foreign government subsidies directly affect the competitiveness of our companies. Subsidized prime manufacturers as well as suppliers are able to undercut prices offered by their U.S. competitors, and are better able to weather market downturns. Subsidized companies are able to secure cheaper commercial financing since their governments share the risk associated with bringing new products to market. Subsidized production skews the market itself by flooding it with products that are not commercially viable. Governments providing the subsidies also apply political pressure on customers in an effort to facilitate a positive return on the governments' investments. In many cases, these government subsidies stifle competition and often slow the introduction of new technology into the market. European funding has had the most dramatic impact on U.S. competitiveness because European products directly compete with United States products in most sectors....if we maintain the status quo, U.S. industry will be left to compete against companies that don't play by the same rules.'';

Whereas the aerospace industry is globally competitive with established nations like the United States and the members of the European Union and faces growing competition from numerous nations, including China, Russia, Brazil, Canada, Japan, and others; and

Whereas numerous public policy issues important to the future of aerospace are now before Congress, including the United States air traffic control system, export controls, the aerospace workforce, homeland security, national security, foreign competition, research and development, mathematics and science education, corporate tax and export promotion, and others: Now, therefore, be it

Resolved,

SECTION 1. ESTABLISHMENT OF COMMITTEE.

(a) ESTABLISHMENT.—There is established a temporary Select Committee on Aerospace in the United States (hereinafter referred to as the ''Committee'').

(b) COMPOSITION OF THE COMMITTEE.—

(1) VOTING MEMBERS.—The Committee shall be composed of 11 Senators, 6 to be appointed by the majority leader of the Senate and 5 to be appointed by the minority leader of the Senate.

(2) EX OFFICIO MEMBERS.—Ex officio members of the Committee shall include—

(A) the majority leader of the Senate;

(B) the minority leader of the Senate; and

(C) the chairman and ranking member of each of the following committees:

(i) The Committee on Commerce, Science, and Transportation of the Senate.

(ii) The Committee on Finance of the Senate.

(iii) The Committee on Armed Services of the Senate.

(iv) The Committee on Appropriations of the Senate.

(3) LIMITATIONS ON EX OFFICIO MEMBERS.—An ex officio member—

(A) shall not be counted for the purpose of ascertaining the presence of a quorum of the Committee; and

(B) shall be a nonvoting member of the Committee.

(c) ORGANIZATION OF COMMITTEE.—

(1) CHAIRPERSON.—The majority leader of the Senate shall select the chairperson of the Committee from the members of the Committee.

(2) RANKING MEMBER.—The minority leader of the Senate shall designate a ranking member from the members of the Committee.

(3) VACANCIES.—A vacancy on the Committee shall not affect the power of the remaining members to execute the functions of the Committee, and shall be filled in the same manner as the original appointment.

(d) COMMENCEMENT OF STUDY.—The Committee shall commence its study of the aerospace industry under section 2 on January 3, 2005, or upon the date of appointment of the members of the Committee under subsection (b)(1).

(e) TERMINATION.—The Committee shall cease to exist on December 31, 2006.

SEC. 2. OPERATION OF THE COMMITTEE.

(a) IN GENERAL.—The Committee shall—

(1) make a full and complete study of the United States aerospace industry, including its present and future competitiveness and its importance to the United States and to the global economy; and

(2) recommend legislative, administrative, and regulatory remedies, as approved by a majority of the committee members.

(b) FOCUS OF STUDY.—The study shall include an examination of—

(1) the role of the Federal Government in the aerospace industry;

(2) the importance of the aerospace industry to the United States economy;

(3) global competition and its impact on the aerospace industry of the United States;