

I suggest very close similarities between British intelligence and U.S. intelligence and the reliance of the executive branch and the reliance of Congress in our vote to use force and in the action of the British, that the self-criticism ought not to be levied in the context of the findings by the British report that clears Prime Minister Blair of accusations that he or his Government distorted the evidence to build the war and the finding by Lord Hutton that no single individual is to blame but, rather, it was a collective operation.

I yield the floor.

The PRESIDING OFFICER. The Senator from Minnesota.

JOB CREATION

Mr. DAYTON. Mr. President, I have the greatest respect for the majority leader, and I agree with him on many subjects, but earlier tonight he had some pretty harsh words for some of the economic statements that I and others of my colleagues have been making in recent weeks. He called them "canards" which is a nice sounding word but means they are false statements.

I feel compelled to rise and present what I think is a better version of the facts which, as we can see, are very different. The majority leader, as I understood his argument, was saying the new jobs that are now being created in the economy are better paying on average than the average of other jobs that were in existence in the year 2003. But that misses the essential point, which is that most of those newly created jobs pay less and offer lower benefits than the over 2.5 million jobs lost during the first 2½ years of the Bush administration. Most of those jobs were good-paying manufacturing jobs, and most of them have not come back. Many of them have been transferred to other countries with lower wages and no standards. They are not coming back at all.

Those are the jobs that the unemployed workers of America are now finding and that are paying on average thousands of dollars less than the jobs those workers held before the recession began in March of 2001. They are among the millions of Americans whose incomes have fallen, who used to have jobs with health insurance but now don't.

I quote from an editorial in today's New York Times in part which states:

From three different vantage points . . . the same basic picture emerges: While there has been an increase in job creation over the past four months—an unusually belated and anemic spurt by historical standards—the bulk of the activity has been at the low end of the quality spectrum. The Great American Job Machine is not even close to generating the surge of the high-powered jobs that is typically the driving force behind greater incomes and consumer demand.

This puts households under enormous pressure. Desperate to maintain lifestyles, they have turned to far riskier sources of support.

Reliance on tax cuts has led to record budget deficits, and borrowing against homes has led to record household debt. These trends are dangerous and unsustainable, and they pose a serious risk to economic recovery.

We hear repeatedly that the employment disconnect is all about productivity—that America needs to hire fewer workers because the ones already working are more efficient. This may well be true, but there is a more compelling explanation: global labor arbitrage. Under unrelenting pressure to cut costs, American companies are now replacing high-wage workers here with like-quality, low-wage workers abroad.

It was only a matter of time before the globalization of work affected the United States labor market. The character and quality of American job creation is changing before our very eyes. Which poses the most important question of all: what are we going to do about it?

That is a subject which both of our major party candidates for President this year need to address—what are we going to do about it?

The response of President Bush and his economic apologists thus far is to deny even the reality. Fortunately, we have their own earlier predictions by which to measure today's economic facts.

In May of 2003, the President's own Council of Economic Advisers stated that his what was then called jobs and growth plan of more deficit-driving tax cuts for the rich and the super-rich would result in the creation, they said, of 5.5 million new jobs by the end of this year. Congress passed the President's plan, and it took effect in July of 2003. The actual number of jobs created in the past 12 months is over 2.2 million fewer jobs than the President's Council of Economic Advisers forecast. In fact, the job creation in this country has failed to meet the President's forecasts in 10 of the last 12 months.

Once again, the administration trots out their favorite apologist, Chairman Greenspan, whose salary now should be paid by the President's reelect committee rather than the American taxpayers, who preached fiscal responsibility for 8 years to President Clinton's administration and to the Congress at that time and was instrumental in creating a balanced Federal budget in the year 2000, after taking out the Social Security trust fund—the first time in 40 years that the budget of the Federal Government, the operating accounts were balanced. He then turned around and has acquiesced with every tax cut that has been passed and which has led to the deficits that now exceed over \$500 billion a year and which the non-partisan Concord Coalition, chaired by former Republican Senator Rudman, has called the most reckless fiscal policy in this Nation's history.

Mr. Greenspan, who acquiesced in those, now comes forward and says the tax cuts prevented a deeper recession. In part, he is probably correct that the child tax credit, which certainly passed here with overwhelming bipartisan support, and the 10-percent bracket had those benefits, but certainly nobody could say eliminating the estate tax in

2010 was a force in either dampening the recession or speeding our recovery, nor did making the top tax brackets for the rich and the super-rich even lower, according to most economists, result in that kind of economic stimulus. In fact, the Federal Reserve's own econometric forecast states that public spending is a better multiplier for jobs and economic growth than the tax cuts.

He has gone farther in the last day to say the reason we have lower paying jobs in America is now because American workers are not well enough educated. It is pretty hard to understand how the educational quality of the American workforce could change from what it was prior to the recession when employment had expanded at a robust pace for almost 8 years to where it is less than 3 years later. In fact, the reality is that many American workers are overeducated for the jobs that are available, as the New York Times editorial and other economic analyses have attested. We are not providing the jobs in this economy that people need with the talents they have. We are not providing the jobs people need to maintain the standards of living they enjoyed before. And we are not providing enough jobs for the unemployed and underemployed people of this country. That is the reality, not a canard.

I thank the Chair, and I yield the floor.

The PRESIDING OFFICER. The Senator from Kentucky.

COAST GUARD AND MARITIME TRANSPORTATION ACT OF 2004—CONFERENCE REPORT

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Senate proceed to the consideration of the conference report to accompany H.R. 2443, the Coast Guard reauthorization bill.

The PRESIDING OFFICER. The clerk will report.

The legislative clerk read as follows:

The Committee of Conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 2443), to authorize appropriations for the Coast Guard for fiscal year 2004, to amend various laws administered by the Coast Guard, and for other purposes, having met, after full and free conference, have agreed that the House recede from its disagreement to the amendment of the Senate, and agree to the same with an amendment, signed by all conferees on the part of both Houses.

The PRESIDING OFFICER. Without objection, the Senate will proceed to the consideration of the conference report.

(The conference report is printed in the House proceedings in the CONGRESSIONAL RECORD of Tuesday, July 20, 2004 (Volume 150, Number 101).

Mr. MCCAIN. Mr. President, I rise today as the chairman of the Senate Committee on Commerce, Science, and Transportation, and I am pleased to announce today the successful completion of the conference report for H.R.

2443, The Coast Guard Maritime Transportation Act of 2004. The conference report will provide the Coast Guard with the authorization bill it desperately needs to carry out all its missions, protect the homeland, and ultimately prepare for the future.

This legislation will provide the Coast Guard with an authorization for fiscal year 2004 and several critical programs. First and foremost, it authorizes the funding and personnel levels it needs to fulfill its obligation to the maritime communities of this Nation. It will provide the Coast Guard with \$5.4 B in authorized operating expenses, and a \$1.1 B authorization for the Integrated Deepwater Program designed to allow the Coast Guard to continue the prosecution of its traditional missions, while at the same time combating new and emerging threats.

Additionally, the conference report authorizes an increase in the active duty personnel to 45,500 personnel, an increase of nearly 8,000, including an authorization for up to 6,700 officers that are desperately needed to fill critical homeland security positions.

The Secretary of homeland security is now authorized to require vital electronic navigation systems onboard vessels the Secretary deems necessary in order to improve and facilitate safe navigation.

A National Coast Guard Museum will be established in New London, CT that will exemplify the fine traditions and heritage that the United States Coast Guard possesses, yet until today, has been unable to properly display. This legislation will now allow the public to witness first hand, the legacy of what once was the Lifesaving Service, now evolved into the modern-day Coast Guard.

This legislation also provides many provisions which improve the Coast Guard's ability to recruit, reward, and retain high-quality personnel. It addresses personnel management and quality of life issues by providing for a critical skills training bonus, retaining commissioned officers with essential skill sets and experiences, expanding property authorities to ease housing shortages, and includes several measures that grant parity with the other Armed Services. There are also many provisions regarding Law Enforcement, Marine Safety, and Environmental Protection which allow the Coast Guard to better accomplish its many missions.

Further, the legislation requires increased reporting and targeting for inspection of cargo containers headed to the United States. It also provides for increased research and development to improve and deploy port security technology. There are also a number of provisions that clarify the role of the Coast Guard in leading the United States' efforts to improve port and maritime security.

This legislation was crafted in a bipartisan fashion and it provides the Coast Guard with a solid foundation to

do its job both now, and in the future. I am proud to give the Coast Guard the resources it needs to carry out its many essential missions that will result in saved lives, seized contraband, a cleaner environment, and ultimately the protection of our homeland.

Mr. HOLLINGS. I am pleased that the conference committee charged with resolving the differences between the House and Senate versions of H.R. 2443 has reached final agreement on the Coast Guard and Maritime Transportation Act of 2004. Through this bill, Congress underscores our support for a strong and effective Coast Guard.

The Coast Guard has always taken on an impressive array of tasks that are important for our national security, the protection of our resources, and the safety of our mariners. After the tragic events of September 11, 2001, we have asked the Coast Guard to take on even more responsibility for our maritime security, all the while continuing to excel in their traditional missions.

This legislation provides an authorization of \$8,167,610,000 for the Coast Guard's fiscal year 2005 budget, an increase of 19 percent over fiscal year 2004, and important new authority for the Coast Guard to better execute its missions. Of this, \$5,404,300,000 is authorized for the Coast Guard's operating expenses, an increase of 14 percent over fiscal year 2004, with \$100 million allocated to cover the costs of the Coast Guard's new tempo demands. This will assure that the traditional core missions of the Coast Guard—such as search and rescue of mariners in distress and protection of our living marine resources—are not compromised. Most importantly, we authorized approximately \$300 million for port security that was not requested by the President. I believe the provision of these funds are essential to the security of our ports, our waterways, and our maritime transportation industry. In particular, the funds will help implement the Coast Guard's Automatic Identification System, AIS, to track the movement of foreign vessels operating in U.S. waters.

I have always been a firm supporter of providing the Coast Guard with the tools it needs to get the job done. The Coast Guard needs to upgrade its core assets, in particular, its aging fleet of cutters. The Integrated Deepwater Program is the Coast Guard's program for achieving these upgrades, and the administration has not requested sufficient funding in its budgets to even keep this program on track. The bill authorizes \$1.1 billion in fiscal year 2005 for the Deepwater Program. This sends an important signal we support the Coast Guard's modernization effort. I do have some reservations as to whether the Coast Guard can in reality absorb such a large increase over last year's levels, an issue that GAO raised in testimony before the Senate Commerce Committee this year. However, we can consider this issue further when we take up the Department of Home-

land Security, DHS, appropriations bill. I am pleased the conference agreed to procurement management improvements by requiring the Coast Guard to report on how it intends to implement recent GAO recommendations, including measures to increase competition of subcontracts, and how it intends to alter the mix of legacy and replacement assets in the future, as well as expected costs of any changes to its original plan. Unless there are significant changes to the way the Deepwater contracting business is conducted, there will be enormous problems in the future that may ultimately undermine this program.

I would also like to thank the conferees for supporting the inclusion of various measures that were addressed in S. 2279, the Maritime Transportation Security Act of 2004, MTSA 2004, a bill that I introduced to enhance implementation of MTSA 2002. I remain very concerned about the current implementation of port security measures and will continue to demand review of implementation policies to ensure that we are aggressively implementing effective security measures. Specifically, the conference agreement includes important requirements to review and improve cargo security programs. We must have concrete cargo security programs in place to detect and prevent cargo containers from being used in a terrorist attack. In the event we are attacked through our ports, we then need to be able to reopen U.S. ports to the commerce that sustains so much of our Nation's economy, with some degree of confidence. We are far from where we should be. Cargo security programs must require that we can verify the contents do not include weapons of mass destruction. Similarly, cargo security programs must be continually inspected to ensure their compliance. Documentary evaluation of cargo information, while important, does not substitute for physical verification. Our motto should not continue to be: "trust, but don't verify".

I also am pleased that the Coast Guard will be reviewing and reporting on Joint Operations Centers such as Operation SeaHawk. Operation SeaHawk, established in Charleston, SC, is providing law enforcement an opportunity to coordinate their law enforcement and security missions, and is being utilized to help implement the security and contingency response plans for the whole area. I feel confident that this model will be found to provide the best structure to coordinate law enforcement activities of the various agencies that are involved in port security and provide a model for the Coast Guard to utilize Area Maritime Security plans.

I am also pleased that the final bill includes a number of important provisions to address important natural resource issues. For example, the bill includes a number of provisions regarding the Oil Pollution Act, including a program to provide loans to fishermen

and aquaculture producers who are damaged by oil spills, a requirement for using electronic charts which will reduce oil spill incidents, as well as a report on a number of important issues such as the feasibility of speeding up the requirement for double hulls, and the state of health of the oil pollution trust fund. The bill also requires the Coast Guard to improve its coordination on fisheries enforcement with NOAA and State and local authorities. Finally, it mandates that the Coast Guard must cooperate with NOAA in analyzing ship routing measures for certain ports that would reduce ship strikes of the North Atlantic right whale.

Mr. BYRD. Mr. President, I commend Senator MCCAIN, Senator HOLLINGS, and the rest of the conference committee for their hard work on this bipartisan authorization bill. This legislation provides an authorization of \$8.168 billion for the Coast Guard's fiscal year 2005 budget, an increase of 19 percent over fiscal year 2004. This conference agreement also includes important new authority for the Coast Guard to better carry out its missions and meet the growing responsibilities of a post-September 11 environment.

Sadly, when it comes to funding homeland security needs, I believe the congressional intent expressed in this bill will, yet again, be ignored at the White House.

This conference report authorizes \$5.4 billion for the Coast Guard's operating expenses account—an increase of 14 percent over fiscal year 2004 levels and over \$231 million above the President's fiscal year 2005 request for the Coast Guard.

Over 20 months ago, the President signed the Homeland Security Act creating the Department of Homeland Security. With respect to the Coast Guard, that act required that, "...the authorities, functions, and capabilities of the Coast Guard to perform its missions shall be maintained intact and without significant reduction. . . ."

Unfortunately, the administration has not held up its end of the bargain. The administration has failed to provide the Coast Guard with sufficient budgets to maintain both traditional missions and new homeland security responsibilities. As a result, since September 11, 2001, there has been severe degradation in the Coast Guard's traditional mission areas. Because of the administration's negligence, the number of hours the Coast Guard is spending on many of its mission areas has dropped dramatically as compared to pre-September 11, 2001. Drug enforcement is down 41 percent; fisheries enforcement is down 26 percent; search and rescue is down 22 percent; and marine safety is down 41 percent. The administration's fiscal year 2005 request for the Coast Guard falls well short in addressing these serious deficiencies.

This conference report also provides \$1.1 billion for the Coast Guard's program to modernize and/or replace some

100 cutters and 200 aircraft over a multi-year period, called Deepwater. This is \$334 million above the administration's request and puts the program on track to be completed in 15 years, compared to 22 years as proposed by the administration. Since the terrorist attacks on 9/11, the Coast Guard's ships and planes are being used more today than ever in the Coast Guard's history. The Coast Guard Commandant makes no bones about the fact that recapitalizing operational assets is his No. 1 priority. In testimony before the Senate Appropriations Subcommittee on Homeland Security, the Commandant testified that the current condition of the aging, technologically obsolete fleet, threatens Coast Guard mission performance. He testified that Coast Guard assets are in a "declining readiness spiral."

The question that must be asked is, if Coast Guard assets are in a "declining readiness spiral," why has the administration failed to address the situation. Despite the Commandant's plea for help, the President's budget for the Deepwater program will take 22 years to complete. Twenty-two years. This is 2 years slower than the capital improvement program envisioned when Deepwater was conceived prior to the tragic events of September 11th.

The funding authorized in this bill addresses some of the operational and capital deficiencies that have been ignored by the administration. It is a good bill. However, as a result of the President setting arbitrary limits on discretionary spending, the Homeland Security Appropriations bill, at whatever point the Republican leadership decides to allow the Senate to debate the measure, will not come close to funding the Coast Guard at the levels set in this bill.

By all indications, the President will sign this bill into law. Unfortunately, it will likely be thrown into the pile of other homeland security promises that have gone unfulfilled.

Ms. SNOWE. Mr. President, I rise today in support of the Coast Guard and Maritime Transportation Act of 2004. Since the Coast Guard was last authorized in 2002 as part of the Maritime Transportation Security Act of 2002, its responsibilities and needs have continued to evolve. Last year I introduced the Senate Coast Guard Authorization bill (S. 733), the underlying bill of this conference report, to address many of these concerns. We have successfully finished this critical conference and I strongly believe we need to move forward expeditiously and pass this conference report as soon as possible so that we can provide the Coast Guard with the authorization bill it desperately needs.

In April, as Chair of the Oceans, Fisheries, and Coast Guard subcommittee, I held a hearing to examine the Coast Guard's readiness concerns; review the challenges it faces in balancing its homeland security and traditional missions; and ensure that we

provide this service with the fiscal year 2005 budget it needs to carry out all of its many responsibilities.

During this hearing the Coast Guard Commandant, Admiral Collins, presented a stark picture of his service's increasing maintenance costs. I was struck by Admiral Collins' testimony as he laid out the depths of the legacy asset sustainment problems faced by the Coast Guard. I am greatly concerned about the toll such a high operational tempo is taking on his antiquated ships and aircraft and ultimately on his personnel.

The conference report we are considering will provide many important authorizations for the Coast Guard. First and foremost, it would authorize the funding and personnel levels it needs. In recent years we have seen an unprecedented growth in the Coast Guard's budget—more than 30 percent over the past 2 years alone—but this has not been enough. We must provide the Coast Guard with the funding it needs to restore its non-homeland security missions—such as search and rescue, fisheries enforcement, and marine environmental protection—to near their pre-September 11th levels.

Additionally, while we have increased the number of Coast Guard personnel by more than 4,000, we have not raised the statutory cap on its authorized number of officers. We are rectifying this before the Coast Guard reaches its cap and is forced to terminate reserve officer contracts or delay some officer's deserved commissions and promotions. The Conference report raises this cap to 6,700 and prevents the Coast Guard from being forced to implement these drastic measures which would unfairly impact individual officers.

Secondly, we all know that the Coast Guard currently operates the third oldest of the world's 39 similar naval fleets with several cutters dating back to World War II. The administration's fiscal year 2005 request would put this program on a 22-year time line, which is 2 years behind the original 20-year plans. This is simply not acceptable. I strongly believe that we must authorize the acceleration of this critical program because it is the best and most cost effective way to remedy the Coast Guard's readiness problems and provide it with the tools it needs to carry out all of its missions. That is why, I am extremely pleased with the \$1.1 billion authorization for the Deepwater program in this Conference report, which if fully funded, will accelerate the program to a 15-year time line.

This conference report also provides many non-controversial provisions which improve the Coast Guard's ability to recruit, reward, and retain high-quality personnel. It addresses personnel management and quality of life issues by providing for a critical skills training bonus, retaining commissioned officers with essential skill sets and experiences, expanding property authorities to ease housing shortages,

and includes several measures that grant parity with the other Armed Services. There are also many provisions requested by the administration regarding Law Enforcement, Marine Safety, and Environmental Protection which allow the Coast Guard to better accomplish its many missions.

This conference report was crafted in a bi-partisan fashion and it provides the Coast Guard with a solid foundation to do its job. I thank all of the Members who have actively participated in its development. I am proud to give the Coast Guard my full support, and the resources it needs to carry out its many essential missions.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the conference report be agreed to, the motion to reconsider be laid upon the table, and any statements relating to the conference report be printed in the RECORD.

The PRESIDING OFFICER. Without objection, it is so ordered.

The conference report was agreed to.

PRESERVING THE ABILITY OF THE FEDERAL HOUSING ADMINISTRATION TO INSURE MORTGAGES

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the Banking Committee be discharged from further consideration of S. 2712 and the Senate then proceed to its consideration.

The PRESIDING OFFICER. Without objection, it is so ordered. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 2712) to preserve the ability of the Federal Housing Administration to insure mortgages under sections 238 and 519 of the National Housing Act.

There being no objection, the Senate proceeded to consider the bill.

Mr. MCCONNELL. Mr. President, I ask unanimous consent that the bill be read a third time, passed, the motion to reconsider be laid upon the table, and that any statements relating to the bill be printed in the RECORD, without intervening action or debate.

The PRESIDING OFFICER. Without objection, it is so ordered.

The bill (S. 2712) was read the third time and passed, as follows:

S. 2712

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

SECTION 1. AMENDMENT TO GENERAL AND SPECIAL RISK PROGRAM ACCOUNT.

Under the heading "FEDERAL HOUSING ADMINISTRATION—GENERAL AND SPECIAL RISK PROGRAM ACCOUNT" in title II of Division G of the Consolidated Appropriations Act, 2004 (Public Law 108-199), in the first proviso, strike "\$25,000,000,000" and insert "\$29,000,000,000".

Mr. MCCONNELL. Mr. President, I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. FRIST. Mr. President, I ask unanimous consent the order for the quorum call be rescinded.

The PRESIDING OFFICER. Without objection, it is so ordered.

Mr. FRIST. Mr. President, we have actually a lot of business that we are doing and wrapping up for the night. In fact, we are going on recess for the conventions for the next several weeks. Most of the business has been completed, but there will be a lot of very important business that we will be conducting over the next several hours, but we will get it done tonight.

This particular piece of business has to do with patient safety. For me, it means a lot because I can see up close both the importance of this legislation, and have watched it legislatively as it has traveled through its various iterations. So to be able to propound this unanimous consent request is something that we can briefly comment on shortly.

PATIENT SAFETY AND QUALITY IMPROVEMENT ACT OF 2003

Mr. FRIST. Mr. President, I ask unanimous consent the Senate now proceed to consideration of Calendar No. 387, S. 720.

The PRESIDING OFFICER. The clerk will report the bill by title.

The legislative clerk read as follows:

A bill (S. 720) to amend title IX of the Public Health Service Act to provide for the improvement of patient safety and to reduce the incidence of events that adversely affect patient safety.

There being no objection, the Senate proceeded to consider the bill which had been reported from the Committee on Health, Education, Labor, and Pensions, with an amendment to strike all after the enacting clause and insert in lieu thereof the following:

(Strike the part shown in black brackets and insert the part shown in italic.)

S. 720

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 "Patient Safety and Quality Improvement Act".]

SEC. 2. FINDINGS AND PURPOSES.

[(a) FINDINGS.—Congress makes the following findings:

[(1) In 1999, the Institute of Medicine released a report entitled *To Err is Human* that described medical errors as the eighth leading cause of death in the United States, with as many as 98,000 people dying as a result of medical errors each year.

[(2) To address these deaths and injuries due to medical errors, the health care system must identify and learn from such errors so that systems of care can be improved.

[(3) In their report, the Institute of Medicine called on Congress to provide legal protections with respect to information reported for the purposes of quality improvement and patient safety.

[(4) The Health, Education, Labor, and Pensions Committee of the Senate held 4 hearings in the 106th Congress and 1 hearing in the 107th Congress on patient safety where experts in the field supported the recommendation of the Institute of Medicine for congressional action.

[(5) Myriad public and private patient safety initiatives have begun. The Quality Inter-

agency Coordination Taskforce has recommended steps to improve patient safety that may be taken by each Federal agency involved in health care and activities relating to these steps are ongoing.

[(6) The research on patient safety unequivocally calls for a learning environment, rather than a punitive environment, in order to improve patient safety.

[(7) Voluntary data gathering systems are more supportive than mandatory systems in creating the learning environment referred to in paragraph (5) as stated in the Institute of Medicine's report.

[(8) Promising patient safety reporting systems have been established throughout the United States and the best ways to structure and use these systems are currently being determined, largely through projects funded by the Agency for Healthcare Research and Quality.

[(9) The Department of Health and Human Services has initiated several patient safety projects. The Joint Commission on Accreditation of Healthcare Organizations issued a patient safety standard that went into effect on July 1, 2001, and the peer review organizations are conducting ongoing studies of clinical performance measurement of care delivered to beneficiaries under the medicare program under title XVIII of the Social Security Act.

[(10) Many organizations currently collecting patient safety data have expressed a need for legal protections that will allow them to review protected information so that they may collaborate in the development and implementation of patient safety improvement strategies. Currently, the State peer review protections provide inadequate conditions to allow the sharing of information to promote patient safety.

[(11) In 2001, the Institute of Medicine released a report entitled *Crossing the Quality Chasm* that found that the United States health care system does not consistently deliver high quality care to patients.

[(b) PURPOSES.—It is the purpose of this Act to—

[(1) encourage a culture of safety and quality in the United States health care system by providing for legal protection of information reported voluntarily for the purposes of quality improvement and patient safety; and

[(2) ensure accountability by raising standards and expectations for continuous quality improvements in patient safety through the actions of the Secretary of Health and Human Services.

SEC. 3. AMENDMENTS TO PUBLIC HEALTH SERVICE ACT.

[Title IX of the Public Health Service Act (42 U.S.C. 299 et seq.) is amended—

[(1) in section 912(c), by inserting "in accordance with part C," after "The Director shall";

[(2) by redesignating part C as part D;

[(3) by redesignating sections 921 through 928, as sections 931 through 938, respectively;

[(4) in section 938(1) (as so redesignated), by striking "921" and inserting "931"; and

[(5) by inserting after part B the following:

["PART C—PATIENT SAFETY IMPROVEMENT

["SEC. 921. DEFINITIONS.

["In this part:

["(1) NON-IDENTIFIABLE INFORMATION.—The term 'non-identifiable information' means information that is presented in a form and manner that prevents the identification of any provider, patient, and the reporter of patient safety data.

["(2) PATIENT SAFETY DATA.—The term 'patient safety data' means—